

**CALGARY
COMPOSITE ASSESSMENT REVIEW BOARD
DECISION WITH REASONS**

In the matter of the complaint against the property assessment as provided by the *Municipal Government Act*, Chapter M-26, Section 460, Revised Statutes of Alberta 2000 (the Act).

Between

PG-Nom (Alberta), Inc. (as represented by Assessment Advisory Group), COMPLAINANT

And

The City Of Calgary, RESPONDENT

Before

***M. Chilibeck, PRESIDING OFFICER
B. Jerchel, MEMBER
R. Kodak, MEMBER***

These are complaints to the Calgary Assessment Review Board in respect of property assessments prepared by the Assessor of The City of Calgary and entered in the 2011 Assessment Roll as follows:

ROLL NUMBER:	200578565	075107409
LOCATION ADDRESS:	2011 – 48 ST SE	2015 – 48 ST SE
HEARING NUMBER:	63936	63941
ASSESSMENT:	\$431,500	\$233,500

These complaints were heard by the Composite Assessment Review Board on 28th day of October, 2011 in Boardroom 5 on Floor Number 4 at the office of the Assessment Review Board located at 1212 – 31 Avenue NE, Calgary, Alberta.

Appeared on behalf of the Complainant:

- T. Howell

Appeared on behalf of the Respondent:

- B. Brocklebank

Board's Decision in Respect of Procedural or Jurisdictional Matters:

Neither party raised any objections to a member of the Board hearing the subject complaint.

There were no preliminary matters raised by either party.

Both parties agreed both complaints could be heard at one hearing.

Property Description:

The subject properties adjoin each other and are located on 48 ST between 19 AV and 21 Av in market area MR5 in the SE quadrant of The City of Calgary. These two parcels of land are vacant and carry a land use designation (LUD) of DC (Direct Control) and follow land use guideline of DC/RM-4 (Residential Medium Density).

The subject at 2011-48 St contains an area of 0.33 acres or 14,393 sq. ft and the subject at 2015-48 ST contains an area of 0.18 acres or 7,796 sq. ft.

Issues:

The Complainant identified the matters of an assessment amount on the Assessment Review Board Complaint (complaint form) and attached a list outlining several reasons for the complaint. The Board summarized the issue as follows:

1. The assessment of the subject properties is not fair and equitable when compared to two assessment comparables in the same market area as the subjects.

Complainant's Requested Value:

2011 – 48 ST SE

\$330,000 per the complaint form.
\$410,200 per the evidence disclosure.

2015 – 48 ST SE

\$180,000 per the complaint form.
\$222,100 per the evidence disclosure.

Board's Findings in Respect of Each Issue:

The subject properties are assessed at \$30 per sq ft of land area and no adjustment was made for any influences. This rate was determined by using the sales comparison method.

The Complainant argued that the subject assessments should be reduced based on the assessments of two comparables that are corner parcels. Based on the Complainant's understanding that the Respondent applied a corner influence adjustment of plus 5% for corner parcels and that the base assessment rate for multi-residential parcels is \$30 per sq ft, he determined that because the subject parcels are not located on a corner of the block, the parcels should be valued at \$28.50 per sq ft (\$30 less 5%).

The Respondent advised that prior to the 2011 assessment a corner influence adjustment was applied however for the 2011 assessment no corner influence adjustment was applied in the subject's market zone. This was supported by providing a copy from the City's web site titled Multi-residential land property assessments which shows that a corner location is not listed as a land influence. Also, a 2011 Multi Residential Land Influence Adjustments chart was provided by the Respondent that does not list a code or factor for corner influence.

The Board finds that the Complainant was mistaken in understanding that a corner influence adjustment was applied in the subject's market zone. The Complainant may have found the Respondent's Assessment Summary Report misleading which shows a line item for "Influences" and related description of "corner lot" for the comparables. However, the Board believes this misunderstanding by the Complainant could have been prevented if this issue had been discussed by the Complainant with the Respondent prior to filing the complaint or at the latest, upon receiving the Respondent's disclosure. Also, the Board is of the opinion that the Respondent could be more precise in their nomenclature on the Summary Report. The term influences has the connotative meaning that there is an effect on value, either positively or negatively. In this case, the reference to a corner lot would be more appropriately labelled as property characteristic. The Board does note that there is a line item for "Market Adjustment" however on reading the face of the report it is not clear if it applies to influences or an influence.

The Board is persuaded by the Respondent's argument and evidence that a corner influence adjustment is not made in calculating land assessments in the market area of the subject properties.

Board's Decision:

The Board confirms the assessments as follows:

2011-48 ST SE at \$431,500.

2015-48 ST SE at \$233,500.

DATED AT THE CITY OF CALGARY THIS 15 DAY OF November 2011.



M. Chilibeck
Presiding Officer

APPENDIX "A"**DOCUMENTS PRESENTED AT THE HEARING
AND CONSIDERED BY THE BOARD****NO. ITEM**

- | | |
|-------|--------------------------|
| 1. C1 | Complainant's Disclosure |
| 2. R2 | Respondent's Disclosure |
| 3. R3 | CARB 1263-2011-P |

An appeal may be made to the Court of Queen's Bench on a question of law or jurisdiction with respect to a decision of an assessment review board.

Any of the following may appeal the decision of an assessment review board:

- (a) the complainant;*
- (b) an assessed person, other than the complainant, who is affected by the decision;*
- (c) the municipality, if the decision being appealed relates to property that is within the boundaries of that municipality;*
- (d) the assessor for a municipality referred to in clause (c).*

An application for leave to appeal must be filed with the Court of Queen's Bench within 30 days after the persons notified of the hearing receive the decision, and notice of the application for leave to appeal must be given to

- (a) the assessment review board, and*
- (b) any other persons as the judge directs.*

FOR MGB ADMINISTRATIVE USE ONLY

Decision No. 046-2839-2011-P			Roll No. 200578565 & 075107409	
<u>Complaint Type</u>	<u>Property Type</u>	<u>Property Sub-Type</u>	<u>Issue</u>	<u>Sub-Issue</u>
CARB	Residential	High-rise Apartment	Sales Approach	Land Value