



## **Calgary Assessment Review Board**

### **DECISION WITH REASONS**

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

between:

**SYLVIA IRENE KASPER AND  
ANTHONY ROMAS KASPER, COMPLAINANT**

and

***The City Of Calgary, RESPONDENT***

before:

**PRESIDING OFFICER: P. COLGATE  
BOARD MEMBER: D. STEELE  
BOARD MEMBER: A. ZINDLER**

This is a complaint to the Calgary Assessment Review Board in respect of a property assessment prepared by the Assessor of The City of Calgary and entered in the 2013 Assessment Roll as follows:

**ROLL NUMBER: 067138990**

**LOCATION ADDRESS: 923 13 AVENUE SW**

**FILE NUMBER: 70531**

**ASSESSMENT: \$1,910,000**

This complaint was heard on the 16th day of October, 2013 at the office of the Assessment Review Board located at Floor Number 4th, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 10.

Appeared on behalf of the Complainant:

- Sylvia Irene Kasper, Owner

Appeared on behalf of the Respondent:

- David Zhao, City of Calgary
- Kimmi Nguyem, City of Calgary – observing
- Rony Tharakan, City of Calgary - observing

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

[1] The Board derives its authority to make this decision under Part 11 of the Municipal Government Act (the "Act"). The parties had no objections to the panel representing the Board as constituted to hear the matter.

**Property Description:**

[2] The subject property is an 8,723 square foot piece of land located in the Beltline community. It is improved with three structures – two houses of 2,129 square feet and 3,169 square feet and a garage of 2,380 square feet.

[3] The property has been assessed on a Sales Comparison Approach as Land Only value at a rate of \$220.00 per square foot.

[4] The assessment class has been split 85% residential and 15% non-residential due to use of a portion of one structure as an office.

**Issues:**

[5] A number of matters were placed before the Board for consideration:

1. Matter 1 – the description of the property or business
2. Matter 3 – an assessment amount
3. Matter 4 – an assessment class
4. Matter 6 – the type of property
5. Matter 8 – school support

**Complainant's Requested Value: \$1,000,000.00**

**Board's Decision:**

[6] Based upon the lack of compelling evidence and the reasons provided, the Board confirmed the assessment at \$1,910,000.

[7] On the Matter of school support the decision of the Board is to change the school support from Undeclared to Separate School.

**Legislative Authority, Requirements and Considerations:**

[8] In the interest of brevity, the Board will restrict its comments to those items the Board found relevant to the matters at hand. Furthermore, the Board's findings and decision reflect on the evidence presented and examined by the parties before the Board at the time of the hearing.

**Position of the Parties****Complainant's Position:**

[9] On the attachment to the complaint form, the Complainant submitted the subject property 'value should be closer to \$110 per square foot, giving an assessment of slightly less than \$1,000,000.'

[10] The Complainant submitted a list of eleven (11) equity comparables, ten of which sold in 2012. The comparables included ten (10) low-rise apartment buildings and a property identified as a Fee Simple – Collective. (C1, Pg. 2-3)

[11] The Complainant compared the sale price for the properties and their respective assessments on July 1, 2012 and commented on the difference between the two values, either increasing or decreasing between the two dates.

[12] In verbal testimony the Complainant stated the school support designation should be corrected to 'Separate School'.

**Respondent's Position:**

[13] The Respondent advised the Board that the issue on the correct class assignment and the percentages assigned to each class had been corrected and the amended notice before the Board resolved the issue.

[14] The Respondent explained to the Board and the Complainant that the assessment had been determined by calculating the assessment through two methods, as a vacant parcel and as an improved parcel. As the vacant land value exceeded the value generated as an improved parcel then the vacant land rate was applied to the property as most indicative of the sites market value. The Respondent stated "the City of Calgary uses the approach that the assessed land value is the lower limit of market value and only when the value obtained by using the income approach exceeds this value do we apply the income approach". (R1, Pg. 3)

[15] The Respondent submitted a table of the comparable properties submitted by the Complainant, noting that only one comparable had been valued on a sales comparison

approach for vacant land and the balance of the properties being assessed based upon an income approach. The Respondent noted additional areas that lacked similarity between the subject and the comparables submitted (R1, Pg. 8) -

- as previously noted only one comparable assessment based upon vacant land rate;
- only two comparables in the same market zone DC5 and having the same land rates;
- only three comparables in the Beltline community with one being in a different market zone DC9.

[16] The Respondent argued that the Complainant's properties do not support the requested reduction to \$110 per square foot. The Respondent also argued there was, in fact, no market evidence to support the requested assessment.

[17] The Respondent argued the Complainant had submitted no market evidence to disprove the land rate used in the determination of the assessment.

[18] The Respondent presented no challenge to the matter on school support designation.

#### **Board's Reasons for Decision:**

[19] The Board found there was no evidence to support the requested rate of \$110 per square foot in the Complainant's presentation.

[20] The Board noted the comparables lack similarity to the subject property being of different structure type – low-rise apartment. This lack severely limits the reliability for establishing a market value comparison as each is valued differently on the open market.

[21] With respect to Matter 1 – the description of the property or business, the Board found no evidence to support a change to the description of the property or its assessment.

[22] With respect to Matter 3 – an assessment amount, the Board found no market evidence to support a change to the assessment.

[23] With respect to Matter 4 – an assessment class, the Board found this had been corrected with the issuing of the amended notice.

[24] With respect to Matter 6 – the type of property, the Board found the property had been correctly identified. Confusion arose over the application of a Land Only valuation to the property to establish its market value. The Board found no evidence to support a change to the assessment.

[25] With respect to Matter 8 – school support. The Board found the property had been incorrectly identified as 'Undeclared' and corrects the property to be identified as 'Separate School'.

[26] The Board notes the lack of evidence by the Respondent to support the land rate applied to the subject property or a detailed analysis on how the assessment was prepared.

[27] The Board found the Complainant had not met the burden of proof to support its requested assessment.

[28] Decision of the Board was to confirm the assessed value at \$1,910,000, but the Board did change the school designation to 'Separate School'.

DATED AT THE CITY OF CALGARY THIS 21<sup>st</sup> DAY OF November 2013.



PHILIP COLGATE  
Presiding Officer

**APPENDIX "A"****DOCUMENTS PRESENTED AT THE HEARING  
AND CONSIDERED BY THE BOARD:**

<b>NO.</b>	<b>ITEM</b>
1. C1	Complainant Disclosure
2. R1	Respondent Disclosure

*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.*

**LEGISLATIVE REQUIREMENTS****MUNICIPAL GOVERNMENT ACT****Chapter M-26**

1(1)(n) "market value" means the amount that a property, as defined in section 284(1)(r), might be expected to realize if it is sold on the open market by a willing seller to a willing buyer;

**Division 1****Preparation of Assessments****Preparing annual assessments**

**285** Each municipality must prepare annually an assessment for each property in the municipality, except linear property and the property listed in section 298. RSA 2000 cM-26 s285;2002 c19 s2

**289(2)** Each assessment must reflect (a) the characteristics and physical condition of the property on December 31 of the year prior to the year in which a tax is imposed under Part 10 in respect of the property,

**ALBERTA REGULATION 220/2004****Municipal Government Act****MATTERS RELATING TO ASSESSMENT AND TAXATION REGULATION**

1(f) "assessment year" means the year prior to the taxation year;

**Part 1****Standards of Assessment****Mass appraisal**

**2** An assessment of property based on market value

(a) must be prepared using mass appraisal,

(b) must be an estimate of the value of the fee simple estate in the property, and

(c) must reflect typical market conditions for properties similar to that property.

**Valuation date**

**3** Any assessment prepared in accordance with the Act must be an estimate of the value of a property on July 1 of the assessment year.

**FOR ADMINISTRATIVE USE**

Subject	Property Type	Property Sub-Type	Issue	Sub-Issue
CARB	Residential	High-Rise Apartment (Unit Ownership)	Cost/Sales Approach	Class