



Calgary 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:

444 Seventh Inc. (as represented by Colliers International), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

F. Wesseling, PRESIDING OFFICER

S. Rourke, BOARD MEMBER

E. Reuther, BOARD MEMBER

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: 068247907

LOCATION ADDRESS: 609 3rd Street SW

FILE NUMBER: 70721

ASSESSMENT: \$1,070,000

This complaint was heard on 25 day of June, 2013 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 9.

Appeared on behalf of the Complainant:

- *A. Farley, Colliers International*

Appeared on behalf of the Respondent:

- *K. Gardiner, City of Calgary*

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

[1] No specific jurisdictional or procedural matters were raised during the course of the hearing, and the CARB proceeded to hear the merits of the complaint

Property Description:

[2] The property is located in downtown Calgary and is a privately owned laneway between 444 7 Avenue SW (Barclay Centre 1) and 606 4 Street SW (Barclay Centre II). The laneway provides access to the parking and loading docks for the buildings and has a gate at the entrance, and contains 4,338 square feet. The Calgary Land Use Bylaw classifies the subject parcel Direct Control District (DC).

Issues:

The Complainant raised the following matter in Section 4, item 3 of the Assessment Complaint form: Assessment amount. Requested assessed value of \$642,000.

Presentation of the Complainant and Respondent were limited to:

- The request to change the assessment to a nominal value of \$1000 for the property.

Complainant's Requested Value: \$1,000

Board's Decision:

[3] Upon reviewing information provided by the parties, the Board found that the Complainant failed to demonstrate that the assessment should be reduced to a nominal value.

[4] The Board confirms the assessment at **\$1,070,000**.

Legislative Authority, Requirements and Considerations:

[5] The Composite Assessment Review Board receives its authority under the appropriate sections outlined in Part 11 of the Municipal Government Act (MGA). In particular Section

467(1) of the MGA is referenced.

Position of the Parties

Complainant's Position:

[6] The Complainant submitted that the property, historically, has been given a nominal value for its assessment and is reflected in a decision in 2012 by the Composite Assessment Review Board (C1, p17 CARB 1674-2012-P)). The subject laneway was purchased by the owner for \$175,000 in July of 1999 with the expressed purpose to enhance the redevelopment potential of the block (C1, p3). All properties on the block including the subject property are controlled by the same ownership.

[7] The Complainant outlined that there are no current plans to redevelop the block and that the existing buildings (constructed in 1960 and 1969) are performing well and revenue producing. It is felt that the laneway has little value other than to provide access to a parkade for two adjacent office towers. It was further suggested that the value of the laneway was captured in the assessment of the adjacent office towers. The Complainant reviewed the assessment of the adjacent structures.

Respondent's Position:

[8] The Respondent submitted the laneway property was assessed based on the Direct Sales Comparison Approach. A sale of a laneway at 525 4 street SW between Imperial Oil Resources Ltd and the City of Calgary was cited as an equity comparable (R1 pgs 23-35). This laneway was sold for \$925,000 in 2009 and its assessment is similar to the subject property.

[9] The Respondent reviewed the assessment of the adjacent office towers and indicated that the city has not captured the value of the laneway in the assessment of the adjacent structures. The fact that the owners purchased the property originally for \$175,000 in 1999 and requested an assessment of \$642,000 for 2013 indicates that the owners place significant value on the subject property.

[10] It was acknowledged that currently there are no indications that the block is to be redeveloped however the value of the laneway ownership in conjunction with the two adjacent properties makes the block attractive for redevelopment. The Respondent reviewed the redevelopment of a nearby block by Brookfield Office properties as an example of the importance of ownership of all properties within the block.

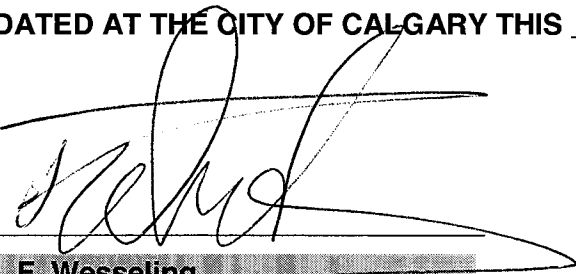
Board's Reasons for Decision:

[11] Reasons:

- In the Board's opinion the subject property has significant value as was demonstrated by the original sale price.
- The Respondent proved through the evidence provided that the subject property and the adjacent properties controlled by the same owner have good redevelopment potential.
- The complainant was unable to provide evidence that the value of the subject property was captured in the assessment of the adjacent office towers.

- The purpose of the assessment is to determine the market value as outlined in the Municipal Government Act, and the evidence before the Board as presented by the Respondent supports this.

DATED AT THE CITY OF CALGARY THIS 24th DAY OF July 2013.



F. Wesseling

Presiding Officer

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

NO.	ITEM
1. C1	Complainant Disclosure
2. R1 Assessment Brief	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.*

For MGB Administrative Use Only

<i>Decision No.</i>		<i>Roll No.</i>		
<u>Subject</u>	<u>Type</u>	<u>Issue</u>	<u>Detail</u>	<u>Issue</u>
CARB	Privately owned Laneway between 2 office towers	Market value	Nominal value request	developability

