



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

***Sun Life Assurance Company of Canada
(as represented by MNP LLP), COMPLAINANT***

and

The City Of Calgary, RESPONDENT

before

***L. Yakimchuk, PRESIDING OFFICER
B. Bickford, BOARD MEMBER
G. Milne, 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: 009004813

LOCATION ADDRESS: 6819 8 St NE

FILE NUMBER: 71076

ASSESSMENT: \$1,100,000

This complaint was heard July 3, 2013 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 8.

Appeared on behalf of the Complainant:

- *G. Worsley, MNP LLP*

Appeared on behalf of the Respondent:

- *N. Domenie, City of Calgary Assessment Office*

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

[1] The Complainant withdrew his Rebuttal Evidence. There was a Response to the Rebuttal submitted by the Respondent which was not protested because of the withdrawal of the Complainant's Rebuttal.

Property Description:

[2] The subject property is assessed as a 1.16 Acre (A) land only parcel zoned I-B. It is located in NE Calgary, south of the airport. This parcel is currently used as overflow parking for an adjacent property and the map shows it is accessible only through the adjacent property.

Issues:

- [3] Is the subject property valued equitably with other, similar properties?
- [4] Does the assessment reflect Market Value of the property?

Complainant's Requested Value: \$809,500

Board's Decision:

- [5] The Board reduces the assessment to \$809,500.

Legislative Authority, Requirements and Considerations:

The Composite Assessment Review Board (CARB) derives its authority from the Municipal Government Act (MGA) RSA 2000 Section 460.1:

(2) Subject to section 460(11), a composite assessment review board has jurisdiction to hear complaints about any matter referred to in section 460(5) that is shown on an assessment notice for property other than property described in subsection (1)(a).

For the purposes of this hearing, the CARB will consider MGA Section 293(1)

In preparing an assessment, the assessor must, in a fair and equitable manner,

- (a) apply the valuation and other standards set out in the regulations, and
- (b) follow the procedures set out in the regulations.

Matters Relating to Assessment and Taxation Regulation (MRAT) is the regulation referred to in MGA Section 293(1)(b). The CARB decision will be guided by MRAT Section 2, which states that

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.

and MRAT Section 4(1), which states that

The valuation standard for a parcel of land is

- (a) market value, or
- (b) if the parcel is used for farming operations, agricultural use value.

Position of the Parties

Complainant's Position:

[6] The Complainant, G. Worsley, MNP LLP, presented a list of five land only comparable I-B properties with a median sale value of \$700,000/A. 2013 Industrial Land Values for the Northeast Quadrant of Calgary are \$950,000/A for the first two acres.

[7] The Comparable properties on the Complainant's list all had NW addresses.

[8] The Complainant argued that the Northwest properties he included as comparables were more comparable than any Northeast properties recently sold, as the one recent Northeast I-B sale was part of a land assembly and not a good example of Market Value, and the remainder were I-G, not I-B parcels. He said that the Northwest properties all had convenient access to the airport, as does the subject.

[9] G. Worsley also provided a map which showed that access into the subject property was through the adjacent lot, and the City of Calgary Assessment explanation, which showed that the 1.16 A parcel had an I-B f1.0 land use, limiting the number of square feet of improvement floor space to the number of square feet of subject land. He also provided RealNet information on the comparable properties.

Respondent's Position:

[10] N. Domenie, City of Calgary Assessor, presented a table of comparable Industrial Sales in NE Calgary which included four I-B sales and nine I-G sales. Two of the I-B sales were from 2013, one was a part of a portfolio, and one was sold as an I-B property, but subsequently changed to I-G. Mr. Domenie explained that with the lack of I-B sales in the NE, the City looked to I-G sales, which showed a median value of \$935,072.41/A.

[11] The Respondent provided RealNet information on the comparable properties he listed to support the City's Land Rate study.

Board's Reasons for Decision:

[12] The Board considered the use of comparables from the NW quadrant by the Complainant and from the NE quadrant by the Respondent. We observed that many of the I-G comparables were not similar to the subject in several ways, including potential for development due to zoning.

[13] The Board decided that the base rate per acre (\$950,000/S for the first two A) for bareland was equitable for land only as all bareland in the NE quadrant is assessed in the same way.

[14] The Board considered the evidence of the map, which showed that the subject property was accessed only through the neighbouring lot.

[15] The Board considered the market evidence and the characteristics and physical attributes of the subject. After reviewing all the evidence, the Board concluded the assessed estimate of Market Value for the subject is incorrect and reduced the value to \$809,500 as requested by the Complainant.

DATED AT THE CITY OF CALGARY THIS 1 DAY OF August 2013.



L. Yakimchuk

Presiding Officer

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

NO.	ITEM
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.*

Appeal Type	Property Type	Property Sub-type	Issue	Sub-Issue
CARB	Other	Vacant Land	Sales Approach	Land Value