



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:

***Colette Investment Inc. (as represented by Colliers International Realty Advisors Inc.),
COMPLAINANT***

and

The City Of Calgary, RESPONDENT

before:

***R. Fegan, PRESIDING OFFICER
Y. Nesry, BOARD MEMBER
D. Pollard, 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:	068205301
LOCATION ADDRESS:	240 17 AV SW
FILE NUMBER:	71668
ASSESSMENT:	\$5,840,000

This complaint was heard on the 3rd day of September, 2013 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 6.

Appeared on behalf of the Complainant:

- B. Peacock, (Colliers International Realty Advisors Inc.)

Appeared on behalf of the Respondent:

- C. Chichak, (City of Calgary)

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

- [1] No procedural or jurisdictional matters were raised.

Property Description:

[2] The subject property is a former funeral home. The buildings are still in place however the assessment is based on a vacant land value. The base rate for the assessed value is \$220 per square foot adjusted upwards by 5% because it is a corner lot. The site size is 25,307 square feet and the land use designation is Commercial Corridor 1, (C-COR1,F3,oh46).

Issues:

- [3] The issues in this complainant are market value and equity.

Requested Value: \$4,000,000.

Board's Decision: \$4,250,000.

Position of the Parties

Complainant's Position:

[4] The Complainant introduced one sale which he felt was the best indicator of the value of the subject property. The sold property was located at 103 17 AV SE. The parcel size was 25,240 square feet and it was a corner lot. The land use designation was Commercial Corridor 2, (C-COR2, M-C2). The sale took place in June 2012 and the unadjusted sale price per square foot was \$166.40.

[5] The Complainant argued that the subject property's assessment was not equitable when compared to similar land in the immediate vicinity. The Complainant pointed out that in previous years the assessed land values in the two areas described for assessment purposes as Beltline 7 and Beltline 8, had been based on the same base rate. In 2013 the base land rate for Beltline 7 was \$220 per square foot, while the base rate for Beltline 8 was \$160 per square foot. The

Complainant argued that there was no market evidence to support such a change in the rate because there had not been any land transactions in the district of Beltline 7.

[6] The Complainant pointed out that for the purpose of their commercial property rental analysis the Respondent had grouped the two areas of Beltline 7 and Beltline 8, together and applied the same base rental rates to both districts. The Complainant argued that if the rental market did not change between BL-7 and BL-8, it was unlikely that the land values differed significantly.

[7] In rebuttal, the Complainant provided maps showing the relative locations of the sales used by the Respondent to support the assessed value of the subject. The Complainant also provided a map showing the locations of other properties in relation to the subject property's location which were assessed using the \$160 rate.

Respondent's Position:

[8] The Respondent provided two different land value studies, one that was comprised of three Beltline 2 sales and one Beltline 8 sale, as well as one post facto sale from Beltline 8. The other study was comprised of two Beltline 4 sales and two Beltline 3 sales as well as one post facto sale from Beltline 4.

[9] The Respondent provided evidence that the land (either vacant or deemed to be vacant) in Beltline 7 was assessed using a base rate of \$220 and the land (either vacant or deemed to be vacant) in Beltline 8 was assessed using a base rate of \$160.

[10] The Respondent argued that because the rates had been applied uniformly within each of the two districts that the assessment was equitable within each district.

Board's Reasons for Decision:

[11] The Board found that the Respondent's analysis did not include any sales information taken from Beltline 7. The Board found that the Respondent's analysis did indicate a trend towards increasing land values as you moved from east to west between Centre St. and 10 ST SW, however the Board did not find any evidence that the values increased from \$160 to \$220 within the same block.

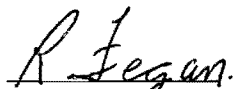
[12] The Board noted that the one sale provided by the Complainant had also been included in the Respondent's analysis and the Board found that due to the sale date, the size of the sold property, the zoning of the sold property and the location of the sold property, that this sale was the best indicator of the value of the subject property.

[13] The Board noted from exhibit R-1, pages 30 to 43, that those properties facing 17 AV SW in the same block as the subject property were assessed at the lower rate of \$160 per square foot.

[14] The Board found that a base rate of \$160 (adjusted by +5% for the corner influence) was reflective of the market value of the subject property.

[15] The Board found that a base rate of \$160 (adjusted by +5% for the corner influence) was equitable with the abutting properties on 17 AV SW.

DATED AT THE CITY OF CALGARY THIS ^{25th} DAY OF September 2013.



R. Fegan
Presiding Officer

APPENDIX "A"

**DOCUMENTS PRESENTED AT THE HEARING
AND CONSIDERED BY THE BOARD:**

NO.	ITEM
1. C1	Complainant Disclosure
2. R1	Respondent Disclosure
3. C1	Complainant Rebuttal

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.*

CARB Identifier Codes

Decision No.		Roll No.		
<u>Complaint Type</u>	<u>Property Type</u>	<u>Property Sub-Type</u>	<u>Issue</u>	<u>Sub-Issue</u>
CARB	Commercial	Land	Market Value	Equity

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