

## **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:

**970742 Alberta Ltd., (as represented by Linnell Taylor Assessment Strategies),  
COMPLAINANT**

and

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

before:

***R. Fegan, PRESIDING OFFICER  
H. Ang, BOARD MEMBER  
P. Charuk, 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:

<b>ROLL NUMBER:</b>	<b>051065308</b>
<b>LOCATION ADDRESS:</b>	<b>2315 68 ST NE</b>
<b>FILE NUMBER:</b>	<b>72014</b>
<b>ASSESSMENT:</b>	<b>\$2,400,000</b>

This complaint was heard on the 17<sup>th</sup> day of July 2013 at the office of the Assessment Review Board located at Floor Number , 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 11.

Appeared on behalf of the Complainant:

- J. Mayer (Linnell Taylor Assessment Strategies)

Appeared on behalf of the Respondent:

- T. Johnson (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 retail centre occupied by a gas station, a car wash and a convenience store. The parcel size is 46,394 square feet. The land use designation is C-N2 (neighbourhood commercial). The property has been assessed using the cost approach to value.

**Issues:**

- [3] The issue in this complainant is market value, more specifically the land value.

**Requested Value: \$1,523,000.**

**Board's Decision:**

**The complaint is denied and the assessment is confirmed at \$2,400,000.**

**Position of the Parties**

**Complainant's Position:**

- [4] The Complainant provided four sales to support his position that the land rate applied to the subject was in excess of market value. Upon review of the evidence the Complainant concluded that Sale # 3 was an outlier and presented a second table using only the three remaining sales.

- [5] The sales were located in both north east and south east locations. All sales were zoned C-N2, and they ranged in size as follows: 0.94 acre, 4.97 acres and 2.05 acres.

- [6] In rebuttal to the City's evidence the Complainant presented two additional charts with

largely the same sales. In this case the Complainant had divided the sales into two separate charts, one with properties ranging from 10,125 to 22,216 square feet and the other with properties ranging from 40,946 to 116,000 square feet. The average sale price per square foot for the smaller size range was \$61.96 and the average sale price per square foot for the larger size range was \$18.96.

**Respondent's Position:**

[7] The Respondent described how the land value had been calculated. The assessor had applied land rates on a declining scale to recognize the economies of scale which takes place in the vacant land market. Land rates had been applied to the subject property as follows;

\$63.00 per square foot for the first 10,000 square feet.

\$31.00 per square foot for the next 40,000 square feet.

\$7.00 per square foot for all land over 50,000 square feet.

[8] The Respondent provided a table of CN-2 land sales ranging in size from 10,125 square feet to 289,674 square feet to demonstrate that the rate per square foot varied dramatically based on parcel size.

[9] The Respondent provided two additional tables one showing the assessment to sale ratio of the adjusted sale prices compared to the 2013 land assessment, the other showing the assessment to sale ratio using the Complainant's requested assessment rate. (exhibit R-1, page 26)


[10] The Respondent questioned the validity of several of the sales used by the Complainant and pointed out that after the sale of 279 Copperfield Common, the property was developed for multi-residential purposes and is zoned M-2.

**Board's Reasons for Decision:**

[11] It was obvious from the evidence of both parties that parcel size had a significant impact on the sale price. The Complainant's request for a uniform rate of \$19.00 to be applied to the entire parcel of the subject size was based on three sales (C-2, page 3), two of which were significantly larger than the subject. The Board found that the \$19.00 requested rate was too heavily impacted by the sale of larger parcels.

[12] The Board found that the application of variable rates carried out by the assessor more closely reflected the actions of market participants as demonstrated by the Respondent's assessment to sale ratio study (R-1, page 26)

**DATED AT THE CITY OF CALGARY THIS 16<sup>th</sup> DAY OF August 2013.**



**R. Fegan**

**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
3. C2	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

<b>Decision No.</b> CARB 72014-P			<b>Roll No.</b> 051065308	
<b><u>Complaint Type</u></b>	<b><u>Property Type</u></b>	<b><u>Property Sub-Type</u></b>	<b><u>Issue</u></b>	<b><u>Sub-Issue</u></b>
CARB	Commercial	Retail	Market Value	Land Value

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