



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:

WESTERN SECURITIES LIMITED
(as represented by Altus Group), **COMPLAINANT**

and

The City Of Calgary, RESPONDENT

before:

R. Glenn, PRESIDING OFFICER
B. Jerchel, BOARD MEMBER
J. Kerrison, 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 2014 Assessment Roll as follows:

ROLL NUMBER:	067034306	067034207	067034405
LOCATION ADDRESS:	1018-5th Ave SW	1014-5th Ave SW	1020-5th Ave SW
FILE NUMBER:	74481	74483	74482
ASSESSMENT:	\$976,000	\$975,500	\$1,300,000

This complaint was heard on Tuesday, the 10th day of June, 2014 at the offices of the Assessment Review Board located at Floor Number 3, at 1212 – 31 Avenue NE, Calgary, Alberta, in Boardroom 8.

Appeared on behalf of the Complainant:

- M. Cameron, Agent, Altus Group

Appeared on behalf of the Respondent:

- D. Zhao, Assessor, City of Calgary
- S. Gill, Assessor, City of Calgary

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

[1] There were no questions of Procedure or Jurisdiction raised prior to, or during the hearing. However, prior to the matter being heard, the Complainant requested that the argument and evidence presented as a part of CARB 75104-2014-P, CARB 76084-2014-P and CARB 76083-2014-P be incorporated into this matter and that this matter and CARB 74482-2014-P and CARB 74483-2014-P all be heard together. This was not objected to by the Respondent. The Board granted the request.

Property Description:

[2] The subject properties consist of three small land parcels currently used as parking lots, which are adjacent to each other, located on 5th Ave between 9th and 10th St SW, all with the same owner and a Traffic Main adjustment, with a base rate of \$200/sf. The sites will most likely be developed as multi-residential.

Issue:

[3] Whether the subject parcels should be assessed at the current land only base rate of \$200/sf, with adjustments, or an equitable base rate of \$180/sf, or, \$145t/sf.

Complainant's Requested Value: \$180/sf, or, \$145/sf with no adjustments

Board's Decision:

[4] The Board confirms that the subject original assessments are the correct values for the subject properties.

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

[5] The Complainant argued that the subjects should be equitably assessed. They noted the Respondent's argument was simply that the subject was properly assessed. They argued that because of the subject's proximity to the Metro Ford property, (just four blocks straight south) notwithstanding that the subjects and Metro Ford are in the same DT2W zone, the subjects should be assessed at lower than the DT2W rate, based on either equity or, sales comparables. The subject properties sit just west of the dividing line between DT2E and DT2W, and so they are definitely in the DT2W zone.

[6] The Complainant acknowledged that the subjects are only slightly closer to the downtown core than the Metro Ford site, and that properties further west have a lower price, partly because they are further from the core. They also acknowledged that the subjects are under the same Direct Control bylaw as the Metro Ford site.

[7] The Complainant also admitted under cross examination that their position was not based on land use, but on equity, or sales. The subjects are not in the CR20 zone which has yet to be approved, however, they are in an area of transition. They complete their argument by stating that the subject property is physically in closer proximity to the \$180/sf properties than most of the properties with a higher rate. They say the subjects have substantial re-development potential.

[8] The Complainant also raised the question of which was the more important factor; being closer to the downtown core, or, the actual market value of the subjects. The Complainant finished their argument by stating that the subjects should be assessed at the lower rate based on either equity, or on sales for a number of reasons including development potential. They also state that the subject properties have not increased in value for the past three years, even though this year's assessments show a 66% increase from last year.

Respondent's Position:

[9] The Respondent argued that the Complainant's argument (or, rather lack of argument) on land use alone is clearly not enough to request an equity argument.

[10] The Respondent presented a Downtown Land ASR Study that encompassed 29 properties which purported to demonstrate a Median Assessment to Sales Ratio (ASR) of 0.99, and an average ASR of 1.03. This certainly showed a median ASR for the 29 properties, but did not really advance the Respondent's position as ASR is not in issue here.

[11] The Respondent went on to advocate that its chart of Post Facto Land Sales comparables clearly demonstrated that those sales were all in excess of the assessed value of the subject. But once again, these were Post Facto figures and not directly applicable to the subjects as they are now in issue.

[12] In cross-examination, the Respondent suggested that they had assessed the subjects equitably, but provided little evidence of that assertion. The Metro Ford property and the subject properties are both under the same land use bylaw, although that could change. The Respondents also argued that the Complainant's comparable at \$145/sf was based entirely on

a 2011 sale, which has little relevance here

[13] The Respondents argued that the land use was not enough to support a reduction in assessment.

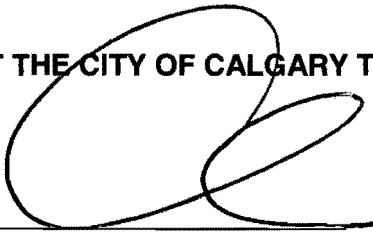
Board's Reasons for Decision:

[14] While the Complainant provided a good argument, and the Board is of the opinion that the subject may compare better with the Metro Ford property than any other, the Metro Ford property at \$182/sf is still assessed 10% lower than a typical lot in the area

[15] Based on all of the foregoing the Board must reject the Complainant's equitable argument and sales arguments and confirm the subject assessment as rendered on the DT2W zoning. While the situation may change when the CR20 bylaw is brought into play, CR20 is of no impact at this time.

[15] Accordingly, the subject assessments are herewith confirmed in the amounts of the original assessments, or File # 74481 at 1018-5th Ave SW = \$976,000, File # 74482 at 1020-5th Ave SW = \$1,300,000, and File # 74483 at 1014-5th Ave SW = \$975,500.

DATED AT THE CITY OF CALGARY THIS 14 DAY of July, 2014.



R. Glenn
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.

For Administrative Use Only

Appeal Type	Property Type	Property type	Sub-	Issue	Sub-issue
CARB	Vacant Land	Parking Lot		Equitable Assessment	Application of Bylaw