



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:

Portland Street Depot Ltd.
(as represented by AEC Property Tax Solutions), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

J. Dawson, PRESIDING OFFICER
I. Fraser, BOARD MEMBER
R. Cochrane, BOARD MEMBER

This is a complaint to the Calgary Assessment Review Board [CARB or the 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:	201492741
LOCATION ADDRESS:	1250 20 AV SE
FILE NUMBER:	74916
ASSESSMENT:	\$1,820,000

This complaint was heard on 24th day of June, 2014 at the office of the Assessment Review Board [ARB] located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 2.

Appeared on behalf of the Complainant:

- *J. Smiley* *Agent, AEC Property Tax Solutions*

Appeared on behalf of the Respondent:

- *R. Luchak* *Assessor, City of Calgary*

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

- [1] There are no preliminary, procedural, or jurisdictional issues.

Property Description:

[2] The subject is a vacant land parcel of 123,112 square feet (2.83 acres) located east of 11th Street on the eastern tip of 20th Avenue SE in the Alyth / Bonnybrook non-residential zone [NRZ] of BB3. The land use designation is industrial general [I-G]. The property abuts train tracks on three sides with an office building on the remaining northern boundary. The site is currently not developed. The property is assessed using the Direct Sales Comparison Approach.

Issues:

[3] Four issues are identified on the complaint form with the Complainant verifying at the hearing that the primary issue is the assessment amount calculation. The Respondent used a typical vacant land rate \$645,000 per acre for the 2.83 acre site. The Complainant does not dispute the calculation; however, is asking for a twenty-five percent (25%) reduction to account for the irregular shape and an additional twenty-five percent (25%) reduction to account for the poor access.

Complainant's Requested Value: \$910,000

Board's Decision:

[4] The Board found the assessment incorrect and adjusted the assessment value to \$1,360,000.

Legislative Authority, Requirements, and Considerations:

[5] The Board did not find any atypical considerations.

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

[6] The Complainant argued that the subject site is irregular in shape. Given the option to purchase a regular rectangular shaped property versus an irregular shaped property, an investor would pay more for a rectangular shaped property. As a result, the subject should receive a twenty-five percent (25%) downward adjustment to reflect the condition as at December 31, 2013.

[7] The Complainant argued that the subject site has severe limitations for access given the three railways on the east, west and south property lines. Given the option to purchase a property with no access issues versus this property, an investor would pay more for the property with no access issues. As a result, the subject should receive a twenty-five percent (25%) downward adjustment to reflect the condition as at December 31, 2013.

[8] The Complainant provided examples of properties receiving these adjustments and indicated that the subject had previously received the adjustments. The property owner has applied for development. The planning authority indicated that an upgraded 20th Avenue is required to provide appropriate access (C1 pp. 3, 10-23, 26-27, 28-34, 35 and A-1 – A-12).

Respondent's Position:

[9] The Respondent argues that the proposed development is at greater than thirty percent (30%) site coverage, which the Respondent considers to be typical; therefore, the shape is not creating a functional or development issue. The Respondent admits that the access is not ideal; however, the Respondent typically provides a reduction for access issues when a property must access through another private property rather than a public roadway (R1 pp. 3-4, 13-14, and 29-31).

Board's Reasons for Decision:

[10] The Board finds no market evidence to suggest what adjustments are necessary to quantify the limitations argued by the Complainant. Market evidence of similar properties with similar shape considerations could establish a value and the Board is reluctant to arbitrarily assign a value.

[11] The Board found the subject of sufficient size to permit a development of a typical thirty percent (30%) site coverage with no limitation on function; therefore, denying the requested twenty-five percent (25%) adjustment for shape.

[12] The Board found the site does suffer from typical access expected in a serviced industrial property and granted the typical adjustment of twenty-five percent (25%) applied within the municipality for poor access. When 20th Avenue is properly constructed the access issue should diminish.

DATED AT THE CITY OF CALGARY THIS 15th DAY OF July 2014.


J. Dawson, Presiding Officer

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

NO.	ITEM
1. C1 – 48 pages	Complainant Disclosure
2. R1 – 56 pages	Respondent Disclosure
3. C2 – 11 pages	Complainant Rebuttal 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.*

Municipal Government Board use only: Decision Identifier Codes				
Appeal Type	Property Type	Property Sub-Type	Issue	Sub-Issue
CARB	Other Property Types	Vacant Land	Sales Approach	Land Value