

## 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:

*Garrison Corner Inc.*  
(as represented by: *Altus Group*),

**COMPLAINANT**

and

*The City of Calgary,*  
**RESPONDENT**

before:

*W. Krynski,*    **PRESIDING OFFICER**  
    *A. Blake,*    **BOARD MEMBER**  
*R. Cochrane,*   **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:**                      See Schedule "A"

**LOCATION ADDRESS:**                See Schedule "A"

**FILE NUMBER:**                      See Schedule "A"

**ASSESSMENT:**                      See Schedule "A"

This complaint was heard on 11<sup>th</sup> day of August, 2014 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom #1.

Appeared on behalf of the Complainant:

- *D. Main - Agent Altus Group*

Appeared on behalf of the Respondent:

- *R. Natyshen – Assessor, City of Calgary*

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

[1] Neither party objected to the composition of the Board, as introduced at the outset of the Hearing.

[2] The Complainant requested to have this Complaint to be heard concurrently with Complaints #76677 and #76680. The Respondent was in agreement, and the Board proceeded to hear the Complaint on that basis.

**Property Description:**

[3] The Subject Properties consists of three contiguous vacant land parcels located in the south-west community of Marda Loop, and are included in the Marda Loop Area Redevelopment Plan. (ARP). They have a Land Use Designation, of "Commercial Corridor-1" (CCOR1), and are 5,550 square feet (sf.), 6,132 sf. and 6,105 sf. in size. The properties were recently purchased by the owner for consolidation and a mixed-use development encompassing residential upper, with main floor commercial.

**Issues**

[4] The issues of the Complaint were presented as follows:

- The subject properties are assessed at a commercial land rate. The issue is one of equity, with the Complainant requesting assessments predicated on a "diminishing" rate, similar to other CCOR designated land within the City.
- Furthermore, the City has relied upon a single sale (the subject) to determine the upper range of market. The Complainant argues that a more comparable sale is available, and should be considered.

**Complainant's Requested Values:** See Schedule "A"

**Board's Decision:**

[5] For the reasons outlined herein, the Board confirms the assessments per Schedule "B".

**Legislative Authority, Requirements and Considerations:**

[6] The Calgary Composite Assessment Review Board takes authority from the Act and associated Regulations.

**Complainant's Position:**

[7] The Complainant's evidence and disclosure document was presented and labelled Exhibit C1 (189 pgs.).

[8] The current assessment is predicated on a commercial land rate of \$155 per square foot (psf.) [C1; Pgs.31-33]. The Complainant argued that, from an equity perspective, the assessment should be calculated on a basis of \$130 psf. for the first 3,000 sf., and \$70 psf. for the remainder [C1; Pgs.34-36]. In support of their position, the Complainant referenced the chart titled "Land Rates" [C1; Pg.39], which summarizes assessed rates for the various Commercial Land Use Designations within neighbourhoods. The Complainant noted that all commercial land rates are on a diminishing scale, with the exception of those in zones KN1, ML1 and ML2. The subject properties (located in zone ML2) are, in the Complainant's opinion, inequitably assessed.

[9] Additionally, the Complainant noted that the commercial land rate for ML3 (a third zone, also in Marda Loop) is predicated on a diminishing scale of \$130 to \$70.

[10] Continuing on, the Complainant referenced the remaining zone within Marda Loop known as WS2, wherein assessed land rates are shown to be predicated on a diminishing scale [C1; Pgs. 62 & 63].

[11] Finally, the Complainant referenced the sale of a property at 2020 34 Avenue SW, (same street as subject) and located in ML3. [C1; Pg.40]. The Complainant argued that the property (which sold for \$129.71 psf.) is more indicative of ML2 (the subject properties' zone) from a location perspective, and is in line with the \$130/\$70 psf. rate applied to ML3. The Complainant concluded that the assessed rates of \$155 psf. for ML1 and ML2 are incorrectly based on the sale of a single property. The Complainant is requesting equitable treatment and argues that the subject zone ML2 should be assessed in a manner similar to that of ML3.

**Respondent's Position:**

[12] The Respondent submitted evidentiary documentation, which was labelled Exhibit R1 (86 pgs.). Various maps, aerials and photographs were provided, to offer a visualization of the location and characteristics of the subject properties.

[13] The Respondent provided a summary of the assessed Commercial land rates for the various neighbourhoods [R1; p.22].

[14] In support of the subjects' assessed land rate, the Respondent referenced a summary of 4 sales [R1; Pg.25], of which three were the subject properties, and one was in zone ML1. The three subject sales indicated average and median values of \$153.00 psf. and \$152.00 psf. respectively. The fourth sale indicated a price of \$178.00 psf. The respondent reasoned that the four sales supported the assessed rate of \$155.00 psf. for zones ML1 and ML2.

[15] In regards to the Complainant's argument for an assessment calculated on a diminishing scale basis, predicated on size-delineated benchmarks, (as with other CCOR properties), the Respondent argued that a diminishing scale rate was not, in this instance, supported by the market. The Respondent explained that the diminishing scale rate kicks in for areas exceeding benchmarks of 3,000 sf., and 20,000 sf. and as the four sales (consisting of areas of approximately 18,000 sf.), showed consistent high sale prices per square foot, the local market area did not reflect such a reduction for larger sites.

**Board's Reasons for Decision:**

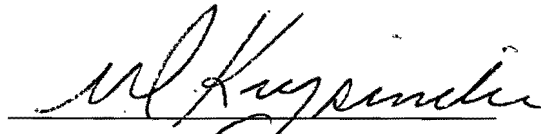
[16] The Board considered the evidence and argument provided by both parties, and will comment only on those points that were considered to be relevant to the issues presented.

[17] Consideration was given to the recent sale of the subject properties. The Board finds that while it would ultimately be desirable to have a greater amount of market data, the subject sales, along with the sale at 2040 33 Ave SW, are the best indicators of market value for zones ML1 and ML2.

[18] The Complainant's evidence was not sufficiently compelling to convince the Board that zones ML1 and ML2 should be assessed at the same rate as the rest of Marda Loop, nor on a diminishing rate basis, as with the other CCOR designated lands.

[19] The subject assessments are confirmed as per Schedule "B".

DATED AT THE CITY OF CALGARY THIS 15<sup>th</sup> DAY OF September 2014.

  
**Walter F. Krynski**  
Presiding Officer

**Schedule "A"**

<b><u>File #</u></b>	<b><u>Roll #</u></b>	<b><u>Address</u></b>	<b><u>Assessment</u></b>	<b><u>Requested Assessment</u></b>
76685	081202608	2404 34 Ave. SW	\$860,000	\$560,000
76677	081203002	2412 34 Ave. SW	\$946,000	\$600,000
76680	081202806	2408 34 Ave. SW	\$950,000	\$600,000

**Schedule "B"**

<b><u>File #</u></b>	<b><u>Roll #</u></b>	<b><u>Address</u></b>	<b><u>Assessment</u></b>
76685	081202608	2404 34 Ave. SW	\$860,000
76677	081203002	2412 34 Ave. SW	\$946,000
76680	081202806	2408 34 Ave. SW	\$950,000

**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

*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**

<b>Appeal Type</b>	<b>Property Type</b>	<b>Property Sub-Type</b>	<b>Issue</b>	<b>Sub-Issue</b>
CARB	Vacant Land	Commercial	Land Value	