



**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:

***Hyatt Auto Sales Ltd. (as represented by Avison Young Property Tax Services),  
COMPLAINANT***

and

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

before:

***K. Thompson, PRESIDING OFFICER  
P. Grace, BOARD MEMBER  
P. Pask, 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: 067244103**

**LOCATION ADDRESS: 1333 9 Av SW**

**FILE NUMBER: 76777**

**ASSESSMENT: \$5,550,000**

This complaint was heard on 16 day of June, 2014 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:

- C. Hartley                      *Agent, Avison Young Property Tax Services*
- A. Farley                      *Agent, Avison Young Property Tax Services*

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] No procedural or jurisdictional issues were raised. The Board continued to hear the merits of the complaint.

**Property Description:**

[2] The subject property is located at 1333 9 Ave SW in the downtown west end district (DT2 west market area). There is a class D office/warehouse building on this property, totalling 30,488 square feet (sf) and built in 1950. The land area is .91 ac or 39,682 sf.

[3] The subject property is assessed using the sales comparison method of valuation and the assessment is based on a land only value. The land rate for DT2 west is \$200.00 per square foot (PSF). The subject property has two negative influences: limited/restricted access and abutting a train track, each giving a -15% reduction to the assessed value.

**Issues:**

[4] The value of the subject property would better reflect market value if it were based on a land rate of \$114.00 psf.

**Complainant's Requested Value: \$4,530,000**

**Board's Decision:**

[5] Assessment is confirmed at \$5,550,000.

**Legislative Authority, Requirements and Considerations:**

[6] By the Act, Section 460.1(2), subject to Section 460(11), a composite assessment review board has jurisdiction to hear complaints about any matter referred to in Section 460.950 that is shown on an assessment notice for property, other than property described in Subsection (1)(a).

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

[7] The Complainant contends that the subject property is at the far west end of the DT2 market area and is most similar to other properties surrounding the 14<sup>th</sup> street flyover, not the development properties closer to the downtown core. The Complainant stated that the land rates for the outer edges of the market area should be adjusted to reflect the fact that those parcels were not as marketable as those closer to the core. The Complainant went further to state the subject property is assessed inequitably when compared to other similar properties that share the same negative influences. The Complainant provided pictures, maps and assessment details for the subject property.

[8] The Complainant presented four comparable properties for the Board to consider [C1, pg 20]. All four properties were assessed as land only. Two of these properties were direct neighbours to the subject property; the other two were in the Sunalta market area, located several blocks away.

	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4
	1333 9 Av SW	1407 9 Av SW	1401 9 Av SW	915 15 St SW	905 15 ST SW
Asmt	\$5,500,000	\$1,630,000	\$833,300	\$1,790,000	\$2,840,000
Lot size	39,682	32,648	10,418	38,333	78,712
Asmt Rate	\$139.86	\$49.93	\$79.96	\$46.70	\$36.08
Influences*	L/R access Abut Train Track DT2 west zone Traffic main	L/R access Abut Train Track DT2 west zone Traffic main Environ	L/R access Abut Train Track DT2 west zone Traffic main Environ	Corner lot Traffic Main	Traffic Main
Environ Adj		-30%	-30%		
Asmt Rate	\$114.23	\$71.32	\$114.23		

- L/R access is limited/restricted access

[9] Property Assessment Summary Reports were provided for the four comparables along with those of the subject property. The City of Calgary's sales adjustment chart was provided [C1, pg 25] to show the percentage adjustments for each of the influences. Limited Access and Abutting a Train Track are both given a negative 15% adjustment. Corner Lot is given a positive five percent adjustment; Environmental Concerns received a -30% adjustment. All other influences have no increase or loss in value. Pictures and a map of the comparable properties

were provided [C1, pgs 27-32]. The Complainant removed the environmental effects from the assessment rate to show the adjusted 2014 rates of the neighbouring properties.

[10] The Complainant contends that the subject property should be assessed the same as Comparable two at \$114.00 psf, citing that this property was two lots down from the subject and the most similar.

**Respondent's Position:**

[11] The Respondent stated that all the properties in the DT2 west market area were assessed the same and therefore are all assessed equitably. All properties were assessed at a base land rate of \$200 psf and each was given further adjustments for influences if warranted. Further, the Respondent contends that the land rates for the downtown were transitioned from one market area to another and the DT2 area was split to west and east to account for the differences in land values in those areas.

[12] Property detail, photos and maps were provided by the Respondent for the subject property [R1, pg 6-14].

[13] The Respondent provided a 2014 Downtown/Beltline Land Influence Chart along with a map of the four comparables. Property Assessment Detail reports and 2014 Assessment Explanation Supplements were provided for each comparable property brought forward by the Complainant as well as for the sale property. The Respondent also provided the 2014 Downtown Land Rate map [R1, pg 29], along with the two vacant land sales that supported the subject land rate and the higher land rate for DT2 east [R1, pg 30]. The Respondent noted that the sale used for DT2 west land rates was only two blocks away from the subject property.

[14] The Respondent also pointed out the Complainant's Comparable at 1407 9 Av SW had an additional negative adjustment for an LRT influence of -15%. This was not accounted for in the Complainant's Chart or calculations and would have an impact on the end result.

[15] The Respondent provided a 2014 Downtown/Beltline Land Influence Chart along with a map of the four comparables. Property Assessment Detail reports and 2014 Assessment Explanation Supplements were provided for each comparable property provided by the Complainant.

[16] Further documentation for a sale in DT2 west at 1111 9 Av SW, the Metro Ford site, was provided [R1, pg 64-95].

[17] A chart was also presented with four *post facto* downtown land sales [R1, pg 50] for information.

**Board's Reasons for Decision:**

[18] The Board reviewed the evidence provided by both parties and will limit its comments to the relevant facts pertaining to this case. In particular the Board reviewed the five comparables presented by the Complainant and how they related to the subject property.

[19] In studying the four most comparable properties, as suggested by the Complainant, the Board felt the two in the Sunalta market area were not similar enough to consider. These two were in a different market with different land rates, markets and far enough removed that they wouldn't give the Board a lot of insight/additional information. Review of the remaining two properties [C1, pg 20] showed that all were calculated with the same assessment land rate of \$200 psf base rate as the Subject, each receiving the appropriate influence adjustments. This did include the additional -15% adjustment brought forward by the Respondent, to 1407 9 Av

SW for LRT influence. Review of the Influence adjustments seemed appropriate. Each property, including the Subject, had the same negative adjustment for Limited/restricted Access and Abutting a Train Track. Both the Comparable properties in DT2 west had an additional -30% reduction for Environmental Concerns. The City's requirement for this reduction is documented proof environmental conditions exist. No such documentation was provided for the subject property.

[20] The additional influence of the Light Rail Transit was appropriately applied to 1407 9 Av SW, one of the Comparables, as this property suffered the effects of the LRT tracks directly overhead. No concrete evidence was brought forward to suggest the subject property suffers a similar impact. The Board noted that the property directly adjacent to the LRT influenced parcel also did not receive a negative influence for the LRT.

[21] Calculating all three properties, with what the Board deemed to be reasonable negative influences, showed they were treated the same. As the \$200 psf rate was not in contention, the Subject seems to be a reasonable representation of market and equitable to the surrounding properties.

[22] The Board notes that while it is not bound by previous Board Orders, it did consider those that were submitted but based its decision on the evidence before it.

[23] The Board has two tests to meet, that of equity and market value. The Board notes that the Subject property appears to be assessed equitably with similar properties and based on the nearby sale, is assessed at a reasonable representation of market value. The assessment is confirmed.

DATED AT THE CITY OF CALGARY THIS 14<sup>th</sup> DAY OF July 2014.



**K. Thompson**

**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

*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.*

Property Type	Property Sub-Type	Issue	Sub issue
other	Vacant land		