

IN THE MATTER OF A COMPLAINT filed with the City of Grande Prairie *Composite Assessment Review Board* (CARB) pursuant to Part 11 of the *Municipal Government Act* being Chapter M-26 of the Revised Statutes of Alberta 2000 (Act).

BETWEEN:

Obaid Tahir Khan-Afridi Professional Corporation - Complainant

- a n d -

City of Grande Prairie - Respondent

BEFORE:

Members:

J.P. Acker, Presiding Officer

B. Dixon, Public Member

J. Munroe, Public Member

A hearing was held on October 3, 2011 at the Grande Prairie Museum 10329 – 101 Avenue – Multi-Use Room, in the City of Grande Prairie in the Province of Alberta to consider a complaint about the assessment of the following property tax roll number:

Roll Number:	317061
Legal Land Description:	5814NY;RLY;71
Civic Address:	68th Avenue and Resources Road
2011 Assessment:	\$ 1,190,800

PART A: BACKGROUND AND DESCRIPTION OF PROPERTY UNDER COMPLAINT

The Grounds of Appeal:

The assessment notice identifying the above facts was mailed March 1, 2011. The Complainant, Obaid Tahir Khan-Afridi, Professional Corporation; filed a complaint against the assessment April 4, 2011. At issue is whether or not the assessed value fairly represents the market value of the subject property.

Property Description:

The subject property is a vacant parcel of land located in the southern portion of the City of Grande Prairie. It lies south east of the intersection of Resources Road and 68th Avenue and extends south along Resources Road for 2,556 feet. The property depth along that alignment is approximately 455 feet and is bounded on the East by the Canadian National Railway line. The subject lands are not serviced, but are adjacent to utility services along the subject's northern boundary on 68th avenue. The lands are gently sloping with some low areas requiring fill prior to development with the site generally draining from north to south. Zoned CS (commercial service), the subject parcel enjoys an adopted Outline Plan that envisions a 3.17 acre storm water management pond at the southern extremity and a requirement to provide compensation for acquisition of an additional 1.5 acres of wetlands in an alternate location.

PART B: PROCEDURAL OR JURISDICTIONAL MATTERS

The Grande Prairie Composite Assessment Review Board derives its authority to hear and decide appeals under Part 11 of the Municipal Government Act of Alberta. The Complainant did not attend the hearing nor did he send representation on his behalf.

The Respondent raised a procedural question as to whether or not the Complainant's Appraisal Report would be given weight by the Board insofar as its author, AccuPro Real Estate Appraisal and Consulting, included a limiting condition on his report which prohibited its use for Assessment Appeal purposes without obtaining prior written consent. No such consent had been received by the Clerk or by the Respondent.

The Board, in reviewing the evidence package of both parties found that the Appraisal Report was not included, but only a summary. This summary indicated that the report had been prepared for *Litigation purposes*.

In the absence of the Complainant, the Board found that there had been no disclosure of the full appraisal report and it is therefore excluded from these proceedings. The Board did accept the summary on its face as having been properly disclosed. The Respondent agreed to continue without reference to the detailed Appraisal Report in his possession.

PART C: PARTY POSITIONS

The Complainant did not appear. Accordingly, the Board reviewed the summary appraisal report which indicated a market value for the subject property of \$880,000 as of May 11, 2010. This value was determined based on a developable area of +/- 22 Acres. No evidence was submitted as to comparable properties and their sales or assessment valuation.

The Respondent submitted into evidence the Outline Plan for the subject property, a detailed rebuttal of the Complainant's Appraisal Report, and four sales comparables used in the assessment process. Insofar as the Board had ruled on the procedural matter that there had been no exchange of the full appraisal report and only the summary was in evidence, the Respondent did not address rebuttal information.

Proceeding to the Outline Plan, the Respondent drew the Board's attention to the storm water management plan and Map 7 which clearly shows a 3.17 acre storm water retention pond as a developed amenity in the southern extremity of the subject parcel. Reference to the requirement to fund the purchase of additional lands outside of the development area was also included on pages 2 and 3 of the Outline plan. *"The wetland assessment outlines a proposal under which the Developer would remove the wetlands and provide compensation to allow for wetland restoration at an offsite location."* Thus, with the offsite land equivalent being 1.5 acres, the storm water management component would consume an equivalent land value equal to 4.67 acres.

In a review of the comparable properties used for the City's assessment calculations, the Respondent detailed the adjustments made to each to bring these comparables into similarity with the subject. Adjustments for location, zoning and servicing were explained and were supported by the sales value per acre achieved for each.

In summary, the Respondent noted that the key difference in value between the City's analysis and that of the independent appraiser was that the Assessor values the entire parcel while the appraiser deducted non-developable storm water facilities from the gross value of the parcel.

FINDINGS:

1. The assessed value includes the entire parcel area while the independent appraisal deducted non-developable lands as having no market value.

DECISION: The assessment is confirmed at \$ 1,190,800

REASONS:

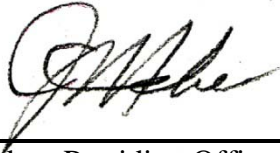
The Board, in the absence of any evidence or testimony beyond the original complaint submission, was not privy to the comparable sales used by the Complainant's independent appraiser. In light of the Respondent's testimony and evidence, the Board understood the summary report of the independent appraiser to exclude areas of the subject parcel beyond 22 acres as adding no market value to the subject. *"Based on the aerial photographs, the subject would have a useable land based on +/-22 acres"*. This would, in itself, explain a significant part of the difference between the values arrived at by the appraiser versus the assessor.

Further, in the absence of any information on the sales comparables used by the appraiser, the Board was left with only the Assessor's sales to review. The Board was persuaded that these sales comparables were adequately adjusted for location, servicing and zoning to reflect a market value that could be attributed to the subject property.

Accordingly, the Board confirms the assessment as rendered at \$ 1,190,800.

It is so ordered.

Dated at the City of Grande Prairie this 3rd day of October, 2011.



J. P. Acker, Presiding Officer

APPENDIX "A"

DOCUMENTS RECEIVED AND CONSIDERED BY THE CARB:

- 1 Evidence Submission of both parties to this appeal compiled by the Clerk of the CARB

Subject	Property Type	Property Sub-Type	Issue	Sub-Issue
CARB	Other Property Types	Vacant Land	Development Land	Land Value