

IN THE MATTER OF A COMPLAINT filed with the Town of Okotoks Assessment Review Board (Board) pursuant to the *Municipal Government Act (MGA)*, Chapter M-26, Section 460, Revised Statutes of Alberta 2000.

BETWEEN:

Anchorbay Holdings Inc. - Complainant

- and -

Town of Okotoks - Respondent

BEFORE:

J. Jones, Presiding Officer
M. Moojelsky, Board Member
R. Nix, Board Member

This is a complaint to the Town of Okotoks Composite Assessment Review Board (CARB) with respect to a property assessment prepared by the Assessor of the Town of Okotoks as follows:

Roll Number	Address	Assessment
0079180	8 Banister Gate	\$2,584,000

This complaint was heard on the 19th day of June 2023 via video conference.

Appearing on behalf of the Complainant:

- B. Robinson, Altus Group Limited

Appearing on behalf of the Respondent:

- C. Van Staden, Assessor, Town of Okotoks

Attending for the Assessment Review Board (ARB):

- P. Huber, Clerk, Town of Okotoks

COMPOSITE ASSESSMENT REVIEW BOARD ORDER #0238/01/2023

Procedural Matters

1. The parties present at the hearing advised there was no objection to the Board's composition and the Board members advised they had no bias with respect to this file.

Background

2. The subject property is a 2.72-acre parcel of undeveloped land zoned as General Commercial (GC). The site has exposure to Northridge Drive on the west and Bannister Gate on the north and has services available at the perimeter.

Issues

3. Is the subject's assessment at \$2,584,000 (\$950,000/acre) reflective of market value?

Complainant's Position

4. In support of a requested revision of the subject's assessment to \$2,448,000 (\$900,000/acre), the Complainant presented a sale comparable located at 21 D'Arcy Ranch Drive. This property, which is a 3.73-acre parcel with GC zoning, sold in 2020 for a unit value of \$899,759/acre.
5. It was noted that there was another sale of the same property in 2022 for \$4,103,000, however the Complainant considered this sale invalid as it was between related parties.
6. It was also noted that the current assessment of this comparable was \$4,103,000 (\$1,100,000/acre), which produces an ASR (assessment to sales ratio) of 122.25%, based on the 2020 sale value.

Respondent's Position

7. The Respondent presented the assessment history of the subject property, which ranged from \$1,890,000 in 2019 to the current assessment of \$2,584,000 in 2023 and is reflective of increases in market value for the subject's property type. It was noted that the subject's surrounding area is currently undergoing significant development and the subject site would enjoy a major traffic influence.
8. The Respondent also outlined the mass appraisal methodology employed in developing annual market value assessments and the associated provincial audit standards.

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9. In support of the subject's unit assessment at \$950,000/acre, the Respondent presented four sales comparables, ranging in unit value from \$800,000 to \$1,500,000/acre. These comparables ranged in size from 3.31 to 13.94 acres and zoning included commercial, multi- residential and automotive. It was noted that site service availability for these properties was similar to that of the subject site.
10. The Respondent also presented two additional sales comparables as indicators of value with sizes of 0.171 and 0.147 acres, unit values of \$2,231,000 and \$2,500,000/acre and retail and office zoning.
11. The assessed values were also presented for the six comparable properties.
12. It was noted that in developing the assessment most weight was placed on the two comparable sales located on D'Arcy Drive; however, ten additional sales were also considered.
13. The Respondent also referenced the 2022 sale of 21 D'Arcy Drive, which their analysis determined was an arm's length transaction and therefore a valid sale. This sale at \$1,100,000/acre provided additional support for the subject's assessment.
14. In summary, the Respondent requested the confirmation of the subject's assessment at \$2,584,000.

Rebuttal

15. The Complainant noted that the Respondent had not provided supporting sales or assessment documentation for the comparables presented, except for the two sales located on D'Arcy Drive.
16. The Complainant was unable to locate the sales information on-line and the assessment information that was found differed from that presented by the Respondent. It appeared that the Respondent's assessment information had been from the previous year's assessments.
17. The Complainant also referenced the sale at 10 D'Arcy Drive as a non-arm's length sale and presented the sale details as well as a 2022 CARB decision.
18. In summary, the Complainant requested that the subject's assessment be reduced to \$2,448,000.

Decision


19. The decision of the Board was to confirm the subject's assessment at \$2,584,000.

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Reasons

20. After reviewing the sales comparables presented by both parties, the Board placed greatest weight on the common comparable at 21 D'Arcy Drive, with a 2020 unit sale value of \$900,000/acre (rounded). This sale was similar to the subject with respect to size, zoning and availability of site services. The one significant variance from the subject site was traffic exposure, which would require an upward adjustment to the subject's value.
21. The Board found that a \$50,000/acre upward adjustment to the comparable value of \$900,000 was reasonable to address the variance between the comparable and the subject site with respect to traffic exposure and supportive of the assessed unit value of \$950,000/acre.
22. The Board placed less weight on the remaining comparables presented by the Respondent due to variances from the subject with respect to location, size, and zoning as well as concerns regarding the validity of the sale at 10 D'Arcy Drive and the 2022 sale at 21 D'Arcy Drive.
23. The Board found the subject's assessment to be reflective of market value as of the valuation date of July 1, 2022.

Dated at the Town of Okotoks in the Province of Alberta this 27th day of June 2023.



J. Jones
Presiding Officer

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

NO.	ITEM
C-1 (150 pages)	Complainant's Disclosure
R-1 (97 pages)	Respondent's Disclosure
C-2 (97 pages)	Complainant's Rebuttal

LEGISLATION

MGA, RSA 2000, c M-26

s 1(1)(n) "market value" means the amount that a property, as defined in section 284(1)(r), might be expected to realize if it is sold on the open market by a willing seller to a willing buyer;

s 467(1) An assessment review board may, with respect to any matter referred to in section 460(5), make a change to an assessment roll or tax roll or decide that no change is required.

s 467(3) An assessment review board must not alter any assessment that is fair and equitable, taking into consideration

- (a) the valuation and other standards set out in the regulations,*
- (b) the procedures set out in the regulations, and*
- (c) the assessments of similar property or businesses in the same municipality.*

An application for Judicial Review may be made to the Court of King's Bench with respect to a decision of an assessment review board.

An application for Judicial Review must be filed with the Court of King's Bench and served not more than 60 days after the date of the decision, and notice of the application must be given to

- (a) the assessment review board*
- (b) the Complainant, other than an applicant for the judicial review*
- (c) an assessed person who is directly affected by the decision, other than the Complainant,*
- (d) the municipality, and*
- (e) the Minister.*