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

BETWEEN:

Laura Kendall - Complainant

- and -

The Town of Okotoks - Respondent

BEFORE:

Andrew Roy, Presiding Officer
Nathalie Gasse Farrah, Member
Andre Ulloa, Member

This is a complaint to the Town of Okotoks Local Assessment Review Board (LARB) in respect of a property assessment prepared by the Assessor of the Town of Okotoks and entered in the 2025 Assessment Roll as follows:

Roll Number	Address	Assessment
0002810	**83 Riverside Drive**	**$610,000**

This complaint was heard on the 22nd day of May 2026 at the Town of Okotoks Municipal Centre Council Chamber at 5 Elizabeth Street, Okotoks, Alberta.

Appearing on behalf of the Complainant:

- Laura Kendall, Owner
- Paul Howarth, Agent

Appearing on behalf of the Respondent:

- Nathan Hanberry, Assessor

Attending for the Assessment Review Board (ARB):

- Krista Conrad, Clerk

Preliminary Matters

[1] At the outset of the hearing, the Board noted that an Assessment Complaints Agent Authorization form had not been completed by the Complainant to authorize her agent, Paul Howarth, to act on her behalf. With the agreement of the Respondent and the Board, the Complainant completed the Authorization form during the hearing so that Mr. Howarth could represent her. The Board records that accommodation and proceeded with the hearing.

Property Description and Background

[2] The subject property is a single-family residential property located at 83 Riverside Drive (also referred to in the Respondent's Brief as 83 Riverside Drive West) in Okotoks, Alberta (Roll No. 0002810). The home was constructed in 1942. Per the Respondent's Brief at p. 3, the above-grade area is 1,171 square feet, the lower-level area is none, and the lot area is 26,286 square feet (approximately 0.60 acres). The property is currently assessed by the Town of Okotoks at $610,000. The requested assessed value on the complaint form is $400,000.

Issues

[3] The issue before the Board is whether the assessed value of $610,000 reflects market value, namely the amount the subject property might reasonably be expected to realize if sold by a willing seller to a willing buyer on the open market at the legislated valuation date of July 1, 2025, having regard to the characteristics and physical condition of the property at the condition date of December 31, 2025: *MGA*, s. 1(1)(n) and s. 289(2); *Matters Relating to Assessment and Taxation Regulation* (*MRAT*), Alta. Reg. 203/2017, ss. 5 and 6.

Board's Findings in Respect of Each Matter or Issue

[4] The Board adjusts the assessment from $610,000 to $540,000. Reasons follow.

Summary of Positions

Complainant:

[5] The Complainant submits, through her agent Paul Howarth and the written report of Carlin Lutzer of CIR Realty, that the 2026 assessment of $610,000 does not reflect market value. Her position rests on two principal lines of argument: (i) the subject suffers from a series of material physical and locational constraints, namely no connection to municipal water or sewer, location in a flood-affected area, an irregular and narrow lot configuration, proximity to railway infrastructure, adjacency to commercial properties, and a 1942 original-condition dwelling, all of which collectively depress market value below the assessed amount; and (ii) when the Town's own five sales-comparable properties are analyzed on a price-per-square-foot basis using the Respondent's time-adjusted sale prices and the Respondent's recorded floor area for the subject, the indicated value is approximately $540,000.

[6] In the report tendered as Complainant's disclosure, Mr. Lutzer tendered 37 Southbank Crescent, a 1.07-acre commercial parcel in the Southbank Business Park, fully serviced, listed at $585,000 and currently pending, as a primary land-value benchmark. Applying that benchmark's indicated land rate of $546,728 per acre to the subject's 0.60-acre lot produced a land-value estimate of $328,036. Mr. Lutzer then added a contributory improvement value of $125,000 for the 1942 dwelling to arrive at an indicated market value of $453,036, expressed as a range of $425,000 to $475,000.

[7] The Complainant additionally relies on a series of physical and locational characteristics that, in her submission, distinguish the subject from the Respondent's comparables and depress its market value: the property is not connected to municipal water or sewer; it sits within an area identified by the Town's flood mapping as flood-affected; the lot is narrow and irregular; the property backs onto railway infrastructure; it is adjacent to commercial uses; the 1942 dwelling has not been materially renovated and remains in original condition; and the property has limited standalone development potential without acquisition of the neighbouring parcel for assembly. The Complainant's requested assessed value on the complaint form is $400,000.

Respondent:

[8] The Respondent asks the Board to confirm the assessment at $610,000. The Respondent relies on a sales-comparison mass-appraisal analysis of five comparable detached single-family bungalows in Okotoks: 11 Alcock Close, 112 Thorson Crescent, 113 Waldron Avenue, 142 Thorson Crescent, and 108 Hodson Crescent. Each is a one-storey detached home with basement, constructed between 1979 and 1981, with above-grade areas ranging from 1,065 to 1,274 square feet, lot areas ranging from 5,059 to 6,270 square feet, and developed basement areas ranging from 721 to 900 square feet. The Respondent applies time adjustments to each comparable. Time-adjusted sale prices range from $505,200 to $559,300. The corresponding assessments range from $510,000 to $568,000. The reported median assessment-sales ratio is 1.00.

[9] The Respondent submits that the assessment was prepared using mass appraisal in accordance with *MRAT* s. 5, that the underlying methodology has been audited by Alberta Municipal Affairs, and that the median assessment-sales ratio of 1.00 falls within the 95%–105% statistical quality standard required by *MRAT* s. 14. The Respondent does not undertake property-specific adjustments for the subject's features as against the comparables, and does not show the calculation by which the comparable set, at a median ASR of 1.00 with sales prices below $560,000, supports an assessment of $610,000 for the subject.

Findings and Reasons

Legislative framework and approach

[10] Assessments must be prepared using mass appraisal, must be an estimate of the value of the fee simple estate, and must reflect typical market conditions for properties similar to the subject: *MRAT* s. 5. Each assessment must reflect the characteristics and physical condition of the property at December 31 of the year prior to the year of taxation: *MGA* s. 289(2). On a complaint, the Board's authority to change the assessment roll is found in *MGA* s. 467(1). That authority is constrained by s. 467(3), which directs the Board not to alter an assessment that is fair and equitable, taking into account the valuation and other standards set out in the regulations, the procedures set out in the regulations, and the assessment of similar properties or businesses in the same municipality.

[11] The onus on a property assessment complaint is anchored statutorily in s. 460(9) of the *MGA*, which requires the Complainant to indicate (i) what information shown on the assessment notice is incorrect, (ii) in what respect that information is incorrect, (iii) what the correct information is, and (iv) the requested assessed value: *GSL Chevrolet Cadillac Ltd v Calgary (City)*, 2013 ABQB 318 at paras 32 and 35 (*GSL Chevrolet*). The practical operation of that statutory burden has been articulated by the Alberta Court of King's Bench in *Beta Management Inc v Edmonton (City)*, 2017 ABQB 571 at paras 139–141 (*Beta Management*), as carrying three distinct components: (a) the Complainant bears an evidential burden to provide some evidence supporting her contention that the assessment is incorrect, sufficient to set out a "case to meet"; (b) if the Complainant discharges that evidential burden, the Respondent municipality takes up an evidential or "tactical" burden of putting forward evidence supporting the assessment, on pain of having the assessment altered if it does not respond; and (c) the ultimate or persuasive burden remains with the Complainant on the balance of probabilities. The Complainant is not required to establish her entire case before the Respondent must engage; once the Complainant provides some accepted evidence demonstrating the assessment is incorrect, the Respondent must respond: *Ross v Edmonton (City)*, 2016 ABQB 730 at para 21 (*Ross*). The same framework has been articulated in different terms as a doubt-raising threshold: *Costco Wholesale Canada Ltd v City of Medicine Hat*, 2022 ABQB 129 at paras 32 and 66 (*Costco (Medicine Hat)*); *Costco Wholesale Corporation v Calgary (City)*, 2022 ABKB 615 at para 44 (*Costco (Calgary)*). When assessing whether the Complainant has set out a case to meet, the Board is not required to accept the Complainant's evidence at face value: *Costco (Calgary)* at para 44.

[12] The Board is also guided by *Baron Real Estate Investments Ltd v Edmonton (City)*, 2021 ABCA 64 at para 44 (*Baron*), which frames the panel's task as providing intelligible, transparent reasons capable of justifying the conclusion that a willing seller and a willing buyer would agree on the assessed price for the property as it stood on the relevant condition date.

Whether the Complainant has discharged the evidential burden

[13] The Board finds that the Complainant has discharged her evidential burden under *Beta Management* at paras 139–141. The Complainant's evidence is sufficient to raise a doubt about the reliability of the $610,000 assessment. The subject differs from each of the Respondent's five comparables in features that on a common-sense view depress market value: the subject is some 37 to 39 years older than the comparables, has no finished basement, has no connection to municipal water or sewer, sits within a flood-affected area, backs onto railway infrastructure, and is adjacent to commercial use. The comparables, by contrast, are 1979–1981 detached bungalows in serviced residential subdivisions, four of five with finished basements ranging from 721 to 900 square feet, and one of which backs onto greenspace. The Complainant has raised a sufficient doubt to shift the onus, and the Respondent took up the tactical burden by tendering the Brief and asking that the assessment be confirmed.

Whether the Respondent has discharged the tactical burden

[14] The Board finds that the Respondent has taken up, but has not adequately discharged, the tactical burden under *Beta Management* at paras 139 to 141. The Complainant identified concrete, property-level reasons the subject should not be valued in line with the Respondent's comparables: the home was built in 1942 and remains in its original condition; the property is not connected to municipal water or sewer; it sits within a flood-affected area; the lot is narrow and irregular; the property backs onto railway infrastructure; and the property is adjacent to commercial uses. The Respondent's tactical burden was to put forward evidence responding to those specific reasons and showing, with evidence, how the assessment nevertheless reflects market value notwithstanding them. The Respondent did not do so. The Brief sets out five comparables, applies time adjustments, asserts compliance with mass-appraisal standards, and reports a median assessment-sales ratio of 1.00. It does not address any of the subject-specific features the Complainant raised and offers no property-specific adjustment for them. The Respondent's submission is, in effect, that mass-appraisal compliance in the aggregate is itself a sufficient answer to the Complainant's specific reasons. It is not. The tactical burden under *Beta Management* required the Respondent to engage with the Complainant's case; the Respondent has not done so, and the assessment of $610,000 cannot stand on the evidence as presented.

What the willing buyer and willing seller would agree to

[15] The Board does not adopt the Complainant's primary land-value methodology, namely the application of the $546,728 per-acre rate derived from the 37 Southbank Crescent listing plus a $125,000 improvement contribution, to arrive at a value of approximately $453,000. There are three reasons. First, 37 Southbank Crescent is a 1.07-acre commercial-zoned parcel in the Southbank Business Park, fully serviced and not within a flood-affected area; the Board accepts that it is a market transaction in a meaningfully different submarket, with different zoning, different buyers, and different highest and best use considerations than the subject. Second, the Respondent's five residential sales comparables, while imperfect, are far closer matches to the subject in zoning, building type, building size, and intended use, and provide a more reliable starting point for a residential market-value estimate. Third, the $125,000 improvement contribution in Mr. Lutzer's report is asserted without any underlying methodology or evidentiary basis. The report does not identify the source of the figure, the appraisal approach used to derive it, or the data on which it rests, and when asked at hearing how the $125,000 figure was arrived at, the Complainant was unable to specify its source or methodology. Under *Costco (Calgary)* at para 44, the Board is not required to accept the Complainant's value at face value where the underlying methodology is unsupported, and the Board does not do so here.

[16] The Board likewise does not adopt the Complainant's requested assessed value of $400,000 from the complaint form. That figure is not supported by any specific methodology in the disclosure.

[17] The Board instead tests the assessment against the Respondent's own evidence on the Respondent's own terms. Taking the five time-adjusted sale prices in the Respondent's Brief and dividing each by the floor area the Respondent records for that comparable produces a unit rate for each comparable. The average of those five rates is approximately $461 per square foot. Applied to the Respondent's recorded above-grade area for the subject of 1,171 square feet, the indicated value is $539,831, rounded to $540,000.

[18] The Board's value of $540,000 is the indicated value produced by the Respondent's own comparables applied on a price-per-square-foot basis to the Respondent's own recorded floor area for the subject, without further upward or downward adjustment. The Board does not make any further downward adjustment because no quantified evidence was placed on the record by either party on which the Board could attach a specific dollar value to those features. The Complainant tendered no appraisal, no cost-to-cure estimates, and no other measurable basis; the Respondent's Brief did not address the features at all and did not propose adjustment magnitudes for them. The Board acknowledges that the subject's age, lack of basement, lack of municipal services, flood-area location, rail backing, and commercial adjacency may impact market value, but cannot, on the record before it, quantify any specific feature-by-feature adjustment. The Board's landing at $540,000 therefore reflects the limit of what the evidence supports, not a finding that no further reduction would have been warranted on a fuller record.

<u>Board's Decision</u>

[19] The Board adjusts the assessment of 83 Riverside Drive (Roll No. 0002810) from $610,000 to $540,000. The Complainant's filing fee is to be refunded pursuant to *MGA* s. 481(1).

It is so ordered.

Dated at the Town of Okotoks in the Province of Alberta this 22nd day of June 2026.

[redacted]

Andrew Roy
Presiding Officer

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

NO.	ITEM
C-1	Complaint Form
C-2	Complainant's Disclosure Email (6 pages)
C-3	Complainant's Disclosure Attachment 1 of 7 - Land East of town (138-acre) (1 page)
C-4	Complainant's Disclosure Attachment 2 of 7 - Location of the property (1 page)
C-5	Complainant's Disclosure Attachment 3 of 7 - 37 Southbank Crescent (2 pages)
C-6	Complainant's Disclosure Attachment 4 of 7 - Old MLS Listing of 83 Riverside Dr (1 page)
C-7	Complainant's Disclosure Attachment 5 of 7 - Information on the property (5 pages)
C-8	Complainant's Disclosure Attachment 6 of 7 - reflecting flood zone 2 (1 page)
C-9	Complainant's Disclosure Attachment 7 of 7 - reflecting flood zone (1 page)
C-10	Complainant's Disclosure Email (2) (1 page)
R-1	Respondent's Disclosure Email (1 page)
R-2	Respondent's Disclosure Attachment 1 of 1 – 83 Riverside Drive Assessment Brief Respondent Disclosure (11 pages)
C-11	Complainant's Agent Authorization Form

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*