

Central Alberta

Regional Assessment Review Board

CARB 0377 1258 2019

Complaint ID 1258

Roll No. 3908224002

COMPOSITE ASSESSMENT REVIEW BOARD DECISION

HEARING DATE: October 10, 2019

PRESIDING OFFICER: J. DAWSON

BOARD MEMBER: D. DEY

BOARD MEMBER: J. KLINE

BETWEEN:

ROSSCO INVESTMENTS LTD.

Complainant

-and-

CLEARWATER COUNTY

Respondent

This decision pertains to a complaint submitted to the Central Alberta Regional Assessment Review Board in respect of a property assessment prepared by the Assessor for Clearwater County as follows:

ROLL NUMBER:	3908224002
MUNICIPAL ADDRESS:	9 Pinewood Drive, Clearwater County, AB
ASSESSMENT AMOUNT:	\$ 953,710

The complaint was heard by the Composite Assessment Review Board on the 10th day of October 2019, at the Clearwater County office within the town of Rocky Mountain House, in the province of Alberta.

Appeared on behalf of the Complainant:

R. WEBB	Owner (via teleconference)
J. PENNER	Representative of the owner (via teleconference)

Appeared on behalf of the Respondent:

R. KOTCHON	Assessor, Clearwater County
D. POHL	Assessor, Clearwater County

DECISION:

1. The complaint is not accepted for the assessment on the subject property. The assessment is unchanged at \$953,710.

JURISDICTION:

2. The Central Alberta Regional Assessment Review Board ["the Board"] has been established in accordance with section 455 of the Municipal Government Act, RSA 2000, c M-26 ["MGA"], and Clearwater County bylaw.

PROPERTY DESCRIPTION AND BACKGROUND:

3. The subject property is a manufactured home park located 4 kilometers west of the Town of Rocky Mountain House on the south side of Highway 11A.
4. The cost approach to valuation was utilized with the following parameters:

Description	Quantity	Rate	Potential Gross Income
LAND	19.80 acres	\$3,000 / acre	\$594,400
IMPROVEMENTS	1	\$359,310	\$359,310
TOTAL			\$953,710

PRELIMINARY MATTERS:

5. The Board Chair confirmed that no Board Member raised any conflicts of interest regarding the matters before them.
6. Neither party raised any objection to the panel hearing the complaint.
7. The Complainant and Respondent confirmed the complaint information before the board is solely regarding the assessment value.
8. The Respondent requested the Board to not accept the disclosure of the Complainant as it was due on August 28, 2019 and was not received until September 23, 2019.
9. No additional preliminary or procedural matters were raised by any party. Both parties indicated that they were prepared to proceed with the complaints.
10. The Board confirmed the submissions of the parties and entered the Exhibits into the record. See Appendix for details.

ISSUES:

11. The Board considered the parties' positions and determined the following question is to be addressed within this decision:

Was the disclosure received in time?

Is the assessed value of \$953,710 an appropriated assessment given the evidence before the Board?

POSITION OF THE PARTIES:

Was the disclosure received in time?

Position of the Respondent

12. The Respondent indicated that the disclosure was nearly a full month late according to the disclosure deadlines described on the hearing notice and stipulated in section 9(2) of Matters Regarding Assessment Complaints Regulation AR 201/2017 ["MRAC"] and, that as per section 10, the Board must not hear that evidence.

Position of the Complainant

13. The Complainant explained that it received the hearing notice but had not realized that they must disclose in advance and they were prepared to provide their evidence at the time of the hearing.

Board Findings and Decision

14. The Board finds the disclosure was late and must not be accepted for the merit hearing.

Is the assessed value of \$953,710 an appropriated assessment given the evidence before the Board?

Position of the Complainant

15. The Complainant indicated that the assessment had increased 47% and that it was too much too fast.
16. The Complainant acknowledged that they had purchased the property for \$2.2 million in 2016 but it was not in as good as shape as they had been led to believe and that the persons responsible for maintaining the wastewater services were not certified to do so. The Complainant explained that they had to completely replace the water treatment facility and secure professional wastewater personal to maintain the wastewater services.

17. The Complainant additionally explained that the manager had passed away and that they had to deal with issues after replacing the manager. All of these issues have caused the property to operate at a net loss.
18. The Complainant, in response to a question, agreed that the property is an income producing property; however, they now believe that the purchase price was too high and should have been \$1.8 to 1.9 million and that, due to market conditions, the property has decreased in value.
19. The Complainant argued that the raw land value was \$545,000 and that without the renters it would be worthless. The Complainant asked for an assessed value of \$700,000.

Position of the Respondent

20. The Respondent explained that they had begun employment with Clearwater County in 2018 and that the manufactured home parks throughout the county had not been analysed recently, showing the assessed value of the subject property stagnant at \$633,030 to \$668,430 in the preceding five assessment years. Upon their review, they had increased all manufactured home parks to what they considered was a fair market value.
21. The Respondent provided information on three sales of the subject property in 2011 at \$1,340,000, 2013 at \$1,900,000 and in 2016 at \$2,372,500.
22. The Respondent argued that the assessment is equitable with all other manufactured home parks in the county and was fair to the Complainant, asking the assessment to be confirmed and remain unchanged.

Board Findings and Decision

23. The Board finds the evidence properly disclosed to the Board indicated that the assessed value is correct, fair and equitable.

DECISION SUMMARY

24. The complaint regarding the assessment of the subject property is not accepted and the overall value of \$953,710 is unchanged.
25. Dated at the Central Alberta Regional Assessment Review Board, in the city of Red Deer, in the Province of Alberta this ___ day of _____, 2019 and signed by the Presiding Officer on behalf of all the panel members who agree that the content of this document adequately reflects the hearing, deliberations and decision of the Board.



J. DAWSON
Presiding Officer

If you wish to appeal this decision you must follow the procedure found in section 470 of the MGA which requires an application for judicial review to be filed and served not more than 60 days after the date of the decision. Additional information may also be found at www.albertacourts.ab.ca.

APPENDIX:

Documents presented at the Hearing and considered by the Board.

<u>NO.</u>		<u>ITEM</u>
1.	A.1	- Hearing Materials provided by Clerk (6 pages)
2.	C.1	- Email from Complainant (1 page)
3.	R.1	- Respondent Disclosure (9 pages)