

Central Alberta

Regional Assessment Review Board

Decision No.: LARB 0262 618/2014
Complaint ID: 618
Roll No.: 1120400

LOCAL ASSESSMENT REVIEW BOARD DECISION
HEARING DATE: JUNE 16, 2014

PRESIDING OFFICER: A. GAMBLE
BOARD MEMBER: B. FARR
BOARD MEMBER: Z. ORDMAN

BETWEEN:

DANNY & JODI M. FERGUSON

Complainant

-and-

CITY OF RED DEER
REVENUE & ASSESSMENT SERVICES

Respondent

[1] This is a complaint to the Central Alberta Regional Assessment Review Board in respect of the following property assessment:

ROLL NUMBER:	1120400
MUNICIPAL ADDRESS:	10 Lockwood Avenue
ASSESSMENT:	\$353,400.00

[2] The complaint was heard by the Local Assessment Review Board (Board) on the 16TH day of June, 2014, in the City of Red Deer.

[3] Appeared on behalf of the Complainant:

- Danny Ferguson, Owner

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[4] Appeared on behalf of the Respondent:

- Travis Larder, Assessor
- Steve Beveridge, Assessor

JURISDICTION

[5] The Central Alberta Regional Assessment Review Board (hereinafter, “the Board”) has been established in accordance with section 456 of the *Municipal Government Act R.S.A. 2000, ch M-26* (hereinafter, “the MGA”) and the *City of Red Deer Assessment Review Board Bylaw 3441/2009*.

[6] Neither party raised an objection to any Board member hearing the complaint.

[7] No procedural or jurisdictional matters were raised by either party.

PRELIMINARY MATTER

[8] No Preliminary Matter was brought forth.

BACKGROUND

[9] The subject property is a developed residential lot and single detached house and garage located in the Lancaster subdivision in the City of Red Deer with an assessed value of \$353,400.

ISSUES AND FINDINGS

[10] The Board has identified the following issue:

1. Is the residential assessment accurately assessed, and in particular, was the impact of a bus stop on the market value of the subject property properly considered?

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[11] **Complainant:** The Complainant asserted that a bus stop was put in (without notice) after the property was purchased. He explained that he experiences a number of issues as a result of the bus stop being contiguous to his property. These concerns include: maintaining the sidewalk (mostly snow removal & garbage left in the area), lost parking, increased noise, crime in the form of vandalism and theft of property, drug transactions, harassment of pets in his yard, litter on the boulevard, and damage to his fence.

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[12] The Complainant articulated his position to be that the bus stop degrades and lowers the value of his property. He stated that if anyone was aware of the effect of a bus stop on the contiguous property, as is his situation, then they would not want to live there.

[13] The Complainant stated that in his opinion, the subject property's assessment should be \$325,000. His opinion of what would be a more accurate assessment is based on the value of the property across the street from his property, namely, 11 Lockwood Avenue, which is assessed at \$320,500. This property does not have a contiguous bus stop, but does have a superbox, or a community mailbox (Exhibit C1 pg. 5). The Complainant argued that the value of 11 Lockwood Avenue with no bus stop would be greater, since the comparable has more available parking and none of the negatives the Complainant associated with bus stops, as noted above. The Complainant seemed to consider his property and the comparable to be sufficiently similar, except for the bus stop feature.

[14] The Complainant also opined that none of the comparable properties utilized by the Respondent in reaching their assessed value of the subject property have a bus stop next to them, and consequently these comparables would not assist in reaching an appropriate assessment.

[15] **Respondent:** The Respondent described the property's details in its written submission as being:

- located in the subdivision know as Lancaster Meadows in Red Deer
- the subject lot is 5,883 square feet in size
- the floor area is 1,134 square feet in size
- the structure of the home is a Standard Split Entry Single Family Dwelling in Average condition and was built in 1997
- no renovations have been added.
- there is a developed basement
- there is a garage
- the property is currently assessed at \$311.64 per square foot, or \$353,400

[16] The Respondent argued that the impact of the bus stop on the market value is taken into account. The Respondent added however, that there is a lack of market data available to support a reduction or change in the assessed value in this case.

[17] In the Respondent's written submission, they argued that there is a 'Demonstration of Equity' (Exhibit R1 pg. 9). It was argued that this demonstration shows the subject property is assessed within 3% of the average comparable assessment, for 36 Lancaster Meadows subdivision properties, having similar classifications.

[18] In the Respondent's written submission, it was also argued that on the basis of analysis using mass appraisal standards set out by provincial legislation, the subject property has been fairly compared to sales of five similar properties within the subject's neighbourhood. It was argued that this 'Demonstration of Fairness' (Exhibit R1 pg. 11) shows that the subject property is assessed 8% higher than the time adjusted sales comparables. However, in support of this value the Respondent noted that the subject property is on the higher end of the comparables in terms of basement finished area, lot size, and its garage size.

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[19] The Respondent also stated that the property across the street (11 Lockwood Avenue) from the subject property, which was used as a comparable by the Complainant, has smaller square footage, a smaller lot size, and a smaller garage than the subject property. The Respondent argued that the necessary adjustments for these factors would result in an assessed value close to the subject property's assessed value of \$353,400.

[20] In response to a question from the Board, the Respondent stated that there was insufficient data in relation to sales of properties with a bus stop to determine what impact, if any, a bus stop has on the value of a property. Moreover, the Respondent added that if there was a significant impact of bus stops on the sale price of a property, then this is likely a factor that would be easily substantiated by sales data. The sales data does not in fact substantiate such a conclusion.

[21] Finally, the Respondent noted in their written Sales Comparability Table (Exhibit R1 pg. 13), that Comparable sale #1 would be the most comparable to the subject property, and it has an Assessment to Sale Ratio of 1.02. Comparable sale #2 would be the next best comparable to the subject property, and it has an Assessment to Sale Ratio of .95. This, in the Respondent's view, substantiates the accuracy of the assessed value of the subject property.

[22] **Board Finding:** The Board agrees with the Respondent's assertion that it is possible for the bus stop to have an impact on the value of the subject property. The Board also finds that there was insufficient market data available, or at least presented at the hearing, to support making any change to the assessed value of \$353,400. The Respondent stated that there is no data in relation to sales of properties with a bus stop, and that if there was a significant impact of bus stops on the sale price of a property, then this factor would be easily substantiated by such sales data. The Complainant did not rebut this statement by offering any contrary evidence, and therefore, the Board accepted the Respondent's statement. The Board also noted that the Complainant agreed that if there was no bus stop contiguous to his property, then the assessed value would in fact be correct.

[23] The Board does not accept the Complainant's argument that the Respondent's comparables were not comparable, since none of them had contiguous bus stops. The Complainant did not present any evidence to refute the Respondent's contention that its comparables used were appropriate.

[24] The Board made reference to Section 460(7) of the MGA which provides what a person wishing to make a complaint about any assessment or tax must do. This section states that any Complaint filed must:

- (a) indicate what information shown on an assessment notice or tax notice is incorrect,
- (b) explain in what respect that information is incorrect,
- (c) indicate what the correct information is, and
- (d) identify the requested assessed value, if the complaint relates to assessment.

[25] The Board finds that the Complainant has not met the four part test as required and set out in Section 460(7). The Complainant did satisfactorily meet the requirements of (a), (b), and (d). However, the Complainant failed to present any evidence or information as required under Section 460(7)(c), to substantiate his position that the assessment of the subject property was not accurate.

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[26] The Board placed little weight on the information of the comparable property presented by the Complainant (11 Lockwood Ave). Without being presented detailed information, including the square footage, the lot size, details on the garage, etc., of the comparable property referred to by the Complainant, there is no way that the Board could determine if this property is actually a suitable comparable to the subject property. It should be added that even if the Board had accepted the Complainant's comparable as appropriate, it would be insufficient to establish and justify a change to the assessed value. There was still no information provided in terms of how to quantify the impact of the contiguous bus stop on the assessed value of the subject property.

[27] In accordance with the requirement under Section 460(7)(c) of the MGA, the onus is placed on the Complainant to present sufficient evidence, or "correct information", as to what the change should be and to warrant a change to the assessed value. The Complainant failed to meet this onus.

SUMMARY

[28] For the reasons noted above the assessed value of the subject property is CONFIRMED, as follows:

Roll # 1120400 \$353,400

Dated at the City of Red Deer, in the Province of Alberta this 04 day of July, 2014 and signed by the Presiding Officer on behalf of all three panel members who agree that the content of this document adequately reflects the hearing, deliberations and decision of the Board.



A. Gamble, Presiding Officer

This decision can be appealed to the Court of Queen's Bench on a question of law or jurisdiction. If you wish to appeal this decision you must follow the procedure found in section 470 of the Municipal Government Act which requires an application for leave to appeal to be filed and served within 30 days of being notified of the decision. Additional information may also be found at www.albertacourts.ab.ca.

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APPENDIX "A"

Documents Presented at the Hearing
and considered by the Board

NO.

ITEM

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|-------|------------------------|
| 1. A1 | Agenda |
| 2. C1 | Complainant Submission |
| 3. R1 | Respondent Submission |