

# Central Alberta

Regional Assessment Review Board

---

Decision: LARB 0262 658/2015

Complaint ID: 0262 658

Tax Roll: 1624199

---

## ASSESSMENT REVIEW BOARD DECISION

HEARING DATE: June 4, 2015

PRESIDING OFFICER: R. Kerber

BOARD MEMBER: A. Gamble

BOARD MEMBER: Z. Ordman

---

BETWEEN:

Suzanne Bleaken

Complainant

-and-

City of Red Deer  
Revenue & Assessment Services

Respondent

This is a complaint to the Central Alberta Regional Assessment Review Board in respect of a property assessment prepared by the City of Red Deer, as follows:

ROLL NUMBER: 1624199

MUNICIPAL ADDRESS: 408, 4614-47A Ave Red Deer, AB

ASSESSMENT: \$ 245,300

The complaint was heard by the Local Assessment Review Board on the 4th day of June, 2015, in the Council Chambers at the City of Red Deer, in the province of Alberta.

Appeared on behalf of the Complainant:

Suzanne Bleaken (owner)

Appeared on behalf of the Respondent:

Steve Beveridge, Property Assessor

Cale Green, Property Assessor

Observers: Dave Clark, and Kurtis Hall

**Decision:** The assessed value of the subject property is VARIED, and is hereby reduced from \$245,300 to \$233,800.

---

**JURISDICTION**

- [1] The Central Alberta Regional Assessment Review Board (“the Board”) has been established in accordance with section 456 of the *Municipal Government Act*, RSA 2000, c M-26 (“MGA”), and the City of Red Deer Bylaw No. 3441/2009, *Assessment Review Board Bylaw*.

**PROPERTY DESCRIPTION & BACKGROUND**

- [2] The subject property is identified as a “semi-custom condo”, located at Unit 408, 4614 – 47A Ave, in the downtown area and within the neighborhood of Parkvale, in the City of Red Deer, in the Province of Alberta.
- [3] The subject property is 1,085 square feet in size, situated on the fourth floor of the building, facing East, with a view of the downtown Spray Park. The subject property is in average condition, built in 1997 with some custom features, but with no renovations.
- [4] The Clerk of the Board received the Complaint and filing fee on March 16, 2015.
- [5] The Clerk of the Board sent out the Notices of Hearing on April 29, 2015, listing the required disclosure dates as follows: May 13, 2015 for the Complainant’s Initial Disclosure; May 26, 2015 for the Respondent’s Disclosure; and May 29, 2015 for the Complainant’s Rebuttal.
- [6] The Complainant provided a disclosure package to the Board on May 4, 2015. The Respondent provided a disclosure package to the Board on March 16, 2015. The Complainant provided a Rebuttal to the Board on May 28, 2015.

**PRELIMINARY MATTERS**

- [7] The Board Chair confirmed that no Board Member raised any issue or conflict of interest with respect to the matters before them.
- [8] Neither party raised any objection to the Board Panel hearing the complaint.
- [9] The Parties confirmed that the issue under complaint is the assessment amount. The Board accepts the complaint as presented.
- [10] The Board confirmed the submissions of the parties and entered the following Exhibits into the record:
- a. A.1 – Hearing Materials, including the Complaint Form and Notice of Hearing
  - b. C.1 – Complainant submission
  - c. R.1 – Respondent submission
  - d. C.2 – Complainant rebuttal
- [11] Neither party raised any procedural or jurisdictional matter. Both parties indicated that they were prepared to proceed with the hearing.

---

**ISSUES**

- [12] The Board considered the parties' positions and determined the following questions to be addressed within this decision:

Has the complainant's property been assessed correctly?

Should the assessment amount of the subject property be confirmed or varied?

**POSITION OF THE PARTIES****Position of the Complainant**

- [13] The Complainant submitted that the property is not assessed appropriately. She submits that her property value is detrimentally impacted during the summer months by the activities that occur at the Spray Park across the street.
- [14] The Complainant advised that the Spray Park has added excessive noise (from roughly 300-400 people), excessive traffic, parking issues, as well as unwanted nighttime activity including nudity and drug use.
- [15] The Complainant states that all of these negative aspects associated with the Spray Park have adversely affected her personal enjoyment of the property and property value.
- [16] The Complainant provided a market comparison of Unit 406, a property that sold in her building. The Complainant states that this unit was assessed at \$220,000 and sold for \$208,000, after being on the market for 15 months. She submitted this comparable as an example of the discrepancy between the assessment amount and market value.
- [17] The Complainant also provided photographic evidence of the Spray Park in operation, showing images of the volume of people using the Spray Park and the overflow of parking on the streets.
- [18] The Complainant stated that the property should be assessed at \$230,000.

**Position of the Respondent**

- [19] The Respondent submitted that the assessed value of \$245,300 is accurate.
- [20] The Respondent advised that the property has been assessed using mass appraisal and market value standards, as per s. 284(1) of the MGA.
- The Respondent compared the assessment of the subject property to assessments of similar properties.
  - A total of 24 semi-custom condominium units, located at 4614-47A Avenue in Palisade Point area, were assessed at a median assessment of \$227,000 was calculated.

- 
- However, 5 semi-custom condominium units located on top 2 floors and with 2 bedrooms (with additional 50 square meter area) in the Pine Point area, were assessed at a median assessment of \$237,000. These units had higher assessment values due to square footage and top floor areas.
- [21] The Respondent provided comparables that demonstrated that the subject property was assessed within 3% of the median assessment for semi-custom condominium units.
- [22] The Respondent stated that due to the complainant's property being located on the fourth floor, in the northeast corner, facing the Spray Park, it would be of a higher value than the comparable provided by the Complainant. The other comparable, Unit 406, was located on a lower floor, and faced west towards an alley in the same Building.
- [23] The Respondent stated that the subject property is corner unit, located on the top floor, it has a park view, offers indoor parking and green space features; all of these amenities make the subject property desirable.
- [24] The Respondent stated that in regards to the traffic issue, no negative adjustment was warranted and the assessment model that is used accounts for traffic.
- [25] The Respondent's submitted that the noise caused by the usage of the Spray Park is a normal characteristic of living in the City, especially in a downtown neighborhood.
- [26] The Respondent found that the comparable provided by the Complainant is missing a lot of the characteristics of the subject property, specifically the size, view, and level of quality (semi-custom). The fairness of sales comparison approach is based on the premise that a particular property is worth no more than the cost of purchasing an equally desirable substitute property, using arm's length sales, that may include a sale between two unrelated parties, both seeking to maximize their profit from the transaction.
- [27] The Respondent referred to a sales comparability table, within Exhibit R.1 on page 14, and noted a few minor typo corrections, but confirmed that these did not impact the final assessment value.
- [28] The Respondent explained the analysis used to arrive at the assessment value looks beyond individual property sales and further explained that the City receives data from market sales to determine market value. Adjustments are made to comparable properties as outlined on the sales comparability table.
- [29] The Respondent submits that the assessment analysis is fair and equitable, and requests that the Board confirm this.

### **Complainant Rebuttal**

- [30] The Complainant's rebuttal is that her private enjoyment of her property is detrimentally effected by the 300-400 people who are at the Spray Park daily. The noise and negative after hour activity is so excessive that she cannot enjoy her own property and that she cannot hear her own telephone ring inside her Condo due to the noise.

- 
- [31] The Complainant reiterated her request for a lower property assessment due to all the noise that the Spray Park produces, which negatively affects her standard of living.
- [32] The Complainant provided her comparable of a property (Unit 406) as being in the same building as the subject property. The Complaint also noted the actual sale price of Unit 406 was lower than its later market evaluation. She noted that she found this incongruent.
- [33] The Complainant maintains that the assessment is too high and that the property assessment should be reduced to \$230,000.

### **FINDINGS of the BOARD**

- [34] The Board finds that the assessed value of the subject property does not fully take into consideration external factors that could affect market value.
- [35] The Board finds that the location of the subject property as a negative aspect rather than an amenity due to the noise and activity in the park. The location of the fourth floor and facing the park does not add value when undesired noise negatively affects the occupant's usage of the property.
- [36] The Board considered the sales comparability table, on page 14 of R.1. and makes the following findings:
- comparable properties 2, 4, and 5, are all located at 18 Averill Street, and these were mostly newer units (by 6 years), and are located in an entirely different area of Red Deer that is not near the downtown area where the subject property is located;
  - the sister building unit was assessed at \$237,900 and the same building unit (although on a lower floor), was assessed at \$225,000;
  - the Averill Street units were considerably higher assessments, and this had a significant impact on the assessed value of the subject property.
- [37] The Board finds that the Averill properties are not comparable to the subject property. The location of the Averill properties is not within the downtown area, and differs in amenities.
- [38] The Board finds that the modifications to the subject property (to accommodate residents with handicap concerns), is a non-issue.
- [39] The Board finds that sale comparable #1 (unit 308 located at 4522-47A Avenue), and sale comparable #3 (the sister building unit 406 at 4614-47A Avenue), as described on the sales comparability table (Exhibit R.1, page 14) are reasonable comparables. Using only comparables #1 and #3 to determine the average assessed value per square foot ( $\$430.95/2 = \$215.475$ ), and multiplying this value by the square footage of the subject property (1,085 square feet =  $\$233,790.375$ ), provides a rounded value of \$233,800.

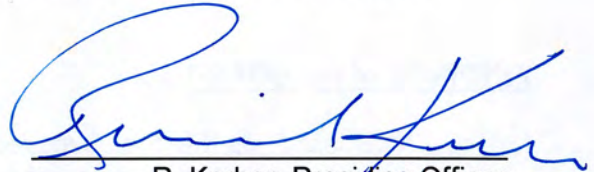
---

**DECISION SUMMARY**

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

Roll # 1624199 is reduced from \$ 245,300 to \$233,800.

Dated at the city of Red Deer, in the Province of Alberta, this 6<sup>th</sup> day of July, 2015, 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 Central Alberta Regional Assessment Board.



R. Kerber, 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](http://www.albertacourts.ab.ca).**

**APPENDIX "A"**

Documents Presented at the Hearing  
and considered by the Board

---

NO.

ITEM

1. A1 Hearing Materials with Complaint Form and Notice of Hearing
2. C1 Complainant Submission
3. R1 Respondent Submission
4. C2 Complainant Rebuttal

