

TOWN OF HIGH RIVER

ASSESSMENT REVIEW BOARD DECISION

In the matter of a complaint against the property assessment as provided by the *Municipal Government Act*, RSA 2000, Chapter M-26.

Between: Jeff & Sara Anderson Complainant

And: Stewart Dalrymple Town of High River Respondent

Before: Mr. Robert Bennington Presiding Officer
Ms. Anne Marie Mullane
Mr. Hank Leeferink Member

Ms. Jennifer Hogan LARB Clerk

This is a complaint to the Town of High River Assessment Review Board with respect to the property assessment prepared by the Assessor of the Town of High River and entered into the 2018 Property Assessment Roll as follows:

Roll Number: 3834000

Location Address: 1605 Sunshine Place SE, High River, Alberta

Registered Owners: Jeff and Sara Anderson

Original Assessment: \$406,400.00

The complaint was heard on the 1st day of November 2018, in Council Chambers located at 309 Macleod Trail SW, High River, Alberta.

Appeared on behalf of the Complainant: Jeff and Sara Anderson

Appeared on behalf of the Respondent: Mr. Stewart Dalrymple, Ms. Suzanne Roy

Property Description: Residential Home

Issues:

The primary issues outlined by the Complainant were as follows:

1. The current amended assessment of \$406,400.00 was believed to be too high and the 2015 assessment reflected the post-flood value including the basement rebuild.
2. The complainants were concerned that the assessment had risen \$27,400 from 2017 in a market that had not changed significantly.
3. The complainants contended the comparables used by the assessor were not similar in size and age.
4. The \$/sq. ft. comparison calculations are misleading and the assessor's explanation for the increase was confusing.

The parties present did not object to the panel representing the Board as constituted to hear the assessment complaint.

Legislative Authority, Requirements and Considerations:

The Board derives its authority to make this decision under Part 11 of the Municipal Government Act (the Act).

LEGISLATION

MUNICIPAL GOVERNMENT ACT RSA 2000 Chapter M-26

Interpretation

1(1) In this Act,

(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;

Assessment of Property

Interpretation provisions for Parts 9 to 12

284(1) In this Part and Parts 10, 11 and 12,

(c) "assessment" means a value of property determined in accordance with this Part and the regulations;

Assessments for property other than linear property

289(1) Assessments for all property in a municipality, other than Designated industrial property, must be prepared by the municipal assessor.

- (2) Each assessment must reflect
- (a) the characteristics and physical condition of the property on December 31 of the year prior to the year in which a tax is imposed under Part 10 in respect of the property, and
 - (b) the valuation and other standards set out in the regulations for that property.

Duties of assessors

- 293(1) In preparing an assessment, the assessor must, in a fair and equitable manner,
- (a) apply the valuation and other standards set out in the regulations, and
 - (b) follow the procedures set out in the regulations.

MATTERS RELATING TO ASSESSMENT AND TAXATION REGULATION (MRAT) ALBERTA REGULATION 220/2004

Definitions

- 1 In this Regulation,
- (a) "Act" means the Municipal Government Act;
 - (k) "mass appraisal" means the process of preparing assessments for a group of properties using standard methods and common data and allowing for statistical testing;

Part 1

Standards of Assessment

Mass appraisal

- 2 An assessment of property based on market value
- (a) must be prepared using mass appraisal,
 - (b) must be an estimate of the value of the fee simple estate in the property, and
 - (c) must reflect typical market conditions for properties similar to that property.

Valuation date

- 3 Any assessment prepared in accordance with the Act must be an estimate of the value of a property on July 1 of the assessment year.

Valuation standard for a parcel of land

- 4(1) The valuation standard for a parcel of land is
- (a) market value, or
 - (b) if the parcel is used for farming operations, agricultural use value.

Valuation standard for a parcel and improvements

- 6(1) When an assessor is preparing an assessment for a parcel of

land and the improvements to it, the valuation standard for the land and improvements is market value unless subsection (2) or (3) applies.

Quality standards

10(1) In this section, "property" does not include regulated property.

(2) In preparing an assessment for property, the assessor must have regard to the quality standards required by subsection (3) and must follow the procedures set out in the Alberta Assessment Quality Minister's Guidelines.

(3) For any stratum of the property type described in the following table, the quality standards set out in the table must be met in the preparation of assessments:

Property Type	Median Assessment Ratio	Coefficient of Dispersion
Property containing 1, 2 or 3 dwelling units	0.950 - 1.050	0 - 15.0
All other property	0.950 - 1.050	0 - 20.0

MAIN ISSUES

Summary of Evidence:

The Complainant's evidence consisted of the complaint form and:

- A detailed explanation of the process that led the complainant to make the appeal to the LARB. This included a historical listing of assessments from 2013-2018 noting a 7.23% increase 2017-2018.
- A copy of an on-line map upon which the complainant noted several assessment valuations for comparison purposes.
- A sheet (page 11) published by the town containing sales information with specific comments to support the determined assessments. The page also contained a comparison between 1605 (subject property) and 1609 (2 doors away).
- A rebuttal, questioning the size increase of the basement finishing, the 24 sold homes since the flood having renos or not.

The Respondent also included evidence providing several documents including:

- A description of the property including:
 - Specific property details with maps and photos
- An explanation of the "value model" that was applied to the assessment. It was noted the classification of the home was changed from "semi-custom good" to "standard average" as a result of an inspection.

- Time adjustment (indicating little change in value 2014-2017)
- A rebuttal for a complainant comparable property (1609 2 doors away) using bungalow vs bi-level argument.
- Property comparable information including:
 - Sales comparables in the Sunshine area (a list of sales from 2015-2016 with map and photos)
 - Assessment comparable list with spreadsheet, photos and map

Board Findings – Primary Matter:

1. A superior custom home being reclassified “average” would lower the value and assessment.
2. The fact that the home has air conditioning appeared to be unknown to the assessors until the 2018 inspection would add value.
3. There was a lack of agreement on what % of the basement is indeed finished. The suggestion that the 889sq.ft. be removed didn’t make sense to the board.
4. A 7.23% increase cannot be justified based on sales and assessment comparables.
5. The ASR is outside the the Minister’s Quality Assessment Guidelines MRAT 14(2)(3).

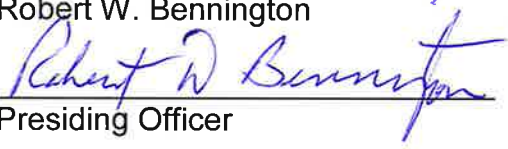
Board Decision – Primary Matter:

Based on the considerations outlined above the Board:

1. Recommends the parties come to agreement on actual measurements and improvements to more accurately and fairly assess this property.
2. Confirms that a fair and equitable assessment value for 1605 Sunshine Place SE at \$386,000

Dated at the Town of High River, in the Province of Alberta, this 29th day of October 2018

Robert W. Bennington


 Presiding Officer

An appeal to this decision lies to the Court of Queen’s Bench on a question of law or jurisdiction provided an application for leave to appeal is made within sixty (60) days.