

LARB 0266 1145 2018

Complaint ID 1145

Roll No. 24560

LOCAL ASSESSMENT REVIEW BOARD DECISION

HEARING DATE: OCTOBER 02, 2018

PRESIDING OFFICER: D. Moore

BOARD MEMBER: J. Kline

BETWEEN:

DUANE & NANCY ADAMS

Complainant

-and-

THE TOWN OF RIMBEY

Respondent

This decision pertains to a complaint submitted to the Central Alberta Regional Assessment Review Board in respect of a property assessment prepared by an Assessor of The Town of Rimbey as follows:

ROLL NUMBER: 24560

MUNICIPAL ADDRESS: 5304 Westview Drive

ASSESSMENT AMOUNT: \$ 741,380

The complaint was heard by the Local Assessment Review Board on the 2ND day of October 2018, at The Town of Rimbey, in the province of Alberta.

Appeared on behalf of the Complainant:

Duane Adams

Nancy Adams

Appeared on behalf of the Respondent:

Terry Willoughby, Municipal Property Consultants Ltd. On behalf of the Town of Rimbey

Lori Hillis, CAO Town of Rimbey

DECISION: The assessed value of the subject property is confirmed.

JURISDICTION

- [1] 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 The Town of Rimbey, Bylaw No. 943/18.

PROPERTY DESCRIPTION AND BACKGROUND

- [2] The subject property is a single family dwelling located at 5304 Westview Drive in the Town of Rimbey within the province of Alberta, it is classified as residential.
- [3] The Complainant submitted a property assessment complaint to the Central Alberta Regional Assessment Review Board on July 17, 2018. Notice of Hearing was sent to the parties on July 26, 2018.

PRELIMINARY MATTERS

- [4] The Board Chair confirmed that no Board Member raised any conflicts of interest with regard to matters before them.
- [5] Neither party raised any objection to the panel hearing the complaint.
- [6] The Board confirmed the submissions of the parties and entered the following Exhibits into the record:
- A.1 – Hearing Materials provided by Clerk (4 pages)
 - C.1 – Complainant Disclosure (4 pages)
 - R.1 – Respondent Disclosure (24 pages)
- [7] The Complainant stated that prior to the hearing, the Respondent’s Disclosure was not provided and that this was the first time he had seen the package. Due to this oversight he requested a recess to 1:00 PM in order to review the materials.
- [8] The Respondent confirmed that he delivered all copies to the Board, and stated that in the past the Clerk provided a copy to the opposing party.
- [9] The Board explained to the Complainant that it is their right to request sufficient time for review before moving forward; thus granting the Complainant’s request.

POSITION OF THE PARTIES

Position of the Complainant

- [10] The Complainant explained that this assessment appeal may not be the correct venue to address his concerns. His main concern is the fact that a development of the modular homes went forward without the proper notification to the area land owners. The subdivision where the subject property is located allowed a development that did not meet the architectural guidelines.
- [11] The Complainant stated the subject property is located in the Evergreen Estates subdivision, of which Land Use Bylaw Regulations (LUB) and Architectural Guidelines are in place. He further stated as part of bylaw *"the purpose of the RE district is to allow high quality residential development on large lots ..."* Recently two modular homes were installed that do not meet the Architectural requirements. Thus, the values of other properties within the Subdivision are adversely affected.
- [12] Complainant explained as part of the guidelines for Evergreen Estates the main floor of the residence must be a minimum of 1,500 square feet; however the square footage of the main floor of one of the modular homes is 840 square feet. This is much lower than what is identified in the guidelines as shown in exhibit C1 page 4.
- [13] In summary, the Complainant believes the installation of modular homes that do not meet the architectural guidelines adversely affected properties within the Evergreen Estates Subdivision. Therefore requesting a reduction in his assessed value to \$530,000.

Position of the Respondent

- [14] The Respondent stated that he prepared the assessment for the subject property based on market value of the July 1 of the assessment year using mass appraisal techniques. Specifically s. 5 of the Matters Relating to Assessment and Taxation Regulation, Alberta Regulation 203/2017 ["MRAT"] that provided the following standards of assessment:

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| <p>Mass appraisal</p> <p>5 An assessment of property based on market value</p> <ul style="list-style-type: none">(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. <p>Valuation date</p> <p>6 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.</p> |
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- [15] The Respondent explained that it is the Assessor's duty to value property in a fair and equitable manor using mass appraisal techniques. Sales are used to give a good indication of market value, when necessary up to three years of sales records can be used to provide adequate analysis when adjusted for the time period.
- [16] The Respondent further explained the direct sales comparison approach to value based on the principal of substitution, due to the fact there were no comparable sales of this exact classification (005-05-00) found within the Town of Rimbey. Thus, the sales analysis provided includes six sales of two different property types within the Town of Rimbey. Of the comparables most were within the 5% assessment to sales ratio considered acceptable practice for valuations.
- [17] The Respondent argued s. 467(3) of the Municipal Government Act, *"An assessment review board must not alter any assessment that is fair and equitable, taking into consideration (a) the valuation and other standards set out in the regulations, (b) the procedures set out in the regulations, and (c) the assessments of similar property or businesses in the same municipality."*
- [18] In summary, the subject property's assessment falls within the range of reasonable assessment of similar properties and has been shown to be fair and equitable. Therefore, requesting the Board to confirm the assessment of \$741,380.

BOARD FINDINGS and DECISION

Demonstration of Equity / Comparables

- [19] The Board was not convinced that the current assessment is incorrect based on the installation of two modular homes in the Evergreen Estates subdivision. The Board gives little weight to the architectural guidelines provided by the Complainant as there was nothing for the Board to evaluate in terms of assessment.
- [20] The Board finds the Complaint failed to provide supporting information to show that the assessment is neither fair nor equitable.
- [21] The Board finds that legislation relevant to assessment and valuation of property provided clear guidance for this complaint in the Municipal Government Act, RSA 2000, c M-26 ["MGA"], and in Regulations passed pursuant to this Act, specifically Matters Relating to Assessment and Taxation Regulation ["MRAT"]. This legislation governs the assessor in completing assessments, and the Board must make decisions based on the same legislation.
- [22] The Respondent provided the Board with the legislated parameters for valuation along with six comparable sales. MRAT section 6 defines valuation date as *"Any assessment prepared in accordance of the Act must be an estimate of value of a property on July 1st of the assessment year."*

- [23] The Board accepts the Respondent has prepared the assessment utilizing the direct comparison approach to value pursuant to all legislation using mass appraisal techniques.

293(1) In preparing an assessment, an 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.

(2) If there are no procedures set out in the regulations for preparing assessments, the assessor must take into consideration assessments of similar property in the same municipality in which the property that is being assessed is located.

- [24] The Board finds there the assessment to be fair and equitable based on the information presented by the Respondent.

DECISION SUMMARY

- [25] For the reasons identified above, The Board confirms the assessment of \$741,380.
- [26] Dated at the Central Alberta Regional Assessment Review Board, in the city of Red Deer, in the Province of Alberta this 01 day of November, 2018 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.



Dorothy Moore
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.

NO.

ITEM

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| 1. A.1 | Hearing Materials provided by Clerk |
| 2. C.1 | Complainant submission(s) |
| 3. R.1 | Respondent submission(s) |