



Composite Assessment Review Board Hearing

Roll: 2004257520

Legal Description: 288002 2338 Dr W, NE-25-40-4-W5

Appellant: La Societe Franco-Canadienne

Presented By: Devyn Murray AMAA

Table of Contents

| | |
|--|----|
| Assessment Issues..... | 3 |
| Legislation and Assessment Background | 3 |
| Description of Subject Property..... | 5 |
| Assessment Recommendation..... | 8 |
| Property Exemption Requirements and Determination..... | 9 |
| Sales (Land) Comparables | 11 |
| Travel Trailer Assessment | 15 |
| Summary | 23 |
| Appendix A: Legislation..... | 24 |
| MGA 362(1)(n)(iii) B | 26 |
| COPTER Interpretation 1(1) (b) (c)..... | 29 |
| COPTER Part 1 4(1)..... | 29 |
| COPTER Part 1 7(1)(2) | 30 |
| COPTER Part 2 10(1)(2) | 30 |

Assessment Issues

The appellant has brought forward the following issues which will be discussed in this report.

1. The property should be exempt under Section 362 of the Municipal Government Act (MGA) and the Community & Organization Property Tax Exemption Regulation (COPTER)
2. The land is over-valued
3. The trailers on site are not assessable and are currently over-valued

Legislation and Assessment Background

Assessed values are prepared on an annual basis. To establish values, the Assessment Department is legislated to use up to 36 months worth of sales information. In this case 36 months (3 years) of data was used. The hard date cut offs of the legislation leads to information being used one year and not the next. When older information is no longer a part of the process and new information is introduced, it can result in larger assessment changes than the real estate market indicates year over year.

Assessments in the province of Alberta must reflect the following:

- The market conditions of July 1 of the assessment year. This is the valuation date.
- The property characteristics and physical condition on December 31 of the assessment year.

Assessments must be prepared using mass appraisal and be representative of market value. An assessment is deemed to be reasonable when it falls within five percent of market value indicators. This is established in the Matters Relating to Assessment and Taxation Regulation. For an assessment to be determined fair and equitable, it must be prepared using mass appraisal, represent the fee simple interest, be a fair representation of market value as of the valuation date and represent the physical condition of the property as of the condition date.

The following court case outlines how the appellant should use their evidence to establish doubt on the assessed value through the burden of proof. The Alberta Queens Bench in “**Calgary (City) v Alberta (Municipal Government Board), 2010, ABQB 719**”, paragraph 161, outlines the burden of proof that must be followed.

The ultimate burden of proof or onus rests on the Appellant, at an assessment appeal, to convince the MGB their arguments, facts and evidence are more credible than that of the Respondent. However, if the Applicant leads sufficient evidence at the outset to establish a prima facie case, the evidentiary onus shifts to the Respondent. In order to establish a prima facie case, the Appellant must convince the MGB panel that there is merit to the appeal.

The Appellant must establish that it is more probable than not that the assessed value is incorrect or inequitable. Once the evidentiary onus shift occurs, then the validity of the assessment is in question. In

order to rebut the Appellants prima facie case, and in order to raise a legitimate inference that the assessment is correct, the Respondent must lead evidence to counter the Appellant's evidence. At the end of the hearing, the MGB considers all the evidence presented and determines which party has established their case on a preponderance of evidence. In theory this means the party with the strongest case should succeed.

As outlined in Matters Relating to Assessment Complaints (MRAC) both parties must present evidence in sufficient detail to allow the other party to respond to, or rebut, the presented evidence. This is also a requirement of any rebuttal evidence submitted by the complainant. MRAC details this in Section 9, clause 2, sub (c) states the complainant must disclose to the respondent and the review board all evidence they intend to disclose at the hearing in rebuttal..."(b) in sufficient detail to allow the respondent to respond to or rebut the evidence at the hearing." This section affords the respondent the opportunity to address any or all rebuttal information presented by the complainant at the hearing.

Additional and expanded legislation can be found in Appendix A: Legislation.

Description of Subject Property



Image 1: Aerial Image of Subject Property

This parcel has a titled area of 18.66 acres. The north boundary of the parcel is adjacent to Threepoint Creek and access to the parcel is from the south side off 2338 Dr W. The parcel is located approximately 15 minutes south-west of the Hamlet of Millarville and approximately 30 mins from the Town of Diamond Valley. There is an assessed area of 17.66 acres at market value and an area of 1.00 acres which is considered unusable land. The parcel is located within a floodway area. An inspection occurred on October 18th, 2023, with an La Societe Franco-Canadienne de Calgary (SFCC) representative to confirm the details and characteristics of the parcel and improvements. Image 1 (above) shows an aerial view of the subject parcel. Image 2 (page 7) shows the location of the subject in relation to other centres.

The subject parcel was originally developed in the early 1970's and is currently developed and improved with 50 RV sites and 6 tent sites. The RV sites have an individual electrical meter and access to a septic system and water lines. The 6 tent sites only have access to electrical servicing. The RV sites are leased to members of the SFCC. The leases are considered seasonal, but they can be extended year over year. If a member expresses a desire to stay for an additional year, then they are able to leave their improvements on site, year-round. As of December 31st, 2023, there were 42 sites improved with a combination of travel trailers, decks, verandas and various forms of sheds.

The subject was rezoned to Recreation District, which included a site-specific amendment to bring development on the property into compliance under the County's Land Use Bylaw. This rezoning was

made official by Council as of November 15th, 2023. The application had the following approval description:

Upon completion of the below pre-release condition, this approval allows for the development and use of Ptn. NE 25-20-04 W5M; Plan 1306JK, Block A for:

1. Campground, Major, as per the site plan dated May 1, 2023 Project 2021-004, including:
 - a. 50 seasonal campsites for La Societe Franco-Canadienne de Calgary members & their invited guests
 - b. 3 weekend-only campsites for use by guests
 - c. Occupancy for not more than 200 consecutive days per year between May 1st to October 31st
2. Private Amenity Space; Utility Services, Minor (Private):
 - a. Pumphouse - 204 sq. ft. & Tool Sheds - 442 sq. ft. in total
 - b. Common washroom(s) - 325 sq. ft.
 - c. Water, wastewater, and electrical servicing
 - d. Hall- 1,200 sq. ft.
 - e. Recreation room(s) - having a cumulative total area of 434 sq. ft.
 - f. Playground
3. The year-round storage of Recreation Vehicles and Accessory Buildings
4. Day use of the on-site Private Amenity Space(s) by local community groups to share the francophone culture- 3 times annually
 4. Exceptions to the Minimum Yard Setback Requirements under the Recreation District

With this approval in effect, the parcel has been developed to its highest and best use.

The Land Use Bylaw lists residential development, either single family, moved on, or temporary dwellings as discretionary uses for this parcel. As a discretionary use in the bylaw, an application would have to be made to the County to allow for residential development. This is a common occurrence within Foothills County and an application for any additional uses or buildings would not be considered severely restricted by law.

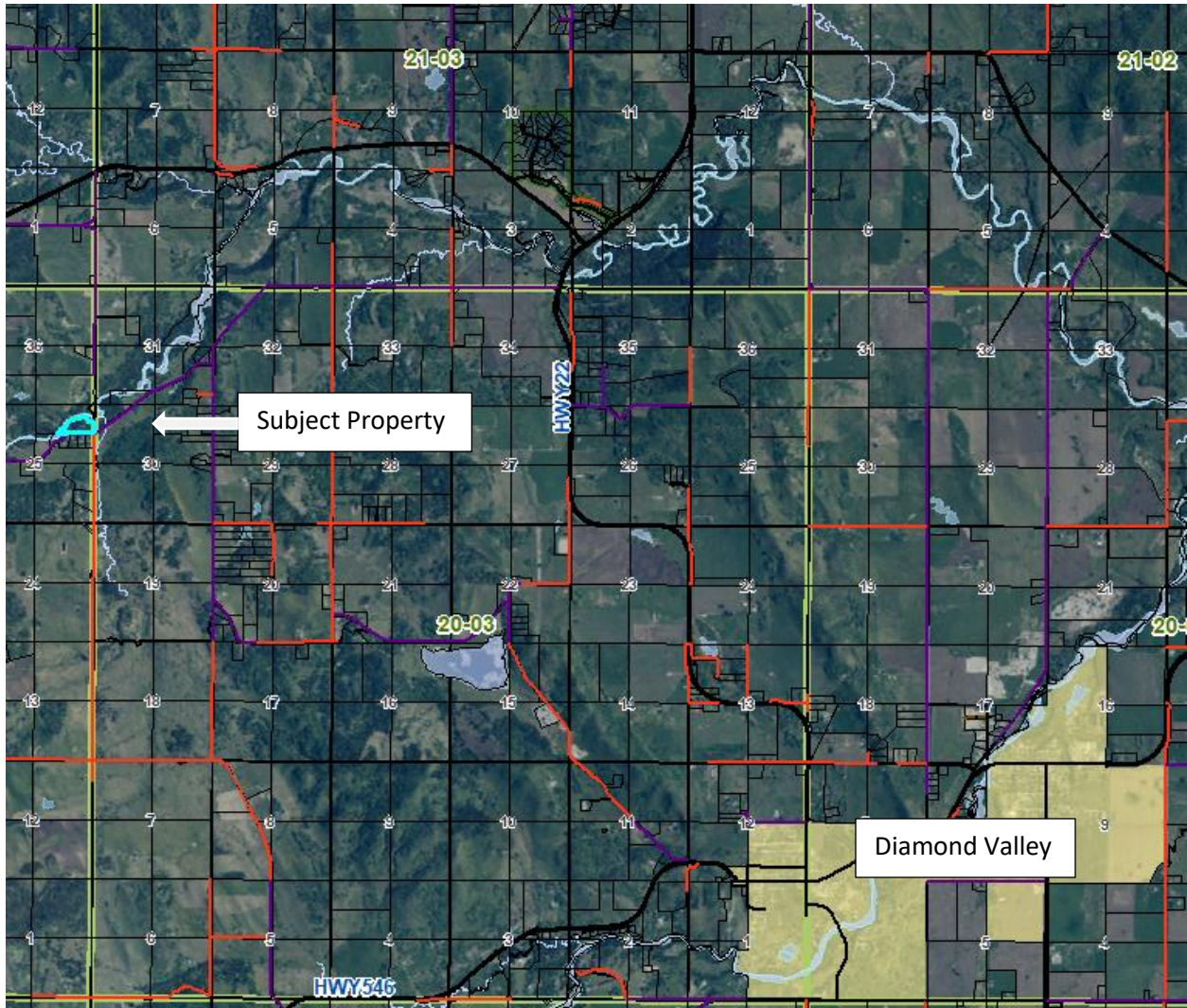


Image 2: Aerial Image of Subject Property to Nearby Centres

Assessment Recommendation

The assessed value on the property in complaint is \$1,701,910. The Assessment Department conducted a review of the assessment which resulted in changes to the roll. The review of the parcel included an amended amount of land to be placed as unusable. This new area was measured with aerial photography and was determined to be 1.85 acres. The revised total amounts of land are 16.81 acres at market value and 1.85 acres as unusable with no value. Table 1 breaks down the revised assessment and assessment classes.

Table 1: Assessment Breakdown

| Description | Assessment | Assessment Class |
|---|--------------------|-------------------------|
| Land | \$536,500 | Non-Residential |
| Travel trailers/recreational vehicles, decks, verandas, storage sheds (Tenant Improvements) | \$997,120 | Residential |
| 50 RV stalls, 6 tent sites, gathering hall, shower building & storage building (Campground Improvements) | \$117,790 | Residential |
| Total | \$1,651,410 | - |

The Assessment department recommends a total amended value of \$1,651,410.

Property Exemption Requirements and Determination

The appellant indicated the property should be exempt under Section 362 of the Municipal Government Act (MGA) and the Community Organization Property Tax Exemption Regulation (COPTER).

Provincial legislation: Municipal Government Act (MGA) and Community Organizations Property Tax Exemption Regulation (COPTER), set the criteria and classification for property tax exemptions. All the criteria need to be met in order to qualify.

As per section 362(1)(n)(iii) B of the MGA property that is used for a charitable or benevolent purpose for the benefit of the general public, and owned by a non-profit organization is exempt from taxation.

COPTER further interprets the following terminology as:

- (b) “charitable or benevolent purpose” means the relief of poverty, the advancement of education, the advancement of religion or any other purpose beneficial to the community;
- (c) “general public” means pertaining to the general community, rather than a group with limited membership or a group of business associates;

La Societe Franco Canadienne de Calgary (SFCC) is registered non-profit organization. The organization owns and operates the subject property.

In their submission, the Appellant indicated “the purpose of the Society is the advancement of education through French language programs and initiatives in Calgary and the surrounding areas... by allowing people who are learning or fluent in French to communicate in a recreational setting. When a space becomes available, the spot is available to the general public so long as the person is willing to speak French in the park. Membership to SFCC is also open to the general public, subject only basic French language skills”. This indicates there are clear restrictions to use the parcel.

Furthermore, Schedule A (pages 6-8) submitted by the Appellant, the ARTICLES OF ASSOCIATION OF LA SOCIÉTÉ FRANCO-CANADIENNE DE CALGARY indicates that French language is the official language. As per the same Schedule A, it is indicated that in order to become a member of SFCC, the application needs to be submitted to the Directors for approval, along with the \$5.00 fee, which is the value of one (1) share in the company. The same document specifies:

- a) “To be eligible for membership in the Company, a person must:
 - a. Be a Canadian citizen or permanent resident for at least twelve (12) months prior to submitting the application;
 - b. Speak French;
 - c. Be a resident of the City of Calgary or the surrounding area within a radius of fifty kilometers (50 km) outside its limits;
 - d. Be 18 years of age or older;”

For property tax exemption, denying access because of age, race, religion, ability to pay and so on can be considered a restrictive factor, as it is specified in COPTER Part 1 7(1)(2). The only restriction imposed on the members may be requirement to fill out an application and pay a minor fee.

As indicated by the Appellant, the subject property is not used or maintained from October to May, as per the Land Use Bylaw. And there is no access to the property during that time.

Under provincial legislation, for property tax exemption, the property has to be open to the public, with no restrictions for 70% of the time that the property is in use. The Appellant did not provide a schedule indicating when the facility is being used by Society and at what times the facility is open to public during the open season. The Appellant's website does encourage the public to inquire about both the Society and the sites within the campground facility but does not specify when the parcel is available to the general public or community.

As per the provided legislation, considering restricted access to the property the organization (SFCC) does not qualify for tax exemption as per Municipal Government Act (MGA), section 362 and Community Organizations Property Tax Exemption Regulation (COPTER).

Legislation pertaining to tax exemption can be found in Appendix A: Legislation.

Sales (Land) Comparables

Assessments are representations of market value, which is determined by using sales of similar properties, that have been marketed and sold with no undue pressure between a willing buyer and a willing seller.

Market value represents an estimate of value using sales of similar properties, that have been marketed and sold with no undue pressure between a willing buyer and a willing seller. In accordance with legislation, all assessments must be an estimate of market value as of the valuation date. The valuation date for this assessment is July 1, 2023. All sales must have their sale prices adjusted to reflect trending market conditions to arrive at an estimated sale price of what the property would have sold for on July 1, 2023. Table 2 contains sales of similar properties that the Assessment Department has selected as representations of good market transactions.

Table 2: Sales Comparables

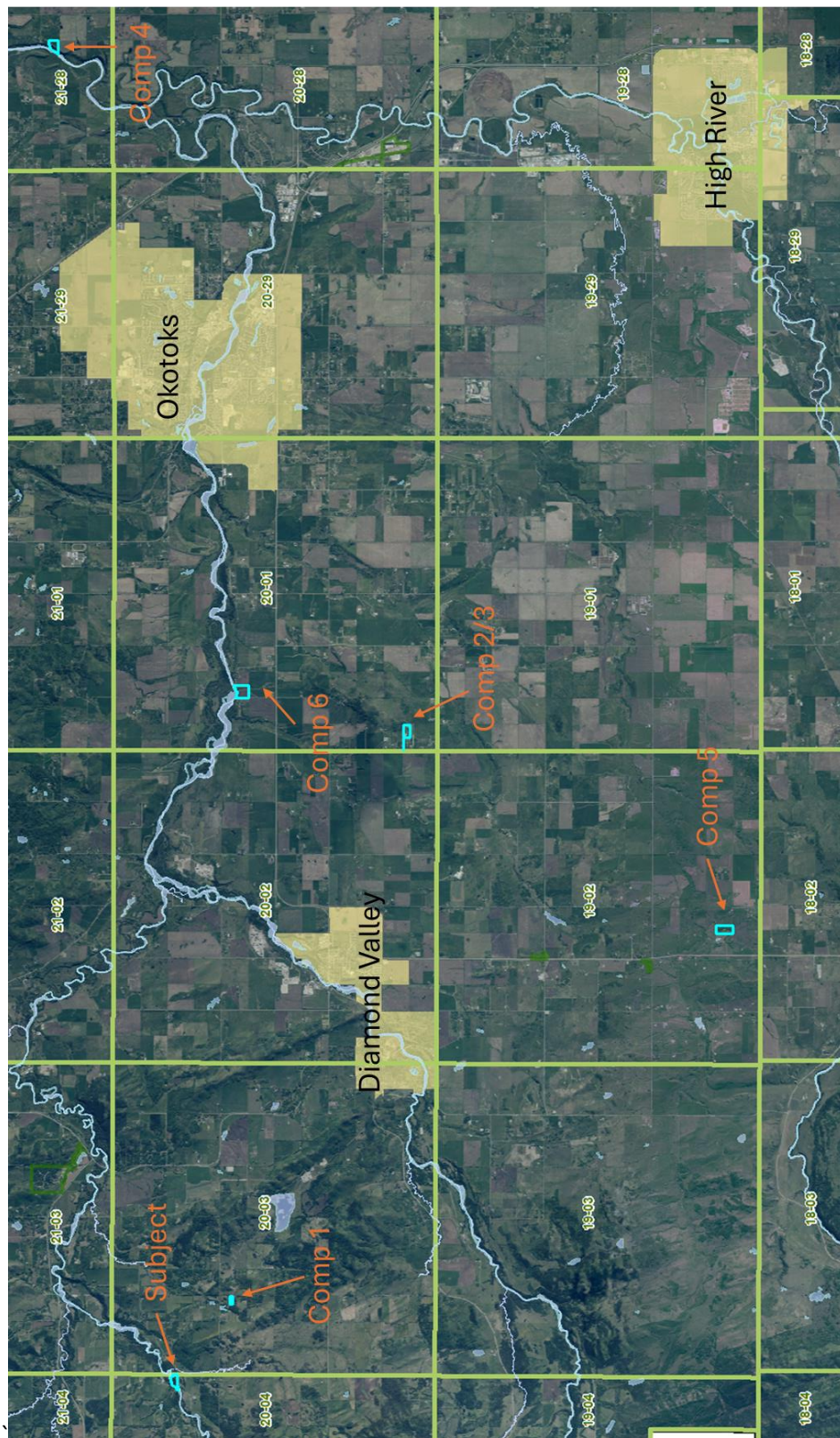
| Property | Subject | Comp 1 | Comp 2 | Comp 3 | Comp 4 | Comp 5 | Comp 6 |
|-------------------------------|----------------------|---------------|--------------|--------------|---------------|--------------|---------------|
| Address | NE-25-20-4-W5 | NW-20-20-3-W5 | NW-6-20-1-W5 | NW-6-20-1-W5 | SW-9-21-28-W4 | NE-4-19-2-W5 | NW-20-20-1-W5 |
| Parcel Size (Acres) | 16.81 (market value) | 6.50 | 22.00 | 22.00 | 23.48 | 33.09 | 35.23 |
| Sale Date | - | Mar-21 | Aug-22 | Mar-23 | Sep-22 | Jan-23 | Jul-20 |
| Sale Price | \$536,500 (revised) | \$332,500 | \$700,000 | \$758,000 | \$900,000 | \$470,000 | \$607,000 |
| Time Adjusted Sale Price | - | \$397,300 | \$747,800 | \$776,100 | \$955,400 | \$486,900 | \$768,000 |
| Time Adjusted Sale Price/Acre | \$31,915 | \$61,123 | \$33,991 | \$35,277 | \$40,690 | \$14,714 | \$21,800 |

Image 3 (page 12) shows where the comparables are located, in relation to the subject parcel.

The sales provided cover a range of sizes and are within a reasonable distance to the subject property. The sales account for parcel sizes from 6.50 acres up to 35.23 acres. In general, parcels that are greater in size, will have higher sale prices, but also have a lower per unit cost. This is known as diminishing returns. The comparables in general reflect this principle.

Comparable 1 is the smallest parcel and is included to highlight the different per acre values and the potential diminishing returns of larger parcels. Comparable 2 & 3 are the same parcel, which has sold twice within the legislated time frame, and represent the best indicators of value. Comparable 4 provides more insight to a similar sized parcel and is located adjacent to the Highwood River. It's location would be considered superior to the subject parcel. Comparables 5 and 6 highlight the diminishing returns of larger parcels. Comparable 5 is located in an inferior location, and Comparable 6 is located adjacent to the Sheep River. Graph 1 (page 13) provides a visual representation of the subject parcel's revised assessment, the Appellant's requested value and the Comparables indicated value on a per acre basis.

Image 3: Sales Comparable Map



Graph 1: Time Adjusted Price per Acre of the Subject and the Comparables

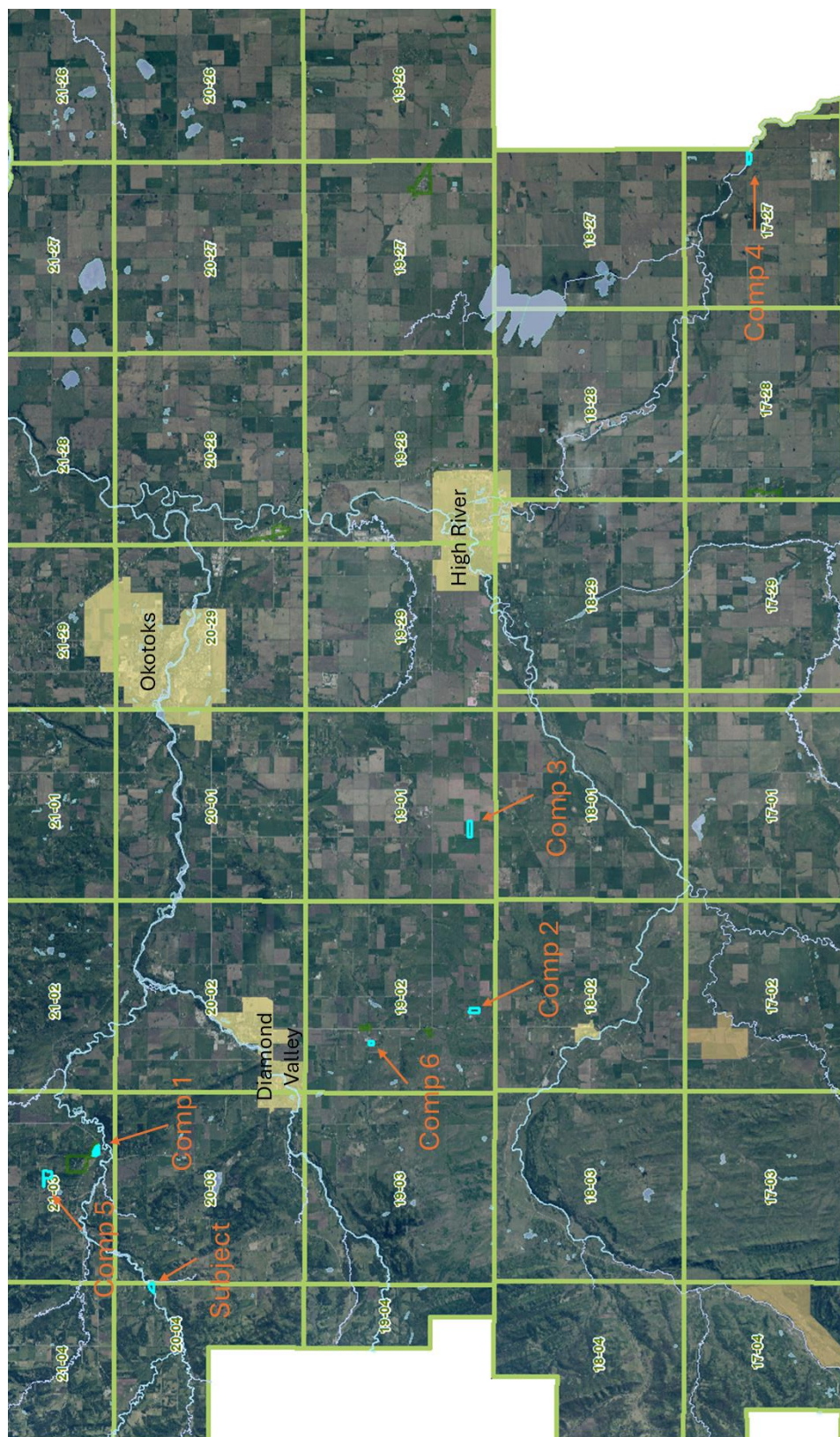


Graph 1 provides a visual representation of diminishing returns. Comparable 4 is located in a superior area, however, the price per acre is consistent within the diminishing returns. The inverse is demonstrated by Comparable 5 as it is an inferior location but is still consistent with the indicated diminishing returns trend.

The Appellant has brought forward sales of properties they believe to represent good market transactions. The Assessment Department agrees that the presented sales would be considered good market transactions. The transactions are missing necessary adjustments and considerations to arrive at an accurate estimate of market value. After reviewing the table provided in the Appellant's disclosure document named "Schedule C" on page 3, the following should have been accounted for:

- The subject parcel is 18.66 acres, which is 12.88 acres smaller than the median size of 31.54 acres. There should be consideration given to the diminishing returns of parcel size and there is none indicated.
- There is no consideration given to the factor of time. All assessments must be an estimate of market value as of the valuation date. The first comparable presented occurred after the valuation date of July 1. The remaining comparables have not been adjusted to reflect the market conditions of the valuation date.
- There is no consideration given to the location of the comparables in relation to the subject parcel. Image 4 (page 14) is a map showing the locations of the comparables and the subject. Comparables 1 & 5 would be considered similar, Comparables 2, 3 & 6 would be considered inferior and Comparable 4 would be considered grossly inferior.

Image 4: Appellant's Sales Comparable Map



Travel Trailer Assessment

Section 298(1) defines when travel trailers can be considered non-assessable, and what conditions can make them assessable. The excerpt is shown below.

Non-assessable property

298(1) No assessment is to be prepared for the following property:

(bb) travel trailers that are

- (i) not connected to any utility services provided by a public utility, and
- (ii) not attached or connected to any structure

The MGA defines “public utility” in Section 1(1)(y).

Interpretation

1(1) In this Act,

(y) “public utility” means a system or works used to provide one or more of the following for public consumption, benefit, convenience or use:

- (i) water or steam;
- (ii) sewage disposal;
- (iii) public transportation operated by or on behalf of the municipality;
- (iv) irrigation;
- (v) drainage;
- (vi) fuel;
- (vii) electric power;
- (viii) heat;
- (ix) waste management;
- (x) residential and commercial street lighting,

and includes the thing that is provided for public consumption, benefit, convenience or use;

The “public utility” provided on site is (vii) electric power. Electricity is provided by a public utility company such as Fortis or ATCO. The power company bills SFCC and SFCC then bills the lots. Each RV Stall has an individual meter (an example is provided in image 5). The parcel is seasonal (closed in the winter), but the utilities are still there. The interpretation of ‘(i) not connected to any utility services provided by a public utility’ is that the intent of the legislation was to make travel trailers non-assessable

if they do not have access to the described services. The power service is provided by the owner, to the stalls, through a public utility. There are no considerations in the MGA concerning the amount of time that the services must be provided to be valid.

Image 5: Example Individual Power Meter



The second condition that must be met for a travel trailer to be non-assessable is that the travel trailer can not be attached or connected to any structure. Many sites have a travel trailer that are either physically connected or connected in use to a structure. Examples are provided in images 6, 7 and 8.

Image 6: Travel Trailer on Site



Image 7: Travel Trailer Connected to a Structure



Image 8: Travel Trailer Connected in Use



Both described conditions must be met for the travel trailer itself to be considered non-assessable. Numerous sites are connected to a structure and all sites have a public utility. The Assessment Department considers the travel trailers to be assessable along with all other structures on the parcel.

The interpretation presented by the Assessment Department has been upheld by three past board decisions. The initial Assessment Review Board decision occurred on September 13, 2006 and was an appeal between Various Owners in a seasonal RV park and the Town of Sundre. The Board Order was issued, after an appeal was filed regarding the ARB decision, on August 27, 2007. The second decision is cited in **Board Order: MGB 109/07**. In this decision, the board considered issues including the following;

“2. In order to be non assessable pursuant to section 298(1)(bb), do travel trailers need to be both not connected to a utility service provided by a public utility and not attached or connected to any structure?”

3. Are any or all of the subject units not connected to any utility services provided by a public utility pursuant to section 298(1)(bb)(i) of the Act? i. What is the correct interpretation of the word “connected” in section 298(1)(bb)(i)?”

The Board concluded that *“When all of the references to travel trailers in the Act are analyzed as to what is intended respecting the assessability of travel trailers, it becomes clear that conventional travel trailers as defined in section 284(1)(w.1) of the Act are not to be assessed unless they become so affixed to a*

specific location that they are either connected to a utility service provided by a public utility or attached or connected to any structure.”

The Board further elaborated by stating *“Section 298(1) lists properties which are exempt from assessment, not properties which are to be assessed if the criteria enumerated in the Section are met. Travel trailers which meet only one of the criteria in section 298(1)(bb) are assessable. Accordingly, travel trailers that are connected to any utility service provided by a public utility but not connected or attached to a structure are assessable. Similarly, travel trailers that are connected or attached to a structure, but are not connected utility service provided by a public utility are also assessable.”*

When addressing the issues of defining “connected” and connected to utility services provided by a public utility, the decision elaborated as follows;

“The MGB agrees with the Respondent that the ordinary meaning of the word “connected” must be applied when interpreting section 298(1)(bb). Where the legislature wished to create an exception and add to the ordinary meaning, they specifically included qualifying words to indicate their intent. In particular, section 298(1) includes the following examples of qualifying language:

(a)(b) ... that is owned by the Crown...

(b.1) ... and used primarily to provide a domestic water supply service;

(c) ... but not including any residence or the land attributable to the residence;

(e)(iii) ... but not for the generation of electric power;

(g)(h) ... but not including any improvement designed and used for...

(i) ... but not including a road right of way that is... (i.1) ... but not including a street lighting system owned by a...

(j) ... unless the property is located in...

(k) ... but not including the following...

(l) ... but not including any residence...

(r) ... but not including gas conveyancing pipelines owned by rural gas co-operative associations,”... .

While the Legislature has included qualifying words elsewhere in section 298, there is nothing in either the section or the Act as a whole which indicates that the word “connected” should be interpreted to mean “permanently connected” or “connected throughout the year”, as proposed by the Appellants.

The fact some of the units under appeal receive water and sewage utility services through a shallow utility connection does not alter the finding that that the trailers are connected to a public utility service as contemplated by section 298(1)(bb)(i) of the Act. The utility services available to the trailers under appeal have been specifically planned, designed and approved for the particular trailer that has been placed on the lot. Moreover, the testimony of the nine owners who testified is consistent with the finding

that the relationship between the utilities and the units under appeal does not change. All of the nine owners who testified before the MGB indicated that unless they have replaced the original unit with another trailer, their units have not been moved from their location in Sundre RV since their original placement on the lots.

Accordingly, the MGB is not convinced that there is any reason to depart from the ordinary meaning of word "connected." As emphasized by the Respondent, the ordinary meaning of the word "connected" is: joined in sequence, related or associated. Furthermore, "join" means to connect or bring together, physically or otherwise; to place in contiguity; to couple; to combine; to associate ... to become connected."

"Based on the evidence submitted by the parties, the MGB finds that all of the trailers under appeal are connected to utility services provided by a public utility for the purposes of section 298(1)(bb)(i). Specifically, the MGB finds that all of the trailers under appeal are connected to electricity services provided by a public utility.

Connected to electricity services provided by a public utility

The Appellants argued that because the connection is made by placing a plug in an electrical outlet box, and because the 30 amp service is insufficient to run some household appliances, the trailers are not connected to electricity for the purposes of the Act.

Based on the Appellants' submissions, the MGB is not convinced that there is any reason to depart from the ordinary meaning of word "connected." The Act does not require the connection to be akin to that of an ordinary residential dwelling, nor does it specify that the connection should enable those occupying the trailers to power all appliances. Furthermore, rejecting the Appellants' interpretation and accepting that of the Respondent does not result in absurdity.

With respect, the fact that some of the units under appeal receive 30 amp service is of little relevance. The Act does not qualify that 30 amp electricity service is insufficient to be considered a utility service for the purposes of section 298(1)(bb)(i). The Act merely specifies that in order to be non assessable, the trailers cannot be connected to a utility service provided by a public utility. The MGB accepts the Respondent's evidence that each owner had their own account with EPCOR, and that EPCOR supplied the units with electricity throughout the year. Accordingly, the MGB finds that all of the trailers under appeal were connected to electricity.

The MGB does not accept that turning off the switch at the meter or unplugging the cable from the panel would result in the trailers being disconnected from electricity, where electricity is otherwise available. Such actions are analogous to turning off a switch or a breaker at an ordinary residential dwelling, and would not result in a disconnection for the purposes of section 298(1)(bb)(i) of the Act. Furthermore, the fact that the meter does not register any power consumption during the off season does not result in the termination of the connection for the purposes of the Act. It merely means that the electricity has not been accessed or used during the off season. There is no concept of seasonality in the Act.

Based on the finding that all units are connected to an electric public utility, all of the trailers under appeal are assessable pursuant to the Act.”

The third decision was a Joint Assessment Review Board decision, Order (0111) 010-2010, between Various Owners and The Municipal District of Foothills No. 31. It was agreed prior to the hearing that multiple complaints would be heard as one as they all had the same issues concerning their assessments. The decision dealt with the issue of the assessability of travel trailers. *“With regard to the **assessability of travel trailers**, the Board concurred with the Municipal Government Board decision 109/07 on a comparable RV park with similar issues, in that the recreational vehicle can be connected to utility services provided by a public utility as per section 298 (1)(bb)(i) of the Municipal Government Act because Country Lane RV Park is provided power through Fortis and then distributed to each lot in the park in the form of a power box, thus making all travel trailers assessable.”*

The three board decisions were consistent with their interpretations of the legislation and definitions of key terms. All boards concluded that:

- Travel trailers are assessable unless both conditions with section 298(1)(bb) are met,
- That seasonality is not a factor to consider in determining the assessment,
- That “connected” is defined as joined in sequence, related or associated, and
- That simply unplugging the power cord from power results in the trailer being disconnected from electricity.

Concerning the Appellant’s issue that the trailers are “privately owned, temporary chattel property”, section 304(1) of the MGA outlines that if an assessment is to be prepared for an assessed property, then the assessed person will be the owner of the parcel of land. The section is shown below for reference.

Recording assessed persons

304(1) The name of the person described in column 2 must be recorded on the assessment roll as the assessed person in respect of the assessed property described in column 1.

| Column 1 Assessed property | | Column 2 Assessed person | |
|---|--|---|----------------------------------|
| (a) | a parcel of land, unless otherwise dealt with in this subsection; | (a) | the owner of the parcel of land; |
| (b) | a parcel of land and the improvements to it, unless otherwise dealt with in this subsection; | (b) | the owner of the parcel of land; |

The Appellant also brought an issue forward regarding the value placed on the travel trailers. There is no evidence that was disclosed which would transfer the burden of proof from the Appellant to the Respondent. Referencing **“Calgary (City) v Alberta (Municipal Government Board), 2010, ABQB 719”**, the Appellant must prove the assessment is wrong. It is not up to the Assessment Department to prove themselves correct. All travel trailers were assessed fairly and equitably using the same methodology.

Summary

The Assessment Department has demonstrated that the assessment on the parcel under complaint is both fair and equitable. All applicable legislative standards have been followed and met which makes the assessment reasonable.

The Appellant has brought forward issues regarding the exempt status of the parcel, as well as the assessability of the land and travel trailers and their subsequent assessed values. The Assessment Department has addressed all issues within this report.

The subject parcel does not qualify for exemption due to the various restrictions

The Assessment Department requests the board to amend the assessment to \$1,651,410, given the information that has been presented.

Appendix A: Legislation

s.284(1)(r) “**property**” means

- (i) a parcel of land,
- (ii) an improvement, or
- (iii) a parcel of land and the improvements to it;

MGA s.284(1)(r)

s.289(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 the 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.

MGA s.289(2)

s.295(1) A person must provide, on request by the assessor, any information necessary for the assessor to carry out the duties and responsibilities of an assessor under Parts 9 to 12 and the regulations.

MGA s.295(1)

s.1(g) “mass appraisal” means the process of preparing assessments for a group of properties using standard methods and common data and allowing for statistical testing;

MRAT s.1(g)

s.5 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.

MRAT s.5

s.6 Any assessment prepared in accordance with the Act must be an estimate of the value of the property on July 1 of the assessment year.

MRAT s.6

s.9(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.

MRAT s.9

s.14(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 |

(4) The assessor must, in accordance with the procedures set out in the Alberta Assessment Quality Minister's Guidelines, declare annually that the requirements for assessments have been met.

MRAT s.14

s.9(1) In this section, "Complainant" includes an assessed person who is affected by a complaint who wishes to be heard at the hearing.

(2) If a complaint is to be heard by a composite assessment review board panel, the following rules apply with the respect to the disclosure of evidence:

- (a) the complainant must, at least 42 days before the hearing date,
 - (i) disclose to the respondent and the composite assessment review board the documentary evidence, a summary of the testimonial evidence, including a signed witness report for each witness, and any written argument that the complainant intends to present at the hearing in sufficient detail to allow the respondent to respond to or rebut the evidence at the hearing, and
 - ii) provide to the respondent and the composite assessment review board an estimate of the amount of time necessary to present the complainant's evidence;
- (b) the respondent must, at least 14 days before the hearing date,
 - (i) disclose to the complainant and the composite assessment review board the documentary evidence, a summary of the testimonial evidence, including a signed witness report for each witness, and any written argument that the respondent intends to present at the hearing in sufficient detail to allow the complainant to respond to or rebut the evidence at the hearing, and
 - (ii) provide to the complainant and the composite assessment review board an estimate of the amount of time necessary to present the respondent's evidence;
- (c) the complainant must, at least 7 days before the hearing date, disclose to the respondent and the composite assessment review board the documentary evidence, a summary of the testimonial evidence, including any signed witness report for each witness, and any written argument that the complainant intends to present at the hearing in rebuttal to the disclosure made under clause (b) in sufficient detail to allow the respondent to respond to or rebut the evidence at the hearing.

MRAC s.9

MGA 362(1)(n)(iii) B

Exemptions for Government, churches and other bodies

362(1) The following are exempt from taxation under this Division:

- (a) any interest held by the Crown in right of Alberta or Canada in property other than property that is held by a Provincial corporation as defined in the *Financial Administration Act*;
- (b) property held by a municipality, except the following:
 - (i) property from which the municipality earns revenue and which is not operated as a public benefit;
 - (ii) property that is operated as a public benefit but that has annual revenue that exceeds the annual operating costs;
 - (iii) an electric power system;
 - (iv) a telecommunications system;
 - (v) a natural gas or propane system located in a hamlet, village, summer village, town or city or in a school division that is authorized under the *Education Act* to impose taxes and has a population in excess of 500 people;
- (c) property, other than a student dormitory, used in connection with school purposes and held by
 - (i) the board of trustees of a school division,
 - (i.1) the Francophone regional authority of a Francophone education region established under the *Education Act*,
 - (i.2) the operator of a charter school established under the *Education Act*, or
 - (ii) the person responsible for the operation of a private school registered under the *Education Act*;
- (d) property, other than a student dormitory, used in connection with educational purposes and held by any of the following:

- (i) the board of governors of a university, polytechnic institution or comprehensive community college under the *Post-secondary Learning Act*;
- (ii) the governing body of an educational institution affiliated with a university under the *Post-secondary Learning Act*;
- (iii) a students association or graduate students association of a university under the *Post-secondary Learning Act*;
- (iv) a students association of a polytechnic institution or comprehensive community college under the *Post-secondary Learning Act*;
- (v) the board of governors of the Banff Centre under the *Post-secondary Learning Act*;
- (e) property, other than a student dormitory, used in connection with hospital purposes and held by a hospital board that receives financial assistance from the Crown;
- (f) property held by a regional services commission;
- (g) repealed by RSA 2000;
- (g.1) property used in connection with health region purposes and held by a health region under the *Regional Health Authorities Act* that receives financial assistance from the Crown under any Act;
- (h) property used in connection with nursing home purposes and held by a nursing home administered under the *Nursing Homes Act*;
- (i) repealed 1998 c24 s29;
- (j) property used in connection with library purposes and held by a library board established under the *Libraries Act*;
- (k) property held by a religious body and used chiefly for divine service, public worship or religious education and any parcel of land that is held by the religious body and used only as a parking area in connection with those purposes;
- (l) property consisting of any of the following:
 - (i) a parcel of land, to a maximum of 10 hectares, that is used as a cemetery as defined in the *Cemeteries Act*;

- (ii) any additional land that has been conveyed by the owner of the cemetery to individuals to be used as burial sites;
 - (iii) any improvement on land described in subclause (i) or (ii) that is used for burial purposes;
- (m) property held by
- (i) a foundation constituted under the *Senior Citizens Housing Act*, RSA 1980 cS-13, before July 1, 1994, or
 - (ii) a management body established under the *Alberta Housing Act*,
 and used to provide senior citizens with lodge accommodation as defined in the *Alberta Housing Act*;
- (n) property that is
- (i) owned by a municipality and held by a non-profit organization in an official capacity on behalf of the municipality,
 - (ii) held by a non-profit organization and used solely for community games, sports, athletics or recreation for the benefit of the general public,
 - (iii) used for a charitable or benevolent purpose that is for the benefit of the general public, and owned by
 - (A) the Crown in right of Alberta or Canada, a municipality or any other body that is exempt from taxation under this Division and held by a non-profit organization, or
 - (B) by a non-profit organization,

COPTER Interpretation 1(1) (b) (c)

Interpretation**1(1)** In this Regulation,

- (a) “Act” means the *Municipal Government Act*;
- (b) “charitable or benevolent purpose” means the relief of poverty, the advancement of education, the advancement of religion or any other purpose beneficial to the community;
- (c) “general public” means pertaining to the general community, rather than a group with limited membership or a group of business associates;

COPTER Part 1 4(1)

Primary use of property**4(1)** Property is not exempt from taxation under section 362(1)(n)(iii), (iv) or (v) of the Act or Part 3 of this Regulation unless the property is primarily used for the purpose or use described in those provisions.

COPTER Part 1 7(1)(2)

Meaning of restricted

7(1) In this Regulation, a reference to the use of property being restricted means, subject to subsections (2) and (3), that individuals are restricted from using the property on any basis, including a restriction based on

- (a) race, culture, ethnic origin or religious belief,
- (b) the ownership of property,
- (c) the requirement to pay fees of any kind, other than minor entrance or service fees, or
- (d) the requirement to become a member of an organization.

(2) The requirement to become a member of an organization does not make the use of the property restricted so long as

- (a) membership in the organization is not restricted on any basis, other than the requirement to fill out an application and pay a minor membership fee, and
- (b) membership occurs within a short period of time after any application or minor fee requirement is satisfied.

COPTER Part 2 10(1)(2)

Exemption under section 362(1)(n)(iii) of the Act

10(1) Property referred to in section 362(1)(n)(iii) of the Act is not exempt from taxation unless

- (a) the charitable or benevolent purpose for which the property is primarily used is a purpose that benefits the general public in the municipality in which the property is located, and
- (b) the resources of the non-profit organization that holds the property are devoted chiefly to the charitable or benevolent purpose for which the property is used.

(2) Property is not exempt from taxation under section 362(1)(n)(iii) of the Act if, for more than 30% of the time that the property is in use, the use of the property is restricted within the meaning of section 7.

AR 281/98 s10;182/2008