

**CALGARY  
ASSESSMENT REVIEW BOARD  
DECISION WITH REASONS**

In the matter of the complaint against the property assessment as provided by the *Municipal Government Act*, Chapter M-26, Section 460(4).

**between:**

***Altus Group, COMPLAINANT***

**and**

***The City Of Calgary, RESPONDENT***

**before:**

***T. Hudson, PRESIDING OFFICER***

***D. Julien, MEMBER***

***C. McEwen, MEMBER***

This is a complaint to the Calgary Assessment Review Board in respect of a property assessment prepared by the Assessor of The City of Calgary and entered in the 2010 Assessment Roll as follows:

**ROLL NUMBER: 091003400**

**LOCATION ADDRESS: 4105-13A St. SE**

**FILE NUMBER: 59316**

**ASSESSMENT: \$2,160,000**

This complaint was heard on the 22<sup>nd</sup> day of June, 2010 at the office of the Assessment Review Board located at 4<sup>th</sup> floor, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 1.

Appeared on behalf of the Complainant:

- *Randall Worthington*                      *Altus Group*

Appeared on behalf of the Respondent:

- *Don Kozak*                                      *Assessor, City of Calgary*

**PROPERTY DESCRIPTION:**

The subject property is a small industrial single tenant (IWS) building with a net rentable area of 4,160 sq. ft. with 50% office finish. The site area is 1.88 acres with 3% site coverage. The current assessment is \$2,160,000 or \$215 psf rounded. The requested assessment is \$1,160,000 based on land only.

**ISSUES:**

- 1) Should the property be assessed based on land value only?
- 2) What is the correct assessment value to place on the land?
- 3) If the small improvement is assessed, should it be classified as an IOBS and valued at a nominal \$10 psf?

**BOARD FINDINGS ON THE ISSUES:**

- 1) The Appellant argued that the subject property should be assessed best on highest and best use which in their view is as vacant land. The Respondent countered that the assessment is prepared based on the physical condition of the property as of Dec. 31, 2009. The property was improved with a small office building on that date and should be assessed.

The Board finds that the small office building should be assessed.

- 2) The Appellant argued that the subject property should be assessed at a rate of \$617,000 per acre based on seven sales of vacant land. The Respondent countered that some of the sale properties were not comparable to the subject because they were improved as at Dec. 31, 2009.

The Board finds that the rate which has been established for I-G zoned parcels in the market area of the subject at \$1,050,000 for the first acre, plus \$300,000 per acre for the next 10 acres is both fair and equitable. Expressed on a per acre basis for the subject the rate is \$699,000 per acre or a total of \$1,310,000 rounded.

- 3) The Appellant argued that small improvement on the site is only one storey and a total of 2080 sq. ft. This correction was acknowledged by the Respondent. The Respondent further acknowledged that it would be equitable to classify this small improvement as an IOBS building at a nominal assessed value of \$10 psf. The assessment of the improvement would

therefore be amended to 2,080 sq. ft. at \$10 psf or \$20,080.

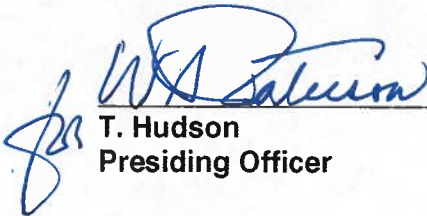
**BOARD DECISION:**

The assessment is reduced to \$1,330,000 rounded. The assessment includes land value at \$1,314,000 and improvements valued at \$20,080.

**REASONS:**

The Respondent acknowledged that the assessment under complaint was based on incorrect information with respect to the improvement on the subject property which is the most significant reason for the reduction.

DATED AT THE CITY OF CALGARY THIS 12<sup>th</sup> DAY OF JULY 2010.

  
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T. Hudson  
Presiding Officer

TH/mc

Cc: Owner

*An appeal may be made to the Court of Queen's Bench on a question of law or jurisdiction with respect to a decision of an assessment review board.*

*Any of the following may appeal the decision of an assessment review board:*

- (a) *the complainant;*
- (b) *an assessed person, other than the complainant, who is affected by the decision;*
- (c) *the municipality, if the decision being appealed relates to property that is within the boundaries of that municipality;*
- (d) *the assessor for a municipality referred to in clause (c).*

*An application for leave to appeal must be filed with the Court of Queen's Bench within 30 days after the persons notified of the hearing receive the decision, and notice of the application for leave to appeal must be given to*

- (a) *the assessment review board, and*
- (b) *any other persons as the judge directs.*