

**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: 078073202

LOCATION ADDRESS: 2126 Hurst Rd SE

FILE NUMBER: 59466

ASSESSMENT: \$ 7,530,000

This complaint was heard on the 23rd day of June, 2010 at the office of the Assessment Review Board located at 4th floor, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 1.

Appeared on behalf of the Complainant:

- *Randall Worthington* *Altus Group*
- *Reid Hutchinson* *Altus Group*

Appeared on behalf of the Respondent:

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

PROPERTY DESCRIPTION:

The property is known as the Lilydale Chicken processing facility located at 2126 Hurst Rd SE in the Alyth Bonnybrook industrial area. The site area of the subject is 2.91 acres. There are three (3) building improvements on the site which total 73,811 sq ft of net rentable area with 15% office finish. Site coverage is 48.10%. The subject is currently assessed based on \$103 psf of net rentable area for a total of \$7,530,000 rounded. The requested assessment is \$4,000,000.⁰⁰

ISSUES:

The Complainant argues that the subject is a special purpose facility and should be assessed using the depreciated cost approach. This method was accepted by the City of Calgary for 2009. The direct sales comparison approach is not appropriate given the status of the subject property.

BOARD FINDINGS ON THE ISSUE:

The parties did not disagree with the use of the depreciated cost plus land value to prepare the assessment for the property. The calculation was prepared based on this agreement and the Board finds that this methodology is appropriate given the nature of the subject property.

BOARD DECISION:

The assessment is reduced to \$ 4,980,000.⁰⁰

REASONS FOR THE DECISION:

The depreciated cost approach plus land value is the most appropriate method of valuation for special purpose properties such as the subject.

DATED AT THE CITY OF CALGARY THIS 23rd DAY OF JULY 2010.



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.*