

**CALGARY
ASSESSMENT REVIEW BOARD
DECISION WITH REASONS**

In the matter of the complaints against the property assessments 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

These are complaints to the Calgary Assessment Review Board in respect of the property assessments prepared by the Assessor of The City of Calgary and entered in the 2010 Assessment Roll as follows:

ROLL NUMBERS:	200283505	112138300	113002802	113002901
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LOCATION ADDRESSES:	6810 6 ST SE	550 71 AV SE	610 70 AV SE	7008 5 ST SE
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FILE NUMBERS:	56325	55972	56405	56407
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ASSESSMENTS:	\$ 14,140,000	\$ 20,480,000	\$ 6,430,000	\$ 12,980,000
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These complaints were heard concurrently on the 25th 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:

- *Christine Van Staden* *Altus Group*

Appeared on behalf of the Respondent:

- *George Bell* *Assessor, City of Calgary*

PROPERTY DESCRIPTIONS:

The subject properties are all located on adjoining sites within the Glenmore Business Park in the Fairview Industrial district of the Southeast Industrial Region. All of the properties have ongoing negative environmental influence (ie soil instability) affecting their market value. The assessments are all discounted by 30% to reflect this negative influence.

6810 – 6 ST SE was built in 1977 and consists of four (4) multi-tenanted industrial warehouses totalling 140,849 sq ft of net rentable area. The improvements are located on a 14.46 acre parcel with 22% site coverage. Office finish in the buildings range from 43-76%. The assessment is \$14,140,000 or \$100 psf rounded. The requested assessment is \$10,280,000 or \$73 psf rounded.

550 – 71 AV SE was built in 1980 and consists of five (5) multi-tenanted industrial warehouses with a total of 192,559 sq ft of net rentable area. Office finish ranges from 7-100%. The parcel area is 8.54 acres with 41.80 % site coverage. The overall assessment is based on \$106 psf. The requested assessment is based on \$75 psf.

610 – 70 AV SE was built in 1975 and consists of a single multi-tenanted industrial warehouse with 44,288 sq ft of net rentable area and 29% office finish. The parcel area is 3.53 acres with site coverage of 20.85%. The assessment which includes a land value adjustment for 1.23 acres of excess land is based on \$145 psf. The requested assessment is based on \$68 psf.

7008 – 5 ST SE was built in 1974 and consists of two (2) multi-tenanted industrial warehouses with a total of 177,106 sq ft of net rentable area. Office finish is 100%. The parcel area is 7.18 acres, with 51.42% site coverage. The assessment is based on \$76 psf. Approximately 6300 sq ft of the assessment is tax exempt; so the taxable assessment is \$12,980,000. The requested assessment is \$11,080,000 or \$63 psf on the taxable portion of the assessment.

ISSUES/GROUNDS FOR COMPLAINT:

The Complainant argued that all of the subject properties are assessed in excess of market value and that there is insufficient recognition for the ongoing soil stability concerns within the Glenmore Business Park.

BOARD FINDINGS:

The subject properties were appealed to the Calgary ARB on substantially the same evidence in 2009. The Board finds insufficient evidence to support an increase in market value of the subject

properties for 2010 over 2009. The Board also finds insufficient evidence to support an increase in the discount to 60% in recognition of the negative environmental (soil stability) influence in the assessments.

BOARD DECISION:

The assessments of the subject properties are reduced to values set in 2009 by the Calgary ARB.

6810 – 6 ST SE	\$13,880,000
550 – 71 AV SE	\$15,020,000
610 – 70 AV SE	\$ 4,420,000
7008 – 5 ST SE	\$10,340,000

REASONS:

There are no known comparable properties to the subject properties with which to establish market value or equity of the assessments. The soil stability issues affecting all of the properties are currently being recognized by the 30% discount of assessed values, and this appears reasonable unless and until a more complete review of the impact on value is undertaken. Certainly any increase in the estimates of market value would also require much more substantial evidence than that which is currently available. Given these realities a more site specific valuation analysis of all of the properties within the Glenmore Business Park is likely required going forward.

DATED AT THE CITY OF CALGARY THIS 28th 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.