

**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:

K C Moriarity, COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

P. Mowbrey, PRESIDING OFFICER

B. Jerchel, MEMBER

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

ROLL NUMBERS: 040088403 and 040088304

LOCATION ADDRESSES: 84 Bowridge Dr NW and 118 Bowridge Dr NW

HEARING NUMBERS: 57282 and 57283

ASSESSMENTS: \$ 1,530,000 and \$ 2,700,00

This complaint was heard on 2 day of July, 2010 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 12.

Appeared on behalf of the Complainant:

- Leonard Moriarity
Shannon Conaghon

Appeared on behalf of the Respondent:

- Marcus Berzins

Board's Decision in Respect of Procedural or Jurisdictional Matters:

There are no Procedural or Jurisdictional Matters.

Property Description:

The subject properties are adjacent to one another and are improved with self storage units located on fully serviced land, in the NW area of the City of Calgary. The land area for each parcel is 2.66 acres and each has an escarpment or forested hillside at the back of the property, which is unusable land.

Issues:

1. Is the 2010 Assessment for each property too high considering the topography of the subject lands with the slopes, forestation and set back requirements which render a portion of each site unusable.
2. Is the 2010 Assessment for each property too high considering the allowances and calculations made in the 2010 Assessments for the unusable land for each property.
3. Is the 2010 Assessment too high for 57282, considering the limited servicing of the site.
4. Is the 2010 Assessment too high for 57283, considering the incorrect age recorded for the assessment.
5. Is the 2010 Assessment too high using the Marshall and Swift Cost Manual to value the buildings by the Cost Approach.

<u>Complainant's Requested Value:</u>	57282	\$1,230,000
	57283	\$2,190,000

Board's Decision in Respect of Each Matter or Issue:

The Complainant advised the Board that it has seen an increase of 23% - 25% for the subject properties over the past year with the market in decline, C1.

The Complainant specifically questioned the allowances for topography made in the 2010 Assessments and if they were equal to the land area that is unusable.

The Complainant suggested the Respondent had been advised of the age of the building for 57283, as being 21 years older than is shown on the 2010 Assessment.

The Complainant indicated a cost to replace was prepared by a contractor, but not submitted into evidence as it had not been reviewed by the Respondent, and was at a much lower value than the Marshall and Swift cost manual that is used by the Respondent for establishing building value.

The Respondent submitted evidence, R1, P 15 & 19, with detailed calculations for the useable land for each property and supported the calculation with "orthophotographs" of satellite imagery to establish that portion of the lands that is unusable, R1, P 16, 17, 20 & 21.

The Respondent indicated that in reviewing the subject property's 2010 Assessment an error was detected in 57282, in that it had previously been given an allowance of -25% for limited servicing, and was found that the property was fully serviced. Therefore, the -25% adjustment was not applied for the 2010 Assessment, establishing a reason for an increase.

The Respondent related the age of the building for 57283 had been corrected and the assessment lowered by 20%, as the building is 21 years older than previously recorded.

The Respondent stated that talks had been ongoing with another of the family business members but no agreement had been reached for the calculation for the unusable land area.

The Respondent advised the Board that the Marshall and Swift Cost Manual is a well respected and established cost manual for the purpose of establishing building value by the Cost Approach and is used in the assessment process.

1. The Board is of the opinion the method of calculating unusable land using "orthophotographs" of satellite imagery is acceptable and accurate and therefore accepts the calculations provided by the Respondent, R1 P 15 & 19 for the respective subject properties.
2. The Board understands the error correction for the serviced land, by removing a previous -25% adjustment, in the 2010 Assessment for 57282, R1 P 15, and the amended value of land of \$1,177,023.
3. The Board agrees with the adjustment of age of the building for 57283, it being 21 years older than previously known and assessed, therefore, reducing the building assessment by 20% to \$1,047,147, R1 P15.
4. The Board agrees with the calculations for a lower value for 57283 of \$1,391,812, by applying a typical -30% adjustment for unusable land instead of removing the area of unusable land from the total area for the value calculation, R1 P15.
5. The Board agrees that the Marshall and Swift Cost Manual is a well established, reputable manual for establishing the value of special purpose buildings by the Cost Approach and accepts the value established for the subject buildings.

Board's Decision:

The decision of the Board is to confirm the 2010 Assessment for 57282 of \$1,530,000.

The decision of the Board is to reduce the 2010 Assessment for 57283 from \$2,700,000 to the Amended Assessment of \$2,630,000.

DATED AT THE CITY OF CALGARY THIS 8th DAY OF JULY 2010.


P. Mowbrey

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.*