

**CALGARY  
ASSESSMENT REVIEW BOARD  
DECISION WITH REASONS**

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

**between:**

***712954 Alberta Ltd., COMPLAINANT***

**and**

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

**before:**

***Board Chair, J. Zezulka  
Board Member, S. Rourke  
Board Member, R. Roy***

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 NUMBER: 119005502**

**LOCATION ADDRESS: 8616 – 44 Street SE, Calgary, Alberta**

**HEARING NUMBER: 58580**

**ASSESSMENT: \$6,990,000**

This complaint was heard on the 29th day of June, 2010 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 6.

Appeared on behalf of the Complainant:

- *Y. Tau*

Appeared on behalf of the Respondent:

- *I. McDermott*

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

Not Applicable

**Property Description:**

A multiple tenant industrial warehouse property, comprised of 9.51 acres of land, improved with an industrial warehouse of 48,900 s.f. Of the total land area, 6.012 acres have been classified as extra land. The location is the south Foothills Industrial Park.

**Issues:**

1. The assessed value is not reflective of the property's market value.
2. The assessed value is inequitable with comparable property assessments.

**Complainant's Requested Value:** \$6,200,000 shown on the Complaint Form, later amended to \$6,290,427.

**Board's Findings in Respect of Each Matter or Issue:**

The Board notes that the overall assessment calculates to \$142.95 per s.f. of gross building area, including land. Within the assessment, the City categorizes 6.01 acres as extra land that carries an assessed value of \$2,551,733. Excluding the extra land, the assessment calculates to \$90.76 per s.f. of building area.

**Issue 1**

The Complainant presented six comparables in two groups on pages 9 to 40 of The Assessment Advisory Group Disclosure of Evidence. The first group (three properties) were intended to be compared to the subject assuming a hypothetical 3.65 acre site, to which the claimant added 5.86 acres of extra land at \$2,458,000.

The second set of comparables on page 24 reflected selling prices from \$99 to \$127 per s.f. including land. These were intended to be compared to the subject including the total 9.51 acre site.

Site adjustments to the various comparables appear as follows:

	<u>Site size (acres)</u>	<u>Coverage (%)</u>	<u>Site size / coverage Adjustment</u>
<u>Page 9</u>			
Subject	3.65	33	
6423-30 Street S.E.	2.42	44	+5%
3916-70 Avenue S.E.	3.60	41	+5%
3716-64 Avenue S.E.	4.00	32	0%
<u>Page 24</u>			
Subject	9.51	13	
4060-78 Avenue S.E.	4.83	15	0%
2729-48 Avenue S.E.	7.36	22	+10%
4315-72 Avenue S.E.	2.23	24	+10%

On the face of it, the adjustments appear somewhat consistent relative to site coverage, but the adjustments to the data on page 24 appear to take no account of the actual extra land area, or any value that might attach thereto. As a result, the adjusted prices were largely disregarded.

The respondent presented three comparables on page 16 and five comparables in summary form on page 18 of the City of Calgary Assessment Brief. Two, from page 18, at 6423-30 Street S.E. and 3916-70 Avenue S.E., are the same as the complainant's comparables. The City's adjusted prices appear at \$96 and \$86 per s.f. respectively. (The complainant's adjusted prices appear at \$70 and \$73 per s.f.). Major factual differences in the description presented by the parties about 3916 – 70 Avenue rendered this comparable as not reliable, and it was subsequently disregarded.

The remaining comparable reflects a selling price of either \$73 or \$96 per s.f. depending on whether the complainant's or the respondent's adjustment process is adopted.

The remaining comparables submitted by the respondent on page 18 reflect per s.f. prices from \$87 to \$110. These are intended to indicate the value of the subject assuming a 3.65 acre parcel (excluding the extra land)

The three comparables on page 16 represented smaller buildings on smaller lots. The reflected selling price range of \$129 to \$171 is submitted as being indicative of the subject's market value including the extra land.

The respondent also presented a chart of 11 industrial sales comparables on page 30 of the City submission. However, none of these were addressed during the hearing.

## Issue 2

Neither party addressed the issue of equity.

## Board's Decision:

The board finds insufficient evidence to vary the assessment from the current level. In *Deloitte & Touche (Sandman Inn) v City of Edmonton* (2003 ARB) page 6....."The onus is always on the Complainant to present evidence to prove that an assessment is incorrect. In this case that burden of proof was not met".

**The assessment is confirmed at \$6,990,000.**

DATED AT THE CITY OF CALGARY THIS 21<sup>st</sup> DAY OF July 2010.

  
Jerry Zezulka  
Presiding Officer

*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.*