

**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:

Buffwood Holdings (1992) Inc., 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: 119003507

LOCATION ADDRESS: 9516 – 44 Street SE, Calgary, Alberta

HEARING NUMBER: 58491

ASSESSMENT: \$4,180,000

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:

Mayfair Lumber premises, comprised of 8.37 acres of land, improved with an industrial warehouse of 15,780 s.f., with a 14,520 s.f. footprint. 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:

\$3,750,000 shown on the Complaint Form, later amended to \$3,254,640.

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

The Board notes that the overall assessment calculates to \$264.89 per s.f. of gross building area, including land. Within the assessment, the City categorizes 3.66 acres as extra land that carries an assessed value of \$1,848,000.

Issue 1

In support of their argument, the Complainant presented two comparables on pages 7 to 15 of The Assessment Advisory Group Disclosure of Evidence. Both properties had some degree of similarity to the subject. After some discussion regarding the correct quantum of adjustments, the adjusted selling prices were calculated to \$200 and \$206 per s.f.

The respondent presented four comparables in summary form on page 19 of the City of Calgary Assessment Brief. These four were intended to be indicative of the subject's market value, assuming there was no extra land. Adjusted per s.f. rates appeared at \$132 to 155 per s.f. These amounts purportedly support the \$148 per s.f. assessment, to which is added the \$1,848,000 extra land value, resulting in the total assessment, equal to \$264.89 per s.f. of building. Although this exercise produces an accurate total of the parts, it is not considered to be an accurate reflection of the whole property as a single entity.

In addition, the Respondent presented one sale on page 39 of the Assessment Brief. The property, at 6410 – 90 Avenue S.E. is the same property presented as one of the Complainants comparables. The property sold in January, 2008 for \$3,500,000, or \$208.33 per s.f. of building (unadjusted), including 3.67 acres of extra land. This property is compared to the subject as follows:

	<u>Subject</u>	<u>6410 – 90 Avenue</u>
Location:	FO2	FO1
Building Size:	15,780 s.f.	16,800 s.f.
Building Age:	1989	1995
Land Size (acres):	8.37	8.54
Extra land (acres):	3.66	3.67
LUG	I-G	I-G
Total Assessment:	\$4,180,373	\$3,263,887
Assm't per s.f. of building:	\$264.91	\$194.27
Selling Price:		\$3,500,000
Selling Price per s.f.		\$208.33
Adjusted Selling Price per s.f.		\$200.00

Issue 2

Although neither party offered evidence relative to the issue of equity, the property at 6410 – 90 Avenue SE is considered to be of some guidance.

Board's Decision:

The assessment is reduced to \$203 per s.f. overall, to reflect the level indicated by the adjusted sales presented by both the Claimant and the Respondent.

The assessment is reduced to \$3,200,000.

DATED AT THE CITY OF CALGARY THIS 21st DAY OF July 2010.


J. 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.*