

**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:

Assessment Advisory Group, COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

***Board Chair, J. Zezulka
Board Member 1, J. Mathias
Board Member 2, I. Fraser***

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: 033035700

LOCATION ADDRESS: 4404 – 12 Street N.E., Calgary, Alberta

HEARING NUMBER: 58775

ASSESSMENT: \$3,270,000

This complaint was heard on the 30th day of June, 2010 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 10.

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 1.48 acres of land, improved with two multi-tenant industrial warehouses of 7,500 s.f. and 11,000 s.f. The location is the McCall 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:

\$2,800,000 shown on the Complaint Form, later amended to \$2,601,500, and amended a second time during the hearing to \$2,230,000.

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

The Board notes that the overall assessment calculates to \$176.76 per s.f. of gross building area, including land. The assessment is broken down as follows;

Building 1: 7,500 s.f. @ \$188.54 per s.f.

Building 2: 11,000 s.f. @ 169.06 per s.f.

Issue 1

The Complainant presented two comparables on pages 11 to 19 of The Assessment Advisory Group Disclosure of Evidence. It was pointed out to the board that both transactions occurred post facto. On the one hand, the Board is reluctant to accept post facto sales except for the purpose of verifying or supporting other evidence. On the other hand, the two represent the only evidence submitted by the Complainant, and excluding the sales would be to dismiss the Complainants entire case. And the Board is reluctant to take that course.

During the course of the complainant's presentation, an error in the adjustment for wall height became apparent. In addition, the complainant failed to establish any foundation for the quantum of any of the adjustments applied to the comparables.

The respondent presented 10 comparables in two groups. The first group of seven properties reflected a time adjusted median selling price of \$191.00 per s.f.. The median building size was 7,500 s.f.--the same as the subject's building No. 1. The second group of three comparables reflected a time adjusted median price of \$201 per s.f., and a median size of 12,600 s.f., compared to the subject's No. 2 building at 11,000 s.f.. Both of the median rates reflected are higher than the subject's current assessment level.

Issue 2

The complainant argued that the Board should not hear evidence relative to equity, since it was not an issue outlined on the complaint form. The arguments fails, since the complaint form, signed by the agent for the Complainant, states under "reasons for complaint": #2. The assessed value is inequitable with property assessments.

- a) Comparable properties are assessed at lower values.
 - 1. Comparable property assessments

The respondent submitted two sets of equity comparables, one for each of the subject buildings. The first set reflected assessments ranging from \$196 to \$220 per s.f., with buildings ranging in size from 6,397 to 7,332 s.f.

The second set reflected assessments ranging from \$170 to \$196 per s.f. with buildings from 10,010 to 14,400 s.f..

Board's Decision:

Based on the evidence presented by the Respondent, the Board is of the opinion that the current assessment adequately reflects market levels, and is fair and equitable with other similar properties.

The assessment is confirmed at \$3,270,000.

DATED AT THE CITY OF CALGARY THIS 3rd DAY OF August 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.*