

**CALGARY
ASSESSMENT REVIEW BOARD
DECISION WITH REASONS**

In the matter of a complaint filed with the Calgary Assessment Review Board against the pursuant to the *Municipal Government Act*, Chapter M-26, Section 460(4) of the Revised Statutes of Alberta 2000 (Act)

between:

Assessment MV Advisors Inc o/a Assessment Advisory Group, COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

***Board Chair, L. LOVEN
Board Member 1, P. PASK
Board Member 2, K. COLLIDGE***

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

ROLL NUMBER: 096025002

LOCATION ADDRESS: 5654 55 ST SE

HEARING NUMBER: 58433

ASSESSMENT: \$4,490,000

This complaint was heard on 15th day of July, 2010 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom #2.

Appeared on behalf of the Complainant:

- *Stephen Cobb – Representing Assessment Advisory Group, as agent for 811601 Alberta Ltd.*

Appeared on behalf of the Respondent:

- *James Greer – Representing the City of Calgary*

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

The Board derives its authority to make this decision under Part 11 of the Act. No specific jurisdictional or procedural matters were raised during the outset of the hearing, and the Board proceeded to hear the merits of the complaint, as outlined below.

Property Description:

The property under complaint consists of 20,000 square foot single tenant industrial warehouse and three out buildings of 1,200, 960 and 900 square feet on the subject 6.15 acre property. The property lies within the Starfield Industrial Park located in southeast Calgary.

Issues:

The Complainant raised the following matters in section 4 of the Complaint form: assessment amount.

In section 5 of the Complaint form, the Complainant request the assessed value of \$3,500,000 and provided the following reasons for complaint:

Assessment value is incorrect:

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

As of the date of this hearing, the above issues remained in dispute.

The Board considered the evidence of the Complainant regarding the following items:

- (a) The increase in assessment from \$4,330,000 in 2009 to \$4,490,000 in 2010;
- (b) The Assessment Explanation Supplement;
- (c) A map showing the location of the subject property;
- (d) An assessment Summary Report as of December 31, 2009;
- (e) Aerial photographs of the subject property;
- (f) Photographs of the subject property;
- (g) Comparable valuation for the sales of two properties located at 1030-34 Avenue SE and 3528-80 Avenue SE;
- (h) RealNet Industrial Land Summary reports providing detail of the sales of the two comparable properties, and maps showing the location of the properties.

The Board then considered the evidence of the Respondent regarding the following items:

- (a) An introduction regarding legislative authority, relevant regulation, valuation methodology, sales comparison approach; proof of burden or onus, and summary of testimonial evidence to the sales approach;
- (b) Photographs of the subject property;
- (c) An aerial photograph of the subject property;
- (d) An Assessment Explanation Supplement for the subject property;
- (e) Three industrial sales comparable located at 6020-3 Street SE, 7940-56 Street SE and 4632-1 Street SE;
- (f) Seven 2010 industrial equity comparable properties located at 6620-90 Avenue SE, 6410-90 Avenue SE, 9724-52 Street SE, 8625-68 Street SE, 7530-114 Avenue SE, 7540-114 Avenue SE and 5502-56 Avenue SE;
- (g) An Assessment request for information for one of the Complainant's comparable sales located at 1030-34 Avenue SE, indicating under question 16 regarding major repairs or capital expenditures at the time of sale an environmental clean-up, and under question 17 regarding major repairs or capital expenditures since purchasing the property \$200,000 upgrading electrical; and,
- (h) A map showing SE industrial zones.

Complainant's Requested Value:

Revised in the Complainant's Disclosure of Evidence: \$4,350,178

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

In view of the above considerations, the Board finds as follows:

- 1. The Board finds of the three comparable sales provided by the Complainant, the sale price of one may have been reduced due to environmental and electrical costs and the other two are post facto. Accordingly the Board can place little weight on these comparables.
- 2. The Board was not provided with sufficient evidence or argument from the Complainant to support their requested reduction in assessed value for the 20,000 square foot building from \$118 to \$111 per square foot or approximately 3% of the assessed value of the subject property;
- 3. The Board finds that of the three sales comparables provided by the Respondent one is most reflective of the subject property in zoning, location and site coverage, and supports the assessed value;
- 4. The valuation method applied in this instance is the Sales Comparison Approach. The use of this approach to value is contextually allowed in the legislation. The Complainant did not advance any argument or evidence to support the contention that an error had been made in the application of the Sales Comparison Approach in preparing this assessment.

Board's Decision:

The assessment is confirmed at: \$4,490,000

DATED AT THE CITY OF CALGARY THIS 28th DAY OF July 2010.



L.R. LOVEN
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.*