

**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:

Altus Group Ltd., COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

T. Sadlowski, PRESIDING OFFICER

J. Massey, MEMBER

R. Kodak, 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 NUMBER:	101009405
LOCATION ADDRESS:	201 – 58 Av SW
HEARING NUMBER:	58939
ASSESSMENT:	\$886,500

This complaint was heard on 27th day of July, 2010 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 4.

Appeared on behalf of the Complainant:

- *Giovanni Worsley, Agent*

Appeared on behalf of the Respondent:

- *Jason Lepine, Assessor*

Issues:

The issues identified in the complaint form are:

- 1) Is the assessment in excess of market value?
- 2) Is the assessment methodology incorrect?

Description:

The subject property is located in the Manchester Industrial community. The property use is commercial and the land use designation as Commercial – Corridor 3. The site area is 7,747 sq. ft. and the rental area is 832 sq. ft. The property is a corner lot and as such, has a 5% positive corner influence. It is an income producing property.

Position of the Complainant:

The Complainant requested that the subject should be assessed at \$300,000 for the 2010 assessment year. The Complainant also provided four sales comparables that were located on Macleod Trail (C-1, P-21). They were also zoned Commercial – Corridor 3, and sold from \$40.12 per sq. ft. to \$71.03 per sq. ft., and are assessed at \$39 to \$47 per sq. ft. In addition, the Complainant submitted an adjacent property at 205 – 58 Av SW that has a 3,712 sq. ft. building and that was assessed at \$63.38 (land and improvements) (C-1, P-42). The Complainant also submitted in excess of 50 equity comparables, which were all along Macleod Trail. The assessable land areas ranged from 3,300 sq. ft. to 375,673 sq. ft., and the assessments per sq. ft. ranged from \$21 to \$72.

Position of the Respondent:

The Respondent submitted a 2010 Commercial Property Costed Approach Summary. The land was assessed at \$870,375 and the building was \$16,246 using the Marshall and Swift Valuation Manual, for a total assessment of \$886,621 (R-1, P-15). The Respondent used \$107 for the first 10,000 sq. ft. of land, and \$17 per sq. ft. for any area over 10,000 sq. ft. to arrive at the assessment. The Respondent also submitted three sales comparables, whose time-adjusted selling price ranged from \$107.44 per sq. ft. to \$165.47 per sq. Ft (R-1, P-35). None of these properties is in C-COR 3 zoning, although they compare favourably in size with the subject. The Respondent provided four additional comparables along Macleod Trail that ranged in area from 3,900 sq. ft. to 35,894 sq. ft., whose assessments ranged from \$21 to \$64 per sq. Ft, (R-1, P-58).

Decision:

The decision of the Board is to reduce the assessment on the subject property from \$886,500 to \$371,500, based on a \$48 per sq. ft. assessment rate.

Reasons:

The Board was persuaded that the assessment for the adjacent property (205 – 58 Av SW) represented the subject property, although this property is approximately 400 sq. ft. larger and the building upon the property is 2,880 sq. ft. larger. Further, a Board decision (ARB 0702/2010-P) supported the \$48 per sq. ft. rate.

The Board found that the Respondent was inconsistent in its application of the \$107 per sq. ft. rate. In addition, the Respondent's comparables, which were in C-COR 1 and C-COR 2, were deemed irrelevant. Neither the Complainant nor the Respondent were able to explain to the Board the distinguishing factors for C-COR 1, C-COR 2 and C-COR 3.

DATED AT THE CITY OF CALGARY THIS 20th DAY OF August 2010.



T. Sadlowski
Presiding Officer
TS/br

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.*