

**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:

J. Noonan, *PRESIDING OFFICER*

Y. Nesry, *MEMBER*

C. McEwen, *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: | 115064008 |
| LOCATION ADDRESS: | 6224 29 St SE |
| HEARING NUMBER: | 58515 |
| ASSESSMENT: \$ | \$3,710,000. |

This complaint was heard on the 3rd day of August, 2010 at the office of the Assessment Review Board located at the 3rd Floor, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 9.

Appeared on behalf of the Complainant:

- T. Howell, Commercial property Tax Agent, Assessment Advisory Group

Appeared on behalf of the Respondent:

- I. McDermott, I. Powell, Assessors, *The City of Calgary*

Property Description:

The subject is located at 6224 29 St SE, Calgary. It is a 1976 vintage warehouse of 23,033 sq.ft. with 28% finish on an irregularly shaped parcel of 5.82 acres. The assessed value is \$3,710,000 which is an increase of some 15% from the 2009 assessment of \$3,220,000.

Issue:

Is the assessment in excess of fair market value?

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

The Complainant presented a table of 3 comparable sales and applied adjustments for sales dates, building size, site coverage and year of construction to better compare to the subject. The average adjusted per sq.ft. value of \$156 was then applied to the subject and further reduced by a negative 25% lot shape factor to arrive at a requested rate of \$117 per sq.ft. or \$2,690,000.


The Respondent noted the subject's assessment is \$161 per sq.ft. and presented 7 sales comparables and 5 equity comparables in support. The best equity comparable was noted as a property at 3780 76 Ave assessed at \$160 per sq.ft.

The subject's 15% year-over-year increase in assessment raised a flag of concern to the CARB. As a test, the panel examined the equity comparable at 3780 76 Ave SE and noted a size difference of 2.1 acres. At an estimated value of \$350,000 per additional acre (a total of 7.94 ac for this comparable), the Board determined an approximate value of \$3,158,000 or some \$137 per sq.ft. for the subject. The Board further examined 2 of Respondent's sales from the same sub-market of Foothills 1 and found a time-adjusted average price of \$177.50 per sq.ft. Applying the City's negative lot shape factor of 25% yielded a value of \$133 per sq.ft., which result was supported by the City's evidence that a market value trend adjustment of .52% per month was in force over the July 2008 – July 2009 timeframe. The CARB finds this value fair and equitable.

Board Decisions on the Issue:

The Board reduces the assessment to \$3,060,000.

DATED AT THE CITY OF CALGARY THIS 11 DAY OF August 2010.


for **J. Noonan**
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.*