

**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.P. Acker, PRESIDING OFFICER

T. Usselman, MEMBER

D. Julien, MEMBER

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: 092028901

LOCATION ADDRESS: 4007 Bonnybrook Road S.E.

HEARING NUMBER: 58141

ASSESSMENT: \$ 566,000

This complaint was heard on the 10th day of August, 2010 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom #3.

Appeared on behalf of the Complainant:

- *Mr. Troy Howell*

Appeared on behalf of the Respondent:

- *Mr. Don Kozak*

Property Description:

This warehouse property is sited on .29 acres of land zoned I-R improved with a single-tenant structure of 2,172 sq ft of leasable space constructed in 1954. The building has no office finish and covers 16.92% of the parcel area.

Issues:

The assessed value is in excess of market value.

Complainant's Requested Value: \$ 482,184

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

The Complainant noted that the year to year increase in assessment for the subject was 16.5% which appears to introduce a question of equity in a falling market. He provided a series of exterior photographs of the subject together with three comparable sales adjusted to bring them into greater similarity with the subject. These sales were adjusted between 0 and 20% to reflect the time adjustments on the sales and for differences in building size, land size / site coverage versus the subject. No supporting evidence or testimony was introduced to support the adjustments made. The average of the adjusted sales produced a value of \$222/sq ft. versus the assessed value of \$261/sq ft. The complainant claimed a further reduction of 25% for the irregular shape of the subject which would have further reduced the requested value to \$361,638.

The respondent provided 5 sales comparable supporting a time adjusted sale price per square foot of \$222.80 with the best comparable valued at \$361./sq ft. The subject property was assessed at \$260.71 per square foot. In addition, the respondent provided seven single building equity comparables. The rate per square foot assessments ranged from \$252 to \$271 per square foot and the site sizes ranged from .14 ac to .60 ac versus the subject .29 ac lot. The site coverage percentages of the equity comparables ranged from 10% to 21% versus the subject at 17%. Office finish of the comparables ranged from 0% to 51% versus the subject's 0%.

The shape factor reduction requested by the complainant was answered by the respondent in that the City of Calgary applies a shape factor adjustment only to vacant lands. Studies by the assessment branch indicate little impact on market value attributed to shape of developed industrial parcels and therefore, no adjustment is made on properties with any improvement. The board gave greater weight to the respondent's evidence as the sales and equity comparables reflected similarity

with the subject; their attributes bracketed the subject's and supported the assessment as rendered.

The board considered the testimony of the parties, and found the complainant's evidence to be less persuasive as no rationale or support for the percentage adjustments applied to the comparables was offered.

Accordingly, the board confirms the assessment at \$566,000.

Board's Decision:

The assessment is confirmed at \$566,000.

DATED AT THE CITY OF CALGARY THIS 18 DAY OF August, 2010.


J. P. Acker
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.*