

**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 assessment prepared by the Assessor of The City of Calgary and entered in the 2010 Assessment Roll as follows:

ROLL NUMBER:	078008703
LOCATION ADDRESS:	1701 11 Street S.E.
HEARING NUMBER:	58385
ASSESSMENT:	\$ 1,360,000

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 .17 acres of land zoned C-COR2 improved with a single-tenant structure of 7,475 sq ft of leasable space constructed in 1949. The building has 100% office finish and covers 64.99% of the parcel area.

Issues:

The assessed value is in excess of market value.

Complainant's Requested Value: \$ 692,963

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

The Complainant alleges that the property is over assessed. 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 downward between 15% and 40% to reflect the time adjustments on the sales and for differences in building size, land size / site coverage and year of construction 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 \$122/sq ft. versus the assessed value of \$182/sq ft. The complainant claimed a further reduction of 25% for the corner lot configuration and topology constraints. On review of the information submitted, the board notes that one of the sales is for a property improved with a building almost twice the size of the subject and this sale was a non-arms length portfolio sale.

The respondent provided 10 comparable sales supporting an average time adjusted sale price per square foot of \$196.40. In addition, the respondent provided five equity comparables of which four were single tenant properties. The rate per square foot assessments ranged from \$183 to \$272 per square foot and the site sizes ranged from .14 ac to .83 ac versus the subject .17 ac lot. The site coverage percentages of the equity comparables ranged from 10% to 62% versus the subject at 65%. Office finish of the comparables ranged from 86% (1 property) to 100% (4 properties) versus the subject's 100%.

On questioning by the board, neither party had inspected the improvements nor was able to provide testimony as to the office finish. From inspection of the exterior photographs of the building, it appears to be a former feed mill facility with minimal exterior renovation to suggest significant interior renovation. No details on comparables submitted by either party provided any direction as to the

office improvement quality or age of any of these properties.

The respondent testified that the subject assessment is significantly higher than would otherwise be the case due to the 100% office finish noted in the assessment record and this is reflected in the respondent's selection of equity comparables used to support the assessment.

The complainant's request for additional assessment relief due to topography and corner lot location of the subject was not supported by argument or evidence and was therefore not given consideration by the board.

The board considered the testimony of the parties, and found the complainant's evidence insufficiently persuasive to demonstrate error in the assessment under appeal. No rationale or support for the percentage adjustments to the comparables was offered and no evidence supporting a reduction in the office finish coefficient applied in the assessment calculation was advanced.

Accordingly, the board is reluctant to disturb the assessment as rendered.

Board's Decision:

The assessment is confirmed at \$1,360,000.

DATED AT THE CITY OF CALGARY THIS 16th 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.*