

**CALGARY
ASSESSMENT REVIEW BOARD
DECISION WITH REASONS**

In the matter of the complaint against the Property/Business 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:

F.W. Wesseling, PRESIDING OFFICER

S. Rourke, MEMBER

A. Wong, 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: 075002501, 075004192 & 075004804

LOCATION ADDRESS: 2008-48th Street SE, 2124-48th Street SE & 2125-50th Street SE

HEARING NUMBER: 58358, 58361 & 58384

**ASSESSMENT: 2008-48th Street SE -- \$5,140,000.00
2124-48th Street SE -- \$7,160,000.00
2125-50th Street SE -- \$ 618,000.00**

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

Appeared on behalf of the Complainant:

- *T. Howell*

Appeared on behalf of the Respondent:

- *R.S. Powell*

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

N/A

Property Description:

Subject properties are located in the Forestlawn Industrial area. Industrial buildings are located on 2008 and 2124 48th Street SE. Site coverage for both parcels exceeds 70 %. The building on 2008 48th Street comprises 71,730 sq ft while the building on 2124 48th Street Se contains 119,377 sq ft. The property at 2125- 50th Street does not contain improvements and is utilized for storage. The buildings contain a limited amount of office space. The properties are classified Direct Control (DC) in the City of Calgary Land Use Bylaw.

Issues: Pursuant to Section 460 of the MGA and Schedule 1 of Alberta regulation 310/2009 the complainant has identified the following issues for adjudication by the Board:

1. Assessed value is not reflective of the properties' market value.

Complainant's Requested Value:

2008-48 th Street SE	-- \$4,300,000.00
2124-48 th Street SE	-- \$5,300,000.00
2125-50 th Street SE	-- \$ 294,000.00

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

Complainant's Position: For the subject properties containing buildings, three sale comparables were provided for review. Sales of these properties all took place in 2008 and are located in the Foothills Industrial area. Different adjustments percentages were applied in order to facilitate the comparison. The adjustments were for building size, clear wall height, coverage, year of construction. The adjustments ranged from minus 15% to minus 50%. For the property that is used for storage, three comparables were provided. These properties were all sold in 2008 and are not located in Forestlawn. The complainant submitted under questioning that the adjustment percentages applied to the comparables were arbitrary. The third comparable property for the storage lot is a bare land condo in the Foothills Industrial area.

Respondent's position: All industrial land parcels in SE Calgary are assessed at \$1,050,000 for the first acre and \$300,000.00 for each additional acre. It was indicated that the properties containing

buildings have higher than normal site coverage and that the City under assessed these properties in the past. A previous ARB decision was provided for a similar assessment complaint. Six industrial sales comparables were provided with the closest in value being in Valleyfield. The respondent questioned the arbitrary nature of the adjustments applied by the complainant and that no data was provided to substantiate the adjustment percentages.

Board's Decision: Upon reviewing the verbal and written evidence provided by the parties, the Board considers that the complainant failed to demonstrate that the assessment was inequitable. As such the assessments for the subject properties are confirmed.

Reasons: The Board found that the complainant brought forward insufficient evidence in terms of sales comparables and analysis to support a change of assessment. The adjustments applied by the complainant to the sales comparables were substantial, arbitrary and not supported by evidence.

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



Frank W. Wesseling
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.*