

**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: 075004994, 075003905 and 075004598

LOCATION ADDRESS: 2139-50th Street SE, 2264-48th Street SE & 2109-50th Street SE

HEARING NUMBER: 58345, 58365 and 58379

**ASSESSMENT: 2139-50th Street SE -- \$2,830,000.00
2264-48th Street SE -- \$3,450,000.00
2109-50th Street SE -- \$3,000,000.00**

This complaint was heard on 12 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:

- *K.Gardiner and R.S. Scott*
A.Doborski and V. LaValley (Observers)

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

N/A

Property Description: Subject properties are located in the Forestlawn Industrial area and are located in close proximity to each other. The table below summarizes the properties:

	<u>Area</u>	<u>Use</u>	<u>BLD Size</u>
2139-50 th Street SE	2.39 acres	Warehouse	37,805 & 4675 sq.ft
2264-48 th Street SE	1.19 acres	Warehouse	47,348 sq.ft
2109- 50 th Street SE	1.03 acres	Warehouse	20,0057 sq.ft

All subject properties are classified Direct Control (DC) district 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:

2139-50th Street SE – \$2,721,836.00
2264-48th Street SE – \$3,219,664.00
2109-50th Street SE -- \$2,326,612.00

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

Complainant's position: For the subject properties, three sale comparables were provided for review.

Sales of these properties all took place in 2008 and 2009 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 0% to minus 30%. The complainant submitted under questioning that the adjustment percentages applied to the comparables were arbitrary. In addition, a general trend report entitled "Calgary Industrial Market Report" dated spring 2009 and prepared by Avison Young was submitted for the Board's consideration outlining the changes in the Calgary market..

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 have relatively 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. Industrial sales comparables were provided for each property that had similar sizes, site coverage and percentage of finish. The respondent questioned the arbitrary nature of the adjustments applied by the complainant and that no data was provided to substantiate the adjustment percentages. The information presented by the respondent on 2109-50th Street SE was contradictory in terms of number of buildings, building size and assessment.

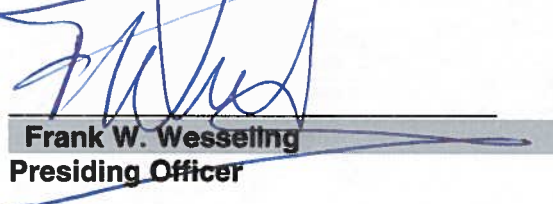
Board's Decision: Upon reviewing the verbal and written evidence provided by the parties, the Board considers that the complainant failed to demonstrate that the assessment was inequitable for 2139- 50th St SE and 2264-48th St SE. As such the assessments for these properties are confirmed.

In terms of the property at 2109-50th Street, the Board decided to alter the assessment to \$2,350,000.00 by establishing the building size at 18,851 sq ft and adjusting for office finish and time establishing a rate of \$125.00 per sq ft based the best comparable provided.

Reasons: The Board found that the complainant brought forward insufficient evidence in terms of sales comparables and analysis to support a change of assessment for 2139-50th Street SE and 2264-48th St SE.

For 2109-50th Street SE, the Board was compelled to alter the assessment due to the contradictory information provided by the Respondent. This lead the Board to conclude that an assessment change is warranted.

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.*