

**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:

Scholl Investments Ltd., COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

L. Wood, PRESIDING OFFICER

I. Zacharopoulos, MEMBER

D. Steele, 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: 090031303

LOCATION ADDRESS: 4726 1 STREET SE

HEARING NUMBER: 57162

ASSESSMENT: \$2,370,000

This complaint was heard on 13th day of August, 2010 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 11.

Appeared on behalf of the Complainant:

- *Mr. G. Schell*

Appeared on behalf of the Respondent:

- *Mr. R. Luchak*

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

The Respondent raised a preliminary matter at the commencement of the hearing. He indicated that the Complainant failed to file the disclosure on time as it was four days late and therefore the Board should not hear it in accordance with *Matters Relating to Assessment Complaints Regulation* AR 310/2009. The Complainant stated that he contacted the City of Calgary several times regarding an address change that the City did not update until recently which affected when he received Notice of Hearing from the Assessment Review Board and consequently resulted in the late filing of disclosure.

The Board allowed the evidence noting that the Complainant lives outside of the City; the Complainant made several requests to the City of Calgary to update their records regarding his address which was uncontested by the Respondent; the delay by the City of Calgary in updating their records affected when the Complainant received the Notice of Hearing and the filing of the Complainant's disclosure four days late is not prejudicial to the Respondent's case in this instance.

Property Description:

The subject property is a multi building site comprised of two single tenant warehouses and one industrial outbuilding, located on a .92 acre site in Manchester Industrial. The first warehouse is 8,067 sq ft, built in 1955; the second is 4,000 sq ft, built in 1980; the outbuilding is 1,440 sq ft built in 1959. The site coverage ratio is 33.83.

Issues: (as identified on the complaint form)

1. We have compared our assessed value to some of our neighbours and the roll # 090066705 has a value of \$3.2 million. It has newer buildings, 3.9 acres and 19,000 square feet of buildings and our assessed value is \$2.3 million. The compared parcel recently sold for the sum of \$4 million, very close to the assessed value.

Complainant's Requested Value: \$1,600,000

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

The Board notes that two of the concerns identified on the complaint form were clarified at the hearing, specifically;

- the correct area of the (second) warehouse; and

- the classification of another building on the site.

The Assessment Explanation Supplement that was provided in the Respondent's evidence package confirmed that the warehouse is assessed based on 4,000 sq ft, not 4,400 sq ft (Exhibit R1 page 54).

It also confirmed that the third building is classified as an industrial outbuilding, not a warehouse, and is assessed at a flat rate of \$10 psf (Exhibit R1 page 54).

The Board will address the remaining issue that was raised at the hearing, as follows:

We have compared our assessed value to some of our neighbours and the roll # 090066705 has a value of \$3.2 million. It has newer buildings, 3.9 acres and 19,000 square feet of buildings and our assessed value is \$2.3 million. The compared parcel recently sold for the sum of \$4 million very close to the assessed value.

The Board finds the Complainant's market and equity analysis was incomplete and disconnected to the subject property's assessment (Exhibit C1 pages 3- 6, 9- 17). For example, there were no correlations drawn between the sales comparables and the subject property, except that the sales comparables were not similar to the subject property (Exhibit C1 pages 3- 6). The Board would have found it helpful had the Complainant taken further steps to show what adjustments were required to account for these differences in order to establish market value for the subject property.

The Board finds the email from the realtor provided little assistance because it had no supporting details as to how the value of \$1.28 million value was derived for the subject property (Exhibit C1 pages 1-2). The Board finds the two sales provided by the realtor exhibited a wide range of value and provided little assistance to the Board.

The Complainant referred to the poor condition of one of the buildings on the property but he did not provide any photographs of the building and/or estimates of how much it would cost for repairs or demolition.

The burden of proof lies on a Complainant to bring the assessment into dispute. In this instance, the Board finds that the Complainant's evidence was insufficient to bring the subject property's assessment into question.

Board's Decision:

The decision of the Board is to confirm the 2010 assessment for the subject property at \$2,370,000.

DATED AT THE CITY OF CALGARY THIS 13 DAY OF SEPTEMBER 2010.



Lana J. Wood
Presiding Officer

APPENDIX A**DOCUMENTS RECEIVED AND CONSIDERED BY THE ASSESSMENT REVIEW BOARD:**

NO.	ITEM
Exhibit C1	Evidence Submission of the Complainant
Exhibit R1	City of Calgary's Assessment Brief

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.*