

**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:**

***Linnell Taylor Assessment Strategies, 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: 054006390**

**LOCATION ADDRESS: 2719 3 Avenue NE**

**HEARING NUMBER: 55995**

**ASSESSMENT: \$19,170,000**

This complaint was heard on 9th 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. J. David Sheridan*

Appeared on behalf of the Respondent:

- *Mr. Jason Lepine*

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

There were no preliminary matters raised before the Board.

**Property Description:**

The subject property is a multi building site comprised of four light industrial warehouses, located on a 13.62 acre site in Meridian Park. The four warehouses are single tenant but they vary in size and year of construction. The first building was constructed in 1961, comprised of 41,675 sq ft; the second was constructed in 1978, comprised of 30,648 sq ft; the third built in 1995, comprised of 31,500 sq ft; the fourth built in 2002, comprised of 34,650 sq ft (for a total of 138,473 sq ft). Three of the four warehouses are rented to tenants.

**Issues: (as indicated on the complaint form)**

1. Assessment is excessive. Direct Comparison Approach supports a lower assessed value.
2. As a test of the DCA, the Income Approach supports a lower assessment for the subject.

**Complainant's Requested Value:** \$14,000,000

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

The Board notes that there were several statements on the appendix to the complaint form; however it will only address those issues that were raised at the hearing.

**Assessment is excessive. Direct Comparison Approach supports a lower assessed value.**

The Complainant presented an approach in determining a value for the subject property's multi building site. He took an "average" of the features or characteristics of each of the four buildings on the subject property (e.g. the various building sizes, years of construction, wall heights etc.) and created a single hypothetical building and compared it to existing single building sites in the market place.

The Board does not find that this approach is supported by any appraisal theory. As such, the

Board questions the validity of such an analysis and is reluctant to rely on its results. The Complainant's "standardization" approach neutralizes the property's characteristics and physical condition that an assessment must reflect on December 31 as referenced in section 289(2) of the *Municipal Government Act* and eliminates the potential adjustments that may be made in the marketplace.

As a result, the Board finds that the Complainant's direct comparison approach was of little assistance in determining the property's value and placed little weight on it.

**As a test of the DCA, the Income Approach supports a lower assessment for the subject.**

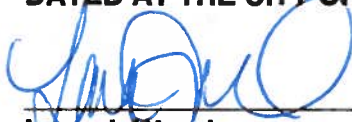
The Board placed less weight on the income approach as submitted by the Complainant because it contained subjective opinion evidence and it lacked the necessary market data to support the income parameters used by the Complainant (rent, capitalization rate etc.) (Exhibit C1 pages 4- 10).

The Board finds that the Complainant has not presented sufficient evidence to bring the assessment into question.

**Board's Decision:**

The decision of the Board is to confirm the assessment for the subject property at \$19,170,000 for the 2010 assessment year.

DATED AT THE CITY OF CALGARY THIS 25<sup>th</sup> DAY OF AUGUST 2010.



Lana J. Wood  
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.*