

**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-26.1, Section 460(4).

between:

Altus Group Limited, COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

H. Kim, PRESIDING OFFICER

R. Roy, MEMBER

E. Reuther, MEMBER

This is a complaint to the Calgary Assessment Review Board in respect of Property assessments prepared by the Assessor of the City of Calgary and entered in the 2010 Assessment Roll as follows:

ROLL NUMBER: 098012818
LOCATION ADDRESS: 2600 61 Ave SE
HEARING NUMBER: 56359
ASSESSMENT: \$36,910,000

ROLL NUMBER: 078075702
LOCATION ADDRESS: 2600 Portland Street SE
HEARING NUMBER: 59469
ASSESSMENT: \$20,820,000

ROLL NUMBER: 078076304
LOCATION ADDRESS: 2204 Portland Street SE
HEARING NUMBER: 59471
ASSESSMENT: \$47,920,000

This complaint was heard on the 16th day of August, 2010 at the office of the Assessment Review Board located at Floor Number Three, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 10.

Appeared on behalf of the Complainant:

- *Randall Worthington*

Appeared on behalf of the Respondent:

- *Don Kozak*

Property Description:

The subject complaints are of three very large multi-tenant warehouses of over 100,000 sq. ft. in the Ogden Shops and Bonnybrook industrial districts. Each parcel consists of three buildings. They are assessed on the sales comparison approach with each building assessed separately and the resulting assessments added to arrive at the total assessment of each parcel.

Issues:

The Complainant identified a number of issues on the Complaint form; however, at the hearing the only issue considered was whether the assessment reflected market value.

Complainant's Requested Values:

ROLL NO 098012818:	\$36,910,000 revised to \$33,080,000 at the hearing
ROLL NO 078075702:	\$20,820,000 revised to \$14,490,000 at the hearing
ROLL NO 078076304:	\$47,920,000 revised to \$40,600,000 at the hearing

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

The Complainant stated that this issue had been the subject of previous orders, ARB 1052/2010P, ARB 1030/2010P, ARB 0756/2010P, ARB 0758/2010P, ARB 0757/2010P and ARB 0523/2010P which were entered into evidence. The Complainant noted that the orders supported the Complainant's position that very large warehouses should be assessed on the income approach due to lack of sales. The values for the subject complaints using the income approach were presented. The revenue was based on actual leases signed around the July 1, 2009 valuation date, considered to be representative of typical lease rates for these types of properties. The other parameters applied were those that the previous orders had found appropriate.

The Respondent agreed that the previously issued Board orders directed the income approach be used for very large warehouses due to lack of reliable sales information. He did not present evidence to dispute the lease rates used by the Complainant, as the income approach had not been used in preparing the assessment and typical leases were not analyzed. He stated that there was no alternative but to use the actual income data to arrive at a valuation using the income approach.

In the absence of any dispute, the Board accepts that the values arrived at reflect decisions of the Board in previous hearings and should be applied to the subject complaint.

Board's Decision:

The complaints are allowed and the assessments reduced to:

ROLL NO 098012818: \$33,080,000

ROLL NO 078075702: \$14,490,000

ROLL NO 078076304: \$40,600,000

DATED AT THE CITY OF CALGARY THIS 25 DAY OF August 2010.



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.*