

**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:

Altus Group Ltd., COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

L. Wood, PRESIDING OFFICER

C. McEwen, MEMBER

A. Wong, 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: 120021514

LOCATION ADDRESS: 9551 SHEPARD ROAD SE

HEARING NUMBER: 56050

ASSESSMENT: \$2,550,000

This complaint was heard on 27th day of July, 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. D. Mewha*

Appeared on behalf of the Respondent:

- *Mr. J. Lepine*

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

There were no procedural or jurisdictional matters raised at the hearing.

Property Description:

The subject property is a heavy industrial plant located on a 5.42 acre site in Shepard Industrial. It is used for manufacturing concrete and asphalt. The land is zoned as I-H.

Issues: (as indicated on the complaint form)

1. The aggregate assessment per acre applied to the subject property does not reflect market value for assessment purposes when using the direct sales comparison approach and should be \$330,000/acre.
2. The aggregate assessment per acre applied is inequitable with the assessments of other similar and competing properties and should be \$270,000.
3. The subject's heavy industrial zoning appears not to have been considered in the derivation of the assessment.

Complainant's Requested Value: \$1,750,000

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

The Board notes that an appendix to the complaint form contains several statements as to why the subject property's assessment is incorrect; however, the Board will only address those issues raised at the hearing.

The subject property was assessed based on the cost approach. The Complainant does not dispute the value of the building (\$61,444), only the value of the land (\$2,494,632).

The aggregate assessment per acre applied to the subject property does not reflect market value for assessment purposes when using the direct sales comparison approach and should be \$330,000/acre.

The Complainant is requesting a reduction in land value based on several heavy industrial and general industrial land sales comparables (Exhibit C1 page 20). The Respondent indicated that the

assessments for these sales comparables were adjusted to reflect various negative influences, none of which affect the subject property (Exhibit R1 pages 19- 27).

The Complainant submitted that the assessment should reflect a shape influence as this is not a typical rectangular lot. However, there was no evidence before the Board to suggest its unusual shape has a negative influence on its market value. Therefore, the Board finds a shape influence is not warranted in this instance.

The Board finds the Complainant's sales comparable located at 2467 61 Avenue SE, which was assessed at the same rate of \$325,000/acre as the subject property but was reduced downward for negative influences, confirms that the model is working (Exhibit C1 page 20; Exhibit R1 page 27).

The aggregate assessment per acre applied is inequitable with the assessments of other similar and competing properties and should be \$270,000.

The Complainant submitted two neighbouring parcels as equity comparables which have an average land rate of \$315,854/acre (Exhibit C1 pages 25 & 27). The Respondent indicated that the assessments for these two equity comparables have been adjusted for various negative influences which do not affect the subject property.

The Board has already determined that there was no evidence presented to suggest the subject property has negative influences to warrant a reduction.

The subject's heavy industrial zoning appears not to have been considered in the derivation of the assessment.


The Complainant requested a 25% reduction on the subject property's land value based on an Assessment Review Board decision from 2009 for the same property (Exhibit C1 page 18). The Complainant indicated that the reasons for the reduction were based on its I-H zoning.

The Board finds there was no evidence presented which would suggest that I-G zoned lands are superior to I-H zoned lands.

Board's Decision:

The decision of the Board is to confirm the 2010 assessment for the subject property at \$2,550,000.

DATED AT THE CITY OF CALGARY THIS 25 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.*