

**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, Section 460(4).

between:

Colliers International Realty Advisors, COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

T. Hudson, PRESIDING OFFICER

D. Cochrane, MEMBER

D. Julien, MEMBER

These are complaints 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 NUMBERS:	200482347 200482362
LOCATION ADDRESSES:	2021 – 100 Av NE 2121 – 100 Av NE
HEARING NUMBERS:	57542 57543
ASSESSMENTS:	\$4,270,000 \$7,020,000

These complaints were heard on the 26th day of August, 2010 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 4.

Appeared on behalf of the Complainant:

- *Mr. Michael Uhryn, Agent* *Colliers International Realty Advisors*

Appeared on behalf of the Respondent:

- *Mr. Kevin Buckry, Assessor* *The City of Calgary*

Property Description:

The subject properties are two (2) parcels of vacant industrial land located in the Stoney 2 industrial area. The parcel at 2021 – 100 Av NE is 16.28 acres, of which 7.8 acres are non-developable wetlands assessed at farmland rates. The parcel at 2121 – 100 Av NE is 17.49 acres. The assessments under complaint are \$4,270,000 for the parcel at 2021, and \$7,020,000 for the parcel at 2121. The City of Calgary prepared the assessments using a formula based on sales of vacant industrial land zoned I-G in Northeast Calgary. The formula applies values of \$1,000,000 per acre for the first two (2) acres of the parcel, and \$350,000 per acre for the balance of the parcel. The rate applied to the 7.8 acre wetlands in the parcel at 2021 is the same as for farmland (i.e. \$375 per acre). The requested assessments are based on a rate of \$750,000 per acre for the first two (2) acres and \$350,000 per acre for the balance of the parcel. For the parcel at 2021 the assessment value request is \$3,770,000, and for the parcel at 2121 the assessment value request is \$6,520,000.

Issues/Grounds for Complaints:

The issue in dispute is the assessment amount for the first two (2) acres of each of the parcels. There is no dispute over the assessment amount of the wetlands associated with the parcel at 2021 – 100 Av NE; or the assessment amount applied to the balance (beyond two (2) acres) of the acreage associated with each of the parcels.

Complainant's Position:

The Complainant submitted a list of nine (9) sales of vacant industrial land parcels (see Attachment "A" from Exhibit "1") described as comparable to the subject parcels. The median sale price per acre is \$725,847 for the nine (9) sales. The Complainant explained that the sale of the parcels at Freeport Drive and Freeport Place are the best comparables and justify a reduction in assessment value to \$750,000 per acre for the first two (2) acres of each of the subject parcels.

Respondent's Position:

With respect to the Freeport sales that the Complainant suggested are the best upon which to compare the assessment of the subject properties, the Respondent noted that the first is *post facto* by a year (i.e. June 10, 2010) and the second is dated April of 2006, with no time adjustment. In addition, the Respondent indicated that the sales listed by the Complainant in

the Northwest are not comparable to the subject properties because of their inferior location with respect to the airport, and proximity to Barlow Trail, Country Hills Boulevard and the Deerfoot Trail. Finally, the sale of the parcel at 412 – 36 Av NE was questioned as a result of a relationship between the vendor and purchaser. In support of the current assessments, the Respondent submitted six (6) sales, including the sale of one of the subject properties (i.e. 2021 – 100 Av NE); see Attachment "B" from Exhibit "2". The sales show that vacant parcels north and west of the airport sell at a higher value per acre than those south and east of the airport. The subject properties are located north and west of the airport and the average sale price clearly supports the \$1,000,000 per acre for the first two (2) acres of assessment value.

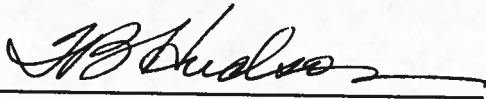
Board's findings on the Issue:

The best sales evidence supports a value of \$1,000,000 per acre for the first two acres of the assessment of the subject properties.

Board's Decision:

The assessments of \$4,270,000 for the property at 2021 – 100 Av NE and \$7,020,000 for the property at 2121 – 100 Av NE are confirmed.

DATED AT THE CITY OF CALGARY THIS 2 DAY OF September 2010.



T. Hudson
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.*

Attachment "A"
From Exhibit "1"

Sale Comparables

	Area in acres	Price	Rate / Acre	Sale Date	Use
20 & 21 Freeport DR NE - lots 1 & 2 blk 5 plan 0410528	3.33	\$2,497,500	\$750,000	Jun-10	Industrial
10,20, 21, Freeport DR NE & 25 Freeport PL NE 25 lots 1, 2, 3, 4, plan 0410528	6.73	\$3,569,020	\$530,315	Apr-06	Industrial
Lots 1 & 2 block 2 plan C	4.02	\$2,106,300	\$523,955	Jan-06	Industrial
10710 85 ST NW	2.098	\$1,460,000	\$695,901	Jan-09	Industrial
10 Royal vista DR NW	1.68	\$1,344,000	\$800,000	Mar-09	Industrial
41 Royal Vista DR NW	1.977	\$1,440,000	\$728,376	May-09	Industrial
45 Royal vista DR NW	1.977	\$1,435,000	\$725,847	Sep-09	Industrial
4300 21 ST NE	5.511	\$4,750,000	\$861,913	Jul-08	Industrial
412 36 AV NE	0.751	\$500,000	\$665,779	Nov-08	Industrial
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Mean			\$698,010		
Median			\$725,847		

Attachment "B"
From Exhibit "2"

AIRPORT AREA LAND SALES

Roll	Address	NRZ	Sale Date	Sale Price	Lotsize (acres)	\$/Acre	July 2008 TASP/acre	July 2009 TASP/acre	Zoning @ Time of Sale
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North & West Airport

024023202	5775 - 10 ST NE	DF	06/18/2007	\$2,399,998	1.98	\$1,212,120	\$1,503,029	\$1,503,029	I-2
200482347	2021 100 AV NE	FE	07/20/2007	\$6,000,000	8.48	\$707,547	\$877,358	\$877,358	I-2
201413192	11885 16 ST NE	ST	02/02/2009	\$1,757,500	1.85	\$950,000		\$950,000	I-G

ave: 4.10

\$1,190,194 \$1,110,129

South & East Airport

026000802	2620 48 AV NE	HZ	06/07/2007	\$6,725,000	11.47	\$586,312	\$727,027	\$727,027	I-2
200206845	3820 32 ST NE	HZ	07/08/2008	\$950,000	0.87	\$1,091,954	\$1,091,954	\$1,091,954	I-G
200094126	4300 21 ST NE	NA	07/29/2008	\$4,750,000	5.51	\$862,069	\$862,069	\$862,069	I-G

ave: 5.95

\$893,683 \$893,683