

**CALGARY
ASSESSMENT REVIEW BOARD
DECISION WITH REASONS**

In the matter of the complaints against the property assessments 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 NUMBER	LOCATION ADDRESS	HEARING NUMBER	ASSESSMENT
200465946	#4 Freeport Ld NE	57533	\$2,000,000
200465953	#8 Freeport Ld NE	57535	\$2,000,000
200465987	#24 Freeport Ld NE	57536	\$1,820,000
200465995	#28 Freeport Ld NE	57538	\$1,360,000
200466001	#32 Freeport Ld NE	57540	\$1,850,000

These complaints were heard on the 26 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 five (5) parcels of vacant industrial land zoned I-G, and located in the Freeport area of the Stoney 2 industrial district. The properties range in size from 1.82 acres to 2.01 acres. The current assessments were prepared using a formula based on sales of vacant industrial land zoned I-G and located in Northeast Calgary. The formula values the first two (2) acres of each parcel at \$1,000,000 per acre, and \$350,000 per acre for the balance of each parcel. The exception for the subject properties is the parcel at #28 Freeport Ld NE, where the rate is reduced to \$750,000 per acre for the first two (2) acres due to a negative shape influence. The requested assessments are as follows, and reflect a reduction to \$750,000 per acre for the first two (2) acres.

#4 Freeport Ld NE – 2.01 Acres - \$1,507,500
#8 Freeport Ld NE – 2.01 acres - \$1,507,500
#24 Freeport Ld NE – 1.83 acres - \$1,372,500
#28 Freeport Ld NE – 1.82 acres - \$1,023,750 *
#32 Freeport Ld NE – 1.85 acres - \$1,387,500

(* Includes the 25% discount for the negative shape influence)

Issues/Grounds for Complaint:

The amount of the assessment for the first two (2) acres of each of the parcels is the issue in dispute.

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 Lane are the best comparables, and justify a reduction in the 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

evaluate the assessment of the subject properties, the Respondent noted that the first sale occurred a year after the valuation date, and that the second sale occurred in April of 2006 with no time adjustment applied to the sale price. In support of the current assessments, the Respondent submitted six (6) sales (see Attachment "B" from Exhibit "2"), showing that comparable properties located near the airport with good access to Country Hills Boulevard, Barlow Trail and Deerfoot Trail, command sale prices in excess of \$1,000,000 per acre at the valuation date of July 1, 2009. In addition, the Respondent submitted a list of equity comparables (see Attachment "C" from Exhibit "2"), showing that the \$1,000,000 per acre for the first two (2) acres has been applied consistently to all of the comparable properties (including the subject properties) in the Freeport Industrial subdivision.

Board's Finding on the Issue:


The sales evidence submitted by the Complainant is not sufficient to justify a reduction in the assessed value of the first two (2) acres of the subject parcels (i.e. \$1,000,000 per acre).

Board's Decision:

The assessments are confirmed as follows:

#4 Freeport Ld NE - \$2,000,000
#8 Freeport Ld NE - \$2,000,000
#24 Freeport Ld NE - \$1,820,000
#28 Freeport Ld NE - \$1,360,000
#32 Freeport Ld NE - \$1,850,000

DATED AT THE CITY OF CALGARY THIS 1 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

Attachment "B"
From Exhibit "2"

FREEPORT VACANT LAND - 2010

ROLL	ADDRESS	AREA (S.F.)	AREA (acre)	2010 Value	Rate/acre	Comments
200465912	82 FREEPORT BV	63940	1.47	1,467,860	1,000,000	
200461531	20 FREEPORT DR	71798	1.65	1,648,255	1,000,000	
200461523	10 FREEPORT DR	73735	1.69	1,692,723	1,000,000	
200461606	21 FREEPORT PL	74058	1.70	1,700,138	1,000,000	
200461614	25 FREEPORT PL	74489	1.71	1,710,032	1,000,000	
200465920	86 FREEPORT BV	79010	1.81	1,813,820	1,000,000	
200465995	28 FREEPORT LD	79440	1.82	1,367,768	750,000	Shape (25%)
200465987	24 FREEPORT LD	79548	1.83	1,826,171	1,000,000	
200466001	32 FREEPORT LD	80624	1.85	1,850,872	1,000,000	
200465953	8 FREEPORT LD	87406	2.01	2,002,298	997,873	
200465946	4 FREEPORT LD	87406	2.01	2,002,298	997,873	
200461515	30 FREEPORT DR	89236	2.05	2,017,002	984,587	
200461549	8 FREEPORT PL	91389	2.10	2,034,301	969,637	
200461556	12 FREEPORT PL	101399	2.33	2,114,730	908,467	
200461598	28 FREEPORT PL	105490	2.42	2,147,601	886,809	
200461580	24 FREEPORT PL	108181	2.48	2,169,223	873,456	
200461572	20 FREEPORT PL	108827	2.50	2,174,413	870,349	
200461564	16 FREEPORT PL	117761	2.70	2,246,197	830,872	