

**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:**

**Colliers Int'l Realty Advisors, *COMPLAINANT***

**and**

***The City Of Calgary, RESPONDENT***

**before:**

**J. Noonan, *PRESIDING OFFICER***

**A. Wong, *MEMBER***

**C. McEwen, *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:

<b>ROLL NUMBER:</b>	<b>200683381</b>
<b>LOCATION ADDRESS:</b>	<b>10775 42 St SE</b>
<b>HEARING NUMBER:</b>	<b>58733</b>
<b>ASSESSMENT:</b>	<b>\$13,070,000.</b>

This complaint was heard on the 19th day of August, 2010 at the office of the Assessment Review Board located at the 4<sup>th</sup> Floor, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 3.

Appeared on behalf of the Complainant:

- C. Hartley, VP Valuation, Colliers Int'l Realty Advisors

Appeared on behalf of the Respondent:

- J Young, Assessor, *The City of Calgary*

**Property Description:**

The subject is located at 10775 42 St SE, Calgary. It is an industrial warehouse constructed in 2006 in the Dufferin area with 93,201 sq.ft. of rentable building area according to City records, and an outbuilding of 12,886 sq.ft. The assessed value is \$13,070,000.

**Issues:**

From a lengthy list of grounds identified on the complaint form, the Composite Assessment Review Board (CARB) heard evidence and argument on the following:

1. Is the building size correct?
2. Is the property equitably assessed?
3. Do the sales comparables justify a change in the assessment?

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

The Complainant requested the main building's net rentable area be corrected to 86,973 sq.ft., the space leased to the property's single tenant, and the proper BOMA measurement. The Respondent has measured the building, provided a diagram of such, and observed that most of the space difference of opinion can be accounted by the mezzanine office space. It may well be that the lease does not reflect this mezzanine space, but nonetheless the City assesses it. The CARB is satisfied that the City's measurements reflect the proper assessable area, and the same method is employed for the subject and similar properties.

2. The Complainant introduced the equity argument by pointing to a property at 5667 69 Ave SE. which is some 75,000 sq.ft larger in improvement on a site 2.1 acres smaller than the subject, yet this comparable attracts an assessment only \$1.75 million greater. Of 4 comparables presented, attention was drawn to a 1998-vintage construct at 4700 27 St SE, and its assessment of \$107 per sq.ft. The CARB considered this argument, as well as the equity comparables presented by the Respondent, and concluded that to apply the \$107 rate as a start point would require adjustment for age, site coverage, % finish, and size. It was not apparent to the Board that such adjustments would necessitate a change to the subject's rate of \$139 per sq.ft., especially considering the comparables of the Respondent.

3. Each of the parties presented 4 sales comparables, and one sale appeared on both lists, that

being 2729 48 Ave SE which transacted June 1, 2009 or one month prior to valuation date. The CARB preferred this sale as "best evidence", addressing as it did the concerns raised by the Complainant regarding a weakening market in 2009 as compared to earlier sales from more buoyant times. Again, to properly compare the subject to this best sale would require some level of adjustment for year of construction, site coverage, and differences of improvement size and acreage. However, the sale price of the 48 Ave property was \$127 per sq.ft., a difference of 8% from the subject's assessment of \$139. In consideration of the required adjustments, the Board found insufficient reason to alter the assessment on the basis of all the sales evidence provided.

**Board Decisions on the Issues:**

The Board confirms the assessment of \$13,070,000.

DATED AT THE CITY OF CALGARY THIS 15 DAY OF September 2010.

  
J. Noonan  
Presiding Officer

JN/sd

*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.*