

**CALGARY  
ASSESSMENT REVIEW BOARD  
DECISION WITH REASONS**

In the matter of the complaint against the Property assessments 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:**

***W. Kipp, Presiding Officer***

***J. Massey, Board Member***

***D. Steele, Board Member***

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

<b>ROLL NUMBER</b>	<b>ADDRESS</b>	<b>HEARING NUMBER</b>	<b>ASSESSMENT</b>
201211992	8475-60 St SE	59572	\$1,300,000
201212081	5842-86 Ave SE	59788	\$1,310,000
201212115	5990-86 Ave SE	59827	\$1,300,000
201212008	8467-60 St SE	59573	\$1,290,000
201212016	8453-60 St SE	59574	\$1,290,000
201212040	5884-86 Ave SE	59575	\$1,300,000
201212073	5830-86 Ave SE	59576	\$1,300,000

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

Appeared on behalf of the Complainant:

- J. Smiley

Appeared on behalf of the Respondent:

- J. Lepine

**Property Description:**

Seven industrial lots ranging in size from 1.82 to 1.87 acres that are in close proximity to each other and which are parts of a large industrial site in the South Foothills industrial area of southeast Calgary. The lots are portions of a large assembled site that has an industrial building on it, however, the building does not occupy any of the subject seven lots. These lots are used for materials storage and/or vehicle or equipment movement on the site. Plans show that there are some streets or lanes within the site but none of those have been developed and the total site, including the subject seven lots is occupied and used as a single industrial property.

**Issues:**

The Complainant raised the following matters in section 4 of the complaint form: *Assessment amount and Assessment class (No. 3 and No. 4 on the form).*

The Complainant also raised the following specific issues in section 5 of the Complaint form:

- *The subject property is assessed in contravention of Section 293 of the Municipal Government Act and Alberta Regulation 220/2004.*
- *The use, quality, and physical condition attributed by the municipality to the subject property is incorrect, inequitable and does not satisfy the requirement of Section 289(2) of the Municipal Government Act.*
- *The assessed value should be reduced to the lower of market value or equitable value based on numerous decisions of Canadian Courts.*
- *The assessment of the subject property is in excess of its market value for assessment purposes.*
- *The assessment of the subject is not fair and equitable considering the assessed value and assessment classification of comparable properties.*
- *The information requested from the municipality pursuant to Section 299 or 300 of the Municipal Government Act was not provided.*
- *Adjustments to the base rate have been inadequately applied or not applied as compared to similar comparable and competing properties.*
- *The assessment of the subject property is in excess of its market value for assessment purpose when using the direct sales comparison approach.*
- *The influence adjustment factors applied in calculating the assessment have been inequitably applied to the base rate.*

At this hearing, the Complainant only presented evidence regarding the valuation of each of the lots under complaint.

**Complainant's Requested Value:**

ROLL NUMBER	ADDRESS	REQ. ASS'T
201211992	8475-60 St SE	\$669,500
201212081	5842-86 Ave SE	\$673,000
201212115	5990-86 Ave SE	\$662,000
201212008	8467-60 St SE	\$655,000
201212016	8453-60 St SE	\$655,000
201212040	5884-86 Ave SE	\$666,000
201212073	5830-86 Ave SE	\$662,000

**Board's Decision:**

The Complainant had provided a table of data pertaining to the sales of a number of industrial properties in the South Foothills area. Two of the sales involved vacant land parcels. The remaining nine sales were of properties with buildings. For the improved properties, the Complainant extracted a land value by allocating a value to the building equivalent to \$65 per square foot of building area. The indicated building value was subtracted from the sale price to yield a land value. For all 11 improved and unimproved properties, the median land value indicator was \$413,054 per acre. For the two vacant land parcels plus one of the improved properties with a very small building, the median land rate was \$340,296 per acre.

The Respondent accepted the Complainant's use of the residual approach to determining land value but took exception to the building valuation at a flat rate of \$65 per square foot. The Respondent based the building value on cost data from the Marshall & Swift Publications cost service, concluding that the resulting residual land values would have a median of \$590,151 per acre.

Based on the rate of \$590,151 per acre, the Respondent recalculated the assessments as follows:

ROLL NUMBER	ADDRESS	RECALC. ASS'T
201211992	8475-60 St SE	\$1,090,000
201212081	5842-86 Ave SE	\$1,100,000
201212115	5990-86 Ave SE	\$1,080,000
201212008	8467-60 St SE	\$1,070,000
201212016	8453-60 St SE	\$1,070,000
201212040	5884-86 Ave SE	\$1,090,000
201212073	5830-86 Ave SE	\$1,080,000

The Complainant understood the Respondent's position and was prepared to accept the reduced assessments if the Composite Assessment Review Board (CARB) decided to set them at those

lower amounts.

The CARB considered the evidence of the parties and the methodology employed in estimating values of land in the subject area. Based on that evidence, the CARB accepts the revised assessments as calculated by the Respondent.

**Board's Decision:**

ROLL NUMBER	ADDRESS	HEARING NUMBER	ASSESSMENT
201211992	8475-60 St SE	59572	\$1,090,000
201212081	5842-86 Ave SE	59788	\$1,100,000
201212115	5990-86 Ave SE	59827	\$1,080,000
201212008	8467-60 St SE	59573	\$1,070,000
201212016	8453-60 St SE	59574	\$1,070,000
201212040	5884-86 Ave SE	59575	\$1,090,000
201212073	5830-86 Ave SE	59576	\$1,080,000

DATED AT THE CITY OF CALGARY THIS 5 DAY OF October 2010.

  
W. Kipp  
Presiding Officer

**SUMMARY OF EXHIBITS**

**Exhibit**

- |    |  |
|----|--|
| C1 | Assessment Review Board Complaint Forms                            |
| C2 | Evidence Submission of the Complainant – Files 59788, 59827, 59572 |
| C3 | Evidence Submission of the Complainant – Files 59593-59576         |
| R1 | Assessment Brief of the Respondent                                 |

*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.*