

**CITY OF CALGARY
ASSESSMENT REVIEW BOARD
DECISION WITH REASONS**

In the matter of a complaint filed with the City of Calgary Assessment Review Board pursuant to Part 11 of the *Municipal Government Act*, Chapter M-26, Revised Statutes of Alberta 2000 (the Act).

Between:

COLLIERS INTERNATIONAL REALTY ADVISORS INC., Complainant

and

THE CITY OF CALGARY, Respondent

Before:

**J. KRYSA, Presiding Officer
R. ROY, Member
I. FRASER, Member**

A hearing was convened on October 4, 2010 in Boardroom 5 at the office of the Assessment Review Board, located at 1212 - 31 Avenue NE, Calgary, Alberta in respect of the property assessment prepared by the assessor of the City of Calgary, and entered in the 2010 Assessment Roll as follows:

ROLL NUMBER:	200479517
LOCATION ADDRESS:	5155 48th Avenue SE
HEARING NUMBER:	57892
ASSESSMENT:	\$7,010,000

PART A: BACKGROUND AND DESCRIPTION OF PROPERTY UNDER COMPLAINT

The subject property is a 205,059 square foot (sq.ft.) parcel of land, improved with a 43,897 sq.ft. single tenant industrial warehouse with 26% office finish, constructed in 2001, and a 7,852 sq.ft. industrial outbuilding constructed in 2004. The site coverage is 21.7%.

PART B: PROCEDURAL or JURISDICTIONAL MATTERS

There were no procedural or jurisdictional matters raised by the parties during the course of the hearing.

PART C: MATTERS / ISSUES

The Complainant identified matter #3, an assessment amount, in section 4 of the complaint form applies to this complaint.

The Complainant set out 13 grounds for complaint in section 5 of the complaint form, with a requested total assessment of \$1,750,000, however, at the hearing only the following issue(s) were stated to be in dispute:

Issue 1: Fairness and Equity: We believe the subject property to be inequitable with other SE single tenant industrial buildings in East Shepard Industrial and Eastfield Industrial.

Issue 2: Market Value: Issue withdrawn (no market evidence)

The Complainant stated that the improvement assessment relating to the 7,852 square foot industrial outbuilding was not in dispute.

Issue 1: Fairness and Equity: We believe the subject property to be inequitable with other SE single tenant industrial buildings in East Shepard Industrial and Eastfield Industrial.

The Complainant submitted a summary of six comparable properties, indicating locations, building areas and classifications (grade), years of construction, total assessment and assessment per square foot, exhibiting a range of assessment values from \$107 to \$152 per square foot of building area, with average and median values of \$135 and \$137 per square foot respectively. The Complainant suggested that the properties were also similar to the subject with respect to site coverage, and ratio of office finish to warehouse, although no details were provided in the analysis. Based on the median assessment per square foot evident in the analysis, the Complainant requested an assessment \$6,100,000 [C-1, pp. 2-3].

The Respondent submitted a sales summary chart, detailing the attributes of six industrial properties that had sold between November 2007 and June 2009, exhibiting a range of time adjusted sale prices from \$127 to \$326 per square foot, in support of the assessment of the subject property at \$158 per square foot [R-1, p. 19].

The Respondent further submitted a summary of five comparable properties, indicating the attributes relied on in the multiple regression analysis, and exhibiting a range of assessment values from \$159 to \$168 per square foot of building area to demonstrate that the subject property is equitably assessed with similar properties [R-1, p. 44].

Decision – Issue 1

The Board finds that there was insufficient evidence to establish that the subject is inequitably assessed in relation to similar properties.

The Complainant's analysis, based on the median assessment per square foot of several other industrial properties, is inconclusive. The subject's unit rate of assessment is higher than the average and median of the sample of properties; however, although the Complainant indicated that the building to land ratios of the comparables ranged from 13% to 30%, no adjustment was made to relate this variable to the subject; nor was an adjustment made with respect to the amount of office finish in the comparables. Unfortunately, without proper adjustments to reflect the differences between the comparable properties and the subject property, the Board cannot conclude an inequity exists.

The Board accepts that the Respondent's equity comparables appear to establish that the subject is equitably assessed.

FINAL DECISION

The property assessment is confirmed at \$7,010,000.

Dated at the City of Calgary in the Province of Alberta, this 19th day of October, 2010.



J. Krysa
Presiding Officer

APPENDIX "A"**DOCUMENTS RECEIVED BY THE ASSESSMENT REVIEW BOARD:**

NO.	ITEM
1.	Exhibit C1 Complainant's Evidence Submission
2.	Exhibit R1 Respondent's Evidence Submission

APPENDIX "B"**ORAL REPRESENTATIONS**

PERSON APPEARING	CAPACITY
1. M. Uhryn	Representative of the Complainant
2. D. Desjardins	Representative 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.*