

**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:

<b>ROLL NUMBER:</b>	<b>093161305</b>
<b>LOCATION ADDRESS:</b>	<b>4887 35<sup>th</sup> Street SE</b>
<b>HEARING NUMBER:</b>	<b>57904</b>
<b>ASSESSMENT:</b>	<b>\$3,150,000</b>

**PART A: BACKGROUND AND DESCRIPTION OF PROPERTY UNDER COMPLAINT**

The subject property is a 78,531 square foot (sq.ft.) parcel of land, improved with a 17,664 sq.ft. single tenant industrial warehouse with 28% office finish, constructed in 1991. The site coverage is 19.37%.

**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**

In section 4 of the complaint form, the Complainant identified matters 1 through 7 apply to this complaint. At the hearing, matters 1, 2, 4, 5, 6, and 7 were withdrawn, and only matter 3, an assessment amount was addressed.

The Complainant set out 16 grounds for complaint in section 5 of the complaint form, with a requested total assessment of \$790,000, however, at the hearing only the following issue(s) were stated to be in dispute:

**Issue 1: Market Value****Issue 2: Fairness and Equity****Issue 3: Characteristics and Physical Condition**

The Complainant submitted a sale summary chart, detailing the attributes of four industrial properties that had sold between December 2006 and June 2007, exhibiting a range of time adjusted sale prices from \$140.42 to \$157.73 per square foot, with average and median time adjusted sale prices of \$148.64 and \$148.21 per square foot respectively, in contrast to the assessment of the subject property at \$178.00 per square foot. The Complainant requested an assessment rate of \$145.00 per square foot be applied to the area of the subject property to arrive at an assessment value of \$2,560,000 [C-1, pp. 7-8].

The Respondent submitted sales transaction reports and a summary chart, detailing the attributes of five industrial properties that had sold between November 2007 and October 2008, exhibiting a range of time adjusted sale prices from \$142 to \$326 per square foot, in support of the assessment of the subject property at \$178 per square foot [R-1, p. 20].

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 assessed rates from \$189 to \$215 per square foot of building area to demonstrate that the subject property is equitably assessed with similar properties [R-1, p. 41].

In response to the Complainant's comparative analysis, the Respondent submitted several sale transaction market reports, and a further analysis of the Complainant's data [R-1, pp. 42-58].

**Decision – Issue 1**

The Board finds that the Complainant has failed to establish a *prima facie* case in this matter.

The Complainant's sales analysis was of no value to the Board in determining a proper assessment for the subject property. The sales relied on, occurred 2 to 2½ years prior to the valuation date for the assessment, and although they were time adjusted, the Board finds that the Complainant failed to make any other adjustments to the sale prices to reflect the characteristics of the subject property. As a result, the Board does not accept that the Complainant's sales analysis reflects an appropriate level of value for the subject property.

Further, the Respondent's evidence of the market transaction reports related to the Complainant's sales persuaded the Board that some of the Complainant's sales comparables are not similar to the subject; for example, the first comparable at 2727 Centre Street SE is a 2006 sale of a feed mill, that is almost 30 years older than the subject property and has less than 25% of the amount of finished area than the subject property. The Board does not accept that the sale of a 47 year old feed mill, is in any respect, a valid market indicator for the subject property, a modern industrial warehouse development.

**Issue 2: Fairness and Equity**

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 assessed rates from \$189 to \$215 per square foot of building area to demonstrate that the subject property is equitably assessed with similar properties [R-1, p. 41].

Although the Complainant indicated fairness and equity was an issue in this complaint, no evidence was submitted in support of that issue.

**Decision – Issue 2**

The Board finds that the current assessment is fair and equitable in relation to the assessments of similar properties.

The Board accepts the Respondent's uncontested evidence of fairness and equity.

**Issue 3: Characteristics and Physical Condition**

Although the Complainant indicated that the subject property's characteristics and physical condition were an issue in this complaint, no evidence was submitted in support of that issue.

**Decision – Issue 3**

The Board makes no finding in regards to this issue.

**FINAL DECISION**

The property assessment is confirmed at \$3,150,000.

Dated at the City of Calgary in the Province of Alberta, this 22 day of October, 2010.

  
J. Krysa, Presiding Officer

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

<b>NO.</b>	<b>ITEM</b>
1.	Exhibit C1 Complainant's Evidence Submission
2.	Exhibit R1 Respondent's Evidence Submission

**APPENDIX "B"****ORAL REPRESENTATIONS**

<b>PERSON APPEARING</b>	<b>CAPACITY</b>
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.*