

**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:

Altus Group Ltd., *COMPLAINANT*

and

The City Of Calgary, RESPONDENT

before:

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

J. O'Hearn, ***MEMBER***

K. Coolidge, ***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:

ROLL NUMBER:	048053102
LOCATION ADDRESS:	2259 23 St NE
HEARING NUMBER:	59986
ASSESSMENT:	\$853,500

This complaint was heard on the 18th day of October, 2010 at the office of the Assessment Review Board located at the 4th Floor, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 2.

Appeared on behalf of the Complainant:

- D. Chabot, Sr. Tax Advisor - Altus Group Ltd.

Appeared on behalf of the Respondent:

- S. Powell, A. Doborski, Assessors - *The City of Calgary*

Property Description:

The subject is located at 2259 23 St NE, Calgary. It is a gas station assessed as .85 acre of IG vacant land. The assessed value is \$853,500.

Issue:

From a lengthy list of issues identified on the Complaint form, evidence and argument at the hearing addressed the following:

Should the NE vacant land rate be reduced from \$1,000,000 to \$900,000 per acre?

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

The parties submitted sales comparables in support of their respective value conclusions. The Complainant presented two sales: a 5.51 acre parcel at 4300A 21 St NE that sold for \$862,000 per acre, and a 1.84 acre parcel at 11885 16 St NE that sold for 953,000 per acre. The latter sale was referenced in a third party (Avison Young) market report as a special use site sold for a bottle depot and priced significantly above what industrial sites would be expected to sell for in the surrounding area. Using a median of these two sales, the Complainant found support for the requested \$900,000 per acre rate, which would reduce the subject assessment to \$765,000. In summary, the Complainant observed that if the Board included one of the City's sales, 3820 32 St., the median value would be \$950,000 which would amount to a 5% reduction.

The Respondent presented 3 IG sales including the bottle depot sale referred to above and 3 equity comparables. The bottle depot sold at the lowest price per acre of the three Respondent sales, and the highest value, \$1,693,000 per acre, was an "institutional" sale for an addiction treatment centre.

The Composite Assessment Review Board (CARB) found the \$1,000,000 per acre rate supported by two sales: the bottle depot because there was reason advanced to consider it a special purpose or atypical sale, and the sale at 3820 32 St NE at \$1,089,449 per acre. These sales yielded an average of \$1,020,000 per acre. The lowest value, \$953,000 was for a 5.5 acre parcel and the CARB would expect some economy of scale to impact the per acre value. The Respondent had explained that the \$1,000,000 per acre value was applied to the first 2 acres of IG zoned land, declining to \$300,000 for additional acres. [Note: The CARB heard elsewhere

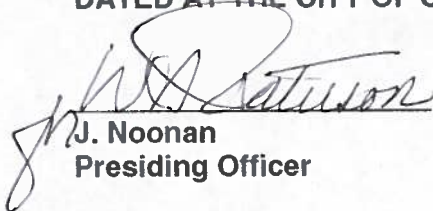
that the rate for 2+ acres was \$350,000 so the \$300,000 figure may have been a mistake in note-taking.]

Both parties presented previous CARB decisions on the value of NE vacant industrial land. Three decisions confirmed the \$1,000,000 rate, one accepted an apparently agreed value of \$950,000 and another found \$800,000. The evidence before this panel supported \$1,000,000 per acre.

Board Decisions on the Issues:

The Board confirms the assessment of \$853,500.

DATED AT THE CITY OF CALGARY THIS 28 DAY OF OCTOBER 2010.


J. Noonan
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.*