

**CALGARY
COMPOSITE 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, Section 460(4).

between:

Altus Group Ltd., COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

Steven C. Kashuba, PRESIDING OFFICER

P. Grace, MEMBER

J. Massey, 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: 032030405

LOCATION ADDRESS: 3600 – 19 Street NE

HEARING NUMBER: 57636

ASSESSMENT: \$3,750,000

This complaint was heard on 25th day of October, 2010 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 2.

Appeared on behalf of the Complainant:

- *D. Chabot*

Appeared on behalf of the Respondent:

- *M. Berzins*

Board's Decision in Respect of Procedural or Jurisdictional Matters:

At the outset of the hearing, both parties requested that the Board consider the evidence about to be presented in this Complaint to be cross-referenced to similar evidence presented in the previous file, Roll #032030504, Hearing #57638, CARB #1995-2010-P, which was heard immediately prior to this Complaint.

The Board, noting that both parties were in agreement, granted the request. As a result, the evidence provided in the above-noted cross-reference file also applies to this complaint.

Property Description:

The subject property, located at 3600 – 19 Street NE in the North Airways Industrial Subdivision, is a multi-bay warehouse which sits on 1.84 acres of land. Building #1 has a rentable area of 12,800 square feet while Building #2 also has a rentable area of 12,800 square feet. Both buildings were constructed in 1977. Building #1 has a finish of 35% and is assessed at \$146 per square foot while Building #2 has a finish of 30% and is assessed at \$146.23 per square foot. The current assessment is \$3,750,000.

Issue:

1. The assessment of the subject property is not supported by the equity comparables.

Complainant's Requested Value: \$2,816,000.

Position of Complainant:

In support of their request for a reduced assessment, the Complainant presented fifteen equity comparables (C-1, page 14). Of these, seven are multi-tenant while eight are single-tenant warehouses, wherein the rentable space ranges from 20,850 to 26,800 square feet while the rentable space of the two subject buildings totals 25,600 square feet. Other variables such as lot size, year of construction, finish, site coverage, and assessment rate per square foot are also presented in the accompanying table (C-1, page 14). The median rentable area of the comparables is 23,428 square feet and the median assessment rate per square foot is \$108.96.

In further support of their position, the Complainant presented five recent CARB decisions (C-1, pages 16 – 40) and one MGB decision (C-1, page 41).

Position of Respondent:

To support the assessment, the Respondent presented three equity comparables (R-1, page 19) which reflect the rentable area of each of the two subject buildings. The comparables range in rentable area from 12,800 square feet to 15,840 square feet, while the subject buildings are 12,800 and 12,800 square feet, respectively. As regards these three equity comparables, it is noted that the third comparable at 3650 – 19 Street NE was the subject of an earlier appeal and to which this appeal is cross-referenced (refer to Board's decision as regards Procedural and Jurisdictional Matters, as noted above).

Board Findings, Decision, and Reasons:

The Board finds in favour of the Respondent and places considerable weight upon the three equity comparables presented by the Respondent (R-1, page 19) which reflect the rentable areas of each of the subject buildings. In particular, the Board is persuaded by the Respondent's equity comparable located near the subject property (R-1, page 19, 3650 – 19 Street NE) as reflecting the characteristics found in the subject property.

Further to the above, the Board accepts the Respondent's argument that in a case where two separate buildings on one Roll Number are of similar size and where the assessment of each is similar, the assessment of each building can be compared to the assessment of similar-sized properties as opposed to the application of the total area of the two buildings when considering the question of equity comparables.


Finally, and by virtue of both parties agreeing to use the evidence provided by both parties on CARB 1995/2010-P, Roll Number 03203054. File Number 57638, the two equity comparables presented by the Respondent (R-1, page 30) of that hearing also form up a part of the Respondent's evidence package in this hearing. In this regard, the Board notes that the total rentable area of the two subject buildings is compared to similar-sized properties. These two equity comparables do support the assessment of the subject property.

The Board places less weight upon the equity comparables presented by the Complainant in that the information provided would indicate that each property contains only one building as opposed to the two buildings evident on the subject property. As a result, the element of comparability in this particular case is brought into question. In addition, the variables in these equity comparables require adjustments in order to make them similar to the subject property. For these reasons, the Board concludes that the current assessment of the subject property is fair and correct.

Board's Decision:

It is the decision of the Board to confirm the assessment of the subject property for 2010 at \$3,750,000.

DATED AT THE CITY OF CALGARY THIS 3 DAY OF November 2010.


Steven C. Kashuba
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*
any other persons as the judge