

**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, Section 460, Revised Statutes of Alberta 2000 (the Act).

between:

**A.R. Williams Truck Equipment Ltd.
(as represented by Altus Group Ltd.), COMPLAINANT**

and

The City Of Calgary, RESPONDENT

before:

**J. Krysa, PRESIDING OFFICER
B. Bickford, MEMBER
R. Kodak, MEMBER**

This is a complaint to the Calgary Assessment Review Board in respect of the property assessment prepared by the Assessor of The City of Calgary and entered in the 2012 Assessment Roll as follows:

ROLL NUMBER:	117007203
LOCATION ADDRESS:	8019 54 St SE
HEARING NUMBER:	67157
ASSESSMENT:	\$3,280,000

The complaint was heard on July 04, 2012, in Boardroom 3 at the office of the Assessment Review Board, located at 1212 – 31 Avenue NE, Calgary, Alberta.

Appeared on behalf of the Complainant:

- J. Smiley

Appeared on behalf of the Respondent:

- I. McDermott

[6] The Complainant presented further arguments and an adjustment in respect of a purported setback and easements along 52 Street related to development restrictions associated with the potential future construction of an interchange and a subsurface gas line. However, during the course of the hearing the Complainant retracted the arguments and adjustments related to the interchange, and argued only in respect of easements related to an adjacent subsurface gas line along the rear of the property, without relating those arguments to a specific assessment amount.

[7] In cross examination the Complainant conceded that a line on the Complainant's map indicating the area of a setback was created by the Complainant and was not related to any registered plan; and further, that the Complainant had not introduced any relevant documentary evidence in respect of setbacks and easements on the subject property within exhibit C1.

[8] The Respondent submitted that the Complainant's arguments related to setbacks at the rear of the property along 52 Street were largely without merit, and that the subject property is not impacted in any significant way. In support of the argument, the Respondent provided the registered subdivision plan of the subject and adjacent properties to demonstrate that only an adjacent high pressure gas line right of way affects the subject parcel.

[9] In support of the assessment, the Respondent provided a summary of four industrial warehouse sales located in the southeast quadrant of the municipality. The properties range in size from 15,500 to 17,550 sq.ft. and exhibit time adjusted sale prices ranging from \$189.24 to \$216.41 per sq.ft. The Respondent also provided further details on three of the Complainant's sales to indicate that the property located at 9050 Innovation Avenue SE sold at a time adjusted rate of \$179.71 per sq.ft., and not at the rate of \$163 per sq.ft. as indicated in the Complainant's summary.

[10] In rebuttal, the Complainant argued that the high pressure gas line easement right of way is not insignificant, but rather encompasses an area of 1.52 acres, upon which no structure can be erected. In support of that argument, the Complainant provided a copy of the subject's land title certificate and registered documents, including an easement registered as 7977 HM.

Decision: Issue 1

[11] The Board finds that the assessment of the subject property is not in excess of the subject's market value.

[12] The Respondent's evidence, which included sales of properties similar in size to the subject, with site coverage ratios ranging from 10.39% to 22.64%, was compelling evidence of a range of values from \$3,122,516 to \$3,734,996, in contrast to the assessment of the subject at \$3,260,000. The Board was particularly persuaded by the \$3,122,516 time adjusted sale price of 3650 46 Ave SE; a 16,500 sq.ft. single-tenant warehouse constructed in 1998 and located on a parcel ½ acre smaller than the subject.

[13] The Board was not persuaded by the Complainant's sales evidence, which was found to be incomplete and inaccurate with respect to parcel sizes, site coverage ratios, building size and time adjusted sale price per sq.ft. (10447 50 St SE and 9050 Innovation Ave SE). The Complainant submitted that the sales were not adjusted to reflect the subject, as the parameters were all very close to those of the subject property. The Board disagrees; three of the four properties exhibit site coverage ratios between 25% and 34%, in contrast to the subject property's 15.07% ratio.

[14] The Board further rejects the Complainant's argument in respect of setback and easements. The 1.52 acre easement included in the Complainant's rebuttal evidence is not relevant to the valuation of the subject property. The easement of 1.52 acres was granted out of a portion of LSD 4, Section 26, Township 23, Range 29, West of the 4th Meridian in September of 1958. The subsequent subdivision of LSD 4 – 26 – 23 – 29 – W4th as per subdivision Plan 8910201, sets out the portion of the easement applicable to the subject property as shown on Plan 5329 HM. The Board concurs with the Respondent that this right of way does not significantly impact the subject property, nor affect its market value.

Issue 2: The assessment of the subject property is inequitable in relation to the assessments of similar properties.

[15] The Complainant provided the 2012 assessments and physical attributes of eight industrial properties to demonstrate a range of assessed values from \$2,540,000 to \$3,620,000, equating to rates of assessment ranging from \$154 to \$184 per sq.ft. and a median rate of \$172 per sq.ft., in contrast to the subject's assessment rate of \$201 per sq.ft.

[16] The Respondent provided the 2012 assessments and physical attributes for seven industrial properties to demonstrate a range of assessed values from \$3,007,844 to \$4,142,426, equating to rates of assessment ranging from \$183 to \$237 per sq.ft. One of the properties, 5015 61 Ave SE, was common to both parties evidence.

Decision: Issue 2

[17] The Board finds that the assessment of the subject property is equitable in relation to the assessments of similar properties.

[18] Although the Complainant made observations about three of the eight comparables presented in exhibit C1, no value adjustments were made to relate those properties to the subject property. The Board notes that the Respondent did not refute the Complainant's equity comparables, nor provide any value adjustments to the seven equity comparables presented in exhibit R1.

[19] As neither party made any value adjustments to relate their equity comparables to the subject property, the Board examined the subject assessment in relation to the evidence presented by both parties, with equal weight. The Board is persuaded that the subject's assessment of \$3,280,000, equating to a rate of \$201.34 per sq.ft., is equitable in relation to the range of assessment values from \$2,540,000 to \$4,124,426, equating to a range of assessment rates from \$154 to \$237 per sq.ft.

The assessment is **CONFIRMED** at: **\$3,280,000.**

DATED AT THE CITY OF CALGARY THIS

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DAY OF AUGUST, 2012.



J. Krysa, Presiding Officer

APPENDIX "A"**DOCUMENTS PRESENTED AT THE HEARING
AND CONSIDERED BY THE BOARD:**

NO.	ITEM
1. C1	Complainant's Submission (35 pages)
2. R1	Respondent's Submission (65 pages)
3. R2	Plan 5329 HM (7 pages)

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.*

FOR ADMINISTRATIVE USE

Subject	Property Type	Property Sub-Type	Issue	Sub-Issue
CARB	Warehouse	Single Tenant	Sales Approach	Market Value; Equity