

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

Between

Altus Group Limited, representing Haifa Investments LTD., COMPLAINANT

And

The City Of Calgary, RESPONDENT

Before

***M. Chilibeck, PRESIDING OFFICER
P. McKenna, MEMBER
B. Jerchel, MEMBER***

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

ROLL NUMBER: 091010116

LOCATION ADDRESS: 1505 – 41 AV SE

HEARING NUMBER: 68074

ASSESSMENT: \$7,890,000.

[1] This complaint was heard by the Composite Assessment Review Board on 5th day of July, 2012 in Boardroom 4 on Floor Number 4 at the office of the Assessment Review Board located at 1212 – 31 Avenue NE, Calgary, Alberta.

Appeared on behalf of the Complainant:

R. Worthington, Agent

Appeared on behalf of the Respondent:

R.T. Luchak, Property Assessor

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

[2] Neither party raised any objections to a member of the Board hearing the subject complaint.

[3] Neither party raised any preliminary matters.

Property Description:

[4] The subject consists of 4.26 acres of land with four buildings that have a total area of 75,120 square feet and were constructed in 1968. The subject is located on the 41st Avenue and 15th Street in the Alyth/Bonnybrook district in the SE quadrant of The City of Calgary. It is categorized as being in Non Residential Zone (NRZ) BB1 and subject to Land Use Designation (LUD), Industrial Re-development (IR). The buildings do not have any retail/office finish. The site coverage is 40.44%.

Issues:

[5] The Complainant identified the matters of an assessment amount and assessment classification on the Assessment Review Board Complaint (Complaint Form) and attached a schedule listing several reasons for the complaint. At the hearing the Complainant advised that the assessment amount is under complaint and the Board identified the issues as follows:

1. Should the subject property be assessed as if it has one building rather than four?

Complainant's requested Value: \$6,310,000.

Board's Findings in Respect of Each Issue:

[6] The subject property is assessed by using the sales comparison method and valuing each building individually. The Individual building areas are 16,000, 30,720, 12,800 and 15,600 square feet and the respective assessed rate is \$112, \$89, \$123 and \$113 per square foot. The overall assessed rate for the total building area is \$105 per square foot.

[7] The Complainant requested the subject should be valued as one building with an area of 75,200 square feet.

1. One Building or Four

[8] The complainant argued the subject should be valued as having one building with an area of 75,200 square feet rather than four individual buildings. This assertion was supported by two CARB decisions in 2010 on similar properties, 1439-2010P and 1435-2010P. In support for the requested rate of \$84 per square foot the complainant provided two sale comparables and eight assessment comparables.

[9] The Respondent advised that their evidence disclosure is incomplete as some information, such as comparables, was erroneously left out. The Respondent did not supply comparable properties. The Respondent argued each building is valued on its own merits when there is more than one building on a parcel of land, because the buildings could be constructed in different years, sizes, wall heights, quality of materials. Reference was made to two CARB decisions, 1119-2011P and 1734-2010P wherein the Board decided that equity alone does not justify altering the assessment and the buildings should be valued as separate entities. Also, the Respondent asserted the Complainant's sale comparables are not similar to the subject however, no evidence was provided to support the Respondent's position.

[10] The Board finds the four buildings to be constructed in the same year and constructed structurally the same. The Board is not bound by previous decisions; however, previous decisions can be persuasive. The Board is, in this case, persuaded by decisions 1439 and 1435 that the subject should be valued as if it had one building. The fact scenario is very similar to the subject. The Board was not persuaded by the Respondent's CARB decisions because one mentions disparity in building sizes and the other mentions equity. In this case the Board was asked to decide that the four buildings should be valued as one and, if so, to decide that the rate should be based on similar property, one characteristic being the total area of the subject. Here, three of the subject four buildings are similar in size (at approximately 14,800 square feet and 30,720 square feet) and constructed in the same year.

[11] The Board finds the Complainant's comparables persuasive to value the subject at \$84 per square foot. Although there are some differing characteristics, the sale comparables show a rate of \$84 and the assessment comparables have a median rate of \$84 per square foot. With no comparables from the Respondent, the Board finds the best information is from the Complainant.

Board's Decision:

[12] The Board changes the assessment to \$6,310,000.

DATED AT THE CITY OF CALGARY THIS 8 DAY OF August 2012.



M. Chilibeck
Presiding Officer

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

NO.	ITEM
1. C1	Complainant's Disclosure – Part 1 of 2 & Part 2 of 2
2. C2	Complainant's Onus of Proof
2. R1	Respondent's Disclosure

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 MGB ADMINISTRATIVE USE ONLY

Decision No. 046-0735-2012P			Roll No. 00911010116	
<u>Complaint Type</u>	<u>Property Type</u>	<u>Property Sub-Type</u>	<u>Issue</u>	<u>Sub-Issue</u>
CARB	warehouse	warehouse-Multi Tenant	Sales Approach	-Improvement Calculation -Land & Improvement Comparables