

**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 Trimac Transportation Services Inc., 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:	091030403	091031005
LOCATION ADDRESS:	4040 – Ogden RD SE	4056 – Ogden RD SE
HEARING NUMBER:	68080	68085
ASSESSMENT:	\$2,540,000.	\$3,190,000.

[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 subjects are single tenant industrial warehouse properties with a Land Use Designation (LUD) of IR (Industrial Redevelopment) located at Ogden Road and in between 14th Street and 15th Street in the community of Alyth/Bonnybrook in SE Calgary. The subjects adjoin each other.

[5] Subject at 4040 Ogden Road was constructed in 1956. It has a rentable building area of 19,454 square feet with 8% office finish located on a parcel of 2.21 acres. The site coverage is 20.19%.

[6] Subject at 4056 Ogden Road was constructed in 1956. It has a rentable building area of 20,427 sq ft with no office finish located on a parcel of 3.72 acres. The site coverage is 12.59%.

Issues:

[7] 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 issue as follows:

1. Should the building and land at 30% site coverage of 4040 Ogden Road be assessed at the same rate as 4056 Ogden Road?
2. Should the additional land of 4056 Ogden Road be assessed as excess land?

<u>Complainant's requested Value:</u>	4040 Ogden RD	\$2,320,000.
	4056 Ogden RD	\$2,800,000.

Board's Findings in Respect of Each Issue:

1. 4040 Ogden Road

[8] The subject at 4040 is assessed at \$130 per square foot of building area which includes a

value for 0.72 acres of excess land. This property is subject to Land Use Designation (LUD) of Industrial Redevelopment (IR). The excess land is considered to be not sub-dividable by the Respondent and the land value is included in the building assessed rate. The Complainant advised that historically, excess land was valued at 60% of the land rate applicable for the respective Land Use Designation. In this case, the land rate for land subject to LUD IR is \$450,000 per acre.

[9] The Complainant requested the building and land of 4040 with 30% site coverage be valued at the same rate as 4056, at \$109 per square foot, plus the value for the excess land.

[10] The Complainant drew the Board's attention to two previous CARB decisions on the subject property, 1301-2011P and 0628-2010P, and asserted these decisions dealt with the very same issues as identified at this hearing.

[11] The decision was that the building and land at 30% site coverage should be valued at the same rate as the land and building at 4056.

[12] The Board finds the subject building is similar to 4056 in size, age and type of construction. As a result the Board is convinced it should be valued at \$109 per square foot of building area plus 0.72 acres of land at 60% of \$450,000 per acre.

2. 4056 Ogden Road

[13] The subject at 4056 is assessed at \$109 per square foot of building area plus a land adjustment for 2.13 acres of additional land. This property is subject to LUD IR. The additional land is considered by the Respondent to be sub-dividable and valued at the rate of \$450,000 per acre (LUD IR).

[14] The Complainant requested the additional land of 4056 be valued as excess land (at 60% of the IR land rate of \$450,000 per acre). The Complainant asserted that the additional/excess land is not subdivided and it should not be speculated that it can be subdivided.

[15] The Complainant drew the Board's attention to two previous CARB decisions on the subject property, 1301-2011P and 0628-2010P, and asserted these decisions dealt with the very same issues as identified at this hearing.

[16] The decision was that the additional land should be valued as excess land (at 60% of the land rate for land subject to LUD IR).

[17] The Respondent did not provide any evidence to support their argument and position that the additional land can be subdivided. The Board finds that as of December 31, 2011 of the assessment year, the subject property consisted of one parcel of land and there is no evidence that the additional can be subdivided. As a result the Board is convinced that the additional land should be valued as excess land (at 60% of the LUD IR land rate of \$450,000 per acre).

[18] The Board is not bound by previous decisions; however, the Board considers the previous decisions to be persuasive particularly when the fact scenarios of these cases are very similar to the previous decisions. The Board is not persuaded to now make a different decision. The Board also adopts the rationale of the previous decisions and reference to these decisions should be made by anyone reading this decision.

[19] The Board changes the assessments as follows: 4040 Ogden RD to \$2,320,000.
4056 Ogden RD to \$2,800,000.

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


M. Chilibeck
Presiding Officer

**DOCUMENTS PRESENTED AT THE HEARING
AND CONSIDERED BY THE BOARD**

Decision No. 046-0733-2012P			Roll No. 0091030403 & 1005	
<u>Complaint Type</u>	<u>Property Type</u>	<u>Property Sub-Type</u>	<u>Issue</u>	<u>Sub-Issue</u>
CARB	warehouse	warehouse-Single Tennant	Sales Approach	-Excess/Additional land -Land & Improvement value