

**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:

BCIMC Realty Corporation (as represented by Altus Group Limited), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

B. Horrocks, PRESIDING OFFICER

D. Pollard, MEMBER

B. Bickford, 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:	097018006
LOCATION ADDRESS:	5353 50 ST SE
HEARING NUMBER:	68091
ASSESSMENT:	\$24,520,000

This complaint was heard on the 21st day of June, 2012 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 5.

Appeared on behalf of the Complainant:

- Mr. J. Smiley (Altus Group Limited)

Appeared on behalf of the Respondent:

- Mr. J. Young (City of Calgary)

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

There were no concerns with the Board as constituted.

There were no preliminary matters. The merit hearing proceeded.

Property Description:

The subject property is a 15.30374 acre site located in the Foothills Industrial Park in SE Calgary. The site is improved with two multi tenant (IWM) warehouses of significantly diverse size that were constructed in 1995. One warehouse is 259,786 square feet (SF), has 3% Finish, 58.20% Site Coverage and has an Assessable Building Area of 259,786 SF. It is assessed at the rate of \$60.00/SF. The second warehouse is 128,177 SF, has 4% Finish, 58.20% Site Coverage and has an Assessable Building Area of 128,177 SF. It is assessed at the rate of \$69.70/SF. The assessment is prepared using the Sales Comparison Approach to Value.

Issues:

The Assessment Review Board Complaint Form contained 14 Grounds for Complaint. The Complainant advised there was one outstanding issue, namely: "The aggregate assessment per square foot applied to the subject property is inequitable with the assessments of other similar and competing properties and should be \$60 psf."

Complainant's Requested Value: \$23,270,000 (Complaint Form)
\$23,270,000 (Hearing)

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

Issue What is the fair and equitable market value for assessment purposes?

The Complainant's Disclosure is labelled C-1.

The Complainant submitted the subject has two improvements, one twice the size of the other. Further the smaller building is assessed at a premium of \$9.70/SF even though it has similar characteristics/attributes as the larger building, and as a result, this leads to an assessment that is higher than the market value of the subject.

The Complainant, at page 13, submitted a purported comparable located at 6210 44 ST SE, noting it has similar characteristics, but it is slightly larger than the smaller improvement on the subject property. The 2012 assessment is calculated to be \$70.30/SF which is \$0.60/SF more than the value placed on the smaller building on the subject property. Similarly, the Complainant, at page 15 submitted a purported comparable located at 5325 52 ST SE, noting it also has similar characteristics, but is again larger than the smaller improvement on the subject property. It is assessed at the rate of \$71.07/SF which is \$1.37/SF more than the value placed on the smaller building on the subject property. The Complainant argued one would reasonably expect these comparable properties to be significantly greater in per square foot value, or, alternatively, that the smaller building on the subject property would be less. The Complainant concluded the adjustments necessary to arrive at the assessment for the comparables suggest that a multiple building adjustment has not been applied to the subject, or that the adjustment is very minimal and likely inadequate. The Complainant requested the two improvements on the subject both be assessed at the lower rate of \$60/SF.

The Respondent's Disclosure is labelled R-1.

The Respondent submitted the subject contains two buildings as of the evaluation date, and these two buildings would not be comparable if they were on their own site. The Respondent, at page 13, identifies that a negative value adjustment is made to all parcels that contain more than one building.

The Respondent argued that the Complainant has not provided any market evidence to establish a range of market values. The respondent cited Bramalea Ltd. v. British Columbia (Assessor for Area 9 (Vancouver) (B.C.C.A.), [1990] B.C.J. No.2730 and Bentall Retail Services et al v Assessor of Area #09-Vancouver, 2006 BCSC 424 in support of its argument that equity alone is insufficient to alter an assessment.

The Complainant cited the following case law in support of its argument:

Jonas v Gilbert [1881] S.C.J. No.5

Assessor for Area 09 (Vancouver) v Bramalea Ltd [1990] C.A.V. 00992

Bentall Retail Services et al v Assessor of Area 09 – Vancouver

Dutchcad Bil Investments Ltd et al v Assessor of Area 19- Kelowna

The Board finds there is no market evidence from the Complainant to establish a range of market values. The assertion that the methodology of assessing multiple building parcels results in values above market value has not been addressed because of a lack of market evidence from either party.

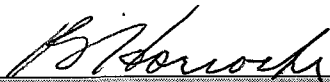
Board's Decision:

The 2012 assessment is confirmed at \$24,520,000.

Reasons:

There is no market evidence from the Complainant to establish a range of market values.

DATED AT THE CITY OF CALGARY THIS 10th DAY OF July 2012.



B. Horrocks
Presiding Officer

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

NO.	ITEM
1. C1	Complainant Disclosure
2. R1	Respondent 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 Administrative Use

Subject	Property type	Property Sub type	Issue	Sub-Issue
CARB	Warehouse	Multi-improved	Sales Approach	Equity only

