

**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:**

***K E G Investments Ltd (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:

<b>ROLL NUMBER:</b>	<b>116022302</b>
<b>LOCATION ADDRESS:</b>	<b>5110 76 AV SE</b>
<b>HEARING NUMBER:</b>	<b>67137</b>
<b>ASSESSMENT:</b>	<b>\$3,500,000</b>

This complaint was heard on the 20th day of June, 2012 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 3.

Appeared on behalf of the Complainant:

- Mr. J. Smiley (Altus Group Limited)

Appeared on behalf of the Respondent:

- Mr. I. Baigent (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 1.7497 acre site located in the Foothills Industrial Park in SE Calgary. The site is multi improved with two single tenanted (IWS) warehouses containing 11,250 square feet (SF) each, both constructed in 1990. One warehouse has 13% Finish and the other has 11% Finish while they both have 29.52% site coverage. Each building has an Assessable Building Area of 11,250 SF and they are assessed at the rate of \$155.63 and \$155.51 respectively. 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 only one outstanding issue, namely: "The aggregate assessment per square foot applied to the subject property does not reflect market value for assessment purposes when using the direct sales comparison approach and should be \$120 psf".

**Complainant's Requested Value:** \$2,700,000 (Complaint Form)  
\$3,030,000 (Hearing)

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

**Issue** What is the fair and equitable market value of the subject property for assessment purposes?

The Complainant's Disclosure is labelled C-1.

The Complainant, at page 9, provided a chart titled Sales, SE Industrial, 20,000 to 25,000 Sq. ft. which contained 4 sales purported to be comparable to the aggregated size of the subject. The time adjusted sale price per square foot (TASP/SF) ranged from \$117 to \$173 and the median was calculated to be \$135/SF.

The Complainant, at page 10, provided a chart entitled Sales, SE Industrial, 9,000 sq. ft. to 12,000 sq. ft., site coverage 20% and higher, purported to be comparable in size to the individual buildings of the subject. The TASP/SF ranged from \$106 to \$191 and the median was calculated to be \$168/SF.

The Complainant submitted the City has assessed each improvement on the basis of approximately \$156/SF and this value is not upheld by the market place, whether looking to comparatively sized properties of 20,000 to 25,000SF, or even to sales that approximate the size of each individual improvement. The Complainant argued that while there are two separate improvements on the property, it ought to be valued in such a way that the estimation of market value is comparable to those sales which total its aggregate size, in support of his request for an assessed rate of \$135/SF.

The Complainant alleged there are sales, used by the City in their model, that are problematic.

The Respondent's Disclosure is labelled R-1.

The Respondent, at page 13, provided a chart entitled 2012 Industrial Sales Chart which included 13 sales from throughout the city with improvement sizes ranging from 9,000 SF to 17,885 SF and TASP/SF ranging from \$111.96 to \$185.56. He noted the subject is assessed at a rate of \$155.57/SF.

The Respondent, at page 15 provided a 2012 Industrial Equity Chart which contained properties with Assessable Building Areas ranging from 9,600 SF to 12,917 SF and assessment rate per square foot (Rate per SF) ranging from \$155.49 to \$220.37, again noting the subject is assessed at \$155.57/SF.

The Respondent advised that a multi-building co-efficient had been applied.

The Board finds the Sales Charts presented by both parties demonstrate the assessment for the subject is within a reasonable range of market value.

**Decision:**

The 2012 assessment is confirmed at \$3,500,000.

**Reasons:**

The Complainant failed to show that the Multi-Building Parcel Assessment Methodology employed by the City results in assessments that are not within a reasonable range of market value.

DATED AT THE CITY OF CALGARY THIS 10<sup>th</sup> DAY OF July 2012.



**B. Horrocks**  
Presiding Officer

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

<b>NO.</b>	<b>ITEM</b>
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**

<b>Subject</b>	<b>Property type</b>	<b>Property Sub type</b>	<b>Issue</b>	<b>Sub-Issue</b>
CARB	Warehouse	Multi-improved	Sales Approach	Market value