

**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:

***365776 B. C. LTD. (as represented by Linnell Taylor & Associates), COMPLAINANT***

and

***The City Of Calgary, RESPONDENT***

before:

***K. D. Kelly, PRESIDING OFFICER***

***K. Coolidge, MEMBER***

***P. Pask, 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: 031503808**

**LOCATION ADDRESS: #134 – 3359 – 27 ST NE**

**HEARING NUMBER: 65910**

**ASSESSMENT: \$435,000 (taxable) (see also 65914 – exempt)**

This complaint was heard on 27th day of June, 2012 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 6.

Appeared on behalf of the Complainant:

- *Mr. J. Mayer - Linnell Taylor & Associates*

Appeared on behalf of the Respondent:

- *Mr. G. Bell - Assessor – City of Calgary*

**REGARDING BREVITY:**

[1] The Composite Assessment Review Board (CARB) reviewed all the evidence submitted by both parties. The extensive nature of the submissions dictated that in some instances certain evidence was found to be more relevant than others. The CARB will restrict its comments to the items it found to be most relevant.

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

[2] None

**Property Description:**

[3] The subject is 1,783 square feet (SF) of taxable upper office space in one two-storey Industrial Condominium unit. It is located in building #2 of a 1980 era three-building office complex containing a total of 10 units. The subject second storey office space is taxable, while the main floor space in the same condo unit is exempt. The total square footage for both floors of the condo unit is 3,509 SF. The 1,783 SF under appeal in this hearing is assessed at \$435,000 or \$217 per SF.

[4] **Issues:**

1. The assessment calculation for the subject is mathematically incorrect.
2. The assessed value per square foot for the subject is excessive and inequitable.

[5] **Complainant's Requested Value:** \$212,833 based on \$119.37 per SF for 1,783 SF.

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

**Issue #1:**

[6] The Complainant clarified the location and status of the subject in the three-building condo complex and noted that there appears to be a mathematical error in the assessment calculation for the subject. He noted that 1,783 SF X \$217 per SF = \$386,911 and not \$435,000 which appears on the City's Assessment Notice.

[7] The Respondent clarified that the parties had both re-calculated the assessed value based on the parameters outlined by the Complainant and the correct assessed value should in fact be \$386,911. He was unable to explain why a computer error had been made on this property.

**Board Findings on Issue #1:**

[8] The Board finds that the correct mathematical calculation for the subject's initial assessment should have been \$386,911 and not \$435,000.

**Issue #2:**

[9] The Complainant argued that all ten condominium units in this 3-building complex – of which the subject is one, have similar amenities and quality of finish. He clarified that he had personally visited the site recently and was confident in making this statement. He noted that the City has assessed each of them as being of "C+" quality. In addition, he provided a matrix outlining the unit number; its taxable/exempt status; total assessment; square foot areas; and assessed rate per SF for all ten units, including the subject.

[10] The Complainant clarified that the majority of the units range in size from 3,400 SF to 4,100 SF, although one unit (#158) was 1,670 SF. He noted that units no's. 142; 150; and 158 are also in building #2 with the subject, which is unit #134.

[11] The Complainant clarified that the four condo units in building #2 range in size from 1,670 SF to 3,883 SF and are assessed at values ranging from \$117.81 per SF to \$158.68 per SF, versus the subject's \$216.73 per SF. He argued that the "Average Rate" per SF of nine units in the complex (the subject excluded) is \$123.31 per SF and the Median rate is \$120.52 per SF. He argued that the subject has the highest per square foot rate in building #2 and indeed the entire ten-unit condo complex, and this is inequitable. He requested that the assessment for the subject's 1,783 SF be reduced to \$212,833 or \$119.37 per SF.

[12] The Respondent argued that while the per SF rate for the subject versus the other units in the complex appears to be higher, he considered that the \$217 per SF assessed, is supported by market evidence. He argued that the Complainant submitted no market evidence, whereas he submitted seven 2009 and 2010 comparable market sales – all from NE Calgary and all in the Horizon 2 market zone like the subject.

[13] The Respondent argued that in a dynamic marketplace, there will be variances between per square foot market values, even in the same complex. He suggested that occasionally there are marked differences in the level and quality of finish in adjacent and nearby units – differences which are reflected in the per SF values for which buyers are willing to pay. He suggested it was not appropriate to generalize that the level of finish would be identical in all units in the subject's complex, and therefore argue that the value per SF should be the same for each of them.

[14] The Respondent acknowledged that he was unable to substantiate these arguments with photographic or other evidence. He also acknowledged that he had not visited the site recently.

**Board Findings on Issue #2:**

[15] The Board finds that the Complainant advises that he has recently visited and personally inspected the site whereas the Respondent has not. Therefore the Complainant is able to speak from a personal perspective regarding the comparative level of finish in each of the units of the three-building complex as a whole.

[16] The Board finds that the Respondent City has analyzed the market in the same Market Zone and general vicinity of the subject. In the case of the subject however, the City has applied its defined typical market values to only the subject condo unit in a ten-unit condo development. The remaining nine abutting, adjacent, and similar units in the 10-unit complex, have been assessed at a considerably lower value. The Board concludes that this is inequitable.

[17] The Board finds that on an equity basis the per square foot value should be \$123.31 per SF and the assessment for the subject's upper level (second floor) 1,783 SF should be \$219,800

**Board's Decision:**

[18] The assessment is reduced to \$219,800.

DATED AT THE CITY OF CALGARY THIS 1 DAY OF August 2012.

  
K. D. Kelly  
Presiding Officer

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

<b>NO.</b>	<b>ITEM</b>
1. C-1	Complainant Disclosure
2. R-1	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 Only**

Appeal Type	Property Type	Property Sub-type	Issue	Sub-Issue
CARB	Industrial office Condos	Multi-buildings on one property	Market value and equity	Data correction