

**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:**

***Dynacorp Group Limited ( as represented by Assessment Advisory Group Inc),  
COMPLAINANT***

**and**

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

**before:**

***B. Horrocks, PRESIDING OFFICER  
S. Rourke, MEMBER  
J. Rankin, 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>201045853</b>
<b>LOCATION ADDRESS:</b>	<b>5325 6 ST SE</b>
<b>HEARING NUMBER:</b>	<b>67164</b>
<b>ASSESSMENT:</b>	<b>\$2,130,000</b>

This complaint was heard on the 5th day of July, 2012 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 9.

Appeared on behalf of the Complainant:

- Mr. T. Youn (Assessment Advisory Group Inc)

Appeared on behalf of the Respondent:

- Mr. J. Greer (City of Calgary)

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

[1] There were no concerns with the Board as constituted.

[2] The parties agreed to carry forward the sales chart on page 19 of C-1 from Hearing #67170.

**Property Description:**

[3] The subject property is a 1.57 acre parcel located in the South Manchester Industrial community in SE Calgary. The site is improved with a 6,750 square foot (SF) two storey, single bay warehouse (IWS) that was constructed in 1961 and has 51% finish, 30.00% site coverage and an assessable building area of 9,250 SF. The subject is assessed at the rate of \$171.35/SF using the sales comparison approach to value. In addition there is a land adjustment of \$553,072 for extra land.

**Issues:**

[4] The Assessment Review Board Complaint Form contained the statement, "The assessed value is incorrect, and fails to meet the legislated standard of market value and also fails to meet the requirements for equity in assessment.", amongst other things.

**Complainant's Requested Value:** \$1,230,000 (Complaint Form)  
\$1,340,000 (Hearing)

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

**Issue:** Is there extra land, and if so, what is its value?

[5] The Complainant's Disclosure is labelled C-1.

[6] The Complainant submitted the property is not capable of subdivision because of the slope on the west side of the property, and more specifically because the tenant could not operate his business effectively on a smaller parcel. As a result, there is no extra land and the adjustment should be removed from the assessment.

[7] The Respondent's Disclosure is labelled R-1.

[8] The Respondent submitted the property is capable of subdivision and that access could be provided from 6 ST SE. The Respondent acknowledged the presence of the slope on the west side of the property and further acknowledged there was a utility right of way located therein. The Respondent argued that "usage" is not a physical characteristic that would impede subdivision.

[9] The Respondent, on page 13, calculated the size of the purported extra land by assuming a site coverage of 30%, which is considered typical. The extra land was then calculated by dividing the footprint of the improvement (6,750 SF) by that 30% and subtracting the result from the actual lot size. The extra land was calculated to be 1.05 acres. The value of the extra land was then calculated to be \$553,072 utilizing a unit value of \$525,000/acre.

[10] The Board finds the subject is capable of being subdivided, however the Respondent has likely overestimated the size of the parcel that would remain and has likely inflated the value of same on a per acre basis as there were no adjustments for topography or the utility right of way. In addition, there was no backup material provided to support the unit rate applied to calculate the extra land value. The Board concludes there would be little or no value to a subdivided parcel.

**Issue:** What is the market value of the subject for assessment purposes?

[11] The Complainant, on page 19 of C-1, which was carried forward from hearing #67170, provided a chart titled Industrial Sales Comparables which contained 4 sales with sale price per square foot ranging from \$125.85 to \$137.49 and a median of \$135.18 in support of their request for an assessed rate of \$145.00/SF. The Complainant acknowledged the sale at 1341 Hastings CRES SE is invalid because it was between related parties.

[12] The Respondent, at page 11, provided a table titled 2012 Industrial Sales Chart which contained 7 sales from throughout the Central region. The time adjusted sale price per square foot (TASP/SF) ranged from \$126.25 to \$220.37 with a median of \$191.73/SF, noting the subject is assessed at the rate of \$171.35/SF.

[13] The Board finds the large range in sale prices would suggest the properties are significantly dissimilar and further, that the rate applied to the subject by the City of \$171.35/SF, is fair and equitable. The market value is calculated to be \$1,584,988.

**Board's Decision:**

[14] The 2012 assessment is reduced to \$1,580,000.

**Reasons:**

[15] There is little or no value to any parcel that might result from subdivision.

DATED AT THE CITY OF CALGARY THIS 9 DAY OF August 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	Single bay	Sales Approach	Market value