

**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:**

***MARRI PROPERTIES LTD., COMPLAINANT  
(Represented by Colliers International realty Advisors Inc.)***

**and**

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

**before:**

***Board Chair P. COLGATE  
Board Member P. PASK  
Board Member D. STEELE***

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: 071100101**

**LOCATION ADDRESS: 415 MONUMENT PLACE SE**

**FILE NUMBER: 66312**

**ASSESSMENT: \$2,840,000.00**

This complaint was heard on 24 day of July, 2012 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 8.

Appeared on behalf of the Complainant:

- Troy Howell, Colliers International Realty Advisors Inc. – Representing Marri Properties Ltd.

Appeared on behalf of the Respondent:

- Magan Lau – Representing the City of Calgary
- Jason Tran – Representing the City of Calgary

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

[1] The Board derives its authority to make this decision under Part 11 of the Municipal Government Act (the "Act").

[2] The parties had no objections to the panel representing the Board as constituted to hear the matter. No jurisdictional or procedural matters were raised at the outset of the hearing, and the Board proceeded to hear the merits of the complaint.

**Property Description:**

[3] The subject property contains an industrial multi-bay warehouse of 13,052 square feet, and an industrial outbuilding of 1,144 square feet.

[4] The structures, located on a 2.17 acre parcel, are assessed at \$216.86 per square foot for \$2,830,411.27 for the warehouse, and a nominal rate of \$10.00 per square foot for the outbuilding for \$11,440.00. The total combined assessment is \$2,841,851.00. The assessment is based upon a Direct Comparison Approach to valuation. Site coverage is 9.09% and office finish is 57.0%. The structures have a year of construction of 1966.

**Complainant's Requested Value:** \$2,272,000.00

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

[5] In the interest of brevity the Board will restrict its comments to those items the Board found relevant to the matters at hand. Furthermore, the Board's findings and decision reflect on the evidence presented and examined by the parties before the Board at the time of the hearing.

[6] Both the Complainant and the Respondent submitted background material in the form of aerial photographs, ground level photographs, site maps and City of Calgary Assessment Summary Reports.

**Issues:**

**Should recognition have been applied to the assessment for the “typography challenges that the subject faces”? (The Board, based upon the presentations, corrects this to refer to the ‘topographical challenges’ of the site.)**

**Complainant's Evidence**

[7] The Complainant relied primarily on photographic evidence to show the adverse effect the topography of the site has on the full utilizations of the property. (C1, Pg. 8-19)

[8] The Complainant testified, while the majority of the site was developable the portion at the rear of the lot, along the railway tracks, was not usable due to the grade differential.

[9] The Complainant submitted two City of Calgary properties – 3840 Macleod Trail SE and 3839 Burnsland Road SE – stating allowances for topography had been applied in the determination of the assessments. (C1, Pg. 21-24)

**Respondent's Evidence**

[10] The Respondent's evidence also relied on aerial and ground photographs of the subject property. The Respondent testified the area impacted by the change in topography did not affect the utility of the balance of the site which photographs show as being essentially flat.

[11] The Respondent stated it was the opinion of the Assessment Business Unit the topography challenges were minimal and would not adversely affect the market value of the subject property.

**Findings of the Board**

[12] The Board found no adjustment for topography was currently applied to the subject property.

[13] The photographic evidence showed a significant change in grade for the parcel along the railway right-of-way.

[14] Neither the Complainant nor the Respondent could provide the Board with any information as to the area of the parcel affected by the topography. The Board found this lack of essential information by either party disappointing and limited the Board in making a fully informed decision.

[15] The Complainant was unable to provide the Board with any information with respect to the two comparable properties it submitted; most importantly the amount of allowance for topography the Complainant claimed was applied. The Board finds difficulty with this response, for if the Complainant had gone to the trouble of finding two properties with a topographical adjustment why then would it not present the actual allowances being applied. Accordingly, due to the lack of evidence, no weight is placed on the two roll numbers.

[16] The Board found there was sufficient visual evidence to warrant a change to the assessment. Lacking actual areas influence by the topography the Board reduces the 2012 assessment by 10%.

**Board's Decision:**

[16] On review and consideration of all the evidence before it in this matter, the Board found the Complainant had presented sufficient evidence to convince the Board the subject assessment was in error.

[17] The Board reduced the assessment at \$2,550,000.00.

DATED AT THE CITY OF CALGARY THIS 6 DAY OF SEPTEMBER 2012.

A handwritten signature in black ink, appearing to read 'P. Colgate', is written over a horizontal line.

**PHILIP COLGATE**  
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. R2	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.*

**LEGISLATIVE REQUIREMENTS****MUNICIPAL GOVERNMENT ACT****Chapter M-26**

1(1)(n) “market value” means the amount that a property, as defined in section 284(1)(r), might be expected to realize if it is sold on the open market by a willing seller to a willing buyer;

**Division 1****Preparation of Assessments****Preparing annual assessments**

**285** Each municipality must prepare annually an assessment for each property in the municipality, except linear property and the property listed in section 298. RSA 2000 cM-26 s285;2002 c19 s2

**289(2)** Each assessment must reflect (a) the characteristics and physical condition of the property on December 31 of the year prior to the year in which a tax is imposed under Part 10 in respect of the property,

**ALBERTA REGULATION 220/2004****Municipal Government Act****MATTERS RELATING TO ASSESSMENT AND TAXATION REGULATION**

1(f) “assessment year” means the year prior to the taxation year;

**Part 1****Standards of Assessment****Mass appraisal**

**2** An assessment of property based on market value

- (a) must be prepared using mass appraisal,
- (b) must be an estimate of the value of the fee simple estate in the property, and
- (c) must reflect typical market conditions for properties similar to that property.

**Valuation date**

**3** Any assessment prepared in accordance with the Act must be an estimate of the value of a property on July 1 of the assessment year.

**FOR ADMINISTRATIVE USE**

Subject	Property Type	Property Sub-Type	Issue	Sub-Issue
CARB	Warehouse	Warehouse Multi Tenant	Cost/Sales Approach	- Topography Allowance