

**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:

Airstate Ltd. (as represented by Colliers International Realty Advisors), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

***J. Acker, PRESIDING OFFICER
R. Kodak, MEMBER
P. McKenna, 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:	054010608
LOCATION ADDRESS:	1420 28 Street NE
HEARING NUMBER:	66079
ASSESSMENT:	\$ 28,370,000

This complaint was heard on 09th day of July, 2012 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 10.

Appeared on behalf of the Complainant:

- *Chris Hartley, Colliers International Retail Advisors Inc.*

Appeared on behalf of the Respondent:

- *M. Hartmann*
- *George Bell*

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

1. Mr. Hartley asserted that he had not received the Respondent's disclosure package but was prepared to proceed with the hearing if he were allowed additional time to rebut the Respondent's presentation of today's date later in the week.
2. The Respondent was in agreement with this procedural change and the Board accepted Mr. Hartley's request to provide rebuttal argument on Friday, July 13, 2012 at 9:00 AM.

Property Description:

3. The subject property is a 15.417 acre parcel improved with 9 buildings. The oldest improvement was built in 1991 and is a 78,300 square foot multi-tenant industrial warehouse. The other eight buildings are 20,000+ sq. ft. industrial warehouses constructed in 1998. The site coverage of the improvements is 35.81%. The subject parcel is zoned I- G (General Industrial).
4. The 78,300 sq. ft. building exhibits a 9% office/retail finish and the other eight buildings demonstrate office/retail finish of between 14% and 39%.
5. The aggregate area of all nine buildings is 240,525 sq. ft.

Issues:

6. In comparison with other similar properties, the subject assessment is inequitable.

Complainant's Requested Value: \$ 24,050,000 (\$100/sq. ft.)

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

7. The Complainant argued that the physical characteristics of the subject with its irregular parcel shape and congested traffic layout made it less valuable to the marketplace. As well, the property would transact as one entity and assessing eight 20,000 sq. ft. buildings in comparison with single improvement properties of that size is inequitable.
8. In support of the Complainant's request for an assessed value of \$100/sq. ft., the Complainant submitted eight time adjusted sales in both the SE and NE quadrants of the City

of Calgary which indicated values of \$65 - \$128/sq. ft. as indicative of market values in this area.

9. The Respondent provided thirteen sales of multiple building properties – four from the NE quadrant, three from the Central area and six from the SE quadrant to support the assessed rate of \$117.95/sq. ft. applied to the subject property. Only four of these sales were time adjusted (2008 sales) and the combined time-adjusted and non time-adjusted sales reflected values of \$105 - \$172/sq. ft.

10. The Respondent also supplied six sales of larger industrial buildings on single building properties to demonstrate time-adjusted sales values ranging from \$105 - \$149/sq.ft.

11. In rebuttal, the Complainant provided time adjustments to the Respondent's sales comparables for multi-building properties demonstrating a range in value of \$92-\$167/sq. ft.

12. The Board found that the irregular shape of the parcel was offset by its proximity to a rail spur line and that the placement of the buildings on the site presented no significant difficulties for turning movements by heavy trucks. Accordingly, these issues were given little weight.

13. The Board reviewed the comparables submitted by both parties and found that none provided sufficient similarity to the subject to be useful for direct sales comparison purposes. The best comparable submitted by the Complainant was a property at 930 64th Avenue NE which was 6.4 acres in size (subject 15.41) with 118,402 sq. ft of improvements. (subject 240,525).

Board's Decision:

The complaint is dismissed and the assessment is confirmed at \$28,370,000.

DATED AT THE CITY OF CALGARY THIS 20 DAY OF July 2012.

for 

Presiding Officer

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

NO.	ITEM
1. C1	Complainant Disclosure
2. R1	Respondent Disclosure
3. C2	Complainant Rebuttal

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.*