

CALGARY
COMPOSITE 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:

APNI MARKET LTD et al

As represented by spokespersons

B. Klassen – of unit 126 (Cakeworks Inc. & President of the Condominium Association)

P Tong – of unit 206 (Tong Jane / Ng Ruth)

D. Hoang – of unit 128 (Infobase Computer Consulting Inc.)

Also in attendance were

J. Luis – of unit 311 (Interpacific Business centre Inc.)

G. Gill – of unit 102 (owner)

Y. Chin – of units 341 & 345 (owner)

All COMPLAINANTS

And

The City Of Calgary, represented by W. Wong - RESPONDENT

before:

D. H. Marchand, PRESIDING OFFICER

D. Pollard, MEMBER

E. Reuther, MEMBER

These are complaints 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 2011 Assessment Roll as follows:

These complaints were heard on 16th day of June, 2011 at the office of the Assessment Review Board located at Floor Number 3rd, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 9.

Board's Decision in Respect of Procedural Matters:

At the request of the parties 26 individual complaints were grouped into one hearing. The issue, evidence, and arguments are common to each complaint. At the hearing complainant, Mr. Gill, with a separate filing, requested that his complaint be grouped as well. Also at the hearing, Mr Luis, stated that file 63148 had an error in size of the unit's area. The CARB advised that the matter of size would be dealt with separately.

Table 1: COMPLAINT SUMMARY

ROLL NUMBERS:	LOCATION ADDRESS:	HEARING NUMBER:	ASSESSMENT:
049500002	102 3132 – 26 St NE	63045	327,500
049500283	146 3132 – 26 St NE	63054	221,000
049500820	359 3132 – 26 St NE	63157	221,000
049500267	142 3132 – 26 St NE	63064	221,000
049500309	148 3132 – 26 St NE	63132	237,500
049500705	339 3132 – 26 St NE	63154	286,000
049500341	206 3132 – 26 St NE	63134	287,000
049500788	351 3132 – 26 St NE	63156	290,000
049500127	122 3132 – 26 St NE	63145	295,500
049500168	128 3132 – 26 St NE	63062	296,500
049500143	126 3132 – 26 St NE	63060	297,500
049500325	202 3132 – 26 St NE	63133	300,000
049500762	349 3132 – 26 St NE	63155	301,000
049500747	345 3132 – 26 St NE	63152	301,000
049500721	341 3132 – 26 St NE	63153	301,000
049500200	136 3132 – 26 St NE	63063	310,500
049500044	108 3132 – 26 St NE	63054	328,500
049500069	112 3132 – 26 St NE	63058	328,500
049500606	321 3132 – 26 St NE	63149	367,500
049500622	325 3132 – 26 St NE	63150	373,500
049500689	335 3132 – 26 St NE	63151	391,500
049500481	301 3132 – 26 St NE	63135	414,000
049500507	305 3132 – 26 St NE	63137	414,000
049500523	309 3132 – 26 St NE	63143	414,000
049500481	311 3132 – 26 St NE	63148	514,000
049500028	106 3132 – 26 St NE	61262	328,500

Property Description:

The subjects are located within Commercial – Corridor 3 (C-COR3) zoned lands, just off of Barlow Trail and along 32 Avenue, in a commercial/retail condominium held complex known as **Interpacific Business Park (IPBP)**.

Units 1-6 have the same depth and height and each have the capability of housing mezzanine space. Their width may vary. Units 7-11 have less depth & height than units 1-6 with varying widths. Units 12 – 16 are also reduced in depth and height when compared to units 1-6 and units 6-11. Units 17-19 are main floor units with units 20-24 located above. Units 25-30 have the

longest depth and are the same height as units 1-6, again with the capability of housing mezzanine space. Units 31-35 are less in depth than units 25-30 and have upper units 41-45 located above. Units 36-40 are 1 storey main floor units with increase depth over units 12-16. All the units are identified on exhibit 4C.

Issues:

The Complainants are concerned that the year over year increase of 35% in assessment is excessive and that the assessment rate of \$250.00 per square foot applied is higher than the rate of many other similar condominium units.

Complainant's Requested Value:

The Complainant requests an assessment amount for equivalent to a 5% increase over the previous year's assessment or an uniform rate of \$194.00 per square foot.

File 63148 (unit 28) is requesting that the rate of \$194.00 be applied to 1,655 sq. ft. not the 2,056 sq. ft. used in the assessment calculation.

Complainant's Position:

In support of the Complainant's request exhibit 2C was submitted with eleven RealNet reported transactions. Based on these reported sales the average of the 11 transaction is \$190.00 per square foot. The spokespersons submitted that these reports support their request of \$194.00 per square foot, or the equivalent of the 2010 assessment plus 5%. The spokespersons advised that their request is in line with the City of Calgary's news report that reported that the overall increase in property tax dollars in 2011 is about 5%.

The spokespersons also acknowledged that their comparables are from within light industrial complexes which have the same land use that their complex was previously, and that they were not aware of their zoning being changed to its current retail (C-COR3) zoning.

The CARB was advised that unit 28's size is 1,655 sq. ft. as reported by survey. The owner also acknowledges the presence and use of mezzanine office space above the main floor.

Respondent's Position:

The Respondent provided a table analyzing the complainant's data in exhibit 2C. One of the transactions is reported as non-arms length and six of the eleven transaction involved multiple properties or portfolio sales. These portfolio sales transactions were disregarded as indicators by the City in the development of the assessment.

The remaining indicators are not considered similar as the subject is considered to trade in completion to similar commercial/retail properties not industrial type properties.

Seven transactions from within the complex itself were presented to the CARB. Two of the seven were outside of the analysis period but were offered as trend support. One of the transactions reported the sale of two units selling as a package, a portfolio sale. The remaining three indicators were in the range of \$156 to \$ 270 per square foot with a median rate of \$255 and an average rate of \$227 per square foot.

The Respondent advised that the size of unit 28 used to compute the assessment of 2,056 sq. ft. included the mezzanine space, which was design and used as upper office space.

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

The CARB heard argument and reasons as to commercial/retail space being typically influenced by exposure to traffic and visibility and the unit's location within the complex; that the per. sq. ft. rate is typically being influenced by an economy of scale; that upper units generally trade differently from main floor units. No evidence or measures of the difference, if any, were provided. Both parties choose to express each assessment amount based on a uniform rate per square foot.


Sales of similar units from within the complex itself show a range of value per square foot. The CARB received no evidence that the median indicated rate did not represent the typical for the subject complex.

The size used in the computation of unit 28 of 2,056 sq. ft. is upheld as the manner in which deterring the assessment is consistent with the practice of adding in the area of upper mezzanine office space.

Table 2: Board's Decision:

ROLL NUMBERS:	LOCATION ADDRESS:	HEARING NUMBER:	ASSESSMENT:	DECISION:
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049500283	146 3132 – 26 St NE	63054	221,000	Confirmed
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049500481	311 3132 – 26 St NE	63148	514,000	Confirmed
049500028	106 3132 – 26 St NE	61262	328,500	Confirmed

DATED AT THE CITY OF CALGARY THIS 19 DAY OF July 2011.



D. H. Marchand
Presiding Officer

APPENDIX "A"

**DOCUMENTS PRESENTED AT THE HEARING
AND CONSIDERED BY THE BOARD:**

NO.	ITEM
1. C1	Complainant letter dated May 4 th , 2011
2. C2	Real Net sheets 6 pages
3. C3	Photos 4 pages
4. C4	Condo Map
2. R1	Respondent Brief

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.*