

**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(4), Revised Statutes of Alberta 2000 (the Act).

between:

1381420 Alberta Ltd., (as represented by Assessment Advisory Group), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

R. Glenn, PRESIDING OFFICER

J. Mathias, MEMBER

P.Charuk, 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 2011 Assessment Roll as follows:

ROLL NUMBER:	024009896
LOCATION ADDRESS:	135 Skyline CR NE
HEARING NUMBER:	63339
ASSESSMENT:	\$1,310,000

This complaint was heard on the 18th day of July, 2011, at the offices of the Assessment Review Board, located on Floor Number 4, at 1212 – 31 Avenue NE, in Calgary, Alberta, in Board room 2.

Appeared on behalf of the Complainant: Troy Howell, Agent for Assessment Advisory Group

Appeared on behalf of the Respondent: Kimberley Cody, Assessor for the City of Calgary

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

No issues of procedure or jurisdiction were raised.

Property Description:

The subject is a single-tenanted 2 storey warehouse office building, built in 1981, comprising 7,960 SF, with a 25% finish and a site area of .29 acres, and site coverage of 47.76 %, located in the community of Skyline West.

Issues:

Whether the assessment is correct in light of queries regarding sales of comparable properties?.

Complainant's Requested Value:

\$1,242,023

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

The Complainant argued that the large issue is Fair Market Value. In their search for industrial sales comparables, they included a very large range of sizes. One of the three comparables they selected was approximately twice the size of the subject.

In arguing for its requested assessment, the Complainant added in some "adjustments" to the sales data which it felt were necessary. These adjustments were verbally explained by the Complainant in a cursory way, suggesting adjustments for : location, time, age, coverage ratio, and size, but these factors were not otherwise justified nor explained. The Complainant admitted in cross-examination that the adjustments were subjective, but did not explain them further. There was no real analysis.

The Complainant calculated its stated site coverage based on total area, whereas the Respondent based their calculation on the footprint of the building, which would make a substantial difference.

The Complainant further argued that the requested assessment is only 5% less than the subject

assessment, so, it must be reasonable.

The Respondent provided data on 6 sales, one of which was the subject. It was stated that the comparables demonstrate the subject assessment is in line. They also provided 2 ARB decisions (ARB 1041/2010-P, and ARB 0530/2010-P) which they say stand for the proposition that if adjustments are made, they must be supported by market evidence. They say that without market support the adjustments made by the Complainant should not be given any weight whatsoever.

The Complainants comparables were thin. The adjustments which the Complainant advocated for were not properly supported, and therefore could not be seen as anything other than suggestions. The Respondents method of calculation of the actual site coverage was more correct. The actual amount of a requested reduction in an assessment has little to do with whether it is an appropriate request.

The subject property sold June 13, 2008 at \$160 per square foot with a 1.03 Assessment to Sales Ratio (ASR), at a time adjusted sale price of \$1,271,191. This was the best indicator of the subject's value.

The Board was not convinced by all of the evidence called that the assessment was in error, and so the subject assessment is confirmed in the amount of \$1,310,000.

Board Decision:

The Board confirms the subject assessment.

DATED AT THE CITY OF CALGARY THIS ^{22nd} DAY OF August, 2011.



Richard Glenn
Presiding Officer

Exhibits Marked:

C1 - Complainant's Brief

R1 - Respondent's 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.*