

**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:**

***Central Custom Design (Calgary) Ltd., COMPLAINANT***

**and**

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

**before:**

***S. Barry, PRESIDING OFFICER***

***P. Charuk, MEMBER***

***J. Lam, MEMBER***

This is a complaint to the Calgary Composite Assessment Review Board (CARB) 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>092023803</b>
<b>LOCATION ADDRESS:</b>	<b>3820 16 ST SE</b>
<b>HEARING NUMBER:</b>	<b>66137</b>
<b>ASSESSMENT:</b>	<b>\$313,000</b>

This complaint was heard on the 24th day of August, 2012 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 6.

Appeared on behalf of the Complainant:

- *S. Hajnoczky, Owner*

Appeared on behalf of the Respondent:

- *T. Luchak, City of Calgary*

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

[1] There were no procedural or jurisdictional matters. The Board accepted the coloured version of the Complainant's photographs as provided in C1.

**Property Description:**

[2] The property under complaint is a 1,475 square foot (sq.ft.) structure, constructed in 1940 and located on 0.15 acres of land at 3820 16 St. SE in the Bonnybrook district; specifically BB2. It is classified as a single tenant warehouse (IWS). The land use designation is Industrial Redevelopment (I-R) and it was assessed using the Sales Comparison approach at \$212.43 per sq.ft.

**Issues:**

[3] Does the assessment properly reflect its market value having regard to its characteristics and physical condition pursuant to s. 289(2)(a) of the Act?

**Complainant's Requested Value:**

[4] On the Complaint Form the Complainant requested a value between \$71,500 and \$141,500. At the Hearing, the Complainant revised the request to \$145,000.

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

[5] The Complainant provided pictorial evidence of the condition of the building. He noted that the site is used solely as storage for his own property and, while services are available to the site, only power is connected. The Complainant stated that, in his opinion, the only value to the property is in the land.

[6] The Complainant also provided assessment summary reports, as equity comparables, for two other properties in Bonnybrook: one at 4203 16A St. SE (4203) and one at 4240 17 St. SE (4240). The former has a similar sized building, constructed in 1963, on a 0.30 acre parcel. It is assessed as land and improvements using the sales approach. The second comparable has a larger building, a Quonset measuring 3,600 sq.ft., also constructed in 1963, on a 0.15 acre parcel. It is assessed as land and improvements using the cost approach. The

assessment for 4203 is \$141,500; the assessment for 4240 is \$71,500.

[7] The Respondent noted that, in his opinion, the Quonset (4240) has little or no value and because of the different valuation methodology cannot be compared to the subject. The other property (4203) is, he said, an outbuilding in very rough condition. The Respondent had not inspected the property under complaint but had driven by it. The building appears to be, in his opinion, a converted house or similar type of building with siding. He provided photographs of the subject and comparable 4203 that were taken in 2002. Undated photographs of the Quonset were also provided. The Respondent stated his belief that the subject property would hold its assessed value if converted to residential use.

**Decision with Reasons:**

[8] The subject property is clearly dilapidated. Based on the photographic evidence, it is difficult to see how it could attract more value than 4203 which is a slightly larger building, some 20 years newer and on a much larger parcel of land. Despite the Respondent's contention, 4203 is assessed using the same methodology as the subject property.

[9] Although the Respondent said that an assessment using sales cannot be compared to an assessment using cost, he also said that the building at 4240 had little or no value, leaving only the land value component of the assessment, for a parcel the same size as the subject, at \$71,000 or thereabouts.

[10] The Respondent provided no sales comparison evidence to support his assessment or evidence that the subject property could economically or legally be converted to residential use.

[11] The Complainant raised a serious challenge to the assessment and supported his argument with the pictorial and assessment summary evidence and, accordingly, the Board accepted his amended request for a reduced assessment.

**Board's Decision:**

The 2012 assessment is reduced to \$145,000.

DATED AT THE CITY OF CALGARY THIS 12<sup>th</sup> DAY OF September 2012.

  
S. Barry  
Presiding Officer

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

<b>NO.</b>	<b>ITEM</b>
1. C1	Complainant's Disclosure
2. R1	Respondent's Disclosure
3. C2	Complainant's 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.*

## For MGB Administrative Use Only

Decision No.: 1527/2012-P		Roll No.: 092023803		
Subject	Property Type	Ppty Sub-type	Issue	Sub-Issue
CARB	Industrial	Single Tenant	Sales Comparison	Physical Characteristics