

**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:

***BOW INDUSTRIES LTD.,
(as represented by Assessment Advisory Group Inc.),
COMPLAINANT***

and

The City Of Calgary, RESPONDENT

before:

***R. Glenn, PRESIDING OFFICER
H. Ang, MEMBER
D. Julien, 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:	079013900
LOCATION ADDRESS:	302 20Ave SW
FILE NUMBER:	67138
ASSESSMENT:	\$1,870,000

This complaint was heard on Wednesday, the 22nd day of August, 2012 at the offices of the Assessment Review Board located on Floor Number 4, at 1212 – 31 Avenue NE, in Calgary, Alberta, in Boardroom 9.

Appeared on behalf of the Complainant:

- T. Youn and D. Bowman, Agents for Assessment Advisory Group Inc.

Appeared on behalf of the Respondent:

- S.T. Bazin, Assessor for the City of Calgary

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

- [1] There were no issues of jurisdiction or procedure raised by either of the parties.

Property Description:

- [2] The subject is an average 3.5 storey lowrise apartment building, built in 1963, with one bachelor and fifteen one bedroom units, located in Market Zone 2 in the community of Mission, and stratified into the 9-19 units grouping.

Issues:

- [3] Whether the Gross Income Multiplier for the subject property is too high resulting in an assessment that fails to meet the requirements for equity in assessment.

Complainant's Requested Value:

- (4) \$1,720,000

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

The Complainant's Position:

- (5) The Complainant initiates their argument by stating that the subject is old and requires both repairs and renovations because of deferred maintenance. They go on to provide a table of three comparables which they say are very similar to the subject. The supplied table also provides a study of GIM figures. The Complainant argues that they took the actual versus the typical rental rate, and "interpolated". They then took that rate and applied it to all the comparables to arrive at their requested assessment.

(6) The Complainant's materials suggest a requested value of \$108,014 per suite, and yet their supplied table shows the lowest value in the comparables table is \$111,364 per suite, with the average value per suite being \$111,954.

(7) The Board finds that the Complainant actually used typical rents for their comparables to arrive at the implied GIM. Looking closer at the Complainant's comparables, it is apparent that the first comparable is actually an amalgamation of two properties, and the third comparable has errors in both the rental rate and the Potential Gross Income.

(8) They carry on to argue that there does not need to be a time adjustment, and yet, they seem to go on and do a time adjustment.

The Respondent's Position:

(9) The Respondent provides a number of comparables, along with a GIM study for 9-19 suite buildings. The argument regarding Market Zones relied on by the Respondent is weak. The lowrise study presented by the Respondent is helpful but not determinative. The Respondent confirms that the rental rates they used in their assessment were typical, not actual.

(10) The Respondent's table of comparables shares one with the Complainants. Their other comparables which the Respondent relies on, seem much closer to the actual parameters of the subject property.

Board's Decision:

(11) The Board finds that the Complainant's evidence was flawed in that typical and actual rental figures were used in their calculations. In addition, one of their comparables was in fact, quite dissimilar. The evidence from the Respondent also raises some questions. However, from an equity standpoint, there is consistency in the application of variables, and their comparables 2, 3, and 4 support the subject assessment on a per suite basis.

(12) The Board finds that all told, the requested amount is not a good indicator of value. Based on this, the Board finds that the Gross Income Multiplier is not in need of adjustment.

(13) Accordingly, the subject assessment is confirmed in the original amount of: \$1,870,000.

DATED AT THE CITY OF CALGARY THIS 25 DAY OF SEPTEMBER, 2012.



R. Glenn
Presiding Officer

APPENDIX "A"

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

NO.	ITEM
1. C1	Complainant Disclosure
2. R1	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.*

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<i>Decision No.1626-2012-P Roll No.079053609</i>				
<u>Subject</u>	<u>Type</u>	<u>Issue</u>	<u>Detail</u>	<u>Issue</u>
CARB	Apartment Building	Equity	GIM	Market Value