

**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

Regency Furniture Corp.
(represented by Brenda MacFarland, CRA), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before

Lana Yakimchuk, PRESIDING OFFICER
Y. Nesry, MEMBER
R. Deschaine, 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: | 096024500 |
| LOCATION ADDRESS: | 5300 – 61 Ave. SE |
| HEARING NUMBER: | 63030 |
| ASSESSMENT: | \$15,060,000 |

This complaint was heard on August 5, 2011 at the office of the Assessment Review Board located at Floor Number 4, 1212 - 31 Avenue NE, Calgary, Alberta, Boardroom 3.

Appeared on behalf of the Complainant:

- *Brenda MacFarland, CRA*

Appeared on behalf of the Respondent:

- *Jarrett Young, City of Calgary Assessment Business Unit*

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

There were no procedural or jurisdictional matters.

Property Description:

5300 - 61 Ave. SE is a 293,786 square foot manufacturing warehouse constructed in 1999 located on 15.12 Acres of land. The improvement is ranked B+, clear wall height is 28 feet, construction is corrugated metal on slab with tar and gravel roof.

Issues:

The matter on the complaint form was (3) An assessment amount.

The complainant argued that the land valuation is not market value, based on comparable sales. The issue was, "Should there be a valuation step at 5 Acres in addition to or instead of the one at 10 Acres?"

Complainant's Requested Value: \$13,700,000

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

Brenda MacFarland , on behalf of Regency Furniture Corporation, presented a variation on a cost approach. She stated that Industrial land in Calgary is currently assessed at a lower value per acre if it is over 10 Acres in size. It was her contention that this assessment step should occur first at over 5 Acres. To justify this she presented a list of comparable sales. From this list she chose two comparable sales with similar sale dates from the same NE area, one which was 5.95 Acres and one which was 13.55 Acres (two parcels sold together). The smaller parcel sold for \$760,672 per acre and the larger one sold for \$6,882,725 per acre. Using this evidence, the Complainant extended her argument to similar properties which would then have a lower value per acre beyond the 5 Acre size. She asked for a value of \$525,000 per acre for the first 5 Acres (\$2,625,000) and \$350,000 per acre for the remaining 10.12 Acres (\$3,542,000).

The Respondent, Jarrett Young, presented a list of 19 comparable sales of properties ranging in size from 0.87 Acres to 5.95 Acres. He agreed that there were no larger comparables on the list as there were no recent sales of such properties. The respondent paired larger acreage parcels with smaller acreage parcels to indicate that some of the pairs showed that per acre values increased with acreage size, some decreased, and some were similar, depending on the pairings chosen. Mr. Young contended that it is not accurate to draw a conclusion with only two comparables.

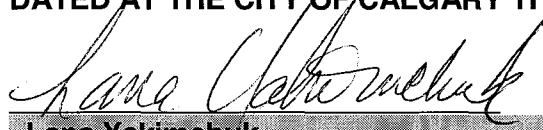
As the value of the improvements was not in question, the complainant did not present any evidence to change that valuation.

The Board agreed that the Complainant's single paired comparison was inadequate evidence to prove that land should have less value per acre if it is over a 5 Acre parcel, and the Complainant had not proven that the value of the land was over-assessed.

Board's Decision:

The assessment is upheld at \$15,060,000.

DATED AT THE CITY OF CALGARY THIS 22 DAY OF August 2011.


Lana Yakimchuk
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.*