

**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:

***Colliers International Realty Advisor
(as represented by Scott Meiklejohn), COMPLAINANT***

and

The City Of Calgary, RESPONDENT

before:

***Lana Yakimchuk, PRESIDING OFFICER
Ian Fraser, MEMBER
Peter 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:	100012301
LOCATION ADDRESS:	5760 9 St. SE
HEARING NUMBER:	61320
ASSESSMENT:	\$13,630,000

This complaint was heard on August 15, 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:

- *Mr. Scott Meiklejohn, Colliers International*

Appeared on behalf of the Respondent:

- *Mr. George Bell, 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:

The property on 5760 9 St. SE is 11.71 Acres of land in the Burns Industrial Subdivision, with a 169,941 square foot footprint, 180,626 square foot Industrial Multi-Tenant Warehouse (IWM) and site coverage of 33.32%. This C-rated building with a 13% finish was completed in 1973. It is assessed at \$75.48 per square foot.

Issues:

The Matter for Complaint was the assessment is too high. The issues mentioned by Mr. Meiklejohn were Market Value, and Fairness and Equity.

Complainant's Requested Value: \$10,830,000 (\$60 per square foot)

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

Mr. Meiklejohn, on behalf of the Complainant, presented a complete list of City of Calgary non-residential Assessment Data available from City of Calgary's website. From this list he compiled a list of five properties he considered to be comparable to the subject property and compared assessments. The list of comparables which he selected had been assessed at \$44.98 to \$63.88 per square foot. The subject property is assessed at \$75.48 per square foot.

From the city data, Mr. Meiklejohn also extracted 115 Improved Industrial Property sales from July 1 2008 to June 30 2010. From this he selected a list of eleven comparable properties over 100,000 square feet in building area, up to 411,560 square feet. Of these, one was in the Central area and had a building area of 135,261 (subject: 169,941) square feet, with 42% (subject: 33.32%) site coverage. This property was valued at \$64.69 per square foot.

Mr. Meiklejohn also argued that the economic events of 2008 had a drastic effect on industrial property value which should be reflected by a reduction in assessment values.

Mr. Bell, who spoke for the City, responded that the most important sales comparable had been left out. This was the sale of the subject property on April 28, 2008 for \$16,000,000. Mr. Meiklejohn questioned the validity of this number as the sale happened prior to the economic

downturn and was outside the 24 month period the City has used for its valuation purposes.

Mr. Bell stated that the time adjustment had been taken into consideration by the City and was reflected in the 2010 assessment of \$14,930,000 and further reflected in the 2011 assessment of \$13,630,000.

The Board considered the Complainant's Assessment argument and concluded that an assessment should not be calculated from a list of comparable assessments. However, market value can be ascertained from a list of comparable sales prices. The best comparable sales price is the 2008 sale of the subject property. The assessments reflect the change in value due to market influences and are fair, based on the adjusted sale value of the property.

Board's Decision:

The assessment is confirmed at \$13,630,000.

DATED AT THE CITY OF CALGARY THIS 24th 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.*