

**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

***Baker Hughes Canada Company
(as represented by Scott Meiklejohn, Colliers International Realty Advisors),
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:	200979367
LOCATION ADDRESS:	5050 - 47 St. SE
HEARING NUMBER:	63630
ASSESSMENT:	\$10,250,000

This complaint was heard on August 16, 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 Realty Advisors*

Appeared on behalf of the Respondent:

- *Mr. Kelly Gardiner, City of Calgary Assessment Business Unit*

Property Description:

5050 - 47 St. SE is assessed as a 69,908 square foot, single tenant Industrial Warehouse in the Eastfield subdivision of SE Calgary, located on 7.83 Acres of land. The building was completed in 2000 and has 20.49% site coverage. It is assessed at \$146.00 per square foot (\$10,252,582) rounded to \$10,250,000.

Issues:

The complainant cited two issues: "Is the property equitably assessed as compared to similar properties?" and "Is the property fairly assessed according to market value?"

Complainant's Requested Value: \$7,340,000 (\$105.00 per square foot)

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

Mr. Scott Meiklejohn, on behalf of the Complainant, presented an assessment table (p.20, C-1) listing a group of assessments of IWM and IWS industrial warehouses ranging in size from 54,000 square feet to 96,076 square feet, from Foothills Industrial and Eastfield. The building completion years ranged from 1980 to 2000. Assessment values ranged from \$5,320,000 to \$10,910,000 and assessed value per square foot ranged from \$99.15 to \$119.20. There was no correction made for possible adjustments due to mitigating factors such as age, location, or servicing. Mr. Meiklejohn used the unamended table to support his argument for an assessment correction to \$105 per square foot, which he admitted might have been a little aggressive.

Mr. Meiklejohn went on to say that property assessments should not include values for extra land as this is speculation on the part of the assessor.

The Complainant stated that looking at equity is not enough to determine if assessment is correct, and presented a market value argument. Mr. Meiklejohn presented a list of industrial warehouses (p.30, C-1), also selected for similar sizes to the subject, and further reduced to four properties in the southeast. Three were from the Foothills subdivision and one from Valleyfield. The properties ranged in age from 1977 to 1999 with sale prices of \$5,000,000 to \$9,100,000 and square foot values of \$77.97 to \$126.84.

The Respondent, Mr. Gardiner stated that Mr. Meiklejohn had not mentioned the extra land argument in his evidence, so he would not respond to it. However he did indicate that extra land does show an increase in market value.

The Respondent stated the Complainant's equity request is based on equity with inferior properties. He went on to present a list of six assessments of more similar buildings (p.16, R-1) also selected from the same master list from which the complainant had chosen. Mr. Gardiner's list supported the City's assessment as equitable.

Further, the Respondent's evidence included a list of sales (p.17, R-1) also from the City master list used by the Complainant, which corresponded more closely in age and other characteristics to the subject property. This list supported the assessment value.

The Board observed that although both parties were selecting their data from the same lists of comparables, the Complainant's comparable properties tended to have inferior qualities for which he offered no adjustment. The Respondent did find properties on the same list which were more closely comparable and demonstrated how to adjust the values for both inferior and superior qualities. Given this information, the Board accepted the evidence of the Respondent which showed that the assessment was correct as it stood. Further, as the extra land argument was not disclosed in evidence, it could not be considered by the Board. For these reasons, the Complainant did not convince the Board that the assessment for 5050 - 47 St. should be reduced.

Board's Decision:

The Board upholds the City assessment of \$10,250,000.

DATED AT THE CITY OF CALGARY THIS 24 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.*