

**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:**

***Dynacorp Group Ltd.***  
***(as represented by Assessment Advisory Group), COMPLAINANT***

**and**

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

**before:**

***J. Krysa, PRESIDING OFFICER***  
***D. Steele, MEMBER***  
***K. Farn, 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:

<b>ROLL NUMBER:</b>	<b>201045853</b>
<b>LOCATION ADDRESS:</b>	<b>5325 6 St SE</b>
<b>HEARING NUMBER:</b>	<b>63412</b>
<b>ASSESSMENT:</b>	<b>\$2,160,000</b>

The complaint was heard on August 24, 2011, in Boardroom 2 at the office of the Assessment Review Board, located at 1212 – 31 Avenue NE, Calgary, Alberta.

Appeared on behalf of the Complainant:

- T. Howell

Appeared on behalf of the Respondent:

- J. Ehler

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

There were no procedural or jurisdictional matters raised by either party during the course of the hearing.

**Property Description:**

The subject property is a 68,450 sq.ft. (square foot) parcel of land, improved with a 9,250 sq.ft. "C" class, industrial warehouse structure, constructed in 1961.

**Issues:**

The Complainant raised the following matter in section 4 of the complaint forms:

3. an assessment amount

The Complainant set out 2 grounds for the complaint in section 5 of the complaint form with a requested assessment of \$1,680,000. However, at the hearing the Complainant led evidence and argument only in relation to the following issue:

- The assessed value is incorrect and fails to meet the legislated standard of market value.

**Complainant's Requested Value:**

At the hearing, the Complainant requested that the subject property be assessed at \$1,205,000.

**Board's Decision in Respect of the Issue:**

The Complainant argued that the assessment of the subject property exceeds its market value.

In support of the argument, the Complainant submitted three comparable sales that exhibit a range of sale prices from \$91 to \$148 per sq. ft. in contrast to the subject's assessment at \$234 per sq.ft. The 2011 assessments of the comparables were also provided as outlined below:

Address	Sale Date	Sq.Ft.	Sale Price	Sale Price per sq.ft.	2011 Assessment	Assessment per sq.ft.
5520 4 St SE	Mar-10	10,000	\$ 1,475,000	\$148	\$ 1,250,000	\$125
1560 Hastings Cres SE	Dec-09	13,670	\$ 1,250,000	\$91	\$ 2,410,000	\$176
4301 9 St SE	Apr-09	14,700	\$ 1,850,000	\$126	\$ 2,040,000	\$139

The Complainant further applied adjustments for building size, site coverage and year of construction, to the three sale prices to reflect the characteristics of the subject property, from which the Complainant established a rate of \$130 per sq.ft., and an estimate of market value for the subject property of \$1,205,719 [C1, pp.7-12, 29].

In cross examination, the Complainant conceded that the sale price of the property located at 1560 Hastings Crescent SE was potentially affected by site contamination. Further, the Complainant agreed that the sale of 5520 4 St SE, at \$155 per sq.ft was most comparable to the subject property.

The Respondent did not submit evidence in the matter. However, in response to the Complainant's evidence the Respondent argued that the Complainant's adjustments were subjective, and were not supported by market evidence. The Respondent further argued that the Complainant's sale comparable located at 5520 4 St SE is receiving an assessment allowance for "environmental concerns", as noted on the Assessment Summary Report included at page 8 of C1, which would have affected the sale price.

In summation the Complainant argued that there is no evidence that the sale price of the comparable located at 5520 4 St SE was impacted by site contamination, and further, that the reference to environmental concerns on the assessment summary report means nothing. In support of that argument, the Complainant pointed out that the assessment summary report for 1560 Hastings Crescent SE, on page 10 of C1, does not reference environmental concerns, even though both parties now agree that the sale of the property was affected by site contamination.

With respect to sale price adjustments to the comparable sales, the Complainant argued that he is unfairly held to a higher standard than the Respondent in that the Respondent argues that the adjustments are unsupported by market evidence. However, the Respondent generally makes no adjustments to their sales comparables at all.

Both parties provided previous decisions of the Board in support of their positions.

**Decision:**

The Board finds that the assessed value is incorrect and fails to meet the legislated standard of market value.

Although the Board agrees that the Complainant's sale price adjustments are subjective and therefore constitute opinion evidence, in the absence of any market evidence from the Respondent to refute the Complainant's opinion, the Board infers that the adjustments are not inappropriate.


The Complainant's sale at 1560 Hastings Crescent SE, was dismissed by the Board as a valid market indicator due to the potential impact of contamination on the sale price, as conceded by the Complainant. The Board notes however, that although the Respondent argued that the \$93 per sq.ft. sale price was affected by the property's site contamination, the 2011 assessment of the same property at \$176 per sq.ft. implies that the contamination is not a negative influence.

There was no evidence before the Board that the sale price of the property located at 5520 4 St SE was affected by site contamination, and the Board accepts the sale as a valid indicator of market value. The Board was not persuaded that the reference to environmental contamination on the assessment summary reports is an accurate representation of fact, as the evidence before the Board with respect to this reference was inconsistent and contradictory.

In making its decision, the Board placed greatest weight on the Complainant's sale of 5520 4 St SE at the Complainant's adjusted sale price of \$155 per sq.ft. As a result of the minimal (5%) total adjustment applied by the Complainant, this sale was deemed to be the most comparable property to the subject property, and the best indicator of its market value.

Accordingly, the assessment is revised from \$2,160,000 to **\$1,430,000.**

DATED AT THE CITY OF CALGARY THIS 12 DAY OF OCTOBER, 2011.

  
\_\_\_\_\_  
J. Krysa  
Presiding Officer

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

<b>NO.</b>	<b>ITEM</b>
1. C1	Complainant's Submission
2. R1	CARB 1404/2011-P
3. R2	CARB 2050.2010-P
4. R3	CARB 1401/2011-P

*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 ADMINISTRATIVE USE**

Subject	Property Type	Property Sub-Type	Issue	Sub-Issue
CARB	Warehouse	Single Tenant	Sales Approach	Comparables