

**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:**

***Markus Gruene, Erik Sonnemann, and Stefan Hartner  
(as represented by Altus Group Limited), COMPLAINANT***

**and**

***The City of Calgary, RESPONDENT***

**before:**

***J. Dawson, PRESIDING OFFICER  
S. Rourke, MEMBER  
A. Zindler, MEMBER***

This is a complaint to the Calgary Composite Assessment Review Board [CARB] in respect of a property assessment prepared by the Assessor of The City of Calgary and entered in the 2012 Assessment Roll as follows:

<b>ROLL NUMBER:</b>	<b>090071309</b>
<b>LOCATION ADDRESS:</b>	<b>3851 Manchester Road SE</b>
<b>LEGAL DESCRIPTION:</b>	<b>Plan 8490AP; Block 8; Lots 26-43</b>
<b>HEARING NUMBER:</b>	<b>68242</b>
<b>ASSESSMENT:</b>	<b>\$ 3,030,000</b>

- [1] This complaint was heard on the 4 day of October, 2012 at the office of the Assessment Review Board [ARB] located at Floor Number 4, 1212 31 Avenue NE, Calgary, Alberta, Boardroom 1.
- [2] Appeared on behalf of the Complainant:
- R. Worthington                      Agent, Altus Group Limited
- [3] Appeared on behalf of the Respondent:
- J. Greer                                      Assessor, City of Calgary
- [4] The following individual was present for all or part of the proceedings and did not appear on behalf of a party:
- W. Paterson                              General Chair, Assessment Review Board

## **SECTION A: Preliminary, Procedural or Jurisdictional Issues:**

### **Preliminary Issue 1 - Evidence**

- [5] The Complainant and the Respondent requested to bring forward all evidence, comments, questions, and answers articulated during previous hearings, and heard before this Board to this hearing: CARB 1952/2012-P, CARB 1953/2012-P, CARB 1955/2012-P, CARB 1960/2012-P, CARB 1961/2012-P, CARB 1957/2012-P, CARB 1958/2012-P, CARB 1959/2012-P, and CARB 1962/2012-P.
- [6] **The Board determined, from the following listed decisions: CARB 1952/2012-P, CARB 1953/2012-P, CARB 1955/2012-P, CARB 1960/2012-P, CARB 1961/2012-P, CARB 1957/2012-P, CARB 1958/2012-P, CARB 1959/2012-P, and CARB 1962/2012-P., that all evidence, comments, questions, and answers, is to be brought forward and incorporated just as if it were presented during this hearing.**
- [7] No additional procedural or jurisdictional matters were raised.

## **SECTION B: Issues of Merit**

### **Property Description:**

- [8] Constructed in 1980, the subject – 3851 Manchester Road SE, is a single-storey warehouse building located two blocks east of Macleod Trail just north of 38A Avenue SE in an area known as Manchester Industrial with a non-residential sub-market zone [NRZ] of NM3.
- [9] The Respondent prepared the assessment showing a 30,225 square foot footprint with 31,545 square feet of assessable space. There is 30% office finish graded as a 'C+' quality. The site has an area of 64,000 square feet calculating site coverage of 47.23%.

**Matters and Issues:**

[10] The Complainant identified two matters on the complaint form:

*Matter #3 - an assessment amount*

*Matter #4 - an assessment class*

[11] Following the hearing, the Board met and discerned that this is the relevant question which needed to be answered within this decision:

1. *Is the subject assessed in a fair and equitable manner?*

**Complainant's Requested Value:**

- \$2,610,000 on complaint form
- \$2,740,000 in disclosure document confirmed at hearing as the request

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

[12] The Complainant raised the issue of equity and provided four comparables showing a median of \$87 per square foot for assessment purposes. (C1 p. 7) One comparable had an erroneous calculation resulting in a change to the assessment per square foot of the median to \$89.

[13] The Complainant established through questioning and past *CARB* decisions that site area was the single greatest key factor to establish the correct value of adjustments. (C1 p. 4) The chart provided by the Assessment Business Unit of the City of Calgary demonstrated seven key factors with variations. No values are provided to establish the coefficients. (C1 p. 45)

[14] The Complainant provided assessment notices from five similar properties to show that typically the assessments for 2012 are 4.8% lower than 2011; therefore, the subject's 2012 assessment should be 4.8% lower than its 2011 assessment of \$3,030,000 arriving at an alternative request of \$2,880,000.

***Respondent's position***

[15] The Respondent provided a sales comparison chart with six comparables and equity chart with seven comparables each arriving at \$122 per square foot and \$93.76 per square foot for medians. (R1 pp. 15-18) The Complainant disputed two comparables for age and two for land use designation. In addition, two equity comparables utilised by the Respondent were also used by the Complainant and they found a median of \$91.75.

[16] The Respondent re-presented the Complainant's equity chart arriving at a corrected median of \$90.18 per square foot. (R1 p. 20)

- [17] The Respondent refused to provide the Board information on how to properly calculate the assessment in order to compare the key factors with comparables. The coefficients are not required to be provided as per Matters Relating to Assessment and Taxation [MRAT], section 27.3(2).

***Board's findings***

- [18] The Board found overall the comparables presented by the Complainant as the best evidence and accepted the corrected median result of \$90.18 per square foot for the assessment.
- [19] **The Board changes the assessment per square foot within subject to \$90.18.**

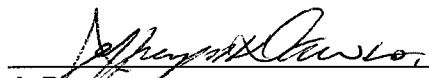
***Matter #4 - an assessment class***

- [20] The Board did not hear any evidence requesting a change in an assessment class from its current non-residential designation.

**Board's Decision:**

- [21] **After considering all the evidence and argument before the Board it is determined that the subject's assessment is truncated and changed to a value of \$2,840,000 which reflects market value and is fair and equitable.**

DATED AT THE CITY OF CALGARY THIS 26<sup>th</sup> DAY OF November 2012.

  
\_\_\_\_\_  
J. Dawson  
Presiding Officer

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

<b>NO.</b>	<b>ITEM</b>
1. C1	Complainant Disclosure – 95 pages
2. R1	Respondent Disclosure – 33 pages
3. C2	Rebuttal Disclosure – 14 pages

*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.*

<b>Municipal Government Board use only: Decision Identifier Codes</b>				
Appeal Type	Property Type	Property Sub-Type	Issue	Sub-Issue
CARB	Warehouse	Multi Tenant	Cost/Sales Approach	Equity