

**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:

***Manchester Syndication Ltd.
(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:

ROLL NUMBER:	101004653
LOCATION ADDRESS:	6115 4 Street SE
LEGAL DESCRIPTION:	Plan 2408HQ; Block 9
HEARING NUMBER:	68527
ASSESSMENT:	\$ 6,240,000

- [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

SECTION A: Preliminary, Procedural or Jurisdictional Issues:

Preliminary Issue 1 - Evidence:

- [4] 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 1961/2012-P, CARB 1960/2012-P, and CARB 1957/2012-P.
- [5] **The Board determined, from the following listed decisions: CARB 1952/2012-P, CARB 1953/2012-P, CARB 1955/2012-P, CARB 1961/2012-P, CARB 1960/2012-P, and CARB 1957/2012-P, that all evidence, comments, questions, and answers, is to be brought forward and incorporated just as if it were presented during this hearing.**
- [6] No additional procedural or jurisdictional matters were raised.

SECTION B: Issues of Merit

Property Description:

- [7] Constructed in 1974, the subject – 6115 4 Street SE, is two single-storey warehouse buildings located five blocks north of Glenmore Trail and two blocks west of Blackfoot Trail SE in an area known as Manchester Industrial with a non-residential sub-market zone [NRZ] of SM3.
- [8] The Respondent prepared the assessment at; 1) a warehouse graded as a 'C' quality with an office finish of 48% showing a footprint of 32,256 square feet with assessable building area of 33,339 square feet at \$99.11 per square foot; and 2) a warehouse graded as a 'C' quality with an office finish of 43% showing a footprint and assessable are of 34,552 square foot at \$98.42 per square foot. The site has an area of 197,872 square feet resulting in site coverage of 33.77% which is greater than typical of 30%.
- [9] A separate assessment is associated with this property representing 2,304 square feet of the first building. This space is exempt from taxation; the actual building area is 34,560 square feet with only 32,256 square feet under complaint. The value related to the exempted space is \$460,500.

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 assessment equitable with comparable properties?*

Complainant's Requested Value:

- \$5,430,000 on complaint form
- \$5,300,000 in disclosure document confirmed at hearing as the request

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

Matter #3 - an assessment amount

Question 1 *Is the subject assessment equitable with comparable properties?*

Complainant's position

[12] The Complainant's first argument on equity centered on the manner of comparability with other buildings. The Complainant provided excerpts of previous *CARB* decisions that found that multi-building sites, such as the subject, should be compared to single building sites with similar square footage to achieve an equitable result.

[13] The Complainant also raised the issue of overall equity and provided seven comparables showing a median of \$90 per square foot for assessment purposes. (C1 p. 8) Two comparables were removed because the Complainant realized the land use designation was not similar. The median rate remained at \$90 per square foot.

[14] 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. 5) 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. 64)

Respondent's position

[15] The Respondent indicated that subsequent to the Board decisions regarding multi-building sites, the Respondent created a coefficient, independent of the "model", to correct the inequity described and this issue is no longer valid.

[16] The Respondent provided two sales and two equity charts with ten and fourteen comparables

each arriving at \$122 per square foot and \$95.45 per square foot for medians. Of the twenty-four total comparables three were not valid due to the age of the improvements according to the Complainant. (R1 pp. 13-17)

[17] The Respondent re-presented the Complainant's equity chart. (R1 p. 38)

[18] 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

[19] The Board found insufficient evidence to change the assessment. The level of comparability varied between type of buildings, area, age, and finish making any meaningful analysis impossible without coefficients. The Complainant failed to prove the assessment was incorrect.

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 correct at a value of \$6,240,000, which reflects market value and is fair and equitable.

DATED AT THE CITY OF CALGARY THIS 26th DAY OF November 2012.


J. Dawson
Presiding Officer

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

NO.	ITEM
1.	C1 Complainant Disclosure – 94 pages
2.	R1 Respondent Disclosure – 53 pages
3.	C2 Rebuttal Disclosure – 25 pages
4.	C3 Additional Rebuttal Disclosure – 5 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.*

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