

**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:**

***CertainTeed Gypsum Canada Inc. (as represented by DuCharme,  
McMillen and Associates Canada Ltd.), COMPLAINANT***

**and**

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

**before:**

***L. Wood, PRESIDING OFFICER  
J. O'Hearn, 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>098015506</b>
<b>LOCATION ADDRESS:</b>	<b>6715 OGDEN DALE RD SE</b>
<b>HEARING NUMBER:</b>	<b>63301</b>
<b>ASSESSMENT:</b>	<b>\$15,830,000</b>

This complaint was heard on 25 day of August, 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. M. Pierson*                                      *Agent, DuCharme, McMillen & Associates Canada Ltd.*

Appeared on behalf of the Respondent:

- *Mr. G. Bell*                                      *Assessor, City of Calgary*

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

At the commencement of the hearing, the Board asked the parties if they had any objection to a two member panel hearing and deciding this matter. The parties stated they had no objections and the hearing proceeded.

**Property Description:**

The subject property is a multi- building industrial warehouse site comprised of two single tenant warehouses and one industrial outbuilding located in Ogden Shops. The total gross building area is 218,266 sq. ft. The three buildings were constructed in 1979. The first single tenant warehouse has an assessable building area of 198,874 sq. ft., and 2% finish. It was assessed at a rate of \$73.00 psf. The second single tenant warehouse has an assessable building area of 5,616 sq. ft. and has 66% finish. It was assessed at a rate of \$184 psf. The outbuilding is comprised of 12,000 sq. ft., and was assessed at \$10.00 psf. The buildings are situated on a land parcel of 20.60 acres that includes 4.41 acres of extra land. The site coverage ratio is 23.58%. The land use designation is I-H, heavy industrial. The property is a gypsum board manufacturing facility.

The property was valued based on the direct sales comparison approach and its overall assessed value is \$73.00 psf.

**Issues:**

1. The assessed value of the subject property is not equitable with other similar or comparable properties.

**Complainant's Requested Value:** \$13,096,000

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

1. The assessed value of the subject property is not equitable with other similar or comparable properties.

The Complainant submitted 4 equity comparables in support of his requested rate of \$60.00 psf (Exhibit C1 pages 12 & 13). The four equity comparables are large industrial warehouse

properties, three of which are located in the vicinity of the subject property and the fourth is located in the NE quadrant. The building areas ranged between 204,885 sq. ft. to 264,290 sq. ft.; land parcels of 9.54- 60.08 acres; constructed in 1965- 1978; and site coverage of 15.3%- 60.2%. With the exception of the property located at 7201 Ogden Dale RD SE, which was assessed based on the cost approach, the comparable properties were assessed based on the direct sales comparison approach. Based on the mean of these comparable properties, the Complainant derived a rate of \$59.60 psf which he suggested should be applied to the subject property's assessment.

The Respondent submitted 7 equity comparables, located in the SE quadrant, in support of the \$181 psf assessed rate applied to the 5,616 sq. ft. building on site (Exhibit R1 page 23). The rentable building areas were 4,487- 6,960 sq. ft.; parcel sizes of 0.48- 1.66 acres; site coverage of 16%- 29%; built in 1962- 1974; finish 3%- 34%; and assessed between \$176- \$202 psf.

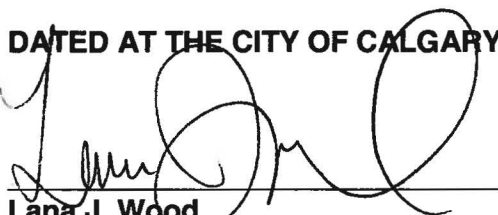
The Respondent submitted 6 equity comparables, located in the SE quadrant, in support of the \$74.00 psf rate applied to the 198,874 sq. ft. building on site (Exhibit R1 page 24). The rentable building areas were 165,347- 198,009 sq. ft.; parcel sizes of 7.03- 14.01 acres; site coverage of 27%- 62%; built in 1969- 1998; finish 3%- 19%; and assessed between \$60- \$97 psf.

The Board finds the equity comparables used by the Complainant were not similar in terms of site coverage to the subject property. Three of the four comparables had site coverage between 39.8%- 60.2% as opposed to the subject property at 23%. The amount of site coverage directly affects a property's overall value. The Board finds the Complainant's comparable located at 7201 Ogden Road SE was his best comparable in terms of location (Ogden Road), building size (204,885 sq. ft.) and site coverage (15.3%). However, it was assessed based on the cost approach and the Complainant did not present any valuation parameters to the Board. As well, the Complainant was unable to describe how that particular comparable is similar to the subject property in terms of physical attributes. The Board notes that neither party presented any market evidence to the Board. The Board finds the Complainant was unable to convince the Board that a reduction to the assessment for the subject property is warranted.

#### **Board's Decision:**

The decision of the Board is to confirm the 2011 assessment for the subject property at \$15,830,000.

DATED AT THE CITY OF CALGARY THIS 30 DAY OF SEPTEMBER 2011.



Lana J. Wood  
Presiding Officer

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

<b>EXHIBIT NO.</b>	<b>ITEM</b>
1. C1	Complainant's Submission
2. R1	Respondent's Submission

*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.*