

**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:**

***Hopewell Equities Inc. (as represented by Altus Group Limited), COMPLAINANT***

**and**

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

**before:**

***B. Horrocks, PRESIDING OFFICER***

***A. Blake, MEMBER***

***J. Rankin, 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>116028804</b>
<b>LOCATION ADDRESS:</b>	<b>7139 44 ST SE</b>
<b>HEARING NUMBER:</b>	<b>63625</b>
<b>ASSESSMENT:</b>	<b>\$22,380,000</b>

This complaint was heard on the 31st day of Aug., 2011 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 1.

Appeared on behalf of the Complainant:

- Mr. J. Smiley (Altus Group Limited)

Appeared on behalf of the Respondent:

- Mr. I. Baigent

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

There were no concerns with the composition of the Board.

There were no preliminary matters. The merit hearing proceeded.

The Complainant's Rebuttal was carried forward from Hearing 63622.

**Property Description:**

The subject property is a 11.53 acre parcel located in the Foothills Industrial Park in SE Calgary. The site is multi improved with a 157,764 square foot (SF) multi tenant warehouse and a 138,917 SF multi tenant warehouse constructed in 1998 and 1997 with finish of 3% and 8% respectively. The site coverage is 59.05%. The subject is assessed at rates of \$74 and \$76.22 per SF utilizing the Direct Sales Comparison Approach to Value.

**Issues:**

The Assessment Review Board Complaint Form contained 13 grounds for appeal. At the outset of the hearing, the Complainant advised the only remaining issue is Equity.

**Complainant's Requested Value:** \$20,910,000 (Complaint Form)  
\$18,980,000 (Hearing)

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

**Issue** Equity

The Complainant's Disclosure is labelled C-1.

The Complainant, at page 10, provided a list of 4 purported equity comparables with similar parcel size and similar site coverage. The total Net Rentable Area (NRA) of the comparables is twice the size of the individual buildings of the subject. The assessment per square foot (Asmt/SF) ranged from \$60 to \$66. The Complainant argued that the subject is being penalized as a result of the improvements being valued individually, aggregated and then having a negative adjustment factor applied in recognition of the fact the parcel is multi building improved. The Complainant submits the subject should be assessed at the median Asmt/SF of the purported comparables (\$64 per SF).

The Respondent's Disclosure is labelled R-1.

The Respondent, at page 14, provided 2011 Industrial Equity Comparables which contained 5 equity comparables with an Asmt/SF range from \$73 to \$84 noting the subject is assessed at \$75 per SF for the one building and \$76 per SF for the other. The Respondent admitted that the comparable located at 6403 48 ST SE is not a good comparable because the parcel size and the Net Rentable Area are approximately twice the size of the subject. In addition, the building value is also twice that of the subject buildings.

The Board finds the purported comparables from the Complainant are neither similar nor comparable. In order to be comparable they would need to be multi improved properties, with similar size, site coverage, AYOC and % Finish.

The Board finds there are two buildings on the subject site rather than one large building and to overlook that fact would be in contravention of MGA Sec 289(2). As a result of previous Board Decisions the Respondent has applied a negative adjustment factor to an assessment when there are multi building improvements on a single titled property.

**Board's Decision:**

The 2011 assessment is confirmed at \$22,380,000.

**Reasons**

The Complainant's equity comparables are not comparable to the subject.

The Respondent has applied a negative adjustment factor to the subject in recognition of the fact it is a multi improved parcel with one title.

DATED AT THE CITY OF CALGARY THIS 15 DAY OF September 2011.

  
B. Horrocks  
Presiding Officer

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

<b>NO.</b>	<b>ITEM</b>
1. C1	Complainant Disclosure
2. R1	Respondent Disclosure
3. C2	Complainant Rebuttal

*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.*