

**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:

Foothills Equity 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:

ROLL NUMBER:	116027608
LOCATION ADDRESS:	7505 48 ST SE
HEARING NUMBER:	63622
ASSESSMENT:	\$38,690,000

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.

Property Description:

The subject property is a 25.58 acre parcel located in the Foothills Industrial District in SE Calgary. The site is multi improved with 3 warehouses as noted below and is assessed at a combined rate of \$63.62 per square foot (SF) using the Direct Sales Comparison Approach.

Building Number	Building Type	Rentable Building Area	AYOC	Finish %	Rate per SF	Total
1	IW M	91,791	1992	10%	81.00	7,457,496
2	IW M	248,485	1992	5%	60.00	14,909,100
3	IW S	267,963	1992	19%	60.94	16,328,347

Issues:

The Assessment Review Board Complaint Form contained 12 grounds for appeal. At the outset of the Hearing the Complainant advised that the only outstanding issues were Equity and Market Value.

Complainant's Requested Value: \$33,260,000 (Complaint Form)
\$36,490,000 (Hearing)

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

Issue Equity

Sub Issue Methodology

The Complainant submits that the subject buildings are on a single title, and as a result all of the buildings should be assessed at the same single rate, specifically the City imposed floor rate of \$60 per SF. The Complainant argues that assessing the smaller building at a rate of \$81 per SF skews the assessment for the entire property.

The Respondent submits that the City has taken its direction on multi improved properties from 2010 Board Decisions. It assesses each building independently, then aggregates and applies a negative adjustment factor in the range of 8 to 10%. The factor was determined by analyzing all the reductions given on multi improved properties in 2010 and determining the median, as shown on page 22 of R-1.

The Board finds the methodology utilized is appropriate and can be consistently applied.

Issue Market Value

The Complainant's Disclosure is labelled C-1.

The Complainant, at page 13, provides a table of 4 purported equity comparables (single building) all assessed at the City's imposed floor rate of \$60 per SF. The Complainant submits there have been no sales of multi improved properties from which to draw a sales comparison.

The Respondent's Disclosure is labelled R-1.

The Respondent, at page 16, provides 2011 Industrial Equity Comparables which contains 5 equity comparables for the larger buildings with the Rate per SF ranging from \$60 to \$93, noting the subjects are assessed at \$60 per SF.

The Respondent, at page 17, provides 2011 Industrial Equity Comparables which contains 5 equity comparables for the smaller building with Rate per SF ranging from \$81 to \$106, noting the subject is assessed at \$81 per SF.

The Board finds the Complainant's evidence and argument are not persuasive.

Board's Decision:

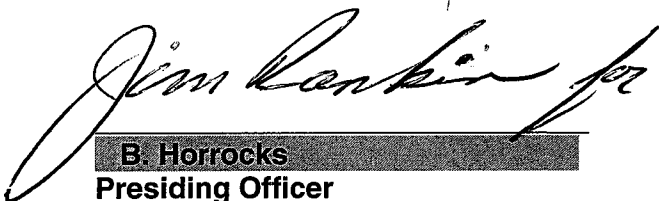
The 2011 assessment is confirmed at \$38,690,000.

Reasons

There was insufficient evidence from the Complainant.

The Complainant's equity argument failed to meet onus.

DATED AT THE CITY OF CALGARY THIS 22 DAY OF September 2011.



B. Horrocks
Presiding Officer

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

NO.	ITEM
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.*