

CALGARY ASSESSMENT REVIEW BOARD DECISION WITH REASONS

In the matter of the complaints against the property assessments as provided by the *Municipal Government Act*, Chapter M-26, Section 460, Revised Statutes of Alberta 2000 (the Act).

between:

Business Condominiums Inc., COMPLAINANT
1432609 Alberta Co. Ltd., COMPLAINANT
Zemek Steel Manufacturing Ltd., COMPLAINANT
N & G Woodworking Inc., COMPLAINANT
LST Holdings Ltd., COMPLAINANT
PDS Fire Protection Inc., COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

C. McEwen, PRESIDING OFFICER
S. Rourke, MEMBER
J. Pratt, MEMBER

This is a complaint to the Calgary Assessment Review Board in respect of the property assessments prepared by the Assessor of The City of Calgary and entered in the 2011 Assessment Roll as per **SCHEDULE A**:

SCHEDULE A

ROLL NUMBER	LOCATION ADDRESS	HEARING NUMBER	ASSESSMENT
201433919	921 48 AVE SE	62255	\$671,500
201433927	931A 48 AVE SE	62258	\$748,500
201433935	931B 48 AVE SE	62270	\$760,000
201433943	933A 48 AVE SE	62275	\$757,000
201433950	933B 48 AVE SE	62278	\$757,000
201433968	935A 48 AVE SE	62279	\$766,500
201433976	935B 48 AVE SE	62288	\$747,500
201433901	919B 48 AVE SE	62305	\$642,500
201433877	917A 48 AVE SE	62310	\$661,000
201433885	917B 48 AVE SE	62312	\$635,500
201433893	919A 48 AVE SE	62314	\$630,500
201433851	915A 48 AVE SE	62315	\$694,000
201433869	915B 48 AVE SE	62316	\$637,500

This complaint was heard on the 9th day of September, 2011 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, AB, Boardroom 3.

Appeared on behalf of the Complainants:

- J. Edwardson

Appeared on behalf of the Respondent:

- J. Greer

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

The Complainant stated that he was representing twenty-three industrial condominium properties. The properties had been separated, for the purposes of simplicity and clarity, into three groups, by address, and would be argued as such. The Complainant asked that the evidence (C1) and argument from the current hearings be applied to all hearings.

The Respondent accepted the Complainant's hearing methodology and stated that a separate evidence package (R1) supporting the subject assessments had been submitted for each group of hearings.

The Board accepted the parties' recommendation for hearing the twenty three properties and the merit hearings continued.

Property Description:

The subject properties are thirteen warehouse condominiums located in the Highfield district of SE Calgary. The condominiums range in size from 3,488 to 4,935 square feet. The properties, constructed in 1968, are assessed, on average, between \$183 and \$197 per square foot depending on area.

Issues:

Are the subject properties assessed higher than market value and are the assessments, therefore, inequitable to comparable properties?

Complainant's Requested Values:

SCHEDULE B

ROLL NUMBER	LOCATION ADDRESS	HEARING NUMBER	REQUEST
201433919	921 48 AVE SE	62255	\$505,760
201433927	931A 48 AVE SE	62258	\$551,205
201433935	931B 48 AVE SE	62270	\$563,355
201433943	933A 48 AVE SE	62275	\$643,275
201433950	933B 48 AVE SE	62278	\$659,340
201433968	935A 48 AVE SE	62279	\$666,225

ROLL NUMBER	LOCATION ADDRESS	HEARING NUMBER	REQUEST
201433976	935B 48 AVE SE	62288	\$654,345
201433901	919B 48 AVE SE	62305	\$541,430
201433877	917A 48 AVE SE	62310	\$579,710
201433885	917B 48 AVE SE	62312	\$542,155
201433893	919A 48 AVE SE	62314	\$537,660
201433851	915A 48 AVE SE	62315	\$548,970
201433869	915B 48 AVE SE	62316	\$542,010

Board's Findings and Reasons in Respect of Each Matter or Issue:

The Board finds the subject assessments fair and equitable for the following reasons:

- The sale of six subject properties (R1, pages 16-17) within the valuation period is the very best indicator of market value. The properties sold for an average time-adjusted price of \$191 per square foot, close to the subjects' average assessments.
- The Respondent also provided five comparable properties located in the Highfield area that sold within the valuation period for a time-adjusted average price of \$191 per square foot. The average Assessment to Sales Ratio (ASR) of the sales comparables is 0.93, indicating a reasonable correlation of the comparable assessments to the time-adjusted selling prices.
- The Board accepts the Respondent's argument that the Complainant's two equity comparables, located 1115 48 AVE SE and 6145 6 ST SE, are tainted due to unknown assessment inputs/errors that produced ASRs (0.89, 0.68), significantly below the mandated range of 0.95-1.05.
- Ultimately, the Board does not accept the Complainant's equity argument as the Respondent's sales evidence overwhelms the equity evidence provided.

In summary, the Board finds the sale of several subject properties and sales comparables for \$191 per square foot to be the best indicator of value of the subject properties.

Board's Decision:

The subject assessments are confirmed as per **SCHEDULE C**.

SCHEDULE C

ROLL NUMBER	LOCATION ADDRESS	HEARING NUMBER	ASSESSMENT
201433919	921 48 AVE SE	62255	\$671,500
201433927	931A 48 AVE SE	62258	\$748,500
201433935	931B 48 AVE SE	62270	\$760,000
201433943	933A 48 AVE SE	62275	\$757,000
201433950	933B 48 AVE SE	62278	\$757,000
201433968	935A 48 AVE SE	62279	\$766,500
201433976	935B 48 AVE SE	62288	\$747,500
201433901	919B 48 AVE SE	62305	\$642,500
201433877	917A 48 AVE SE	62310	\$661,000
201433885	917B 48 AVE SE	62312	\$635,500
201433893	919A 48 AVE SE	62314	\$630,500
201433851	915A 48 AVE SE	62315	\$694,000
201433869	915B 48 AVE SE	62316	\$637,500

DATED AT THE CITY OF CALGARY THIS 23rd DAY OF September 2011.

C. McEwen

C. McEwen
Presiding Officer

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

NO.	ITEM
1. C1 (Hearing # 62235)	Complainant Disclosure
2. R1	Respondent Disclosure

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.*

FOR ADMINISTRATIVE USE

Subject	Property Type	Property Sub-Type	Issue	Sub-Issue
CARB	Warehouse	Warehouse Multi-Tenant (Unit Ownership)	Cost/Sales Approach	Equity Comparables