

**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:

BFI Canada Inc.
(as represented by Assessment Advisory Group), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

J. Krysa, PRESIDING OFFICER
S. Rourke, MEMBER
P. Pask, 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:	096023296
LOCATION ADDRESS:	5535 53 Ave SE
HEARING NUMBER:	64790
ASSESSMENT:	\$3,690,000

The complaint was heard on September 19, 2011, in Boardroom 4 at the office of the Assessment Review Board, located at 1212 – 31 Avenue NE, Calgary, Alberta.

Appeared on behalf of the Complainant:

- T. Howell

Appeared on behalf of the Respondent:

- A. Cornick

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

There were no procedural or jurisdictional matters raised by either party during the course of the hearing.

Property Description:

The subject property is assessed as a 1.96 acre parcel of land, improved with a 33,577 sq.ft. (square foot) single-tenanted, industrial warehouse structure constructed in 1988. The property has a building to land ratio of 39.35%.

Issues:

The Complainant raised the following matter in section 4 of the complaint forms:

3. an assessment amount

The Complainant set out 2 grounds for the complaint in section 5 of the complaint form with a requested assessment of \$3,400,000. However, at the hearing the Complainant led evidence and argument only in relation to the following issue:

- The assessed value is incorrect, and fails to meet the legislative standard of market value.

Complainant's Requested Value:

At the hearing, the Complainant requested that the subject property be assessed at \$3,085,000.

Parties' Positions:

The Complainant argued that recent sales of similar properties indicate that the assessment of the subject property exceeds its market value.

In support of the argument, the Complainant submitted two sales of industrial warehouses that exhibit a range of unadjusted sale prices from \$78 to \$110 per sq. ft. in contrast to the subject's assessment at \$110 per sq.ft. The Complainant further applied adjustments for site coverage, and year of construction to the sale prices to reflect the characteristics of the subject property, from which the Complainant established an average rate of \$92 per sq.ft., and an estimate of market value for the subject property of \$3,085,747; (33,577 sq.ft. x \$92 per sq.ft.), as summarized below: [C1, pp.10-12, 30]

Address	Sale Date	Sq.Ft.	Sale Price	Sale Price per sq.ft.	Net Adjustment	Adjusted Sale Price per sq.ft.
6215A 86 Ave SE	Oct-09	33,040	\$ 2,575,000	\$78	-5%	\$74
4315A 72 Ave SE	Aug-09	30,065	\$ 3,300,000	\$110	-	\$110
Average						\$92

In cross examination, the Complainant conceded that the sale of 4315A 72 Ave SE is most comparable to the subject. The Complainant further conceded that there was no market evidence in support of the adjustments applied to the sale prices of the comparables; however, the Complainant argued that the adjustments are transparent, and the process is not an exact science that requires precise documentary support. The Complainant further submitted that the Respondent's criticism is moot, as the Respondent has made no adjustments to his time adjusted sale prices to reflect the physical characteristics of the subject property.

The Respondent did not present any evidence in the proceedings; however, he argued that the current assessment of \$110 per sq.ft. is supported by the average rate of \$111 per sq.ft., evident from the Complainant's seven sales on page 9 of C1 (excluding the sale at \$635.71 per sq.ft.). The Respondent further argued that the current assessment of \$110 per sq.ft. is also supported by the \$110 per sq.ft. sale of 4315A 72 Ave SE, which the Complainant conceded was the best comparable for the subject property. The Respondent further argued that the Complainant's adjustments to the sales comparables were subjective, and were not supported by market evidence.

Board's Decision:

The Board finds that the assessed value is correct, and meets the legislative standard of market value.

Although the Board agrees that the Complainant's sale price adjustments are subjective and therefore constitute opinion evidence, in the absence of any market evidence from the Respondent to refute the Complainant's opinion, the Board infers that the adjustments are not inappropriate for the characteristics set out. Nevertheless, the Board was persuaded by the Complainant's acknowledgment that the sale of 4315A 72 Ave SE, at \$110 per sq.ft., is the best comparable for the subject property, assessed at \$110 per sq.ft.

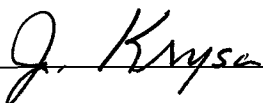
Although particulars of the properties are limited, the Board also finds the Complainant's other five sales on page 9 of C1, (excluding the sale at \$635.71 per sq.ft.), supportive of the subject's \$110 per sq.ft. rate of assessment.

The assessment is **confirmed** at: **\$3,690,000.**

DATED AT THE CITY OF CALGARY THIS

24

DAY OF NOVEMBER, 2011.



J. Krysa
Presiding Officer

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

NO.	ITEM
1. C1	Complainant'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.*

FOR ADMINISTRATIVE USE

Subject	Property Type	Property Sub-Type	Issue	Sub-Issue
CARB	Warehouse	Single Tenant	Sales Approach	