

**CALGARY
COMPOSITE ASSESSMENT REVIEW BOARD (CARB)
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:

***P. Ralph Brown Enterprises Ltd. (as represented by Assessment Advisory Group Inc.),
COMPLAINANT***

and

The City Of Calgary, RESPONDENT

before:

***P. Irwin, PRESIDING OFFICER
S. Rourke, MEMBER
P. Pask, MEMBER***

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

ROLL NUMBER	LOCATION ADDRESS	HEARING NUMBER	ASSESSMENT
119500387	41, 9151 - 44 Street SE	64778	\$440,000
119500403	37, 9151 - 44 Street SE	64778	\$459,000
119500429	33, 9151 - 44 Street SE	64778	\$460,000
119500445	29, 9151 - 44 Street SE	64778	\$461,000
119500460	25, 9151 - 44 Street SE	64778	\$492,500
119500486	21, 9151 - 44 Street SE	64778	\$492,500
119500502	17, 9151 - 44 Street SE	64778	\$496,000
119500528	13, 9151 - 44 Street SE	64778	\$498,000
119500544	9, 9151 - 44 Street SE	64778	\$460,000
119500569	5, 9151 - 44 Street SE	64778	\$464,000

Property Description:

Each property is a single bay in a ten bay industrial condominium project located in the South Foothills Industrial Park in SE Calgary. Year of construction was 1999. Bay sizes vary from 3,089 sf to 3,520 sf, of which a portion is office, and the balance is ground floor warehouse. The 2011 assessment was prepared by using a sales comparison valuation approach.

This complaint was heard on September 23rd, 2011 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 4.

Appearing on behalf of the Complainant:

Troy Howell *Assessment Advisory Group*

Appearing on behalf of the Respondent:

Ian McDermott *Assessor, City of Calgary*

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

There were no objections to the composition of the Board, nor were there any jurisdictional matters brought forward.

Issues:

Are the assessments on the subject properties too high?

The Complainant described the subject properties and stated that the concern is related to servicing in the South Foothills Industrial Park. The owners have to pay for construction of the servicing lines through a local improvement levy, whether they actually hook up to the lines or not. The levy adversely affects property values. The Complainant provided Assessment Summary Reports for 8 industrial non-condominium properties in South Foothills and pointed to assessment reductions for 2011 ranging from 5% to 40%, compared to the 2010 assessments. He presented a valuation table, at p. 60 in the Complainant's disclosure package C-1, showing current assessments for the subject properties ranging from \$140 - \$143/ sf. The Complainant submitted that a 15% adjustment was applied to the 2010 assessment and should be applied to the 2011 assessments.

Complainant's Requested Value: \$123/ sf

The Respondent presented a sales comparison chart, at p. 26 in its disclosure package R-1, showing 3 industrial condominium comparables at 4511 Glenmore Trail SE with time adjusted prices/ sf of \$164, \$214, and \$158 in support of the 2011 assessments and referred to a statement on p. 43: "Each year, a new stock of sales is available for analysis that would not have been available previously." The Respondent submitted that the 15% reduction for levies was built into the model.

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

The Board finds that the evidence presented by the Complainant does not demonstrate how the 2011 assessments are incorrect. Comparing non-condominium industrial warehouses to condominium industrial warehouse units, as the Complainant did, was not optimal, in the Board's opinion, as the market for the 2 types of property was shown to be different by the Respondent. Regarding the servicing matter, the City of Calgary considers a property to be serviced if all utility lines are available in the adjoining roads, whether or not the property owner

chooses to take advantage of the lines by tapping into them. The onus on proving the incorrectness has not been met. The Board finds the 2011 assessments to be correct and the values are supported by the Respondent's sales comparisons and therefore the Board confirms the 2011 assessments of the subject properties.

Board's Decision:

ROLL NUMBER	ADDRESS	CONFIRMED 2011 ASSESSMENT
119500387	41, 9151 - 44 Street SE	\$440,000
119500403	37, 9151 - 44 Street SE	\$459,000
119500429	33, 9151 - 44 Street SE	\$460,000
119500445	29, 9151 - 44 Street SE	\$461,000
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DATED AT THE CITY OF CALGARY THIS 19 DAY OF October 2011.



P. Irwin, Presiding Officer

APPENDIX "A"

DOCUMENTS PRESENTED AT THE HEARING AND CONSIDERED BY THE BOARD:

NO.	ITEM
1. C1	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.*