



## **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:

***1204612 Alberta Ltd. (as represented by Colliers International Realty Advisors Inc.),  
COMPLAINANT***

and

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

before:

***Board Chair; J. Zezulka  
Board Member; D. Julien  
Board Member; R. Kodak***

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 2013 Assessment Roll as follows:

<b>ROLL NUMBER:</b>	<b>101026300</b>	<b>101022200</b>	<b>090086604</b>
<b>LOCATION/ADDRESS:</b>	<b>5504 1A Str. SW</b>	<b>5339 1A Str.SW</b>	<b>404 Manitou Rd SE</b>
<b>FILE NUMBER:</b>	<b>70267</b>	<b>70268</b>	<b>70271</b>
<b>ASSESSMENT:</b>	<b>\$1,610,000</b>	<b>\$1,080,000</b>	<b>\$1,500,000</b>

This complaint was heard on 29 day of July, 2013 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 11.

Appeared on behalf of the Complainant:

- *T. Howell*

Appeared on behalf of the Respondent:

- *J. Tran*

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

(1) This is a complaint against the assessment of three separate, but adjacent land parcels, with a common owner. At the outset of the hearing, because of the commonality of issues and evidence, both parties agreed to have the three complaints heard simultaneously.

**Property Description:**

(2) The properties consist of three industrial warehouses located in the Manchester Industrial district of south east Calgary. In summary, the properties are described as follows;

<u>File #:</u>	<u>Bldg Size</u>	<u>Construction Date</u>	<u>Land size</u>	<u>Classification</u>
70267	10,483 s.f.	1968	0.36 acres	IWS (2 units or less)
70268	6,000 s.f.	1970	0.22 acres	IWS
70271	9,295 s.f.	1967	0.44 acres	IWM (3 or more units)

**Issues / Appeal Objectives**

(3) The single issue brought forward by the Complainant was market value, stating that the current assessments are in excess of the market value of the properties. The Complainant did not address the question of equity.

**Complainant's Requested Value:**

<u>Roll #:</u>	<u>Current Assessment</u>	<u>Requested Assessment</u>
70267	\$1,610,000	\$1,400,000
70268	\$1,080,000	\$880,000
70271	\$1,500,000	\$1,240,000

**Board's Decision:**

(5) In all three instances, the assessments are confirmed.

**Legislative Authority, Requirements and Considerations:**

(6) This Board derives its authority from section 460.1(2) of the Municipal Government Act, being Chapter M-26 of the revised statutes of Alberta.

(7) Section 2 of Alberta Regulation 220/2004, being the Matters Relating to Assessment and Taxation Regulation (MRAC), states as follows;

*"An assessment of property based on market value*

*(a) must be prepared using mass appraisal*

*(b) must be an estimate of the value of the fee simple estate in the property, and*

*(c) must reflect typical market conditions for properties similar to that property"*

(8) Section 467(3) of the Municipal Government Act states;

*"An assessment review board must not alter any assessment that is fair and equitable, taking into consideration*

*(c) the assessments of similar property or businesses in the same municipality."*

(9) For purposes of this Complaint, there are no extraneous requirements or factors that require consideration.

**Position/Evidence of the Parties****Complainant's Position:**

(10) The Complainant submitted past sales transactions involving the subject properties;

(a) 5504 - 1A Street SW, sold in December, 2009, for \$1,115,000.

(b) 5339 - 1A Street, and 404 Mantiou Road, sold as a package in August 2010, for \$1,515,000.

(11) Except for the RealNet transaction reports, no information regarding the details of the transactions were offered.

(12) The Complainant presented three comparable industrial transactions for the Board's consideration.

(13) One of the comparables, at 5337-1 Street SW, is in close proximity to the subject. However, there is a significant size discrepancy between the Complainant and the reporting agency that renders this sale as unreliable for the Board's purposes.

(14) The second comparable, at 1258 - 73 Avenue SE, is an industrial condominium unit in a larger development. The unit was undergoing interior renovations at the time of the transaction. This property is also designated as I-C Industrial Commercial, which denotes more of a commercial, rather than an outright industrial, flavour that has an impact on market value. This property was not considered by the Board to be a reliable comparable for the subjects.

(15) The third comparable, at 6205 - 10 Street SE, This comparable is about 30 years newer than any of the subjects. Physically, the comparable has extensive glazing, and presents more of an office façade, than an industrial building appearance. In the opinion of the Board, this property has no physical similarity to any of the subject buildings.

**Respondent's Position:**

(16) The Respondent presented seven comparables, that reflects selling prices between \$150.50 and \$277.18 per s.f. The median of the sampling is \$200.97. Without going into extensive detail relative to each comparable, it is sufficient to say that all of the comparables shared some commonality with the subject buildings in a number of respects, including building size, building age, region, per cent of interior finish, site size and site coverage.

**Board's Reasons for Decision:**

(19) During the assessment complaint process, up to and including the hearing, every opportunity is provided to both parties to present evidence and arguments in support of their positions. The ultimate burden of proof or onus, however, rests on the Complainant, at an Assessment Review Board hearing, to convince the Board that their arguments, facts and evidence are more credible than that of the Respondent.

(20) In *Kneehill (County) v. Alberta (Municipal Affairs, Linear Assessor)* (2004) Board Order MGB 001/04

*"It is up to the parties who file a complaint on an assessment to put sufficient energy into proving that their allegations are well founded. In other words, the onus is upon the complaining party to provide sufficient evidence in order to prove their case."*

(21) In the opinion of this Board, the Complainant's evidence was not sufficient to prompt this Board to consider a change in the existing assessment.

DATED AT THE CITY OF CALGARY THIS 26<sup>th</sup> DAY OF September 2013.

  
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Jerry Zezulka

Presiding Officer

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

NO.	ITEM
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- |    |                           |
|----|---------------------------|
| 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.*

**For MGB Administrative Use Only**

<i>Decision No.</i> CARB 71267P/2013			<i>Roll No's.</i>	
0			101026300, 101022200, 090086604	
<u><i>Subject</i></u>	<u><i>Type</i></u>	<u><i>Issue</i></u>	<u><i>Detail</i></u>	<u><i>Issue</i></u>
CARB	Industrial	Market Value	N/A	Comparables