

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:

Calgary Industrial Properties Ltd. c/o Dundee Realty Management Corp. (as represented by Colliers International Realty Advisors Inc.), COMPLAINANT

and

The City of Calgary, RESPONDENT

before:

L. Wood, PRESIDING OFFICER

A. Blake, MEMBER

A. Wong, 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 2013 Assessment Roll as follows:

ROLL NUMBER:	033043407
LOCATION ADDRESS:	4504 14 ST NE
FILE NUMBER:	70719
ASSESSMENT:	\$7,050,000

This complaint was heard on 8 day of August, 2013 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 9.

Appeared on behalf of the Complainant:

- T. Howell Agent, Colliers International Realty Advisors Inc.

Appeared on behalf of the Respondent:

- M. Hartmann Assessor, City of Calgary

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

[1] The parties requested that their evidence be cross referenced from file 70716 to the case at hand, including their comments in regards to sales comparable 1616 Meridian Road NE. The parties also requested that their arguments, specifically in regards to multi building sites versus single building sites as submitted in file 70716 be cross referenced to this file as well. The Board agreed to do so. The Board's findings on those matters are set out in CARB 70716P-2013.

Property Description:

[2] The subject property is comprised of two multi tenant industrial warehouses located in McCall. The assessable building areas are 28,440 and 28,800 sq. ft. and are situated on 4.08 acres. The land use designation is I-G, Industrial General. Both buildings were constructed in 1976 and have a site coverage ratio of 32.19%. There is a slight variance in finish between the two buildings, 22% and 30%. The subject property was valued based on the direct sales comparison approach, and the buildings were assessed at \$123.47 psf and \$122.93 psf, an overall rate of \$123.20 psf.

Issue:

[3] Comparable properties will support a reduction to the subject property's assessment.

Complainant's Requested Value: \$4,290,000

Board's Decision: The assessment is confirmed at \$7,050,000.

Position of the Parties:

Complainant's Position:

[4] The Complainant submitted three sales comparables of single tenant warehouses in support of his request (Exhibit C1 page 21). The sales occurred in January 2010 – July 2011. The warehouses were built in 1967 – 1978; have assessable building areas of 51,520 – 82,225 sq. ft.; parcel sizes of 2.59 – 5.08 acres; and site coverage ratios of 37.16% - 48.28%. The time

adjusted sale price ("TASP") was \$63.38 - \$85.41 psf, an average of \$75.10 psf. With the exception of 1616 Meridian Road NE which is a multi building site, the Complainant's analysis consisted of single building warehouses in support of his request.

[5] In rebuttal, the Complainant included the sales documents of the Respondent's comparables for the Board's consideration. He drew the Board's attention to the area discrepancies between what was reported in RealNet and the Property Assessment Summary Reports (Exhibit C2 pages 5 – 19).

Respondent's Position:

[6] The Respondent submitted five sales comparables of single and multi tenant warehouses to support the values attributed to each building on the subject site (Exhibit R1 page 32). The sales occurred in August 2009 - January 2012. The warehouses were built in 1970 – 1979; have assessable building areas of 20,010 – 36,954 sq. ft.; parcel sizes of 1.10 – 4.43 acres; site coverage ratios of 17.52% - 41.63%; and finish percentage of 5% - 37%. The time adjusted sale price ("TASP") was \$125.08 – \$187.69 psf, a median of \$132.16 psf. She identified the sale of 5920 35 ST SE which sold in April 2010 for \$130.16 (TASP) as her best comparable.

[7] The Respondent also submitted eight equity comparables, comprised of four multi building, multi tenant warehouses, in support of the assessed rates (Exhibit R1 page 34). The warehouses were built in 1974 – 1978; have assessable building areas of 24,330 – 61,489 sq. ft.; parcel sizes of 3.06 – 4.38 acres; site coverage ratios of 36.46% - 45.61%; and finish percentage of 26% - 45%. The assessed rates were \$103.11 - \$124.46 psf.

Legislative Authority:

Decisions of assessment review board

467(1) An assessment review board may, with respect to any matter referred to in section 460(5), make a change to an assessment roll or tax roll or decide that no change is required.

(2) An assessment review board must dismiss a complaint that was not made within the proper time or that does not comply with section 460(7).

(3) An assessment review board must not alter any assessment that is fair and equitable, taking into consideration

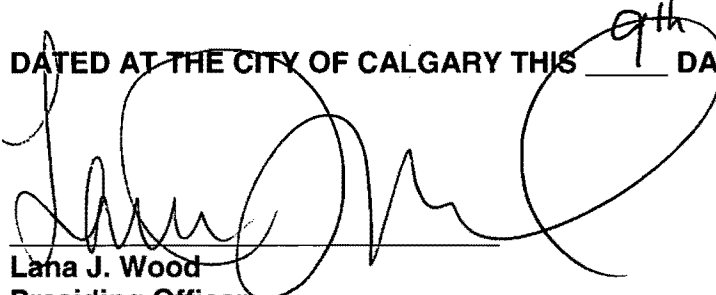
- (a) the valuation and other standards set out in the regulations,
- (b) the procedures set out in the regulations, and
- (c) the assessments of similar property or businesses in the same municipality.

Board's Reasons for Decision:

[8] The Board finds there was insufficient evidence to support a reduction to the subject property's assessment in this instance. The Board was satisfied that the sales comparables provided by the Respondent of \$125.08 - \$134.15 psf demonstrated a range that supported the current assessment of the subject property; placing less weight on the sale of 1415 28 ST NE

which sold in December 2010 for \$187.69 psf as it was considered to be an outlier in this analysis. The Board finds the current assessment was further substantiated by the Respondent's equity comparables.

DATED AT THE CITY OF CALGARY THIS 9th DAY OF September, 2013.



Lana J. Wood
Presiding Officer

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

NO.	ITEM
1. C1	Complainant's Disclosure
2. C2	Complainant's Rebuttal
3. R1	Respondent's 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	Sales Approach	