



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

Westpen Properties Ltd.
(as represented by MNP LLP), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before

L. Yakimchuk, PRESIDING OFFICER
R. Deschaine, BOARD MEMBER
R. Roy, BOARD 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: 095000204
LOCATION ADDRESS: 4800 52 St SE
FILE NUMBER: 71126
ASSESSMENT: \$34,740,000

This complaint was heard August 21, 2013 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 4.

Appeared on behalf of the Complainant:

- *J. Langelaar, MNP LLP*

Appeared on behalf of the Respondent:

- *E. Wu*

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

- [1] There were no procedural or jurisdictional matters.

Property Description:

- [2] The subject property has been assessed with two multi-tenant Industrial Warehouse buildings, one 157,692 square foot (sf) structure built in 1999 and a second 171,274 sf one built in 2000. The buildings were constructed on 18.04 Acres (A) of land with 38.78% site coverage. The property has been assessed, using Sales Comparisons, at \$105.63/sf.

Issues:

- [3] Is the assessment of the subject property supported by Sales?

Complainant's Requested Value: \$27,690,000.

Board's Decision:

- [4] The Board confirms the assessment at \$34,740,000.

Legislative Authority, Requirements and Considerations:

The Composite Assessment Review Board (CARB) derives its authority from the Municipal Government Act (MGA) RSA 2000 Section 460.1:

- (2) Subject to section 460(11), a composite assessment review board has jurisdiction to hear complaints about any matter referred to in section 460(5) that is shown on an assessment notice for property other than property described in subsection (1)(a).

For the purposes of this hearing, the CARB will consider MGA Section 293(1)

In preparing an assessment, the assessor must, in a fair and equitable manner,

- (a) apply the valuation and other standards set out in the regulations, and
- (b) follow the procedures set out in the regulations.

Matters Relating to Assessment and Taxation Regulation (MRAT) is the regulation referred to in MGA Section 293(1)(b). The CARB decision will be guided by MRAT Section 2, which states that

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.

and MRAT Section 4(1), which states that

The valuation standard for a parcel of land is

- (a) market value, or
- (b) if the parcel is used for farming operations, agricultural use value.

Position of the Parties

Complainant's Position:

[5] The Complainant, J. Langelaar, MNP LLP, argued that the City of Calgary TASP (Time Adjusted Sale Price) Analysis (R1 Appendix B) indicated that in the final period (December 2011 to June 2012) there was downward movement in the SARs (Sales to Assessment Ratios) which indicated that Sales Values were moving down. The City of Calgary has been calculating that the SARs were at 0% change in this period. In the Rebuttal document (C2 p3) MNP LLP attempted to address this issue by applying a -3.83% adjustment for the period December 1, 2011 to June 30, 2012.

[6] The Complainant argued that the subject property was overassessed and presented four proposed Comparable properties ranging in Approximate Year of Construction (AYOC) from 1981 to 2004. The proposed comparables were single building properties each approaching the size of one of the two subject buildings. They ranged in unadjusted Sale Value from \$71/sf to \$98/sf.

[7] The Complainant also presented documentation to support the validity of the Sales.

Respondent's Position:

[8] E. Wu, City of Calgary Assessor, analyzed the Complainant's Sales list and stated that these were single building sales, therefore not comparable to the subject, which is a multi-building property.

[9] The Respondent presented one multi-building Sale of a three-building property with buildings from 14,375 sf to 71,164 sf, all smaller than the subject buildings, for \$106.89/sf. He also included the Sale of 930 – 64 Av NE (118,402 sf single building) for \$120.51/sf. The latter building was also on the Complainant's list of proposed Comparable property Sales.

[10] The Respondent also defended the City of Calgary TASP Analysis, stating that the graph represented a wide variation in SARs.

Board's Reasons for Decision:

[11] The Board considered the TASP analysis proposed by the Complainant and decided that the graph is intended as a visual representation of a range, not an absolute value. For this reason the Board accepted the City of Calgary TASP analysis and used the TASP values used by the Respondent.

[12] The Board considered the various Sales comparables presented in both documents. The Complainant did not show TASP's for the proposed comparable sales he presented so it was not possible to compare them to the current Assessment. The Respondent had two possible Comparable Sales with TASP's of \$106.89 and \$120.51 respectively. The second value was not adjusted for a multi-building factor.

[13] The Board decided that insufficient evidence was presented to change the Assessed Value of the subject property, and that the Respondent's proposed Sales Comparables somewhat supported the current Assessment.

[14] The Board confirmed the assessment at \$105.63/sf.

DATED AT THE CITY OF CALGARY THIS 13th DAY OF September 2013.


Lana Yakimchuk

Presiding Officer

APPENDIX "A"

**DOCUMENTS PRESENTED AT THE HEARING
AND CONSIDERED BY THE BOARD:**

NO.	ITEM
1. C1	Complainant Disclosure
2. R1	Respondent Disclosure
3. C2	Complainant Rebuttal

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.*

Appeal Type	Property Type	Property Sub-type	Issue	Sub-Issue
CARB	Warehouse	Multi Tenant	Sales Approach	Multi building