



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:

Altitude Cold Storage Limited.,(as represented by AEC Property Tax Solutions),

COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

**T. B. Hudson, PRESIDING OFFICER
A. Blake, BOARD MEMBER
J. Rankin, 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: 200836062

LOCATION ADDRESS: 4767 27 ST SE

FILE NUMBER: 72242

ASSESSMENT: \$10,940,000

This complaint was heard on the 17th day of July, 2013 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 2.

Appeared on behalf of the Complainant:

- *J. Smiley*

Appeared on behalf of the Respondent:

- *J. Tran*
- *E. Wu*

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

There were no procedural or jurisdictional matters raised by the Parties.

Property Description:

[1] The subject is an IWS type industrial property zoned I-G, and located at 4767 27 ST SE in Calgary. The site area is 7.71 acres, and the improvement is one building constructed in 1999. The building has a net rentable area of 80,117 square feet(sf.), with no office finish. Site coverage is 23.98%. The assessment was calculated based on the direct sales comparison approach to a total value of \$10,940,000(rounded) or \$136.64 per square foot (psf.).

Issue:

Is the current assessed value of the subject property equitable with the assessed value of similar properties?

Complainant's Requested Value: \$10,170,000(rounded), or \$127psf.

Board Decision on the Assessment: The assessment is confirmed at \$10,940,000(rounded).

Legislative Authority, Requirements and Considerations:

[2] The Composite Assessment Review Board(CARB), derives its authority from Part 11 of 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).

[3] For purposes of the hearing, the CARB will consider MGA Section 293(1):

In preparing the assessment, the assessor must, in a fair and equitable manner, apply the valuation and other standards set out in the regulations, and follow the procedures set out in the regulations.

[4] The Matters Relating to Assessment and Taxation Regulation(MRAT) is the regulation referred to in MGA section 293(1)(b). The CARB consideration will be guided by MRAT Part 1 Standards of Assessment, Mass appraisal section 2:

*An assessment of property based on market value:
must be prepared using mass appraisal,
must be an estimate of the value of the fee simple estate in the property, and
must reflect typical market conditions for properties similar to that property.*

Position of the Parties on the Assessment Equity Issue:

Complainant's Position

[5] The Complainant submitted a chart (Exhibit C1 page 8), listing the the assessments of three properties as equity comparables to the subject. The assessments range from a low of \$123.52 to a high of \$137.40psf.

[6] The Complainant proposed that the subject property be assessed at rate of \$127psf., which is essentially the median of the assessments submitted.

Respondent's Position

[7] The Respondent argued that if equity of the assessment is the issue, the assessment of the subject property should be compared to the assessments of similar properties with one building on the parcel.

[8] Two of the three Complainant equity comparables have a negative assessment adjustment for multiple buildings, and one of these also has a South Foothills local improvement issues negative adjustment.

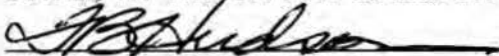
[9] The Respondent submitted an assessment equity chart (Exhibit R1 page 24) listing six IWS single building properties zoned I-G, and located in the SE industrial region. The key variable characteristics of site coverage, age and net rentable area are similar to the subject, with assessments ranging from a low of \$123.60 to a high of \$181.08psf.

Board Reasons for Decision:

[10] Two of the three Complainant's equity comparables have a negative assessment adjustment for multiple buildings, and one of these an additional negative adjustment for South Foothills local improvement issues. These properties are not good comparables to the subject.

[11] The assessment equity comparables submitted by the Respondent, which also included the third Complainant comparable, support the current assessment.

DATED AT THE CITY OF CALGARY THIS 16 DAY OF August 2013.



T. B. Hudson

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.*

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<i>Decision No. 72242P-2013</i>			<i>Roll No.200836062</i>	
<u><i>Subject</i></u>	<u><i>Type</i></u>	<u><i>Sub-Type</i></u>	<u><i>Issue</i></u>	<u><i>Sub-Issue</i></u>
CARB	Warehouse I-G	IWS	Equity	Comparable property