



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:

***THE STANDARD LIFE ASSURANCE COMPANY OF CANADA
(as represented by AEC International), COMPLAINANT***

and

The City Of Calgary, RESPONDENT

before:

***R. Glenn, PRESIDING OFFICER
A. Zindler, BOARD MEMBER
J. Lam, 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:	009005497
LOCATION ADDRESS:	7019 8 ST NE
FILE NUMBER:	72291
ASSESSMENT:	\$5,270,000

This complaint was heard on Monday, the 26th day of August, 2013 at the offices of the Assessment Review Board located on Floor Number 4, at 1212 – 31 Avenue NE, in Calgary, Alberta, in Boardroom 2.

Appeared on behalf of the Complainant:

- J. Smiley, Agent

Appeared on behalf of the Respondent:

- M. Hartmann and T. Nguyen, Assessors

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

[1] When asked, neither party raised any issues with regard to either Jurisdiction or, Procedure.

Property Description:

[2] The subject is a 2.19 acre parcel of land with a two building industrial warehouse improvement comprising 14,356 SF and 14,272 respectively, both built in 1990, with a total site coverage of 24.96% and an interior finish of 23% and 27% respectively, assessed at \$183.59/SF and \$184.61/SF respectively, and located in NE Calgary just off Deerfoot Trail.

Issues:

[3] Whether the subject assessment is correct, based on:

- (a) whether the Respondent properly adjusted the assessment to account for multiple improvements on site, and;
- (b) whether the Respondent correctly considered the aggregate size of the subject, versus their comparables;
- (c) whether the Respondent correctly considered the individual size of the subject, versus their comparables.

Complainant's Requested Value:

[4] \$4,380,000

Board's Decision:

[5] The assessment is confirmed at: \$5,270,000

Complainant's Position:

[6] The Complainant initiated their argument by commenting on the Multiple Building Adjustment (MBA) which is a negative adjustment designed to recognize that the property is actually comprised of a greater area than each individual building, and that the property will trade as a whole rather than just individual buildings. They go on to say that the subject assessment in this circumstance suggested that perhaps no MBA had been made, notwithstanding that the detail report indicated that it had been made.

[7] They say that those properties which were similar in all characteristics including the aggregate size of the subject were materially lower as a per unit assessment. Further, those properties which were similar in all characteristics, but of a size range similar to the individual buildings, received an almost identical per unit assessment. The Complainants suggested that we can expect the subject to be assessed as lower than its peers, because of its size.

[8] The Complainant argued that the subject property, as a whole, was significantly more comparable to those properties which had a similar size as the aggregate of the subject improvements. In particular, the subject was especially comparable to the properties located at 2780 24AVE NE and 3640 11A ST NE. The average of these two gave a very strong indication of an appropriate estimation of market value of the subject. The Complainant submitted five equity comparables.

[9] The Complainant acknowledged in cross-examination that they had not attended on the subject property. They requested a rounded average assessment of \$153/SF which would yield a proper value of \$4,380,000.

[10] The Complainant suggested in summary that all of the materials before the Board in this hearing point to the subject being over-assessed, particularly the Respondents 2013 Industrial Sales Chart located at Ex. R1 at page 15.

Respondent's Position:

[10] The Respondent attempted to demonstrate through the use of market data why the assessment of larger buildings would typically be lower than the subject property. The Respondent showed that the subject is a multi-storey property and that it had been assessed in compliance with MGA 289(2) as per its physical characteristics.

[11] They said it is inappropriate to compare multi building properties to single building properties because they would trade for different values in the market. The Respondent demonstrated that single building properties of comparable aggregate size sell for lower rates per square foot and therefore are appropriately assessed at lower rates than the subject property.

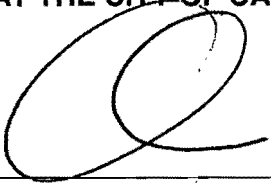
[14] The Respondent argued that the MBA had in fact been applied when compared to these smaller single building properties. They suggested that they assess multiple buildings at

the single building rate. They go on to argue that the Complainant's comparables support the equity of the subject assessment. They say they have provided multi-building equity sales, comparables, whereas the Complainant only provided single building equity sales.

Board's Decision in Detail:

[18] All told, it is apparent that the Respondent had applied an appropriate Multiple Building Adjustment in their assessment and further, that they had also applied correct reasoning in their assessment. On the other hand, the argument and evidence of the Complainant failed to convince the Board that the subject assessment was in need of correction, and accordingly, the assessment in the amount of \$5,270,500 is herewith confirmed.

DATED AT THE CITY OF CALGARY THIS 22nd DAY OF OCTOBER, 2013.



R. Glenn
Presiding Officer

APPENDIX "A"

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

NO.	ITEM
1. C1	Complainant Disclosure
2. C2	Complainant Rebuttal Disclosure
3. 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.*