



## **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:

***Cascades Recovery Inc.***  
***(as represented by Altus Group Ltd.), COMPLAINANT***

and

***The City of Calgary, RESPONDENT***

before:

***J. Dawson, PRESIDING OFFICER***  
***J. Massey, BOARD MEMBER***  
***P. Charuk, BOARD MEMBER***

This is a complaint to the Calgary Composite Assessment Review Board [CARB] 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>201264629</b>
<b>LOCATION ADDRESS:</b>	<b>10351 46 ST SE</b>
<b>LEGAL DESCRIPTION:</b>	<b>Plan 0811334; Block 13; Lot 15</b>
<b>FILE NUMBER:</b>	<b>72509</b>
<b>ASSESSMENT:</b>	<b>\$ 14,890,000</b>

This complaint was heard on the 3rd day of July, 2013 at the office of the Assessment Review Board [ARB] located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 3.

Appeared on behalf of the Complainant:

- *D. Mewha* *Agent, Altus Group Ltd.*

Appeared on behalf of the Respondent:

- *I. McDermott* *Assessor, City of Calgary*

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

[1] There are no preliminary, procedural, or jurisdictional issues.

**Property Description:**

[2] The subject is an Industrial Warehouse – Single-tenant [I/WS] building constructed in 2009 with a footprint of 98,619 square feet and 102,979 assessable square feet of which 9% is finished for office use. Utilising 9.5 acres of land, the calculated site coverage is 23.82% resulting in 1.95 acres being deemed as extra land. The subject is located in the Non-Residential Zone [NRZ] of DU1 – Dufferin. It has been assessed using the Direct Sales Comparison approach arriving at a value of \$144.65 per square foot.

**Issues:**

[3] The single issue before the Board is the assessed value with the value per square foot being the focus of the presentations.

**Complainant's Requested Value: \$ 10,810,000**

**Board's Decision:**

[4] The Board found the correct assessment to be \$11,940,000 derived from a value of \$116 per square foot of assessable area.

**Position of the Parties**

**Complainant's Position:**

[5] The Complainant provided photos and maps to illustrate the subject and its placement on the parcel. The property is in from the road with a long driveway onsite to access the building and yard. The remainder of the parcel is irregular in shape with testimony from the Complainant that additional development is difficult if not impossible (C1 pp. 8-16).

[6] The Complainant provided 2013 Non-Residential Industrial Land Rates to show the current value of I-G land in SE Calgary at \$585,000 per acre (C1 p. 58).

[7] The Complainant presented four sales of comparable properties deriving an unadjusted median and an average (mean) of \$105 per square foot. Time adjustments, using the Respondent's calculations, were provided. However, the Complainant based the requested assessment on the unadjusted values (C1 p. 18):

- I. 4975 12A ST SE utilises 2.6 acres of land equating to 53% site coverage, has 60,850 square feet of assessable area and was built in 1996 with 36% office finish. This property sold in September 2011 for a value of \$84 per square foot with a time adjusted value of \$87 per square foot.
- II. 4410 46 AV SE utilises 2.6 acres of land equating to 49% site coverage, has 60,700 square feet of assessable area and was built in 1999 with 14% finish. This property sold in July 2011 for a value of \$106 per square foot with a time adjusted value of \$113 per square foot.
- III. 4880 104 AV SE utilises 5.1 acres of land equating to 44% site coverage, has 97,140 square feet of assessable area and was built in 2008 with 7% finish. This property sold in March 2011 for a value of \$126 per square foot with a time adjusted value of \$141 per square foot.
- IV. 901 57 AV SE utilises 4.2 acres of land equating to 54% site coverage, has 99,000 square feet of assessable area and was built in 2000 with 19% finish. This property sold in October 2012 for a value of \$104 per square foot with no time adjustment.

[8] The Complainant provided six equity comparables showing a median and average (mean) values similar to the subject concluding an assessed value of \$125 per square foot for the comparables (C1 p.19).

[9] The Complainant concluded that \$105 per square foot is the correct assessment for the subject calculating a truncated value of \$10,810,000.

#### **Respondent's Position:**

[10] The Respondent provided eight equity comparables concluding an assessed value of \$144.65 per square foot for the subject is correct (R1 p. 22).

[11] The Respondent provided the building permit from August of 2008 to show the \$9,800,000 spent to construct the building and a land transaction at \$4,987,500 combined compares closely to the current assessed value of \$14,890,000 (R1 p. 34).

#### **Board's Reasons for Decision:**

[12] The Board found the fourth sale from the Complainant to be the best comparable. Though the sale at 901 57 AV NE for \$104 is considered *post facto* with a sale date of October, 2012; its characteristics and use matched closely with that of the subject. The Board accepted the requested value of \$105 per square foot with an adjusted presented below.

[13] Evidence provided by the Respondent showed that there is 1.95 acres of extra land. The extra land rate is \$585,000 per acre resulting in a value of \$1,140,750 or approximately \$11 per square foot when divided by the subject area.

[14] Combining the Complainant's request with the amount attributable to the extra land finds a value of \$116 per square foot. With 102,979 square feet within the subject at \$116 per square foot equates to \$11,945,564, which when truncated results in a revised assessment of \$11,940,000.

DATED AT THE CITY OF CALGARY THIS 30<sup>th</sup> DAY OF July 2013.

  
Jeffrey Dawson,

Presiding Officer

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

<b>NO.</b>	<b>ITEM</b>
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.*

<b>Municipal Government Board use only: Decision Identifier Codes</b>				
<b>Appeal Type</b>	<b>Property Type</b>	<b>Property Sub-Type</b>	<b>Issue</b>	<b>Sub-Issue</b>
CARB	Warehouse	Warehouse Single Tenant	Sales Approach	Land and Improvement Comparables