



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:

Pockar Management Inc., (as represented by Altus Group Ltd.), COMPLAINANT

and

The City of Calgary, RESPONDENT

before:

***L. Wood, PRESIDING OFFICER
J. Rankin, BOARD MEMBER
D. Julien, 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:	034191304
LOCATION ADDRESS:	4539 6 ST NE
FILE NUMBER:	72799
ASSESSMENT:	\$2,460,000

This complaint was heard on 19 day of June, 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:

- M. Robinson Agent, Altus Group Ltd.

Appeared on behalf of the Respondent:

- K. Cody Assessor, City of Calgary
- L. Cheng Assessor, City of Calgary

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

[1] The Complainant withdrew the issue related to sections 299 and 300 of the Act. He indicated that the Respondent had complied with the request in this instance. The Complainant also withdrew the issue related to sections 362 and 364 of the Act. He indicated that the Respondent has recognized the tax exempt status of the tenant.

[2] The parties asked that their comments in regards to the multi building coefficient as set out in file 72357 be carried forward to this complaint. The Board agreed to do so.

[3] The Respondent submitted a surrebuttal to the Board which contained several CARB decisions. The Complainant did not object. The Board marked that submission (which is argument) as an exhibit only to track it throughout several proceedings. It applies to the following files: 73044; 72813; 72796; 72797; 72799; and 72800.

Property Description:

[4] The subject property is a multi tenant warehouse located in Greenview. The assessable building area is 29,280 sq. ft. and it is situated on 1.38 acres. The land use designation is I-G, Industrial General. The building was constructed in 1979; has a finish percentage of 37% and a site coverage ratio of 48.79%. The subject property was assessed based on the direct sales comparison approach at \$112.92 psf. There is an exemption that affects 7,440 sq. ft. which is not under complaint.

Issues:

[5] The issues for the complaint were identified as follows:

- a) The assessment of the subject property is in excess of its market value for assessment purposes.
- b) The aggregate assessment per square foot applied to the subject property does not reflect market value for assessment purposes when using the direct sales comparison approach.

Complainant's Requested Value: \$1,750,000 (taxable portion)

Board's Decision: The taxable portion of the assessment is revised to \$1,740,000 and the exempt portion of \$840,000 remains unchanged.

Position of the Parties:

Complainant's Position:

[6] The Complainant submitted five sales comparables of single and multi tenant warehouses in support of his request (Exhibit C1 page 14). The sales occurred in December 2009 – February 2012. The warehouses were built in 1972 – 1983; have assessable building areas of 24,255 – 39,600 sq. ft.; parcel sizes of 1.0 – 2.2 acres; site coverage ratios of 41% - 54%; and finish percentage of 8% – 41%. The unadjusted sale price was \$80 - \$130 psf, a median of \$101 psf and a time adjusted sale price ("TASP") of \$80 - \$141 psf, a median of \$103 psf. The Complainant disagreed with the Respondent's time adjustment analysis and corresponding time adjusted assessment to sales ratio analysis ("TASR") but did not substantiate his claims.

[7] In rebuttal, the Complainant argued that less weight should be attributed to the Respondent's sales comparables for a variety of reasons (e.g. the physical attributes; the purchaser intended to utilize the property for their own use; or the property was purchased for a price less than its current value etc.) (Exhibit C2 pages 4 – 18).

Respondent's Position:

[8] The Respondent submitted seven sales comparables of single and multi tenant warehouses in support of the subject property's current assessment (Exhibit R1 page 34). The sales occurred in September 2009 – February 2012. The warehouses were built in 1966 – 1986; have assessable building areas of 17,534 – 36,954 sq. ft.; parcel sizes of 0.88 – 4.43 acres; site coverage ratios of 13.09% – 45.76%; and finish percentage of 11% – 37%. The sale price ranged between \$109.78 - \$192.35 psf (TASP). The Respondent identified assessable building area, year of construction and site coverage as significant factors when valuing a property as opposed to finish and building type.

[9] The Respondent submitted several equity comparables as further support of the assessment but agreed that equity was not an issue before the Board in this instance (Exhibit R1 page 35).

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,

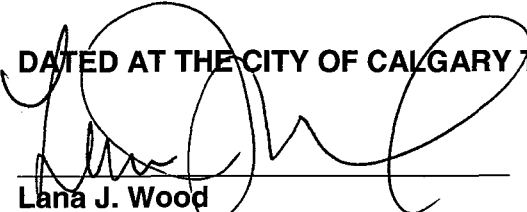
- (b) the procedures set out in the regulations, and
- (c) the assessments of similar property or businesses in the same municipality.

Board's Reasons for Decision:

[10] The Board placed the most weight on the Complainant's comparable located at 3651 21 ST NE. It sold in February 2012 for \$2,900,000 or \$80 psf (unadjusted). The Board finds this comparable is most similar to the subject property in terms of assessable building area, parcel size, year of construction, site coverage and finish and therefore provides the best indication of value for the subject property. The Board took into consideration the Respondent's best comparable located at 2620 22 ST NE which sold in December 2011 for \$3,050,000 or \$128.81 psf (unadjusted). However there were too many adjustments required specifically in regards to assessable building area and site coverage. As such, the Board finds the rate of \$80 psf is more appropriate to apply to the subject property's assessment, and has applied that rate as follows:

21,840 sq. ft. x \$80 psf = \$1,747,200, truncated to \$1,740,000 (taxable portion)

DATED AT THE CITY OF CALGARY THIS 17th DAY OF July 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
4. R2	Respondent's Surrebuttal

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	