



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

1678822 Alberta Inc.
(as represented by Altus Group Ltd.), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before

L. Yakimchuk, PRESIDING OFFICER
R. Kodak, 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: 101049500
LOCATION ADDRESS: 5720 4 St SE
FILE NUMBER: 73780
ASSESSMENT: \$5,190,000

This complaint was heard July 24, 2013 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 3.

Appeared on behalf of the Complainant:

- *M. Robinson, Altus Group*
- *D. Mewha, Altus Group*

Appeared on behalf of the Respondent:

- *J. Tran, City of Calgary Assessor*

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

The Respondent drew attention to the Amended 2013 Property Assessment Notice, which recognized that an Industrial Outbuilding had been removed from the subject property. The property had been reassessed as a single building Industrial Warehouse.

Property Description:

[1] The subject has been assessed as a 25,029 square foot (sf) Industrial Warehouse constructed in 1961 on 3.98 Acres (A) of land (site coverage: 10.71%). It has been assessed using Sales Comparison at \$207.36/sf.

Issues:

- [2] Is the assessed value of this property equitable with other similar properties?
- [3] Does the assessed value of this property reflect Market Value?

Complainant's Requested Value: \$3,320,000.

Board's Decision:

- [4] The Board confirms the assessment at \$5,190,000.

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, M. Robinson, Altus, presented a Sales Comparison table which included six Comparable properties with assessable building areas ranging from 16,685 sf to 39,193 sf and land areas ranging from 1.9 A to 3.7 A. The Time Adjusted Sale Prices (TASPs) for these properties ranged from \$106/sf to \$204/sf with a median of \$141/sf.

[6] The Complainant also presented an Equity Comparison table, which had eight comparables, all from the Central East Industrial area. The median assessment was \$147.58/sf with a range from \$127.01 to \$172.91.

Respondent's Position:

[7] J. Tran, City of Calgary Assessor, argued that the Complainant had provided proposed comparable properties which were not comparable to the subject because they came mainly from Foothills Industrial Park which has lower typical values.

[8] The Respondent presented an Industrial Sales chart of properties ranging from 16,685 sf to 29,931 sf with median parcel size of 2.57 A and median TASP of \$191.40/sf.

Rebuttal:

[9] In Rebuttal, R. Robinson argued that some of the Sales presented by the Respondent were questionable and did not reflect Market Value as supported by sales. He provided documentation for these sales, demonstrating that the Sale Value and the value on the affidavit re: Value of Land are different in one; and that one of the properties is in a different area than the subject.

Board's Reasons for Decision:

[10] The Board considered the proposed Equity and Sale comparables presented by both the Complainant and the Respondent. All the comparables supported a value higher than the request from the Complainant (\$133/sf).

[11] The Complainant's Sales comparables were largely from the SE Foothills Industrial area which is assessed at lower rates than the Central Industrial area. All of the properties on the list have less land than the subject.

[12] The Board decided that the subject property is assessed equitably when consideration is given to the location of the property and the size of the parcel.

[13] The Board confirms the assessment.

DATED AT THE CITY OF CALGARY THIS 29 DAY OF August 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	IWM	Sales Approach	Comparables