



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:

Carvallo Properties Inc.
(as represented by Assessment Advisory Group Inc.), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

J. Dawson, PRESIDING OFFICER
Y. Nesry, BOARD MEMBER
P. Cross, BOARD MEMBER

This is a complaint to the Composite Assessment Review Board [the Board] in respect of a property assessment prepared by the Assessor of The City of Calgary and entered in the 2014 Assessment Roll as follows:

ROLL NUMBER:	646001214
LOCATION ADDRESS:	7919 84 ST SE
FILE NUMBER:	74242
ASSESSMENT:	\$3,660,000

This complaint was heard on the 13th day of August, 2014 at the office of the Calgary Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 9.

Appeared on behalf of the Complainant:

- S. Cobb Agent, Assessment Advisory Group Inc.

Appeared on behalf of the Respondent:

- T. Nguyen Assessor, The City of Calgary

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

[1] The Board derives its authority to hear this complaint under Section 460.1(2) of the Act. The Board composition is as required under Section 453(1)(c) of the Act. There are no objections from the Complainant or the Respondent with the Board as constituted, its jurisdiction or any party appearing before the Board.

[2] The Board has reviewed the complaint form and has confirmed there is a valid complaint under Section 460(5) of the Act. The Board has confirmed that the representatives before the Board have the authority to act on behalf of the Complainant and the Respondent for this complaint.

[3] The Complainant confirmed that there has not been a discussion with the Respondent about the complaint in an attempt to resolve the complaint issues prior to the hearing because of a lack of time – the Complainant did not receive authorisation from the owner to discuss the assessment in time. However, the Assessment Complaints Agent Authorisation for 2014 was signed on January 30, 2014, which seems to provide time to discuss the assessment. The complaint was filed on February 19, 2014.

[4] There was no indication from the Respondent that information requested from the Complainant pursuant to Section 295 or 296 of the Act was not provided.

[5] The Complainant, on their complaint form, indicated that information requested from the Respondent pursuant to Section 299 or 300 of the Act was not provided; however, no details are provided to the Board and the Board was not requested to make a ruling on that matter.

[6] There are no additional preliminary, procedural, or jurisdictional issues. The merit hearing proceeded.

Property Description:

[7] The subject is an industrial property containing 252,207 square feet, which is located in the southeast on the outskirts of the city in an area referred to as 'Residual Ward 9 – Sub Area 9k'. It is stratified within the Non-Residential Zone [NRZ] of ES4. There is one building on the subject property; a warehouse built in 2001 with 26,152 square feet. There is one unit within the building, which is deemed to be a single tenant industrial warehouse. There is 16.2% office

finish with the overall building quality of 'A-'. The site coverage is 10.37%, which is less than the typical 30%.

[8] The subject is assessed using the Direct Sales Comparison Approach to Value.

Issues:

[9] The single issue before the Board is the assessment amount with the Complainant requesting a value of \$136.52 per square foot versus the \$140 per square foot assessment.

Complainant's Requested Value: \$3,560,000

Board's Decision:

[10] The Board found the assessment value to be correct at \$3,660,000 and confirmed the assessment.

Legislative Authority, Requirements, and Considerations:

The Municipal Government Act

Revised Statutes of Alberta 2000 Chapter M-26

Interpretation

1(1) *In this Act,*

(n) *"market value" means the amount that a property, as defined in section 284(1)(r), might be expected to realize if it is sold on the open market by a willing seller to a willing buyer;*

Position of the Parties

Complainant's Position:

[11] The Complainant argued that the assessment of the subject is incorrect and fails to meet the legislated standard of Market Value and also fails to meet the requirements for equity in assessment.

[12] The Complainant presented five sales comparable properties and used them as equity comparable properties as well. After correcting mathematical errors in Complainant's sales chart the result is a median of \$136.52 per square foot. Supporting documents included (C1 pp. 10-36).

Respondent's Position:

[13] The Respondent argued that the assessment is correct, fair and equitable and should be confirmed.

[14] The Respondent restated Complainant's sales comparable properties adding site coverage information and Time Adjusted Sale Price [TASP]. One of the five properties has five

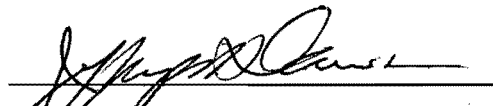
units and is stratified differently. In addition the subject has 3.79 acres of excess land that has adjusted the overall value; however, an exact adjustment is not provided (R1 pp. 9-15).

[15] The Respondent provided a sales chart with three comparable properties. The three properties have similar attributes, including; building type, building area, NRZ, finish, and site coverage. The result shows a median value of \$175.54 per square foot, with the subject at \$140.00 per square foot. The variance is explained by the age of the subject, which is eight to ten years older (R1 pp. 17-18).

Board's Reasons for Decision:

[16] The Board is not persuaded by the argument and evidence of the Complainant. The sales comparable properties provided by the Respondent, in the same area as the subject, support the assessment.

DATED AT THE CITY OF CALGARY THIS 19th DAY OF September 2014.



Jeffrey Dawson
Presiding Officer

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

NO.	ITEM
1. C1a – 19 pages	Complainant Disclosure
2. C1b – 18 pages	Complainant Disclosure
3. R1 – 32 pages	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.*

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