



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:

ASP Alberta Storage Place 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:	119012300
LOCATION ADDRESS:	4046 96 AV SE
FILE NUMBER:	75025
ASSESSMENT:	\$3,870,000

This complaint was heard on the 12th 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 February 12, 2014, which seems to provide time to discuss the assessment. The complaint was filed on February 27, 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] The Complainant requested all comments, questions and answers presented on the South Foothills reduction (pages 32 through 59 of C1) in decision number CARB 75009P-2014 be presented in this hearing using the same evidence but disclosed in document C2.

[7] The Respondent requested all comments, questions, and answers presented in decision number CARB 75009P-2014 be presented in this hearing using the same evidence but disclosed in document R1.

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

Property Description:

[9] The subject is an industrial property containing 177,497 square feet, located in the southeast community of South Foothills. It is stratified within the Non-Residential Zone [NRZ] of FO2. There are four buildings on the subject property: 1) built in 1999 with 5,400 square feet. There is one unit within the building, which is deemed to be mini storage. There is 0% office finish with the overall building quality of 'C+'. 2) built in 1999 with 20,000 square feet. There is one unit within the building, which is deemed to be mini storage. There is 0% office finish with the overall building quality of 'C+'. 3) built in 2004 with 6,900 square feet. There is one unit within the building, which is deemed to be mini storage. There is 0% office finish with the overall building quality of 'C+'. 4) built in 2004 with 1,919 square feet. There are three units within the building, which is deemed to be mini storage. There is 100% office finish with the overall building quality of 'A-'. The overall site coverage is 19.28%, which is deemed to be less than the typical 30%.

[10] The subject is assessed using the Cost Approach to Value.

Issues:

[11] The single issue before the Board is the assessment amount with the Complainant requesting a value of \$10.21 per square foot versus the \$13.32 per square foot assessment. In addition, the Complainant is asking for a 15% reduction to compensate for the local improvement taxes being charged to the subject.

Complainant's Requested Value: \$2,820,000

Board's Decision:

[12] The Board found the assessment value to be correct at \$3,870,000 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:**

[13] The Complainant presented 23 sales comparable properties. The result is a median of \$10.21 per square foot. Supporting documents included (C1 p. 15-87).

[14] The Complainant requested an additional 15% reduction in the assessment and provided tax bills from the six comparable properties to show the local improvement taxes being paid for servicing – amounting to between 31% and 51% additional tax. The Complainant showed minutes from a meeting in 2010 where 15% was mentioned as the reduction in assessment to recognise the impact of the local improvement tax for the South Foothills area. The Complainant reviewed Board decision, CARB 1913/2011-P, to show the Board has recognised a 15% assessment reduction in the past to South Foothills property (C2 pp. 1-28).

Respondent's Position:

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

[16] The Respondent restated Complainant's sales comparable properties removing two because they are not within the municipality. The remaining 21 have a Time Adjusted Sale Price [TASP]. The 21 properties are separated between the southeast quadrant and the ES4 NRZ, which is assessed at a lower base land rate. The Respondent found a median of \$637,813 per acre (\$14.64 per square foot) for the southeast quadrant and a median of \$349,861 per acre (\$8.03 per square foot) for the ES4 NRZ. The subject is in the southeast quadrant (R1 pp. 16-20).

[17] The Respondent showed a chart with the liabilities remaining for the local improvement tax totalling between \$263,004 and \$267,038 for six of the seven tax bills supplied by the Complainant. The total reduction in assessment ranged between \$396,667 and \$611,111. The Respondent argued that the Complainant is receiving more reduction allowance in the assessment than the liability (R1 pp. 24-30).

[18] The Respondent provided land rate charts for the municipality including sales support for the assessed ES4 NRZ (R1 pp. 21 and 32).

Board's Reasons for Decision:

[19] The Board is not persuaded by the argument and evidence of the Complainant. The properties with tax bills provided do receive an adjustment for South Foothills improvement tax issue, which seems to compensate for the extra tax burden. The comparable properties in the same area as the subject show a land value to 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 – 29 pages	Complainant Disclosure
2. C1b – 30 pages	Complainant Disclosure
3. C1c – 29 pages	Complainant Disclosure
4. C2 – 28 pages	Complainant Disclosure
5. R1 – 36 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 considered Other	Single Tenant considered Vacant Land	Cost Approach	Land & Improvement Comparables