

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:

Sun Media Corporation
(as represented by AEC Property Tax Solutions), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

J. Dawson, PRESIDING OFFICER
I. Fraser, BOARD MEMBER
R. Cochrane, BOARD MEMBER

This is a complaint to the Calgary Assessment Review Board [CARB or 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:	048044101
LOCATION ADDRESS:	2615 12 ST NE
FILE NUMBER:	76020
ASSESSMENT:	\$9,760,000

This complaint was heard on 24th day of June, 2014 at the office of the Assessment Review Board [ARB] located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 2.

Appeared on behalf of the Complainant:

- *J. Smiley* *Agent, AEC Property Tax Solutions*

Appeared on behalf of the Respondent:

- *R. Luchak* *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 improved parcel of 115,993 square feet (2.66 acres) located on the south-west corner of the intersection of 11th Street and 12th Street NE in the South Airways non-residential zone [NRZ] of SA1. The land use designation is industrial business [I-B f1.0]. The property abuts Deerfoot Trail on the west side. The site is currently developed with one building occupying approximately 46,455 square feet. The property is assessed using the Cost Approach therefore the land portion is valued as if vacant.

Issues:

[3] Four issues are identified on the complaint form with the Complainant verifying at the hearing that the primary issue is the assessment amount calculation. The Respondent used a typical vacant land rate \$1,035,000 per acre for the 2.66 acre site. The Complainant does not dispute the calculation; however, is asking for a twenty-five percent (25%) reduction to the land portion only to account for the irregular shape.

Complainant's Requested Value: \$9,080,000

Board's Decision:

[4] The Board found the assessment correct and confirmed the assessment value at \$9,760,000.

Legislative Authority, Requirements, and Considerations:

[5] The Board did not find any atypical considerations.

Position of the Parties**Complainant's Position:**

[6] The Complainant argued that the subject site is irregular in shape. Given the option to purchase a regular rectangular shaped property versus an irregular shaped property, an investor would pay more for a rectangular shaped property. As a result, the subject should receive a twenty-five percent (25%) downward adjustment to the land calculation to reflect the condition as at December 31, 2013.

[7] The Complainant provided examples of properties receiving this adjustment and indicated that the subject had previously received the adjustment (C1 pp. 3, and 9-22).

Respondent's Position:


[8] The Respondent argues that the current development is not being limited in function or physical development; therefore, the shape is not requiring an adjustment. The Respondent admits that the adjustment had been provided in previous assessments; however, the Respondent has reviewed the application of this adjustment and finds the subject as typical for industrial business with minimal or no impact due to its shape (R1 pp. 3-4, and 15-21).

Board's Reasons for Decision:

[9] The Board finds no market evidence to suggest what adjustment is necessary to quantify the limitation argued by the Complainant. Market evidence of similar properties with similar shape considerations could establish a value and the Board is reluctant to arbitrarily assign a value.

[10] The Board found the subject of sufficient size to permit a development of a typical site coverage with no limitation on function; therefore, denying the requested twenty-five percent (25%) adjustment for shape.

DATED AT THE CITY OF CALGARY THIS 15th DAY OF July 2014.



J. Dawson,
Presiding Officer

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

NO.	ITEM
1. C1 – 22 pages	Complainant Disclosure
2. R1 – 23 pages	Respondent Disclosure
3. C2 – 5 pages	Complainant Rebuttal 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	Plant	Cost Approach	Land Value