



## **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:

***Calgary Wheel Repairs Ltd. (as represented by Assessment Advisory Group),  
COMPLAINANT***

and

***The City Of Calgary, RESPONDENT***

before:

***K. Thompson,  
J. Massey,  
A. Wong,***

***PRESIDING OFFICER  
BOARD MEMBER  
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 2014 Assessment Roll as follows:

<b>ROLL NUMBER:</b>	<b>069049799</b>
<b>LOCATION ADDRESS:</b>	<b>1430 9 Av SE</b>
<b>FILE NUMBER:</b>	<b>76312</b>
<b>ASSESSMENT:</b>	<b>\$4,020,000</b>

This complaint was heard on 28th day of July, 2014 at the office of the Assessment Review Board located at Floor Number 3 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 8.

Appeared on behalf of the Complainant:

- S. Cobb *Agent, Assessment Advisory Group*

Appeared on behalf of the Respondent:

- J. Villeneuve-Cloutier *Assessor, City of Calgary*

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

[1] No other procedural or jurisdictional issues were brought forward. The Board continued with the merits of the complaint.

**Property Description:**

[2] The subject property is assessed as a Class B Auto Services building in the community of Inglewood consisting of 17,160 square feet (sf) with 3,968 sf of storage space. The property is located on a 0.57 acre site with a Direct Control land Use Designation.

[3] The subject property is assessed using the income method of valuation with a rental rate of \$17.50 per square foot (psf) for the auto repair space and a capitalization rate of 6.50%.

**Issues:**

[4] The value of the property would better reflect market if the rental rate were at \$14.00 psf for the auto mechanical repair space.

**Complainant's Requested Value: \$3,180,000.**

**Board's Decision:**

[5] The assessment is confirmed at \$4,020,000.

**Legislative Authority, Requirements and Considerations:**

[6] Section 460.1(2) of the Act provides that, 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).

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

[7] The Complainant stated that the value of the subject property is not equitable to similar properties in close vicinity. The property would be more in line with comparable properties if the rental rate for the automotive space were at \$14.00 psf.

[8] To support a rent rate reduction to \$14.00 psf the Complainant presented three equity comparables with a rental rate of \$14.00 psf for the auto mechanical repair space and supporting assessment documentation [C1, p.14-27]. The Comparables were located in various SE districts, with varying ages and sizes. All of the comparable properties were classed as a C.

[9] To further support a rent rate reduction for the subject, the Complainant used two properties with similar sub property use (retail vehicle/accessories – Auto Repair) and valued as land only. From these two properties the Complainant extracted a value of \$124.00 psf. Taking this value and the subject's assessable land area of 24,835 sf, the Complainant calculated a value of \$3,079,540 which is close to the value requested by the Complainant when the subjects rent rate is reduced to \$14.00 psf (while keeping the rest of the parameters unchanged using the income approach to value).

**Respondent's Position:**

[10] The Respondent presented the subject property details, photographs along with traffic and block face maps. The Respondent also provided its 2014 - Citywide Analysis – Automotive Repair B Quality containing 15 leases with a median of \$18.00 psf [R1, p. 31].

[11] Two equity comparables were presented by the Respondent to support the subject assessed value. The Respondent included assessment details, photographs and traffic maps for each comparable. Each of the comparables represented the same classification and showed similar traffic patterns as the subject property.

**Board's Reasons for Decision:**

[12] The Board reviewed the evidence provided by both parties and will limit its comments to the relevant facts pertaining to this case.

[13] The Subject property seems to be a reasonable representation of its assessment class and equitable to the surrounding properties of the same class and location. This was shown by the Respondent's two comparables. The Respondent's rental analysis showed that a rate of \$17.50 psf could be achieved for this type of property. Nothing unique or underperforming was brought forward with regards to this particular property, which also resides in a reasonably good location. This subject's placement in this market area was not challenged by the Complainant.

[14] The equity comparables, presented by the Complainant, were not enough to convince the Board that the rental rate in the subject property should be changed. The Complainant's comparable properties were based on different classifications and in one case considerably smaller in size.

[15] The Board finds insufficient evidence to alter the rental rate applied to this property. The assessment is confirmed.

DATED AT THE CITY OF CALGARY THIS 28<sup>th</sup> DAY OF August 2014.



K. Thompson

Presiding Officer

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

<b>NO.</b>	<b>ITEM</b>
1. C1	Complainant Disclosure
2. R1	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.*

Property Type	Property Sub-Type	Issue	Sub issue
Non residential	Commercial auto sales	Land rate	