

**CALGARY
ASSESSMENT REVIEW BOARD
DECISION WITH REASONS**

In the matter of the complaint against the Property/Business assessment as provided by the *Municipal Government Act*, Chapter M-26, Section 460(4).

between:

Assessment Advisory Group, COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

***Board Chair, J. Zezulka
Board Member, S. Rourke
Board Member, R. Roy***

This is a complaint to the Calgary Assessment Review Board in respect of Property assessment prepared by the Assessor of The City of Calgary and entered in the 2010 Assessment Roll as follows:

ROLL NUMBER: 119003002

LOCATION ADDRESS: 9216 – 44 Street SE, Calgary, Alberta

HEARING NUMBER: 58660

ASSESSMENT: \$5,460,000

This complaint was heard on the 30th day of June, 2010 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 6.

Appeared on behalf of the Complainant:

- Y. Tau

Appeared on behalf of the Respondent:

- I. McDermott

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

Not Applicable

Property Description:

A Steel fabricating plant, comprised of 4.70 acres of land, improved with an industrial warehouse of 25,752 s.f. (Building 1), a warehouse of 7,742 s.f. (Building 2), and an industrial outbuilding of 624 s.f. (Building 3). The total building footprint calculates to 34,118 s.f. The location is the south Foothills Industrial Park.

Issues:

1. The assessed value is not reflective of the property's market value.
2. The assessed value is inequitable with comparable property assessments.

Complainant's Requested Value: \$4,500,000 shown on the Complaint Form, later amended to \$4,930,000.

During the course of the hearing, it became evident that the only area of complaint was the 7,742 s.f. warehouse, currently assessed at \$1,669, 460, or \$220 per s.f. The complainant was seeking to have this reduced to \$1,176,784, or \$152 per s.f. For purposes of the complaint, the land and buildings were not isolated.

Board's Decision in Respect of Each Matter or Issue:

The Board notes that the overall assessment calculates to \$160.03 per s.f. of gross building area, including land.

Issue 1

In support of their argument, the Complainant, on pages 7 to 19 of The Assessment Advisory Group Disclosure of Evidence offered three comparables. Those are summarized on page 6 of the submission. Selling prices range from \$199 to \$243 per s.f. The complainant adjusted these to \$118 to \$179 per s.f. During his oral submission, the claimant conceded that the negative time adjustment used might have been excessive. In addition, one of the comparables required large adjustments, calling the validity of the comparable into some question.

The respondent presented eight comparables in summary form on page 19 of the City of Calgary Assessment Brief. The first four reflected time adjusted selling prices ranging from \$197 to \$319 per s.f. Building sizes ranged from 6,562 to 8,330 s.f. These were presented in support of the \$220 per s.f. assessment for Building 2, at 7,742 s.f.

The remaining four reflected time adjusted selling prices from \$140 to \$190 per s.f. Building sizes for these ranged from 19,304 to 32,338 s.f. compared to the overall subject size of 34,118 s.f., with an overall assessment of \$160.03 per s.f.

The Complainant also called the Board's attention to three of the comparables submitted by the respondent, stating that these support the complainant's contention for a lower assessment of the building in question. The Board disagrees. In the Board's opinion, the three comparables referred to simply add support to the Respondent's assessment of the overall property.

Issue 2

Neither party offered evidence relative to the issue of equity.

Board's Decision:

The assessment is confirmed at \$5,460,000.

DATED AT THE CITY OF CALGARY THIS 14th DAY OF July 2010.


J. Zezulka
Presiding Officer

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.*