

**CALGARY
COMPOSITE 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(4).

between:

Altus Group Limited, COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

L.R. Loven, PRESIDING OFFICER

I. Fraser, MEMBER

R. Glenn, MEMBER

This is a complaint to the Calgary Combined 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: 009007006

LOCATION ADDRESS: 6735 11 Street N.E.

HEARING NUMBER: 59279

ASSESSMENT: \$20,770,000

This complaint was heard on the 13th day of October, 2010 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 2.

Appeared on behalf of the Complainant:

- D. Chabot, representing Altus Group Limited, on behalf of FI Portfolio Inc. c/o Finning (Canada) Inc.

Appeared on behalf of the Respondent:

- M. Berzins, representing the City of Calgary

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

Both the Respondent and the Complainant confirmed to the Board that they had no procedural or jurisdictional matters to be raised.

Property Description:

The subject property consists of three buildings, one 129,754 square foot, a second 19,600 square foot and a third 600 square foot industrial building with 30% and 31% finish for the first two buildings respectively, on 29.98 acres of land, located in the Deerfoot Business Centre, zoned Industrial – General (I-G). The assessment is \$80.00, \$116.25 and \$10.00 per square foot for the three buildings respectively plus a land adjustment of \$7,993,000 for a total assessment of \$20,770,000

Issues:

1. Correct the land calculation and 60% adjustment to excess land.

Complainant's Requested Value: \$19,490,000

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

Issue 1: Excess Land

The Complainant submitted photographs of the subject site, showing mark-ups where the subject site could be potentially subdivided and arguing the current owner would not sub-divide a portion of the property on which the smaller of the two main buildings is located, and because the entire 20.83 cannot be sub-divided that it should be taken at 60% in accordance the 2006 Industrial Income Summary Report for the subject property.

The Complainant then referenced Municipal Government Board Notice of Decision dated December 18, 2009 regarding the subject property.

The Complainant submitted tables showing the excess land calculations as follows.

Firstly, according to the City of Calgary Assessment Explanation Supplement provided the Complainant:

	Area	Rate	as per AES
	129754	\$80	\$10,501,995
	19600	\$116	\$2,278,563
	600	\$10	\$6,000
Total	149954		\$12,786,558
	Acres		
Total			\$7,993,000
TOTAL			\$20,779,558

Secondly, excess land value as calculated by the Complainant:

	Area	Rate	Building Value
	129754	\$80	\$10,380,320
	19600	\$116	\$2,278,500
Total	149354		\$12,658,820
	Acres		Land Value
	2	\$1,000,000	\$2,000,000
	8	\$350,000	\$2,800,000
	10	\$297,500	\$2,975,000
	0.22	\$262,500	\$57,750
Total	20.22		\$7,832,750
TOTAL			\$20,491,570

Thirdly, excess land adjustment requested by the Complainant, noting full rate taken at 60% and cannot sub-divide off entire 20.83 acres on the subject property.

	Area	Rate	Building Value
			\$10,501,995
			\$2,278,563
Total			\$12,780,558
	Acres	Requested	Requested Value
	13	\$387,375	\$5,035,875
	7.22	\$232,425	\$1,678,109
Total			\$6,713,984
TOTAL	20.22		\$19,494,542

The Respondent submitted an aerial photograph and plan of the subject property showing that it extended from 9th Street NE to 11th Street NE and from 65th Avenue NE to 68th Avenue NE. The Respondent countered the Complainants argument that 20.83 acres of additional land could not be sub-divided by submitting three examples of smaller adjacent properties, two of which had been

sub-divided into four and six smaller parcels and the other 0.43 acres sub-divided from a larger lot.

Summary

The only issue argued by the Complainant was to correct the excess land calculation and 60% adjustment to the excess land.

The Board finds that the Complainants argument that a portion of the subject property is not sub-dividable due to its current use is in part countered by the evidence of the Respondent regarding the sub-division of neighboring parcels.

Secondly, the Board finds that the Municipal Government Board Notice Decision, dated December 18, 2009, referenced by the Complainant, regarding the subject property is simply that, a notice of decision and does not provided any findings or reasons that the Board can rely upon to somehow determine why the assessment was reduced.

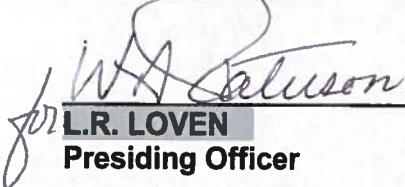
Thirdly, the Board finds that there appears to be no geographic or other restriction that would inhibit the future potential sub-division of the subject property.

Furthermore, the Complainant did not provide the Board with any comparables or other market information to support a reduction to the value of the excess land.

Board's Decision:

For the reasons set forth above, the assessment of the subject property is hereby confirmed as follows: \$20,770,000.

DATED AT THE CITY OF CALGARY THIS 17 DAY OF NOVEMBER 2010.


for **L.R. LOVEN**
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.*