

**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-26.1, Section 460(4).

**between:**

**Altus Group Ltd., *COMPLAINANT***

**and**

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

**before:**

**J. Noonan, *PRESIDING OFFICER***

**J. O'Hearn, *MEMBER***

**K. Coolidge, *MEMBER***

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:

<b>ROLL NUMBER:</b>	<b>048047807</b>
<b>LOCATION ADDRESS:</b>	<b>2828 16 St NE</b>
<b>HEARING NUMBER:</b>	<b>59284</b>
<b>ASSESSMENT:</b>	<b>\$5,480,000</b>

This complaint was heard on the 20<sup>th</sup> day of October, 2010 at the office of the Assessment Review Board located at the 4<sup>th</sup> Floor, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 2.

Appeared on behalf of the Complainant:

- G. Kerslake, Sr. Director - Altus Group Ltd.

Appeared on behalf of the Respondent:

- M. Lau, A. Doborski, Assessors - *The City of Calgary*

### **Property Description:**

The subject is located at 2828 16 St NE, Calgary. It is a single-tenanted warehouse with a 34,962 sq. ft. footprint and 6000 sq. ft. of 2<sup>nd</sup> floor office for a net rentable area of 40,962 sq. ft. built in 1980 on 3.68 acres. The site coverage is 21.79% and so the Respondent values the property with 1.18 acres of extra land. The assessed value is \$5,480,000.

### **Issue:**

From a lengthy list of grounds for complaint identified on the complaint form, evidence and argument at the hearing addressed the following:

Is there merit in the Complainant's approach of testing the assessment by finding a value for the subject at typical site coverage and then adding a value for extra land?

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

The Complainant advanced a test of the assessment by backing out an estimate of the extra land value, 60% of the vacant land corner lot rate of \$1,050,000 per acre for 1.17 extra acres, to determine an improvement value close to \$4.75 million or \$116 per sq. ft. Six sales comparables showed a median of \$99 per sq. ft at typical or higher site coverage, and eight equity comparables with 30% and higher site coverage showed a median assessment of \$98 per sq. ft.

This established a building value at typical coverage of almost \$4,003,000. To this figure was added a recalculated extra land value of 1.18 acres at \$540,000 per acre (60% of \$900,000 per acre as determined by two sales). The final request amounted to \$4,635,769 or \$113 per sq. ft.

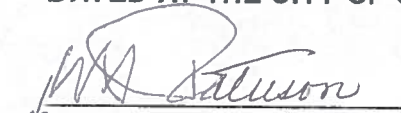
The Respondent showed 4 equity comparables with lower than typical site coverage: 2 comps with 27% and 26% coverage had assessed rates of \$121 and \$123 per sq. ft., and 2 comps that bracketed the subject's 22% site coverage at 21% and 23% had assessed rates of \$138 and \$132 per sq. ft. versus \$134 for the subject. The Respondent's sales comps showed a superior property in terms of age and office finish and similar site coverage (23.6%) with a time-adjusted sales price of \$6.87 million and assessment of \$6.92 million, both figures roughly \$149. per sq. ft.

The Composite Assessment Review Board (CARB) accepted the Complainant's methodology, if not his preferred values, at another hearing where similar evidence was presented. Here, the CARB finds the Respondent's equity and 1 of the sales comparables demonstrate a comprehensible escalation of values for superior properties. The Complainant's test in this case did not prove to be the best evidence of value.

**Board Decisions on the Issues:**

The Board confirms the assessment of \$5,480,000.

DATED AT THE CITY OF CALGARY THIS 28 DAY OF October 2010.

  
J. Noonan  
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.*