

**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:

1232861 Alberta Ltd, COMPLAINANT (represented by Colliers International Realty Advisors Inc.)

and

The City Of Calgary, RESPONDENT

before:

**F.W. Wesseling, PRESIDING OFFICER
B. Jerchel, MEMBER
P. Pask, 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 2011 Assessment Roll as follows:

ROLL NUMBER: 091031807

LOCATION ADDRESS: 5000 12A Street SE

HEARING NUMBER: 61544

ASSESSMENT: \$2,080,000

This complaint was heard on 2nd day of September, 2011 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 3.

Appeared on behalf of the Complainant:

- M. Uhryn -- Agent, Colliers International Realty Advisors Inc.

Appeared on behalf of the Respondent:

- J. Greer -- Assessor, City of Calgary

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

No specific jurisdictional or procedural matters were raised during the course of the hearing, and the CARB proceeded to hear the merits of the complaint

Property Description: Subject property is located in the Highfield Industrial area. The site (0.52 acres) contains a 10,624 square foot warehouse resulting in site coverage of 41.5%. The warehouse was constructed in 1997. The assessment rate per square foot for the subject property is \$195.00.

The site is classified " I-G, Industrial General District " in the City of Calgary Land Use Bylaw.

Issues: The Complainant raised the following matter in Section 4 of the Assessment Complaint form: Assessment amount

Presentation of the Complainant and Respondent were limited to:

- Assessment overstated in relation to comparable properties.

Complainant's Requested Value: \$1,328,000

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

Complainant's position: The evidence presented to the Board for its consideration consisted of a chart outlining 6 sales comparables. The sales' comparables were for similar sized properties. The year of construction for the comparable buildings ranged from 1964-1979 while the site coverage ranged from 36.8% to 52%. In addition, the Complainant provided the assessment per square foot for the properties. The median unadjusted sale price was \$125.85 while the median assessment was \$138.78. The complainant request is based on \$125.00 per square foot.

In rebuttal, the Complainant reviewed in detail the respondent's typical sales comparables and applied adjustments for time and site coverage which resulted in a median square footage rate of \$160.00.

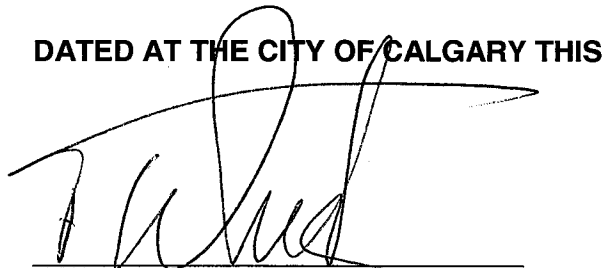
Respondent's Position: The City provided background on the subject property in terms of location, use and year of construction. Six sale comparables were provided. These properties

were all located in the central assessment region. The comparable properties all contained buildings with more recent years of construction than those provided by the Complainant however all were still older than the subject property. It was reported that site coverage is one of the main value drivers in the City's assessment model. Site coverage for the comparable properties was generally lower than the subject site. The median rate shown by the respondent for the "typical" comparable properties is \$180 per square foot.

Board's Decision: Upon reviewing the verbal and written evidence provided by the parties, the Board considers that both the Complainant's and Respondent's evidence indicate that the current assessment requires adjustment. The Board reduces the assessment to \$1,700,000.00

Reasons: The Complainant's evidence, particularly the data outlined in the rebuttal, showing the adjusted median rate for "typical" comparable properties as most compelling and relevant. The Board, upon reviewing the data, was satisfied with the methodology, calculations and adjustments applied by the Complainant to the typical comparable properties supplied by the Respondent. The Board did not accept that the requested assessment was fair and equitable. Having regard to Section 467 (3) of the Municipal Government Act, the Board found alteration to the assessment was warranted.

DATED AT THE CITY OF CALGARY THIS 12 DAY OF September 2011.



F.W. Wesseling
Presiding Officer

APPENDIX "A"

DOCUMENTS PRESENTED AT THE HEARING AND CONSIDERED BY THE BOARD:

Complainant: C1 Evidence Submission of the Complainant to the 2011 ARB
C2 Rebuttal Evidence as prepared by Colliers International
Respondent: R1 Assessment Brief prepared by City of Calgary Assessment

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.

For MGB Administrative Use Only

Decision No.		Roll No.		
<u>Subject</u>	<u>Type</u>	<u>Issue</u>	<u>Detail</u>	<u>Issue</u>
CARB	Warehouse (Single tenant)	Sales Approach	Land and improvement comparables	