



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:

Befus Constuction Ltd., COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

Ms. V. Higham, PRESIDING OFFICER

Mr. R. Deschaine, BOARD MEMBER

Mr. A. Zindler, BOARD MEMBER

This is a complaint to the Calgary Assessment Review Board (the Board) in respect of a property assessment prepared by the Assessor of The City of Calgary (the City) and entered in the 2013 Assessment Roll as follows:

ROLL NUMBER:	034191809
LOCATION ADDRESS:	3928 Edmonton Trail NE Calgary, AB
FILE NUMBER:	70288
ASSESSMENT:	\$3,950,000

This complaint was heard on 25th day of June, 2013 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:

- **No appearance**

Appeared on behalf of the Respondent:

- **Mr. George Foty** **Assessor, City of Calgary**

Procedural or Jurisdictional Matters:

[1] No preliminary matters were raised during the hearing.

Property Description:

[2] The subject property is a multi-building, industrial warehouse site located at 3928 Edmonton Trail in the North East region of Calgary. The 1.70 acre parcel is improved with two multi-tenant industrial warehouse buildings on site, both constructed in 1977, consisting of 12,950 square feet (sf) and 18,314 sf respectively. The land use designation on the property is IWM (Industrial with Multiple Tenant).

Issues:

[3] The Complainant identified one issue on the Complaint Form as under appeal, that being the assessment amount. In written submissions, the Complainant identified the following issue for the Board to consider:

- 1) Does the subject assessment accurately reflect the negative impact to the subject property occasioned by the storm-sewer issues associated with it?

Complainant's Requested Value: \$3,160,000

Board's Decision: For the reasons outlined herein, the Board confirms the current assessment at **\$3,950,000**.

Position of the Parties

Complainant's Position:

[4] No one appeared at the hearing to speak to the written submissions filed by the Complainant. In his submission package, the Complainant identified the following arguments for the Board:

- 1) Due to the lack of infrastructure maintenance in the area, the city's storm/sewer system cannot handle vast amounts of run off every year, and regularly backs up into the intersection adjacent to the property, causing extensive damage to the asphalt parking lot, cement sidewalks and interior flooring of the subject property.
- 2) Having to disclose this on-site problem makes leasing the property significantly more challenging, resulting in lower rental rates.

[5] The Complainant provided no equity or direct sales comparables or rental rate evidence to support his requested assessment.

Respondent's Position:

[6] The Respondent submitted that the City has already factored in a 20% flooding adjustment on the subject assessment to account for the flooding issues associated with the property, and that no further reduction is warranted.

[7] The Respondent submitted a table of six equity comparables in support of the current assessment: all IWM designated properties of similar size, age, and location as the subject property, and all with a dollar per-square-foot (psf) rate reasonably close to the subject property (prior to the 20% flooding adjustment).

Board's Reasons for Decision:

[8] No one appeared to speak on behalf of the Complainant, so the Board reviewed the written submissions filed by the Complainant prior to the hearing, which included numerous documents substantiating a flooding problem on the subject parcel, but which failed to include any sales or equity comparables or rental rate evidence to support the requested assessment variation, nor any explanation as to how the requested amount was derived.

[9] Based on this, the Board finds that the Complainant has failed to meet his evidentiary burden of proving that the current assessment of the subject property is not accurate.

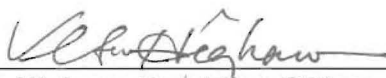
[10] The Respondent provided equity data to support the current assessment, which includes a 20% adjustment factor for flooding.

[11] In the absence of evidence from the Complainant to show that the subject property warrants greater than the typical 20% flooding adjustment factor already applied to the property, the Board is not persuaded that any further reduction is warranted.

Board's Decision:

For the reasons outlined herein, the Board confirms the subject assessment at **\$3,950,000**.

DATED AT THE CITY OF CALGARY THIS 2 DAY OF August 2013.


V. Higham, Presiding Officer

APPENDIX "A"

**DOCUMENTS PRESENTED AT THE HEARING
AND CONSIDERED BY THE BOARD:**

NO.	ITEM
1. C1	Complainant's Disclosure
2. C2	Complainant's Disclosure
2. R2	Respondent's 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.*

For Administrative Use Only

Municipal Government Board use only: Decision Identifier Codes				
Appeal Type	Property Type	Property Sub-Type	Issue	Sub-Issue
CARB	Industrial	Multi-Tenant, Multi-Building Warehouse	Direct Sales Approach Market Value	Impact of site-specific storm/sewer issues.