



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:

Moore's Industrial Services LTD. (represented by Colliers International Realty Advisors Inc.), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

T. Golden, PRESIDING OFFICER
D. Julien, BOARD MEMBER
D. Morice, BOARD 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 2013 Assessment Roll as follows:

ROLL NUMBER: 201464849
LOCATION ADDRESS: 1825 30AV NE
FILE NUMBER: 70489
ASSESSMENT: \$9,210,000

This complaint was heard on 26 day of August, 2013 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 10.

Appeared on behalf of the Complainant:

- *T. Howell*

Appeared on behalf of the Respondent:

- *G. Foty*

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

- [1] There were no preliminary issues.

Property Description:

- [2] The subject property is a multi-building industrial warehouse on 3.91 acres of land. The buildings are 53,580 square feet (sq. ft.) and 29,805 sq. ft. in size with a C+ quality, built in 1980 and 1981. An assessment was prepared using the direct sales approach.

Issues:

- [3] Issue 1: Has the Direct Sales Method used by the City Assessment Unit and applied to the subject property developed an accurate market value?

Complainant's Requested Value: \$8,090,000

Board's Decision:

- [4] The assessment is confirmed at \$9,210,000

Board's Decision on Issue 1

- [5] The Direct Sales Method used by the City Assessment Unit and applied to the subject property has developed an accurate market value.

Position of the Parties

Complainant's Position:

The Complainant began the discussion by suggesting they reviewed several sales of similar structures and determined that the assessment was excessive. Specifically 4 sales were of most importance. The sales were similar to the subject in that all were located in close proximity to the subject, and contained similar building areas. Sale prices in the comparables presented to the Board were ranged from \$63.38 per sq. ft. to \$90.00 per sq. ft. The average of these sales is \$75.59 per sq. ft. and rounded to \$76.00 per sq. ft. The above argument is the same as given in file 70486 at 2320 32 AV NE and both properties are owned by the same parties. The \$76.00 per sq. ft. was used to develop a requested value for 2320 32 AV NE. The original assessment for 1825 30 AV NE was 28% greater than the assessment for 2320 32 AV NE and therefore the requested assessment for the subject should reflect the 28% ratio. The sales are used to establish the base value and the request on the subject parcel is a percentage of the base.

Respondent's Position:

[6] The Respondent suggested that since the assessment request was developed as a percentage of some other value the Complainant had failed to provide direct market evidence to show the assessment was in error.

[7] As stated in the hearing on file 70486 the Respondent firstly addressed the Complainants comparables then discussed the comparables used to develop the assessment.

[8] The Respondent made the point that sales for multi building sites are different than single building sales in part because of the increased cost to construct. The Respondent's assessment process uses single building sales similar in size to each of the buildings on a multi building site. A blended rate is determined and an adjustment downward is applied based on a market analysis of multi building sales. Three of the Complainants comparables are for multi building warehouses.

[9] Comparable 1 from the Complainant's table is 1616 Meridian Rd SE. In the opinion of the Respondent this property is not similar to the subject as it is the sale of a specialized building. The assessment on this structure was calculated using the cost approach indicating its special nature. Finally this sale involved 3 lots rather than one as is the subject.

[10] Comparable 2 at 1939 Centre AV, is also a special purpose building assessed using the cost approach and is located on three lots. This sale was for multiple buildings. For these reasons the sale is for a property dissimilar to the subject. It was noted the sale was not brokered.

[11] The 3rd comparable at 2835 23 ST NE is of a multi building site but here is an area discrepancy in the Complainants chart. The table indicated an area of 64,356 sq ft. while the assessed area is 48,700 sq ft. as per an "Assessment Request for Information". The actual assessment using the ARFI reported area is \$109.00 per. sq ft. and this supports the assessment.

[12] The comparable at 3905 29 ST NE is accepted by the Respondent and used in the analysis supporting the assessment.

Board's Reasons for Decision:

[13] The Complainant did not provide any substantial evidence that the assessment was in error.

[14] The Board was unable to accept the Complainant's position that the assessment on the subject should be some percentage of a decision of the Board on another property. The concept that 2320 32AV NE is 28% less valuable than 1825 30 AV NE was not supported. There was no information regarding why some ratio between the properties should be maintained. The market evidence was not directly used to argue for a change in the assessment of the subject property. There was no suggestion from the Complainant that the sales comparables in exhibit C-1 were to be applied directly to the subject property.

[15] The Complainant did not meet the onus requirement. Leading the Board to confirm the assessment.

DATED AT THE CITY OF CALGARY THIS 8th DAY OF October 2013.



Tom Golden

Presiding Officer

APPENDIX "A"**DOCUMENTS PRESENTED AT THE HEARING
AND CONSIDERED BY THE BOARD:**

NO.	ITEM
1. C1	Complainant Disclosure
2. R1	Respondent 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.*

Roll	Address	Subject	Issue	Detail	Sub Detail
201464849	1825 30 AV NE	Warehouse	Single Tenant	Cost/sales	Comparables Improvement value