



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:

***South Airways Centre Holdings Ltd., (as represented by Altus Group Ltd.),
COMPLAINANT***

and

The City of Calgary, RESPONDENT

before:

***L. Wood, PRESIDING OFFICER
J. Rankin, MEMBER
D. Julien, 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:	048042907
LOCATION ADDRESS:	1715 27 AV NE
FILE NUMBER:	73044
ASSESSMENT:	\$5,080,000

This complaint was heard on 18 day of June, 2013 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 4.

Appeared on behalf of the Complainant:

- M. Robinson Agent, Altus Group Ltd.

Appeared on behalf of the Respondent:

- K. Cody Assessor, City of Calgary
- L. Cheng Assessor, City of Calgary

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

[1] The Complainant withdrew the issue related to sections 299 and 300 of the Act. He indicated that the Respondent had complied with the request in this instance.

[2] The parties asked to carry forward their comments in regards to the multi building coefficient as set out in file 72357 to this complaint. The Board agreed to do so.

[3] The Respondent submitted a surrebuttal to the Board which contained several CARB decisions. The Complainant did not object. The Board marked that submission (which is argument) as an exhibit only to track it throughout several proceedings. It applies to the following files: 73044; 72813; 72796; 72797; 72799; and 72800.

Property Description:

[4] The subject property is a multi tenant warehouse located in South Airways. The assessable building area is 45,709 sq. ft. and it is situated on 1.73 acres. The land use designation is I-G, Industrial General. The building was constructed in 1981; has a finish percentage of 53% and a site coverage ratio of 45.17%. The subject property was assessed based on the direct sales comparison approach at \$111.35 psf.

Issues:

[5] The issues for the complaint were identified as follows:

- a) The assessment of the subject property is in excess of its market value for assessment purposes.
- b) The aggregate assessment per square foot applied to the subject property does not reflect market value for assessment purposes when using the direct sales comparison approach.

Complainant's Requested Value: \$4,020,000

Board's Decision: The assessment is revised to \$4,110,000.

Position of the Parties:**Complainant's Position:**

[6] The Complainant submitted two sales comparables of multi tenant warehouses in support of his request (Exhibit C1 page 14). The warehouses were built in 1978 & 1980; have assessable building areas of 48,660 & 49,703 sq. ft.; parcel sizes of 3.1 & 2.1 acres; site coverage ratios of 36% & 34%; and finish percentage of 28% & 73% (respectively). The unadjusted sale price was \$92 & \$83 psf, an average of \$88 psf and a time adjusted sale price ("TASP") of \$101 & \$90 psf, an average of \$96 psf. The Complainant disagreed with the Respondent's time adjustment analysis and corresponding time adjusted assessment to sales ratio analysis ("TASR") but did not substantiate his claims.

[7] In rebuttal, the Complainant reviewed the sales documents for the Respondent's comparables, and with the exception of the one sale used in common by both parties, argued the remaining sales comparables are distinguishable from the subject property based on their physical attributes (Exhibit C2 pages 4 – 7).

Respondent's Position:

[8] The Respondent submitted three sales comparables of single and multi tenant warehouses in support of the subject property's current assessment (Exhibit R1 page 16). The sales occurred in November 2009 – November 2011. The warehouses were built in 1965 – 1998; have assessable building areas of 40,559 – 50,265 sq. ft.; parcel sizes of 1.79 – 2.29 acres; site coverage ratios of 37.69% – 49.43%; and finish percentage of 10% – 75%. The sale price ranged between \$89.14 - \$134.77 psf (TASP). The Respondent identified assessable building area, year of construction and site coverage as significant factors when valuing a property as opposed to finish and building type.

[9] The Respondent submitted several equity comparables as further support of the assessment but agreed that equity was not an issue before the Board in this instance (Exhibit R1 page 17).

Legislative Authority:**Decisions of assessment review board**

467(1) An assessment review board may, with respect to any matter referred to in section 460(5), make a change to an assessment roll or tax roll or decide that no change is required.

(2) An assessment review board must dismiss a complaint that was not made within the proper time or that does not comply with section 460(7).

(3) An assessment review board must not alter any assessment that is fair and equitable, taking into consideration

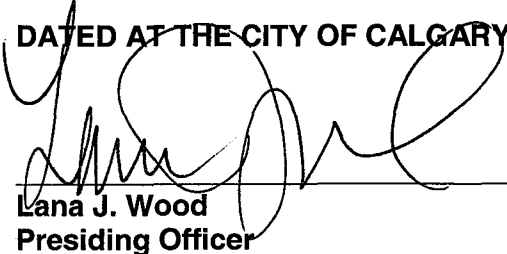
- (a) the valuation and other standards set out in the regulations,
- (b) the procedures set out in the regulations, and
- (c) the assessments of similar property or businesses in the same municipality.

Board's Reasons for Decision:

[10] The Board notes that the parties submitted as their best sales comparable the property located at 2115 27 AV NE which sold in November 2009 for \$4,150,000 and has a time adjusted sale price of \$89.14 psf (TASP). The Board agrees that it is most similar to the subject property in terms of assessable building area, year of construction, parcel size, site coverage ratio, and finish and therefore provides the best indication of value for the subject property. As such, the Board finds the rate of \$90 psf is more appropriate to apply to the subject property's assessment, and has applied that rate as follows:

45,709 sq. ft. x \$90 psf = \$4,113,810, truncated to \$4,110,000

DATED AT THE CITY OF CALGARY THIS 12th DAY OF July 2013.



Lana J. Wood
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 Rebuttal
3. R1	Respondent's Disclosure
4. R2	Respondent's Surrebuttal

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.*

Subject	Property Type	Property Sub -Type	Issue	Sub - Issue
CARB	Warehouse	Warehouse Multi Tenant	Sales Approach	