



**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:**

***Stream-Flo Resources Ltd.***  
***(as represented by Assessment Advisory Group Inc.), COMPLAINANT***

**and**

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

**before:**

***J. Dawson, PRESIDING OFFICER***  
***Y. Nesry, BOARD MEMBER***  
***P. Cross, BOARD MEMBER***

This is a complaint to the Composite Assessment Review Board [the Board] in respect of a property assessment prepared by the Assessor of The City of Calgary and entered in the 2014 Assessment Roll as follows:

|                          |                      |
|--------------------------|----------------------|
| <b>ROLL NUMBER:</b>      | <b>119004612</b>     |
| <b>LOCATION ADDRESS:</b> | <b>9330 48 ST SE</b> |
| <b>FILE NUMBER:</b>      | <b>75009</b>         |
| <b>ASSESSMENT:</b>       | <b>\$5,000,000</b>   |

This complaint was heard on the 12th day of August, 2014 at the office of the Calgary Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 9.

Appeared on behalf of the Complainant:

- *S. Cobb* *Agent, Assessment Advisory Group Inc.*

Appeared on behalf of the Respondent:

- *T. Nguyen* *Assessor, The City of Calgary*

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

[1] The Board derives its authority to hear this complaint under Section 460.1(2) of the Act. The Board composition is as required under Section 453(1)(c) of the Act. There are no objections from the Complainant or the Respondent with the Board as constituted, its jurisdiction or any party appearing before the Board.

[2] The Board has reviewed the complaint form and has confirmed there is a valid complaint under Section 460(5) of the Act. The Board has confirmed that the representatives before the Board have the authority to act on behalf of the Complainant and the Respondent for this complaint.

[3] The Complainant confirmed that there has not been a discussion with the Respondent about the complaint in an attempt to resolve the complaint issues prior to the hearing because of a lack of time – the Complainant did not receive authorisation from the owner to discuss the assessment in time. However, the Assessment Complaints Agent Authorisation for 2014 was signed on January 29, 2014, which seems to provide ample time to discuss the assessment. The complaint was filed on February 27, 2014.

[4] There was no indication from the Respondent that information requested from the Complainant pursuant to Section 295 or 296 of the Act was not provided.

[5] The Complainant, on their complaint form, indicated that information requested from the Respondent pursuant to Section 299 or 300 of the Act was not provided; however, no details are provided to the Board and the Board was not requested to make a ruling on that matter.

[6] There are no additional preliminary, procedural, or jurisdictional issues. The merit hearing proceeded,

**Property Description:**

[7] The subject is an industrial property containing 204,844 square feet of assessable land area, located in the southeast community of South Foothills. It is stratified within the Non-Residential Zone [NRZ] of FO2. There is one building, built in 1977 with 36,850 square feet. There is one unit within the building, which is deemed to be single tenanted (IWS). There is 8% office finish with the overall building quality deemed to be a 'C'. The overall site coverage is

16.59%, which is deemed to be less than the typical 30%.

[8] The subject is assessed using the Direct Sales Comparison Approach to Value.

**Issues:**

[9] The single issue before the Board is the assessment amount with the Complainant requesting a value of \$127 per square foot versus the \$147 per square foot assessment. In addition, the Complainant is asking for a 15% reduction to compensate for the local improvement taxes being charged to the subject.

**Complainant's Requested Value: \$3,820,000**

**Board's Decision:**

[10] The Board found the assessment value to be correct at \$5,000,000 and confirmed the assessment.

**Legislative Authority, Requirements, and Considerations:**

**The Municipal Government Act**

Revised Statutes of Alberta 2000 Chapter M-26

**Interpretation**

**1(1)** *In this Act,*

(n) *"market value" means the amount that a property, as defined in section 284(1)(r), might be expected to realize if it is sold on the open market by a willing seller to a willing buyer;*

**Position of the Parties**

**Complainant's Position:**

[11] The Complainant presented four sales comparable properties and used the same four sales for equity comparable properties. The result is a median of \$128.89 per square foot for the sales which the Complainant adjusted by 5% (\$122.44) to account for the differences in finish. A median of \$141.39 per square foot on an equity basis. Supporting documentation is provided (C1 pp. 10-31).

[12] The Complainant requested an additional 15% reduction in the assessment and provided tax bills from the subject and six comparable properties to show the local improvement taxes being paid for servicing – amounting to between 31% and 51% additional tax. The Complainant showed minutes from a meeting in 2010 where 15% was mentioned as the reduction in assessment to recognise the impact of the local improvement tax for the South Foothills area. The Complainant reviewed Board decision, CARB 1913/2011-P, to show the Board has recognised a 15% assessment reduction in the past to South Foothills property (C1 pp. 32-59).

**Respondent's Position:**

[13] The Respondent argued that the assessment is correct, fair and equitable and should be confirmed.

[14] The Respondent reported the subject property has 2.10 acres of excess land, which has adjusted the final value. This excess land value, which is not disclosed, impacts on the value per square foot of the buildings (R1 p. 9).

[15] The Respondent restated the Complainant's sales comparable properties with a Time Adjusted Sale Price [TASP] finding a median of \$127.18 per square foot. The differences from the subject to the comparable properties can be seen in building type, assessable building area, number of units, and site coverage (R1 p. 15).

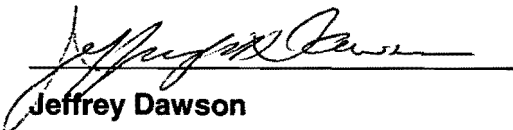
[16] The Respondent provided a sales chart with five comparable properties. The TASP per square foot value of the properties showed the subject is assessed favourably at \$135.74 per square foot when one accounts for the excess land. The four sales found a TASP median is \$141.57 which is adjusted for the South Foothills reduction to \$127.42 (R1 pp. 17-32).

[17] The Respondent showed a chart with the liabilities remaining for the local improvement tax totalling between \$263,004 and \$267,038 for six of the seven tax bills supplied by the Complainant. The total reduction in assessment ranged between \$262,515 and \$611,111. The Respondent argued that the Complainant is receiving more reduction allowance in the assessment than the liability (R1 pp. 35-42).

**Board's Reasons for Decision:**

[18] The Board is not persuaded by the argument and evidence of the Complainant. The properties with tax bills provided do receive an adjustment for South Foothills, which seems to compensate for the extra tax burden. The comparable properties provided by the Complainant are dissimilar in almost every respect and do not provide guidance to the Board in reviewing the assessment.

DATED AT THE CITY OF CALGARY THIS 19<sup>th</sup> DAY OF September 2014.



**Jeffrey Dawson**  
**Presiding Officer**

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

| <b>NO.</b>        | <b>ITEM</b>            |
|-------------------|------------------------|
| 1. C1a – 19 pages | Complainant Disclosure |
| 2. C1b – 20 pages | Complainant Disclosure |
| 3. C1c – 21 pages | Complainant Disclosure |
| 4. R1 – 47 pages  | 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.*

| <b>Municipal Government Board use only: Decision Identifier Codes</b> |                      |                          |                |                                |
|---|----------------------|--------------------------|----------------|--------------------------------|
| <b>Appeal Type</b>  | <b>Property Type</b> | <b>Property Sub-Type</b> | <b>Issue</b>   | <b>Sub-Issue</b>               |
| CARB  | Warehouse            | Single Tenant            | Sales Approach | Land & Improvement Comparables |