



## 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:

***Topeka Land Corporation***  
***(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>049004799</b>
<b>LOCATION ADDRESS:</b>	<b>2980 26 ST NE</b>
<b>FILE NUMBER:</b>	<b>75803</b>
<b>ASSESSMENT:</b>	<b>\$3,740,000</b>

This complaint was heard on the 11th 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:

- *D. Gioia* *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 August 27, 2013, which seems to provide ample time to discuss the assessment. The complaint was filed on March 3, 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 102,190 square feet of assessable land area, located in the northeast community of Sunridge. It is stratified within the Non-Residential Zone [NRZ] of SR2. There is one building on the subject property built in 1989 with 5,988 square feet. There is one unit within the building, which is deemed to be single tenanted (IWS). There is significant office finish with the overall building quality deemed to be a 'C+'. The site

coverage is 5.86%, which is below the 30% typical.

[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 \$215 per square foot without land calculated and then adding in the vacant land value at \$450,000 per acre versus the \$625 per square foot assessment.

**Complainant's Requested Value: \$2,340,000**

**Board's Decision:**

[10] The Board found the assessment value to be correct at \$3,740,000 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 argued that the assessment of the subject is incorrect and fails to meet the legislated standard of Market Value and also fails to meet the requirements for equity in assessment.

[12] The Complainant removed the land value from the total assessment to find a per square foot assessment of \$441. The land was deemed to be valued at \$1,057,500 for the 2.35 acres. This worked out to a value of \$450,000 per acre based on disclosure received in a previous hearing and a conversation with Aram Mohtadi of The City of Calgary (C1 p. 3).

[13] The Complainant presented six equity comparable properties. The result, after removing the land value, is a median of \$233.50 per square foot on an equity basis. Supporting documentation is provided (C1 pp. 11-32).

**Respondent's Position:**

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

confirmed.

[15] The Respondent restated the Complainant's equity comparable properties with site coverage information to show the subject has extra land with only a 5.86% site coverage and the equity comparable properties have a range of 14.16% to 22.17% site coverage (R1 p. 14).

[16] The Respondent provided an industrial land sales chart with 19 comparable properties with TASP per square foot values to show how the Respondent found the vacant land value to be greater than \$450,000 per acre at \$1,035,000 per acre. In addition, the Respondent deems the building to be on a typical 30% site coverage and then adds in the value for extra land (R1 pp. 16 and 23).

[17] The Respondent disclosed four equity comparable properties, all with similar attributes, including; building type, land use designation, foot print, number of units, actual year of construction, region, and deemed site coverage. The range of assessments is \$274.20 to \$338.90 per square foot. The median value is \$294.33 per square foot. The only attribute that is significantly different and, largely unexplained is the finish and NRZ. The additional land for each was adjusted for (R1 p. 18-21).

**Board's Reasons for Decision:**

[18] The Board is not persuaded by the argument and evidence of the Complainant. The subject is assessed correctly. The Respondent explained its methodology, provided evidence for its land rates and provided relevant equity comparable properties.

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. C1 – 33 pages	Complainant Disclosure
2. R1 – 32 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>				
Appeal Type	Property Type	Property Sub-Type	Issue	Sub-Issue
CARB	Warehouse	Single Tenant	Sales Approach	Land & Improvement Comparables