



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:

Alberta Cheese Company (Franco's Brand) Ltd.
(as represented by Assessment Advisory Group Inc.), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

C. Griffin, PRESIDING OFFICER
A. Huskinson, BOARD MEMBER
J. Lam, BOARD MEMBER

This is a complaint to the Composite Assessment Review 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:

ROLL NUMBER: 201067410
LOCATION ADDRESS: 2534 - 85 Avenue SE
FILE NUMBER: 75875
ASSESSMENT: \$1,150,000

This complaint was heard on 19th day of August, 2014 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:

- S. Cobb (Agent - Assessment Advisory Group Inc. -)

Appeared on behalf of the Respondent:

- D. Kozak (Assessor – City of Calgary)

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

[1] There were no matters related to Procedure or Jurisdiction brought forward by either party.

Property Description:

[2] According to the Property Assessment Detail Report (Exhibit C1, pg. 8) the subject property is a single tenanted, 'C' quality warehouse property that was originally constructed in 1970 and which contains a total assessable area of 4,487 Sq. Ft. The property has a site of 0.36 acres and it is located in the Riverbend area of southeast Calgary.

Issues:

[3] The Complainant brought forward the following issue to be considered by the CARB:

- 1) The subject property is currently assessed, as a result of application of the Sales Approach, with a base rate \$243/Sq. Ft. of building area. The Complainant maintains that the assessed value is not representative of Market Value nor is it equitable with similar properties in close proximity.

Complainant's Requested Value: \$855,000. (Revised at the Hearing)

Board's Decision:

[4] The Assessment is **Confirmed** at **\$1,150,000**.

Position of the Parties

Complainant's Position:

[5] The Complainant contends that the assessment of the subject property is too high and in support of this contention introduced (Exhibit C1 pg. 10) a Comparable Analysis Chart which shows summary information pertaining to 5 sales/equity comparables. These comparable properties are located in various southeast industrial areas of the city. The building sizes range from a low of 5,000 Sq. Ft. to a high of 7,200 Sq. Ft. and the sales were recorded between

November 2010 and May 2013. The chart indicates both the Mean and the Median sales indication to be \$152/Sq. Ft. of building area. This forms the basis for the Complainant's request that the CARB reduce the current assessed value to \$710,000 (base rate of \$152/Sq. Ft. plus 5% positive corner influence).

Respondent's Position:

[6] The Respondent provided (Exhibit R1 pg. 11) a Sales Chart with two comparable properties, one of which is also common to the evidence of the Complainant. The sales were recorded in April 2011 and May 2012 with Time Adjusted Sales Price indications of \$241.42/Sq. Ft. and \$292.49/Sq. Ft. which, the Respondent maintains, supports the assessed base rate of \$243/Sq. Ft.

[7] The Respondent further introduced (Exhibit R1 pg. 12) an Equity Comparable Chart with 3 comparable properties (the list actually erroneously includes the subject as Comparable #4). These equity comparables are all located in the 4000 block of Hubalta Road in southeast Calgary. These properties appear to be comparable to the subject in terms of site size, assessed area and site coverage. The assessed values per Sq. Ft. of building area range from \$239 to \$271/Sq. Ft.

[8] The Respondent also analysed the sales data put forth by the Complainant (Exhibit R1 pg. 14) and identified three of the five comparables as being invalid comparables. The Complainant's first comparable located at 3523 – 64th Ave. SE was shown to have been a non-brokered sale indicating that it was not exposed to the open market and therefore would not be utilized by the City. Two other of the comparables, 4033 -14 St. SE and 4240 16 St. SE, are located in the Central Region of the city and are not, the Respondent contends, comparable to the subject as a result of same. This then leaves the Complainant with only two valid comparables, one of which, 4847 – 35A St. SE, is common to both parties and that sale has a TASP of \$242/Sq. Ft. The Respondent also pointed out that the Complainant had failed to make time adjustments to any of the sales comparables they put forth.

Board's Reasons for Decision:

[9] The CARB found the Comparable Analysis of the Complainant (Exhibit C1 Pg. 10) to be so full of mathematical errors that the entire analysis proved unreliable in the Board's estimation. The Board found that, with the exception of the first comparable listed, none of the calculated Building Rates/Sq. Ft. are accurate. In that this analysis forms the basis for the Complainant's case the CARB finds no evidence to warrant a change to the current assessed value of the subject property.

DATED AT THE CITY OF CALGARY THIS 10th DAY OF September 2014.


C. J. Griffin
Presiding Officer

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

NO.	ITEM
1. C1	Complainant Disclosure Part 1
2. C1A	Complainant Disclosure Part 2
3. 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.*

CARB Identifier Codes

Decision No. 75875P-2014			Roll No. 201067410	
<u>Complaint Type</u>	<u>Property Type</u>	<u>Property Sub-Type</u>	<u>Issue</u>	<u>Sub-Issue</u>
CARB	Industrial	Single tenant warehouse	Market Value	Equity

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