



## **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:**

***Foremost Industries 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: 024018509**

**LOCATION ADDRESS: 6390R - 11 Street NE**

**FILE NUMBER: 76202**

**ASSESSMENT: \$4,360,000.**

This complaint was heard on 20th 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:

- J. Tran (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. 5) the subject property is a single tenanted, A2 quality industrial property that was originally constructed in 2007 and which contains an assessable area of 31,540 Sq. Ft. The underlying site is 3.21 acres in size that was only partially serviced in the past but which is now fully serviced. The assessed value of the property includes a 25% reduction to account for difficult access. The property assessment has been estimated through application of the Sales Comparison Approach.

**Issues:**

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

- 1) The Complainant contends that the assessed value of the subject property is too high and is not equitable compared to similar properties.

**Complainant's Requested Value: \$3,810,000.**

**Board's Decision:**

[4] The Assessment is **Confirmed** at **\$4,360,000.**

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

[5] The Complainant introduced (Exhibit C1 pg. 12) their Equity Comparable Analysis Chart providing the summaries of properties deemed similar to the subject. Two of these equity comparables are located in northeast Calgary and three are located in southeast Calgary. Four of these properties are in the "A-" or 'A2' quality classification while the remaining property is a 'B' quality class. The original year of construction ranges from 1997 to 2009 and the building sizes range from 21,389 Sq. Ft. to 99,000 Sq. Ft. The finished areas range from 16.0% to 29.3% while the site coverage ranges from 12.27% to 51.96%. The assessed rate/Sq. Ft. of building area for these comparables range from \$115 to \$200; however, the Complainant has reduced same by 25% to make them comparable to the subject and this results in a Median value of \$121/Sq. Ft. This forms the basis for the Complainant's request to reduce the assessed value.

**Respondent's Position:**

[6] In their *Summary of Testimonial Evidence* (Exhibit R1 pg. 3), the Respondent indicated that they would concentrate on the fact that the Complainant failed to make any adjustments for such factors as site coverage, location and age to any of their equity comparables. The Respondent also indicated to the Board that they will present their own equity comparables together with properly adjusted sales comparables in support of the current assessed value.

[7] The Respondent provides (Exhibit R1 pg. 12) a copy of the Complainant's equity comparables and has bolded the comparability issues the Assessor has with same. The only two properties that are located in the northeast, which the Respondent maintains is an issue in and of itself, are some three times the size of the subject building and thus are not comparable. Three of the properties are located in the southeast region of the city which has an entirely different base land rate than the northeast location of the subject which also results in them not being comparable.

[8] The Respondent further introduced (Exhibit R1 pg. 15) their Equity Chart which provides the summary of 4 property assessments deemed similar to the subject. These properties, all of which are located in northeast Calgary, have site sizes that range from 1.32 acres to 3.20 acres, building sizes ranging from 24,210 Sq. Ft. to 30,272 Sq. Ft., the percentage of finished area ranges from 10% to 51% and site coverage ranging from 17.92% to 31.35%. The Median parcel size is indicated to be 2.25 acres, the Median building size is 27,260 Sq. Ft. and the Median site coverage is 26.45%. The unadjusted (for access) assessed value per Sq. Ft. of building area ranges from \$167 to \$187 with an indicated Median of \$183. Adjusting these assessed rates/Sq. Ft. by 25% to account for the access issue results in a Median value of \$137/Sq. Ft. The Respondent suggests that this information provides strong support for the current assessed value and requested that the CARB make no adjustment to the assessed value.

**Board's Reasons for Decision:**

[9] The CARB agrees with the Respondent that the equity comparables utilized by the Complainant are not good comparables for the reasons outlined by the Respondent. The CARB finds the evidence of the Respondent to be more compelling than that of the Complainant and is of the judgment that, based upon the evidence of the Complainant no adjustment to the current assessed value is warranted. Accordingly the assessment is confirmed.

DATED AT THE CITY OF CALGARY THIS 10<sup>th</sup> DAY OF September 2014.



C. J. Griffin  
Presiding Officer

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

| <b>NO.</b> | <b>ITEM</b>            |
|------------|------------------------|
| 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.*

## CARB Identifier Codes

| <b>Decision No. 76202P-2014</b> |                             |                                 | <b>Roll No. 024018509</b> |                         |
|---------------------------------|-----------------------------|---------------------------------|---------------------------|-------------------------|
| <b><u>Complaint Type</u></b>    | <b><u>Property Type</u></b> | <b><u>Property Sub-Type</u></b> | <b><u>Issue</u></b>       | <b><u>Sub-Issue</u></b> |
| CARB                            | Industrial                  | Industrial                      | Market Value              | Equity                  |

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