

**CALGARY
ASSESSMENT REVIEW BOARD
DECISION WITH REASONS**

In the matter of the complaint against the Property/Business assessment as provided by the *Municipal Government Act*, Chapter M-26, Section 460(4).

between:

Colliers International Reality Advisors, on behalf Woodbine Shopping Centre Ltd.
COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

T Golden, PRESIDING OFFICER
Y Nesry, MEMBER
J Joseph, MEMBER

This is a complaint to the Calgary Assessment Review Board in respect of Property/Business assessment prepared by the Assessor of The City of Calgary and entered in the 2010 Assessment Roll as follows:

ROLL NUMBER: 144001609
LOCATION ADDRESS: 2525 Woodview Dr SW
HEARING NUMBER: 58695
ASSESSMENT: \$20,010,000.00

This complaint was heard on 5 day of July, 2010 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 10.

Appeared on behalf of the Complainant:

- *M Uhryn*

Appeared on behalf of the Respondent:

- *R Ford*

Property Description:

The subject property is a neighbourhood shopping centre and contains an assessed area of 86,796 sq. ft. Within the property are a variety of commercial uses anchored by a Safeway super market. Commercial uses are both part of a main structure and free standing. The assessment was completed using the income approach and the capitalization rates, and non recoverable rates were not in dispute.

Issues:

1. The assessment is not correct as a removed portion is still assessed.
2. Rental rates do not reflect market value.
3. Vacancy rate not accurate.

Complainant's Requested Value: \$17,590,000.00

Board's Decision in Respect of Each Matter or Issue:

- 1) The assessment is not factually correct and should be adjusted to \$19,460,000.00.

Correctness was briefly discussed. The respondent supported the claim with photos of the site. The assessor did not dispute the complainant's position and reported that after the original complaint was submitted the file was reviewed. The result of the review of the file was that a gas station structure that was previously removed was still being assessed. A correction is now made to the file but an amended assessment notice was not sent. The corrected assessment should be \$19,460,000.00.

- 2) Evidence of the respondent supports the rental rates used in the assessment.

The complainant submitted the lease information to show the requested rental rates were as follows:

- For CRU 0 to 1000 sq ft to be \$26.00 rather than \$27.00
- For CRU 1001 to 2500 to be \$24.00 rather than \$27.00
- For CRU 2501 to 6000 to be \$24.25 rather than \$27.00

In addition there was a request to reduce the ATM rental rate from \$45.00 to \$26.00.

The respondent provided tables with comparables for each floor area category in question in support of the typical rent rates used in the income calculation.

The Board found that the request to reduce the assessment was supported only with actual rent roll data only from the subject property and not any other supporting market data. The data provided by the respondent was accepted as more indicative of market conditions. In terms of the ATM the complainant provided no evidence supporting the \$26.00 request while two equity comparables were provided by the respondent.

- 3) The board was not persuaded that the vacancy rate should be adjusted based on the evidence provided.

The current rent roll was used as the basis for the request. The respondent argued that the rent roll is a statement of the vacancy at that time and that the situation could change. A more recent rent roll shows that some of the vacant areas have since been leased. In the boards opinion no long term vacancy problem was demonstrated

Board's Decision:

The assessment is reduced to \$19,460,000.00

DATED AT THE CITY OF CALGARY THIS 22 DAY OF July 2010.



Presiding Officer

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.*