

**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-26.1, Section 460(4).

between:

Altus Group Ltd, COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

Earl K Williams, PRESIDING OFFICER

Ray Deschaine, MEMBER

Jim Rankin, 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: 101045102

LOCATION ADDRESS: 210 61 Ave SW

HEARING NUMBER: 59777

ASSESSMENT: \$1,640,000

This complaint was heard on 15 day of July, 2010 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 6.

Appeared on behalf of the Complainant:

- B Neeson

Appeared on behalf of the Respondent:

- R Farkas

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

No Preliminary, Procedural or Jurisdictional Matters

Property Description:

The property is an 11,893 sq ft Retail Store (classified as a CM0201 Retail Store – Stand Alone) on 0.97 acre. The retail store is known as Community Natural Foods Ltd.

Issues:

Rental Rate – the assessed rental rate, expressed on a per square foot (psf) basis should be reduced from \$12 psf to \$9.00 psf.

Complainant's Requested Value:

\$1,280,000

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

Complainant and Respondent presented a wide range of evidence consisting of relevant and less relevant evidence in respect of the issue.

Rental Rate:

The Complainant presented, on page 15 and 16 of their evidence, 2 tables presenting lease information for 17 and 15 retail and service businesses in the Manchester Industrial District which the Complainant considered to be comparable to the subject property. An analysis of the tables determined the following:

- The 17 comparables had lease rates ranging from \$7.75 to \$9.50 psf for leased areas that ranged from 1,080 to 12,917 square feet; no lease start date was provided.
- The 15 comparables reported a median rental rate of \$8.00 psf and a maximum rental rate of \$10.25 psf for leased areas ranging from 1,800 to 16,456 square feet. The lease start dates were from July 2007 to December 2009.

The Complainant's position was that the evidence implied that a rate of \$9.00 psf is fair and equitable.

The Respondent's commentary was based on the presented evidence that included:

- Four retail equity comparables (pages 13 to 18) with market net rental rates ranging from \$12.00 to \$16.00 psf for leased areas ranging from 7,500 to 17,966 square feet.

- Five lease comparables (page 19) with rental rates ranging from \$12.00 to \$17.00 psf for leased areas from 5,236 to 24,614 square feet.
- Photos of the Complainants comparables (pages 26 to 54) to emphasize the lack of comparability of use and location to the subject property.

Board Decision

Based on the evidence presented the Board found for the Respondent and confirmed the market net rental rate of \$12.00 psf. The Complainant had presented insufficient evidence to support a reduction in the rental rate.

Board's Decision:

Assessment Confirmed at \$1,640,000

DATED AT THE CITY OF CALGARY THIS 12 DAY OF August 2010.



Earl K Williams
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.*