

**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-26.1, Section 460(4).

between:

Colliers International Realty Advisors, COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

R. Reimer, PRESIDING OFFICER

J. Kerrison, MEMBER

D. Pollard, MEMBER

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

ROLL NUMBER: 037182508

LOCATION ADDRESS: 3636 Research Rd NW

HEARING NUMBER: 57331

ASSESSMENT: \$61,330,000

This complaint was heard on 28th day of July, 2010 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 3.

Appeared on behalf of the Complainant:

- *David Porteous, Colliers International Realty Advisors, Agent*

Appeared on behalf of the Respondent:

- *Roy Fegan, Assessor*

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

There was no objection to the composition of the Assessment Review Board (ARB).

There were no other procedural or jurisdictional matters raised.

Property Description:

The subject property is a suburban office building which is assessed at a quality of A+. It is a special purpose building located next to the campus of the University of Calgary. The building zoning is S-URP – Special Purpose University Research Park.

Issues:

The Complainant had checked boxes 1 through 7 of section 4 on the Assessment Review Board Complaint Form. It had previously been determined that the Complainant had only provided sufficient information under section 5 of the Assessment Review Board Complaint Form for complaint number 3, an assessment amount. Accordingly, the ARB will only address that issue.

Complainant's Requested Value:

On the Assessment Review Board Complaint Form, the Complainant had requested a value of \$15,330,000. In documents submitted at the hearing, the Complainant requested a value of \$49,567,216.

Position of the Parties:

The Complainant's position was that the rental rate of \$28/sq. ft. is too high. He asserted that the S-URP zoning placed the building at a disadvantage because of restrictions on main floor retail use.

The Complainant submitted a chart containing 14 leases with start dates between June 1, 2006 and October 1, 2008. The lease rates showed a range of \$17 to \$23.50/sq. ft., with an average of \$20.91/sq. ft. He also submitted a chart with 8 assessed rental rates for A+ office buildings, all with rental rates of \$21/sq. ft.

The Complainant concluded that a rental rate of \$22/sq. ft. would be appropriate for the subject property.


During questioning by the Respondent, it became clear that many of the Complainant's comparable buildings were older or in a different section of the city than the subject building.

The Respondent submitted a chart containing 22 lease comparables for the period January, 2008 to December, 2009. The lease rates were in a range of \$21 - \$33/sq. ft. with an average of \$26.25/sq. ft.

Board's Decision:

The ARB finds that the buildings which the Complainant submitted as comparables are not comparable to the subject property. The comparable buildings are older, of inferior quality or in a different area. Therefore, the Complainant's rental information does not show that the assessment rate is incorrect. The assessment is confirmed at \$61,330,000.

DATED AT THE CITY OF CALGARY THIS 5th DAY OF August 2010.


R. Reimer
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.*