

**CALGARY
COMPOSITE 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(4).

between:

Altus Group Ltd, COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

Don H Marchand, PRESIDING OFFICER

Phil Pask, MEMBER

Bo Jerchel, MEMBER

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

ROLL NUMBER:	417009800
LOCATION ADDRESS:	11 Hidden Creek DR NW
LEGAL DESCRIPTION:	Plan 9810590; Block 6; Lot 16
HEARING NUMBER:	59876
ASSESSMENT (2010):	\$4,050,000

This complaint was heard on 29 day of July, 2010 at the office of the Composite Assessment Review Board (CARB) located at 4th Floor, 1212 – 31 Avenue NE, Calgary, Alberta.

Appeared on behalf of the Complainant; *Altus Group Ltd.:* K. Fletcher

Appeared on behalf of the Respondent; *City of Calgary:* W. Wong

Description and Background of the Property under Complaint:

The subject is identified with a sub-property use code CM02210 Retail Store – Strip. The land use designation is Commercial – Neighbourhood 2. The land contains 83,638 square feet (1.92 acres) with 14,936 square feet of rentable space. The property is known as the Hanson Ranch Centre in the community of Hidden Valley.

Prior to the opening of the hearing the Complainant advised that only 1 of the 13 points filed as **Grounds for Appeal** within the subject's Assessment Review Board Complaint form under *Section 5 – Reason(s) for Complaint* would be argued at this hearing. It is as follows:

"> The assessment of the subject property is not fair and equitable considering the assessed value and assessment classification of comparable properties."

The materials exchanged for an increase in the vacancy allowance portion of this complaint is identical to the information exchanged and submitted to the CARB under **file 59751 for roll number 176107902**.

Issues:

1. Is the typical vacancy allowance adjustment inequitably applied when a 4% allowance is applied to the subject and other strip malls around Calgary have rates in the range of 7% to 9%?
2. Is the additional value placed on the subject's Gas Bar/Convenience Store component of \$70,000 equitable while other Gas Bar/Convenience Stores are assessed for \$45,000?

Party Positions:

The Complainant provided the CARB with 20 assessment comparables with the same CM0210 Retail Store–Strip sub-property use code with vacancy allowances in the range of 7% to 9% were applied in the computation of their assessments.

The Respondent provided the CARB with 27 assessment comparables with the same CM0210 Retail Store–Strip sub-property use code where a vacancy allowance of 4% was applied in support of the assessment. The Respondent provided the results of their study that concluded that the North West quadrant of the Municipality had a different vacancy rate than the other quadrants.

The Complainant provided the CARB with 23 assessment comparables; 19 of which carry an assessment of \$45,000 for the Gas Bar/Convenience Store component and only 4 comparables carry an assessment at the rate of \$70,000. It is the Complainant's claim that this is inconsistent and not equitable.

The Respondent advised that the difference in rate, \$45,000 vs. \$70,000, is due to the size of the Convenience Store and those in excess of 1,000 square feet carry the \$70,000 rate. The subject is greater than 1,000 square feet in size.

Decision:

The assessment is confirmed at **\$4,050,000**.

Reasons for the Decision:

The income approach determines value based upon many factors that depend upon and influence each other. The level of income is dependent upon a multiple of factors and features. Without evidence that supports the fact that the subject would trade in the market equivalent to the strip retail type property in the other quadrants the CARB is not prepared to revise the assessment. An assigned rate that recognizes the size differences that exist between Convenience Stores was acknowledged by the Parties as reasonable. The Respondent advised that those that are in error were being corrected.

DATED AT THE CITY OF CALGARY THIS 1 DAY OF SEPTEMBER 2010.



D. H. Marchand
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.*