

**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-26.1, 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

These are complaints to the Calgary Assessment Review Board (CARB) in respect of the Property assessments prepared by the Assessor of The City of Calgary and entered in the 2010 Assessment Roll as follows:

ROLL NUMBER: 200671923	ROLL NUMBER: 200671931	ROLL NUMBER: 200671949
ADDRESS: 900 10 Discovery Ridge Hill SW	ADDRESS: 800 10 Discovery Ridge Hill SW	ADDRESS: 700 10 Discovery Ridge Hill SW
LEGAL DESCRIPTION: Plan 0510236; Unit 1;	LEGAL DESCRIPTION: Plan 0510236; Unit 2;	LEGAL DESCRIPTION: Plan 0510236; Unit 3;
HEARING NUMBER: 59822	HEARING NUMBER: 59824	HEARING NUMBER: 59825
ASSESSMENT: \$2,670,000	ASSESSMENT: \$1,950,000	ASSESSMENT: \$1,390,000

This complaint was heard on 30 day of July, 2010 at the office of the Composite Assessment Review Board (CARB) located at 4th Number Floor, 1212 – 31 Avenue NE Calgary, Alberta.

Appeared on behalf of the Complainant; *Altus Group Ltd.*: D. Mewha

Appeared on behalf of the Respondent; *City of Calgary*: M. Byrne

Description and Background of the Property under Complaint:

The subjects exist as three units within a bareland condominium plan which includes the property held in common. The improvements existing on each bareland unit are independent and are a part of the real estate of each unit. Each subject is identified with a sub-property use code CM0610 – Retail Condo. Each has a land use designation Direct Control District. Unit 1 contains 8,775 square feet; Unit 2 contains 6,877 square feet; and Unit 3 contains 4,588 square feet. Each unit, in 2005, was developed as retail space with a quality rating of A+ under architectural controls.

The subject's are located within the community of Discovery Ridge. There is no depute that these units serve only the immediate residence needs, unlike the typical neighbourhood strip mall that serves a broader sector of a district.

The Respondent advised that a typical per square foot rate determined by the direct sales comparison of retail condominium similar to the subject would be the best approach to evaluate the subject units. The rate established for the assessment is \$305.00 per square foot.

The Complainant also presented evidence in support of the direct sales comparison supported by the application of the municipality's typical parameters for neighbourhood retail strip mall as the foundation of a reduced assessment for each unit. The rate requested is \$265.00 per square foot.

Prior to the opening of the hearing the Complainant advised that only 2 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. They are as follows:

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

"> The assessment of the subject property is in excess of its market value for assessment purposes".

Issue:

Is the assessment at market value supported by the direct sales comparison rate of \$305.00 or \$265.00 per square foot or is the value within the range indicated by the Parties?

Party Positions:

The Complainant submitted in summary 24 Retail/Office condominium sales from 2007 to 2009 on a City wide bases that produced a median of **\$271.27** per square foot for units of approximately 1.953 sq. ft. The list was narrowed to 8 sales between September of 2007 and November 2009. The rate range indicated is from \$179.57 to \$451.81psf. The Median result was **\$252.80** for a median size of 2,000 sq. ft. unit. The Complainant's request is for a rate of **\$265.00 psf** and an assessed value of **\$1,210,000 for roll number 200671949**, an assessed value of **\$1,820,000 for roll 200671931**, and an assessed value of **\$2,320,000 for roll 200671923**.

The Respondent provided sales data from 14 comparables and identified 6 of them as the better comparables to the subject. The six sales indicated a range in value on a per square foot bases of \$197.00 to \$373.00 with an average rate of **\$295.00** per square foot for the average sized unit of 2,050 sq. ft. The Respondent advised the rate of **\$305.00** per square was also being applied in two neighbouring Manchester Industrial and Altadore.

Decision:

The assessment for Roll Number 200671923 **revised to \$2,500,000.**

The assessment for Roll Number 200671931 **revised to \$1,950,000.**

The assessment for Roll Number 200671949 **revised to \$1,300,000.**

Reasons for the Decision:

The Parties provided two ranges of value; one from \$179.57 to \$451.81, the other from \$197.00 to \$373.00. The averages range from \$252.80 to \$295.00. The subject's location is somewhat atypical for the retail space provided. The units are titled as bareland condominium property and are 2, 3 and 4 times the typical size of similar units. The CARB gives some weight to both parties evidence and sets the rate at \$285.00 per square foot. This gives consideration to the atypical size of the units and the atypical location for such retail/office development.

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.*