

**CITY OF CALGARY
ASSESSMENT REVIEW BOARD
DECISION WITH REASONS**

In the matter of a complaint filed with the City of Calgary Assessment Review Board pursuant to Part 11 of the *Municipal Government Act*, Chapter M-26, Revised Statutes of Alberta 2000 (the Act).

BETWEEN:

Altus Group, COMPLAINANT

and

The City Of Calgary, RESPONDENT

BEFORE:

J. Krysa, PRESIDING OFFICER

D. Julien, MEMBER

Y. Nesry, MEMBER

A hearing was convened on July 28, 2010 in Boardroom 2, at the office of the Assessment Review Board, located at 1212 - 31 Avenue NE, Calgary, Alberta 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:	057259707
LOCATION ADDRESS:	217 16 Avenue NW
HEARING NUMBER:	59339
ASSESSMENT:	\$6,060,000

PART A: BACKGROUND AND DESCRIPTION OF PROPERTY UNDER COMPLAINT

The subject property is a 26,251 square foot (sq.ft.) parcel of land improved with a 3 storey office structure constructed in 1979 and comprised of 8,496 sq.ft. of retail (bank) space on the main floor, 17,760 sq.ft. of upper floor office and 8,173 sq.ft of basement storage space.

PART B: PROCEDURAL or JURISDICTIONAL MATTERS

There were no procedural or jurisdictional matters raised by the parties.

PART C: MATTERS / ISSUES

The Complainant raised the following matters in section 4 of the complaint form:

3. an assessment amount
4. an assessment class

At the commencement of the hearing, the Complainant withdrew matter 4, and indicated that the evidence and submissions would only apply to matter number 3, an assessment amount. The Complainant set out 7 reasons for complaint in Section 5 of the Complaint form, however at the hearing the Complainant stated only the following issue remained in dispute:

Issue: The assessed rental rates of \$24.00 per sq.ft. for the main floor retail (bank) area, and \$17.00 per sq.ft. for the upper floors office area are not fair and equitable in relation to other properties.

The Complainant requested an assessment of \$4,960,000.

The Complainant submitted the assessment calculations for a NW suburban office building, a NE retail (bank) structure, and 4 NE suburban office buildings to demonstrate that the market rent coefficients of \$24.00 per sq.ft. for the main floor retail (bank) area, and \$17.00 per sq.ft. for the upper floors office area are not equitable in relation to these comparables [C1 pgs 15 to 32].

A summary of the results are set out below:

Property	Space Type and Location	Retail	Office
Subject (Bank & Office Area)	Retail (Bank) NW Office on 16 th Ave	\$24.00	\$17.00
Comparable 1 (p.15)	Retail (Restaurant) NW Office on 16 th Ave	\$19.00	\$17.00
Comparable 2 (p. 22)	Retail (Bank) NE Office on 16 th Ave	\$24.00	\$17.00
Comparables 3 - 6 (p.25-32)	NE Offices - Suburban		\$11.00 - 14.00

The Respondent provided an analysis of nine 2008-2009 NW suburban office lease examples indicating a range of lease rates from \$14.50 to \$22.50 per sq.ft. with median and average rent rates of \$18.00 and \$18.44 respectively, to support the \$17.00 market rent coefficient in the subject's assessment. To support the \$24.00 retail rate assigned to the main floor bank area, the Respondent submitted an analysis of six NW suburban bank lease examples indicating a range of lease rates from \$26.00 to \$33.50 per sq.ft. with median and average rent rates of \$29.58 and \$29.36 respectively [R1 pgs 23-26].

The Respondent further submitted the assessment calculations of four comparable properties indicating that a \$17.00 per sq. ft. market rent coefficient was equitably applied to comparable office areas, and that \$24.00 per sq. ft. was equitably applied to retail (bank) areas. It was pointed out that the Respondent's bank comparable was also comparable #2 in the complainants exhibit C1. [R1 pgs 34-37]

Decision

The Board finds that the subject's market rent rate coefficients of \$24.00 and \$17.00 are well supported by market evidence, and are equitable with similar and competing properties.

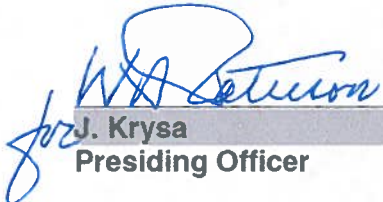
The Complainant's office comparables were either located a significant distance away from the subject in a different market area (NE quadrant), or they were assessed at a rent rate identical to that of the subject. The Complainant's retail comparables were either not retail (bank) areas, or they were assessed at a rent rate identical to that of the subject.

The Complainant conceded the most similar property to the subject was comparable #2 in exhibit C1, with identical market rent coefficients as applied in the subject assessment.

PART D: FINAL DECISION

The assessment is confirmed at \$6,060,000.

DATED AT THE CITY OF CALGARY THIS 3 DAY OF SEPTEMBER 2010.


for J. Krysa
Presiding Officer

APPENDIX "A"**DOCUMENTS RECEIVED AND CONSIDERED BY THE ASSESSMENT REVIEW BOARD:**

NO.		ITEM
1.	Exhibit C1	Complainant's Brief
2.	Exhibit R1	Respondent's Brief

APPENDIX 'B'**ORAL REPRESENTATIONS**

PERSON APPEARING	CAPACITY
1. K. Fong	Representative of the Complainant
2. T. Woo	Representative of the Respondent

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.*