

**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, Section 460(4).

**between:**

***Altus Group Ltd., COMPLAINANT***

**and**

***The City Of Calgary, RESPONDENT***

**before:**

***M. Vercillo, PRESIDING OFFICER***

***I. Fraser, MEMBER***

***H. Ang, 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: 068077205**

**LOCATION ADDRESS: 250 7 AV SW**

**HEARING NUMBER: 59674**

**ASSESSMENT: \$29,320,000**

This complaint was heard on 2<sup>nd</sup> day of September, 2010 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom #11.

Appeared on behalf of the Complainant:

- Mr. J. Smiley (Altus Group Ltd.)

Appeared on behalf of the Respondent:

- Mr. D. Thistle (The City Of Calgary)

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

NA

**Property Description:**

The subject property known as "Bow Parkade" is an above ground parkade property containing 447 parking stalls and located in the "Downtown" district of SW Calgary. The structure is situated on an assessable land area of approximately 32,573 square feet (SF). The subject was appealed concurrently with the following properties:

1. Hearing No.: 59675, Roll No.: 068076306, Address: 231 6 AV SW,
2. Hearing No.: 59750, Roll No.: 068227107, Address: 404 9 AV SW,
3. Hearing No.: 59923, Roll No.: 067023200, Address: 303 4 ST SW.

These properties will be addressed respectively under a separate written decision.

**Issues:**

The CARB considered the complaint form together with the representations and materials presented by the parties. Although a number of issues were raised on the compliant form, during the hearing only the following issue remained in dispute:

Issue 1: The assessment of the subject property is not fair and equitable considering the assessed value and assessment classification of comparable properties.

**Complainant's Requested Value:**

\$17,120,000 amended to \$25,300,000 (at hearing)

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

**ISSUE 1:** The assessment of the subject property is not fair and equitable considering the assessed value and assessment classification of comparable properties.

**The Complainant** provided the following evidence with respect to this issue:

- A chart and associated map of the subject property and five other comparable properties. Three of the comparable properties were within the downtown district while two of the comparable properties were in close proximity to downtown, in the "beltline"

district of Calgary.

- The map showed the subject property's position in the downtown district relative to the comparable properties.
- The associated chart showed that the subject property is assessed at a rate of approximately \$57,000 per stall while the comparable properties ranged in an assessment rate per stall, from \$26,330 to \$58,307
- During his presentation the Complainant suggested that the best comparable to the subject property is known as the Eau Claire Place II property. This comparable is an office building whose location while not as good as the subject property is considered by the Complainant to be a superior parkade facility because it is heated and underground with better security. The Eau Claire Place II facility at 521 3 AV SW, was given an assessment rate per stall of \$48,000. If that rate were to be applied to the subject, the Complainant concluded an equitable assessment of \$25,300,000 would be achieved after giving consideration to the retail and exempt components of the assessment. During questioning, the Complainant revealed that an assessment rate of \$48,000 per stall would equate to a rental rate of about \$300 per parking stall per month or \$3,600 per stall per annum.

**The Respondent** provided the following evidence with respect to this issue:

- A "2010 assessment Explanation Summary" showing a breakdown of the assessment particulars of the subject. The document outlined that the subject contains:
  - A parking component with an assessed value of \$25,479,000,
  - A retail area component (not in dispute) with an assessed value of \$5,247,578, and
  - A "related account" or exempt component (not in dispute) with an assessed value of \$1,400,000.
- A 2010 comparable chart comparing the assessments of the subject property to that of the Complainant's comparables. The chart showed that the subject property is assessed at a rental rate of \$4,275 per stall per annum, is located in the downtown district, is used predominately for parking, and is given an A+ quality rating. The Complainant's Eau Claire Place II comparable property showed that property is assessed at a rental rate of \$3,600 per stall per annum, is located in the downtown district, is used predominately as office space, and is given a B+ quality rating. During his presentation, the Respondent repeatedly stated that parkades associated with office structures are not comparable to free standing parkades.
- A "2010 Parking Rates" chart showing a breakdown parking stall assessment rental rates as a function of the quality rating. Within that chart it was shown that parking facilities with an overall quality rating of A+ are assessed at a rate of \$4,275 per stall per annum, while parking facilities that are rated as B+ are assessed at a rate of \$3,600 per stall per annum.
- An "Assessment Request for Information" or ARFI submitted by the property manager of the subject property to the Respondent. The ARFI showed that the subject's parking stalls achieve rental revenues of at least \$500 per month or \$6,000 per annum. The Respondent argued that the subjects assessed revenue rate per annum is \$4,275 and is therefore favorable to the subject.

#### **Decision: Issue 1**

In view of the above considerations, the CARB finds as follows with respect to Issue 1:

- The Complainant failed to illustrate in any meaningful way, through market evidence,

that the purported comparables were indeed comparable to the subject property. There was no information provided by the Complainant that compared actual parking revenues or incomes of the subject, to the comparables submitted.

- The Respondent's ARFI submission contradicted the Complainant's requested assessment rate per stall. The ARFI clearly illustrates that the subject is achieving rental rates which average over \$500 per parking stall per month, which is in sharp contrast to the requested rate of \$300 per parking stall per month.

**Board's Decision:**

The Board confirms the assessment at \$29,320,000.

DATED AT THE CITY OF CALGARY THIS 8 DAY OF September 2010.



**Michael A. Vercillo**

**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.*