

**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, Section 460(4).

**between:**

***Colliers International Realty Advisors, COMPLAINANT***

**and**

***The City of Calgary, RESPONDENT***

**before:**

***L. Lundgren, PRESIDING OFFICER***

***B. Jerchel, MEMBER***

***D. Morice, 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: 067073304**

**LOCATION ADDRESS: 625 7 AV SW**

**HEARING NUMBER: 57773**

**ASSESSMENT: \$18,190,000**

This complaint was heard on 13<sup>th</sup> day of September, 2010 at the office of the Assessment Review Board located at 3<sup>rd</sup> Floor, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 10.

Appeared on behalf of the Complainant:

- *C. Hartley, Agent, Colliers International Realty Advisors*

Appeared on behalf of the Respondent:

- *D. Thistle, Assessor, the City of Calgary*

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

There were no procedural or jurisdictional matters.

**Property Description:**

The subject property known as the Crowne Parkade is a freestanding parkade located at 625 7 AV SW. The parkade was constructed in 1963 and had exterior renovations and the addition of one level of parking in 2008. It comprises 328 parking stalls and is assessed using a market net rental rate per stall of \$4050. The complaint is filed on the basis that the parkade is inequitably assessed with similar parkades.

**Issues:**

1. What is the correct number of parking stalls?
2. Is the subject freestanding parkade equitably assessed with similar parkades?

**Complainant's Requested Value:** \$11,800,000

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

1. What is the correct number of stalls?

At the outset of the hearing, the parties agreed that the correct number of stalls is 328. Since the subject was assessed using 337 stalls, the Respondent is recommending that the assessment be reduced to \$17,710,000 to reflect the correct number of stalls.

2. Is the subject freestanding parkade equitably assessed with similar parkades?

The Complainant submits that the Crowne Parkade is an inferior downtown parkade and not typical because of the open air design and location. It is located mid-block on 7<sup>th</sup> Avenue which is a transit only street. There is a light rapid transit platform directly in front of the parkade which causes some security concerns for the operators of the parkade. The exterior renovations included secure fencing along 7<sup>th</sup> avenue and a locked entrance door. Access to the parkade is from the alley only.

The Complainant argues that superior neighboring parking facilities are assessed using lower net rental rates than was used to prepare the subject assessment. The Complainant provided the following assessment comparables.

- The parkades in Calgary House located at 540 6 Avenue SW and Manulife House located at 603 7 Avenue SW have underground, environmentally controlled and secure parking stalls that are assessed at \$3600 per stall. The subject is assessed using \$4050 per stall.
- The parkades in the office buildings located at: 640 8 Avenue SW, 855 8 Avenue SW, 840 7 Avenue SW, 665 8 Street SW and 1035 7 Avenue SW have all been assessed using \$3375 per stall.

Further, the Complainant argued that in land assessments, the model allows a 5% premium for corner sites and a location in front of a light rapid transit stop is a negative 15% influence; therefore, the subject should receive a negative 20% adjustment.

In consideration of the above assessment comparables, the Complainant is requesting \$3600 per stall minus 20% for negative influences which results in a reduced property assessment of \$11,800,000.

The Complainant rebutted the Respondent's assessment comparables by stating that they are superior because they have street or avenue access which the subject does not have. In addition, the parking stalls in City Hall and Banker's Hall West are in structurally superior space.

The Respondent noted that the Complainant's requested value of \$11,800,000 represents a rental rate of only \$240 per stall per month and the subject is achieving between \$450 and \$650 per stall per month. The 2008 'Assessment Request for Information' was submitted confirming this level of income.

The Respondent also noted that none of the Complainant's assessment comparables are similar because none are freestanding parkades.

The Respondent presented the following assessment comparables that are each assessed using \$4050 per stall.

- 724 6 Avenue SW, a freestanding parkade
- 722 8 avenue SW, a freestanding parkade
- 322 9 Avenue SW, the City Hall parkade
- 404 9 Avenue SW, Banker's Hall West parkade

The Respondent concluded by stating that there is no market evidence to show that the subject is inferior, and the two assessment comparables for freestanding parkades provided by the Respondent support the assessed rate of \$4050 per stall.

The Board finds the best comparables to be the two freestanding, open air parkades located at 724 6 Avenue SW and 722 8 Avenue SW because they are similar in design, location and use. The assessment comparables located in office buildings are associated with office space and are marketed firstly to tenants or employees of tenants which suggests that this may be a different market. The Complainant did not provide sufficient evidence to convince the Board that these parking facilities are comparable. The comparables located at 724 6 Avenue SW and 722 8 Avenue SW are assessed using the same rate of \$4050 per stall as the subject. Accordingly, the rate of \$4050 per stall is confirmed. When the rate of \$4050 per stall is applied to the correct

number of stalls, 328, the resultant value is \$17,710,000.

**Board's Decision:**

The property assessment is reduced to \$17,710,000.

DATED AT THE CITY OF CALGARY THIS 17 DAY OF September 2010.



L. Lundgren  
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.*