

**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-26.1, Section 460(4).

between:

ALTUS GROUP LTD., COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

S. Barry, PRESIDING OFFICER

R. Clark, MEMBER

D. Cochrane, MEMBER

This is a complaint to the Calgary Composite Assessment Review Board (CARB) 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:	067125609
LOCATION ADDRESS:	1210 8 St. S.W., Calgary, Ab
HEARING NUMBER:	58270
ASSESSMENT:	\$10,360,000

This complaint was heard on the 22nd day of September, 2010 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 9.

Appeared on behalf of the Complainant:

- *G. Worsley, Altus Group Ltd.*

Appeared on behalf of the Respondent:

- *D. Lidgren, City of Calgary*

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

The Respondent raised the issue of improper Rebuttal as argued previously and decided by this same Board in Written Decision 1647/2010-P, File 58271, Roll #: 067136002. The Board accepts this Rebuttal for the same reason.

Property Description: The property, commonly known as Petro West Plaza, contains 36,450 sq.ft. of rentable area situated on a 0.26 ac site within the Beltline area. It contains office and retail uses and has a land use classification of Centre City Commercial Corridor District. It is classified by the City as a B+ building.

Issues:

There are 13 grounds for appeal or issues listed on the Complaint Form. At the hearing, these were reduced to:

1. The use, quality and physical condition attributed by the municipality to the subject property is incorrect, inequitable and does not satisfy the requirement of Section 289(2) of the Municipal Government Act
2. The assessed value should be reduced to the lower of market value or equitable value based on numerous decisions of Canadian Courts
3. The assessment of the subject property is in excess of its market value for assessment purposes
4. The market office rental rate should be \$14 psf. This was increased to \$15 psf at the hearing.
5. The assessed office and retail vacancy should be 12%
6. The classification of the subject premises is neither fair, nor equitable, nor correct. The current assessed classification is A. The subject is a B class office building.

These were further refined in the Complainant's disclosure document as follows:

1. Is the assessment of the office space correct and equitable having regard to the typical rental rate of \$20 per sq.ft. that was applied by the Assessor as a B+ building.

2. Is the number of underground parking stalls correctly calculated as 70?

Complainant's Requested Value: \$7,910,000

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

1. The Complainant requests a rental rate of \$15 per sq.ft. and provided to the Board the evidence and argument described in Written Decision 1647/2010-P. The Complainant noted that the evidence and argument were the same as in the previous file, 58271 which resulted in the noted Decision. Again, the request is made for a rental rate that would apply to a B, not a B+ building. As in the previous decision, the Board finds that, externally, the subject property is similar to other nearby buildings in the Beltline area having regard to the size, floor plate, location and the other usual attributes of a B+ building, excluding rent.

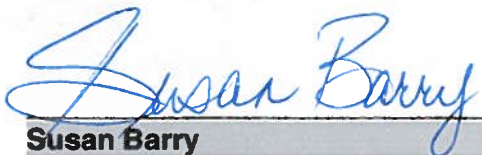
The rent roll for the subject property as of July 1, 2009 was introduced, demonstrating no new leases as of the valuation date but does show a lease at December 2008 at \$28 per sq.ft. and a lease renewal on November 1, 2009 at \$29 per sq.ft. The majority of the leases predate the valuation date of July 1, 2009. The same chart as in the previous file 58271 was introduced for this complaint. With the argument and evidence largely the same, including the equity reports of the Respondent, the Board makes the same decision that it accepts the rental rate valuation of \$20 per sq.ft. as applied by the Respondent.

2. The Complainant argues that there are only 52 underground stalls and while he visited the premises, he notes that he did not count the total number of stalls. The parking was clarified by the Respondent, who also visited the site, to record 52 underground stalls, 11 surface stalls and one non-rentable stall for a total of 64 of which 63 are assessable. On the basis of the corrected parking information the Respondent recalculated the assessment using the 63 assessable stalls at a value of \$175 per stall versus the rent being achieved in the range of \$150 to \$250 per stall. The Respondent's revised assessment is \$10,160,000.

Board's Decision:

Recognizing the recalculation for corrected parking information, the Board revises the Assessment to \$10,160,000

DATED AT THE CITY OF CALGARY THIS 01 DAY OF October 2010.



Susan Barry
Presiding Officer

APPENDIX "A"**DOCUMENTS RECEIVED AND CONSIDERED BY THE CARB:****NO. ITEM**

1. Complaint Form for Roll #: 067125609
2. Complainant's Assessment Brief
3. Respondent's Assessment Brief
4. Complainant's Rebuttal Brief

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.*