

**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 Reality Advisors, COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

***Board Chair, J.P. Acker
Board Member 1, J. O'Hearn
Board Member 2, T. Usselman***

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: 067209403
LOCATION ADDRESS: 908 17 Avenue S.W.
HEARING NUMBER: 57713
ASSESSMENT: \$10,290,000

This complaint was heard on the 27th day of September, 2010 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 2.

Appeared on behalf of the Complainant:

- *David Porteous*

Appeared on behalf of the Respondent:

- *Emilia Borisenko*

Property Description:

The subject property is located at 908 17 Avenue S.W. in the Beltline BL6 business district. More commonly known as the Devenish building, this property is a three storey heritage building renovated for use as a mixed retail/office property. It has 63 stalls of surface parking to the rear. Access to the 2nd and 3rd floors is via staircases as there are no elevators in the subject building.

Issues:

Property is incorrectly valued for the office space component due to the inappropriate use of a \$23/sq ft office rental rate. No issues were raised for the basement or first floor retail space rental rate.

Complainant's Requested Value: \$ 8,700,000

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

The Complainant requested a rental rate of \$17/sq ft on the basis of one comparable in the same Beltline business area (BL6). He provided six additional comparables in BL3 and BL4 business districts.

The Respondent provided a full rent roll for the subject indicating that the subject was achieving a median rent of recent leases of \$25.50/sq ft and a combined medial of \$23.55 for all leases. In addition, the Respondent provided 5 equity comparables in the BL6 business district demonstrating support for the \$23/sq ft assessed value.

Both parties agreed that the single comparable in BL6 provided by the Complainant is an under-performing building with a history of high vacancy.

The Board finds that the requested rental rate of \$17/sq foot is not supported by the Complainant's evidence and the \$20/sq ft rate demonstrated by his comparables are not similar to the subject nor are they in the same business district. The argument advanced by the Complainant that the subject is inferior to the comparables of the Respondent insofar as there is limited surface parking and no elevators whereas the comparables have underground parking and full elevator service was unsupported.

Board's Decision:

The Board finds that the \$23/sq ft rental rate applied to the subject is representative of fair market value as required by legislation and regulation and the assessment is therefore confirmed at \$10,290,000.

DATED AT THE CITY OF CALGARY THIS 6 DAY OF October 2010.



J. P. Acker
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.*