

**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:**

***Altus Group Ltd , COMPLAINANT***

**and**

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

**before:**

***R. Mowbrey, PRESIDING OFFICER***

***R. Deschaine, MEMBER***

***P. Grace, 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: 067168005**

**LOCATION ADDRESS: 1403 8 ST SW**

**HEARING NUMBER: 59233**

**ASSESSMENT: \$2,930,000**

This complaint was heard on the 5th day of October, 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:

- B. Bickford

Appeared on behalf of the Respondent:

- D. Lidgren

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

There were no procedural or jurisdictional matters identified.

Upon questioning by the Presiding Officer, the parties present indicated they had no objection to the composition of the Board. In addition, the Board indicated they had no bias on this file.

**Property Description:**

The subject property is a quality A-2 multi tenant strip retail building located in the beltline number four economic zone and is assessed at \$215 per square foot for land base rate and a 5% corner lot influence for a total \$225 per square foot. The assessment is for \$2,930,000.

**Issues:**

1. Should the subject property be assessed using the income approach to value or on the highest and best use for the land?

**Complainant's Requested Value:**

The Complainant's requested value is \$2,110,000.

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

1. Should the subject property be assessed using the income approach to value or on the highest and best use for the land?

The Complainant stated that the subject property should be assessed in a fair and equitable manner with similar income producing properties. The Complainant argues that the conclusion of the highest and best use of the subject property is as vacant land is in error. The conclusion ignores the important test of reasonably probable and there is no evidence of market demand for a change in the use of the site, given our current economic climate.

The Complainant provided the Board with a current rent roll for the subject property as of July 2009. (Exhibit C-1 page 27).

The Complainant gave the Board third party market information that show the downturn in the beltline economic zone. (Exhibit C-1 pages 29-58).

The Complainant furnished the Board with a number arguments regarding the method of valuation and highest and best use arguments. (Exhibit C-1 pages 61-93).

The Respondent provided the Board with an equity chart that showed a number of similar properties in the beltline number four economic zone. (Exhibit R-1 pages 15/16).

The Respondent provided the Board with a chart detailing beltline commercial land sales from August 2008 to April 2009. The median selling price per square foot is \$233 and the mean selling price per square foot is \$270. The Respondent indicated the City used this study to determine the 2010 assessment rate of \$215 per square foot. The study also included a post facto sale (September 2009) that showed a selling price per square foot of \$222. (Exhibit R-1 page 19).

The Respondent advised the Board that the subject property is legally permitted to construct a building etc. upwards of 29,000 square feet due to the zoning and regulations on the subject property. With the land area of 13,007 square feet and the floor area ratio of 3, this gives the permitted use to construct upwards on the subject property and therefore increases the value of the land. (Exhibit R-1 page 09).

The Board was persuaded by the Respondent's evidence regarding an equity chart that showed a number of similar properties compared to the subject property. In addition, the Board was persuaded by the Respondent's beltline commercial land sales from August 2008 to April 2009.

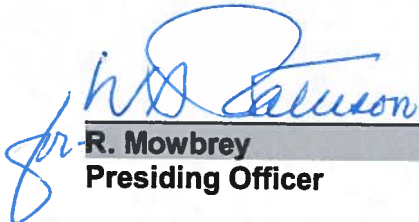
The Complainant did not provided sufficient or compelling evidence to alter the assessment.

Accordingly, the Board finds the subject's property assessment of \$215 per square foot plus a corner lot influence of 5% to be fair and equitable.

**Board's Decision:**

The decision of the Board is to confirm the assessment of \$2,930,000.

DATED AT THE CITY OF CALGARY THIS 14<sup>th</sup> DAY OF OCTOBER 2010.

  
R. Mowbrey  
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.*

***Exhibits:***

***C-1 Complainant's evidence (93 pages).***

***R-1 Respondent's evidence (168 pages).***