

**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:

T. Hudson, PRESIDING OFFICER

H. Ang, MEMBER

R. Deschaine, MEMBER

This is a complaint to the Calgary Assessment Review Board in respect of a Property assessment prepared by the Assessor of The City of Calgary and entered in the 2010 Assessment Roll as follows:

ROLL NUMBER:	101046605
LOCATION ADDRESS:	300 Glenmore Trail SW
HEARING NUMBER:	57499
ASSESSMENT:	\$6,750,000

This complaint was heard on 13th day of October, 2010 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 1.

Appeared on behalf of the Complainant:

- A. Izard (Altus Group Ltd., Agent)

Appeared on behalf of the Respondent:

- R. Ford (City of Calgary, Assessor)

Property Description:

The subject property is a Marks Work Warehouse retail store located in the Chinook Station Shopping Centre in the Manchester Industrial area at 300 Glenmore Trail SW. The property is on a 1.21 acre site and includes ground floor retail space of 16,512 sq. ft. and mezzanine space of 2,488 sq. ft. The current assessment prepared on the income approach to value method is \$6,750,000.

The requested assessment is \$3,990,000.

Issues/Grounds for Complaint:

The Complaint form indicates that the assessment amount and the assessment class are in dispute. In addition, the following items are listed as issues:

1. The subject property is assessed in contravention of section 293 of the MGA and Alberta Regulation 220/2004.
2. The use, quality, and physical condition attributed by the Municipality to the subject property is incorrect, inequitable and does not satisfy the requirements of section 289(2) of the MGA.
3. The assessed value should be reduced to the lower of market value or equitable value based on numerous decisions of Canadian Courts.
4. The assessed rental rate applied to the subject property's ground floor retail should be \$15/per sq. ft.
5. The assessed rental rate applied to the subject property's mezzanine area should be \$1/per sq. ft.
6. The assessed vacancy allowance applied to the subject property should be increased to 4% to be equitable to similar properties.
7. The Municipality has neither correctly, nor equitably calculated and provided the correct calculation of space for this particular property as identified by the annual Rent Roll or its physical condition as a property as of December 31.
8. The Big Box assessed rental rate is incorrect and should be no higher than \$15 psf.

CARB Findings with Respect to the issues/Grounds for Complaint:

Based on the presentations of the parties, the CARB finds that the assessment amount and the rental rate applied to the ground floor retail space and the mezzanine space are the only matters remaining in dispute between the parties. All of the factors in the income approach to value used by the Respondent (other than the noted rental rates) are accepted by the Complainant.

In summary, only issue #4 and issue #5 remain to be decided by the CARB, and these findings will lead to a final decision on the 2010 assessment amount for the subject property.

CARB Findings on Issue #4:

The consensus of the parties is that the rental rate for the ground floor retail space of 16,512 sq. ft. should be set at \$20/per sq. ft., rather than the assessed rate of \$30/per sq. ft. The CARB accepts the \$20/per sq. ft. rate is fair and equitable.

CARB Findings on Issue #5:

The consensus of the parties is that the rental rate for the mezzanine space of 2,488 sq. ft. should be set at \$10/per sq. ft., rather than the assessed rate of \$26/per sq. ft. The CARB accepts the \$10/per sq. ft. rate is fair and equitable.

CARB Decision on the Assessment Amount:

Based on the foregoing findings, the 2010 assessment amount of the subject property is reduced to \$4,260,000.

DATED AT THE CITY OF CALGARY THIS 19 DAY OF OCTOBER 2010.



T. Hudson
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.*