

**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:

<b>ROLL NUMBER:</b>	<b>101046902</b>
<b>LOCATION ADDRESS:</b>	<b>321 – 61 AVE SW</b>
<b>HEARING NUMBER:</b>	<b>56419</b>
<b>ASSESSMENT:</b>	<b>\$16,630,000</b>

This complaint was heard on 14<sup>th</sup> 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)
- K. Fong (Altus Group Ltd., Agent)

Appeared on behalf of the Respondent:

- R. Ford (City of Calgary, Assessor)

### **Property Description:**

The subject property is a Business Depot retail store located in the Chinook Station Shopping Centre in the Manchester Industrial area at 321 – 61 Avenue SW. The site area is 3.23 acres and includes 46,000 sq. ft. of retail space. The current assessment is \$16,630,000. The requested assessment is \$8,270,000.

### **Issues/Grounds for Complaint:**

The Complaint Form indicates that the assessment amount and the assessment class applied to the subject property 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 requirement of section 289(2) of the *Municipal Government Act*.
3. The assessed value should be reduced to the lower of market value or equitable value based on numerous decisions of Canadian Courts.
4. This Notice is filed based on information contained in the Assessment Notice as well as preliminary observations and information from other sources, Therefore the requested assessment is preliminary in nature and may change.
5. The assessment of the subject property is not fair and equitable considering the assessed value and the assessment classification of comparable properties.
6. The assessment of the subject property is in excess of its market value for assessment purposes.
7. The classification of the subject premise is neither fair, equitable or correct.
8. The Big Box assessed rental rate is incorrect and should be no higher than \$15 psf.
9. The assessed capitalization rate is incorrect and should be increased to 9%.
10. The assessed vacancy allowance applied to the subject property should be increased to reflect the current market conditions for Cru retail spaces at 5%.
11. The assessment fails to recognize several MGB decisions regarding not only the classification of this property but also the applicable rental rates for the subject.

**CARB Findings with Respect to the Issues/Grounds for Complaint:**

Based on the presentations of the parties, the CARB finds the assessment amount and the rental rate to be applied to 46,000 sq. ft. of retail space on the subject property, are the only matters remaining in dispute. All of the factors used by the Respondent to prepare the income approach to value assessment (other than the retail rental rate) are accepted by the Complainant.

In summary, only the rental rate for the retail space remains to be decided by the CARB, and this finding will lead to a final decision on the 2010 assessment amount for the subject property.

**CARB Findings on the Rental Rate for Retail Space:**

The consensus of the parties is that the rental rate for 46,000 sq. ft. of retail space should be set at \$18/per sq. ft., rather than the \$30/per sq. ft. assessed rate. The CARB accepts the \$18 rate as fair and equitable.

**CARB Decision on the Assessment Amount:**

Based on the forgoing findings, the 2010 assessment amount for the subject property is reduced to \$9,940,000.

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.*