

**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:**

***Linnell Taylor, COMPLAINANT***

**and**

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

**before:**

***T. Sadlowski, PRESIDING OFFICER***

***I. Zacharopolus, MEMBER***

***A. Wong, 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>067183905</b>
<b>LOCATION ADDRESS:</b>	<b>630 17 AVE SW</b>
<b>HEARING NUMBER:</b>	<b>56540</b>
<b>ASSESSMENT:</b>	<b>\$5,270,000</b>

This complaint was heard on 21<sup>st</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 11.

Appeared on behalf of the Complainant:

- *D. Sheridan* (Linnell Taylor, Agent)

Appeared on behalf of the Respondent:

- *J. Toogood* (City of Calgary, Assessor)

**Property Description:**

The subject property is the west side of the development known as the Ambassador on 17<sup>th</sup> Ave, it is situated in zone 2 – Beltline. The property was built in 1964 and is a mixed-use property. It has a residential component with a total of 34 suites (12 bachelor, 20 one bedroom and 2 two bedroom units). On the main floor there are two commercial units. The subject has 8 storeys.

**Issues:**

1. Is the current assessment of the subject property in excess of market value?
2. Is the subject property assessed equitably in relation to comparable properties?
3. Is the typical vacancy applied to the subject too low?

**Complainant's Position:**

The Complaint indicated that the actual vacancy in the subject's residential component in July 2009 was 11.8 % which is substantially higher than the 5% applied by the City in the assessment. In addition, the subject's actual average rent on the one bedroom suites was \$832.78 per suite, compared to the assessed market rent which is \$975 per suite. The subject's sister property was assessed at \$800 per month.

The Complainant also indicated that there was an inequity in the assessment of the commercial component. The subject when compared to its sister property, the east half of the Ambassador. The comparable was assessed at \$188 per sq. ft. while the subject was assessed at \$275 per sq. ft.

The subject property has been constantly underperforming.

**Respondent's Position:**

The Respondent provided four assessment comparables to the subject. They were all assessed using a GIM of 13 like the subject, all were in the Beltline District and in the same market zone. Three of the four comparables had an assessment per suite that was higher than the subject. Also all were high-rise buildings.

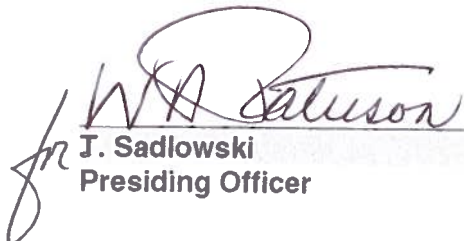
**Board's Decision:**

The decision of the Board is to reduce the 2010 assessment from \$5,271,100 to \$4,470,000.

**Reasons:**

1. The subject is the west side of the development known as the Ambassador on 17<sup>th</sup>. It is connected to the east side of the development. The retail bays of the subject on are assessed at \$275 per square foot whereas the two retail bays in the sister property are assessed at \$188 per square foot.
2. The Respondent applied a 5% vacancy rate in calculating the assessment. The Board was persuaded by the Rent Roll data that the subject is exceeding that level of vacancy. In July, 2009 the subject showed an 11.76% overall vacancy rate. This is further supported by the vacancy rates that were provided by the CMHC for Zone 0 2- Beltline. In October, 2009, which is three months after the valuation date, the CMHC vacancy rate ranged from 3.8% to 6.5% which were higher than in October 2008, thus showing an upward trend.
3. Further, the assessment rates used by the Respondent were: \$725 per month of the Bachelor rents, \$975 per month for the 1 Bedrooms and \$1150 per month for 2 bedroom units. The subject exceeds these rates for Bachelor units and 2 bedroom units, but \$833 per month for one bedroom units was well short of the rental rate applied in the assessment.
4. Taking the increasing vacancy rates in 2009 as well as the short fall in rental rates for the one bedroom unit, the Board was persuaded to reduce the assessment.
5. The Board is of the opinion that the reduced assessment is fair and equitable.

DATED AT THE CITY OF CALGARY THIS 24 DAY OF NOVEMBER 2010.

  
J. Sadlowski  
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.*