

**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, Complainant

and

The City Of Calgary, Respondent

before:

***Board Chair, T Golden
Board Member, H Ang
Board Member, D Cochrane***

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: 085051704

LOCATION ADDRESS: 5751 Richmond Rd. SW

HEARING NUMBER: 59243

ASSESSMENT: \$26,350,000.00

This complaint was heard on 3 day of November, 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:

- *C Fong*

Appeared on behalf of the Respondent:

- *P Sembrat*

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

There were no preliminary matters in this case.

Property Description:

The subject property is a portion of a commercial power centre with 71,955 square feet (sq ft) of improvement located in the Signal Hill area of the City. Improvements are located on a 6.17 acre site and were constructed in 1996. An income approach was used to develop the assessment and it is the classification of areas and rental rates applied in the calculation that are the issue.

Issues:

- 1) Is the area shown as bank in the Respondents income approach valuation correctly classified?
- 2) Should a portion of the area shown as CRU 6001+ in the valuation be classified as Box store? A secondary issue is that should an area be classified as Box then, what is the correct rental rate?

Complainant's Requested Value:

Using adjusted rental rates and areas the Complainant has calculated a requested assessment of \$19,110,000.00

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

- 1) An area of 12,691 sq ft that is currently attributed to the component bank will be classified as CRU 6001+ changing the rental rate from \$30.00 /sq ft to \$28.00 /sq ft.

The Respondent and the Complainant agreed that in fact there was no bank on the property and an error was made. The correct classification of the area in question is CRU 6001+. This reduces the rental rate of an area of 12691 sq ft from \$30.00 /sq ft to \$28.00 /sq ft.

The Board agrees that the evidence demonstrates that no bank exists and an error was made.

- 2) An area of 27,067 sq ft currently classified as CRU 6001+ is changed to JR Big Box, reducing the rental rate on that area from \$28.00 /sq ft to \$20.00 /sq ft.

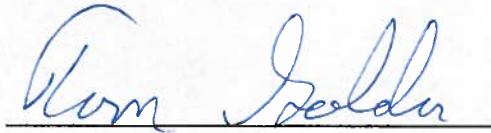
Both the Respondent and the Complainant agreed that an area of CRU 6001+ should be classified as JR Big Box.

The Board agreed with the parties to make this change after hearing the description of the uses involved. Further the Board understands, from the Complainant, that the argument submitted in another complaint regarding the same property and the rental rate on Box stores would also apply to this case. In Decision 2029 the Board determined \$20.00 was the appropriate rental rate. This was based on a review of the comparables presented from the parties. From the 4 most comparable Box store properties presented by both parties tended to support the rental rate of \$20.00 /sq ft. Therefore in this case the Board establishes the rental rate of the Box store area to be \$20.00 /sq ft.

Board's Decision:

With the changes to rental rate and area classifications the assessment is established at \$23,470,000.00

DATED AT THE CITY OF CALGARY THIS 25 DAY OF November 2010.

A handwritten signature in blue ink, appearing to read "Tom Golden", is written over a horizontal line.

Tom Golden
Presiding Officer

APPENDIX "A"**DOCUMENTS RECEIVED AND CONSIDERED BY THE ASSESSMENT REVIEW BOARD:**

NO.	ITEM
1.	Exhibit C-1 Letter of Complaint
2.	Exhibit C-2 Complainants Brief
3.	Exhibit R-3 Respondent's Assessment Brief

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.*