

**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, Revised Statutes of Alberta 2000 (the Act).

**between:**

***Big White Holdings Investment Inc, COMPLAINANT (as represented by Colliers  
International Realty Advisors)***

**and**

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

**before:**

***F.W. Wesseling, PRESIDING OFFICER  
H. Ang, MEMBER  
S. Rourke 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 2011 Assessment Roll as follows:

**ROLL NUMBER: 048021000**

**LOCATION ADDRESS: 1947 18 Ave NE**

**HEARING NUMBER: 64510**

**ASSESSMENT: \$5,400,000.00**

This complaint was heard on 24 day of June, 2011 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:

- *M. Uhryn*

Appeared on behalf of the Respondent:

- *D. Grandbois*

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

No specific jurisdictional or procedural matters were raised during the course of the hearing, and the CARB proceeded to hear the merits of the complaint.

**Property Description:**

Subject property (0.82 acres) is located in close proximity to the Trans Canada Highway and South of the Calgary International Airport. The site contains a 76 unit hotel and was constructed in 1981.

The site is classified "Commercial-Corridor 3" in the City of Calgary Land Use Bylaw.

**Issues:** The Complainant raised the following matter in Section 4 of the Assessment Complaint form: Assessment amount

Presentation of the Complainant and Respondent were limited to:

- Assessment overstated
- External factors influencing income performance of the property.

**Complainant's Requested Value:** \$ 3,997,000.00

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

Complainant's Position: A number of issues were identified with regard to the assessment:

1. Hotel performance has declined significantly over the last 3 years.
2. Income data for the first 6 months of 2010 should be utilized.
3. The 2008 income data for the property was not utilized in the assessment calculation.
4. The closure of Barlow Trail has significantly affected income performance.

It was indicated that the current assessment is based on 2007 and 2009 income data with a weighting of 90% for 2009 and 10% for 2007. The 2008 income data was provided to the Board and various calculations were presented including the first 6 months of 2010. It was indicated that Alberta legislation is flexible on valuation data for the 6 months prior. No comparables were provided except for a hotel on Edmonton Trail which was assessed as land only.

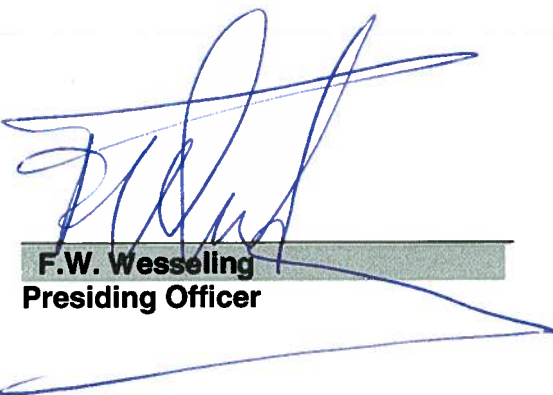
Respondent's Position: Income valuation for hotel properties is based on 3 years prior performance. The data would be weighted with 2007 data weighted 10%, 2008 data 30% and 2009 data 60%. The 2008 data was not received for this property and as such the 2009 data was weighted 90% for the assessment calculation for this particular property. The use of data from 2010 was considered an unreasonable request in terms of fairness to the City and equity to other rate payers. In its review of the 2008 income data provided as part of the appeal, the respondent pointed out an expense for \$250,000.00 management bonus as not being a typical expense adjustment. The Barlow Trail closure should not be a factor for this assessment period. In addition Municipal Government Board Order 106/10 was pointed to which also addressed the impact of the road closure.

**Board's Decision:**

Upon reviewing the verbal and written evidence provided by the parties, the Board considers that the Complainant failed to demonstrate the assessment was overstated. The Board confirms the assessment at \$5,400,000.00.

Reasons: The Board placed no weight on the issue raised with regard to the closure of Barlow Trail in April of 2011. The effect of this closure on this property for the valuation period under question would be negligible as no concrete data was provided by the Complainant to substantiate a loss of income. It may be recognized in following assessment years. Having been provided the 2008 income data (minus the Management performance bonus) the Board recalculated the assessment and found it exceeded the assessment under appeal. The Board considered the use of 2010 data as being inequitable.

DATED AT THE CITY OF CALGARY THIS 19 DAY OF July 2011.



F.W. Wesseling  
Presiding Officer

**APPENDIX "A"**

**DOCUMENTS PRESENTED AT THE HEARING  
AND CONSIDERED BY THE BOARD:**

Complainant: C1 Complainant's Brief

Respondent: R1 Assessment Brief prepared by City of Calgary Assessment

*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.*