

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

between:

Bentall Property Fund Holdings VI Inc, (as represented by Altus Group), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

***R. Glenn, PRESIDING OFFICER
D. Cochrane, MEMBER
E. Reuther, 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: 048045900

LOCATION ADDRESS: 1212 31Ave NE

HEARING NUMBER: 64019

ASSESSMENT: \$7,140,000

This complaint was heard on the 22nd day of June , 2011 at the offices of the Assessment Review Board located on Floor Number 3, at 1212 – 31 Avenue NE, Calgary, Alberta, in Boardroom 9.

Appeared on behalf of the Complainant: Giovanni Worsley, Agent for Altus Group

Appeared on behalf of the Respondent: Garry Good, Assessor

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

No issues of procedure or jurisdiction were raised..

Property Description:

The subject is a five storey Class B suburban office building, built in 1981, flanked by a large parking area, located at the intersection of Deerfoot Trail and 32nd Avenue in NE Calgary.

Issues:

Whether the assessment is excessive.

Complainant's Requested Value:

\$4,810,000

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

The assessment was confirmed.

Board's Decision:

The Complainant suggested that there were three issues to be determined. These were: excess land, rental rate, and parking rate. The Complainant dealt with the excess land issue by saying that a detailed income approach to value adds \$1,652,000 to the assessment for excess land , and, that it should simply be removed.

Mr Worsley dealt with the rental rate by saying that it was simply too high, and that it should be reduced from \$12.00 to \$11.00 /SF. He also opined that the value attributed to the underground parking component was inequitable and therefore, unfair. They argued the number of stalls, and the per stall rental rate, and further, that the underground parking wasn't enclosed, but rather exposed and unheated. Some comparables were also presented on each issue.

Mr Good argued that the Complainant's methodology of dealing with excess land was not

appropriate. In addition, the excess land argument was not an issue in previous years and the Respondent queried why it should be an issue now?

The Respondent also provided Board Orders to show that excess land should be assessed even if it is being used by exempt tenants.

The Respondent also provided a lease summary of comparables which adequately demonstrated a median lease rate of \$12.00/SF, and a weighted mean of \$12.41.

Mr Good also provided a substantial number of comparables showing that the average monthly parking rate for similar properties was slightly in excess of the subject properties parking rate, and then argued that the subject rate was in line.

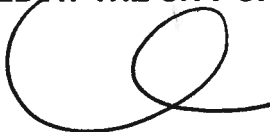
Based on all of the foregoing, the Board finds that the Respondents evidence is more compelling. In addition, the Complainants equity comparables alone showed by a comparison of values that the subject assessment was at market value, and therefore, equitable. Further, a deduction for additional land would not be representative of fair market value.

The Board finds that the Complainant has not met the requisite onus to show that the subject assessment is incorrect.

Board Findings:

The Board confirms the subject assessment of \$7,140,000

DATED AT THE CITY OF CALGARY THIS 7 DAY OF July, 2011.



Richard Glenn
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.*