

**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:

***Hudson's Bay Company (as represented by Wilson Laycraft Barristers and Solicitors),
COMPLAINANT***

And

The City Of Calgary, RESPONDENT

Before:

***T. B. Hudson, PRESIDING OFFICER
D. Steele, MEMBER
J. O'Hearn, 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: 085128510

LOCATION ADDRESS: 5696 Signal Hill CE SW

HEARING NUMBER: 64696

ASSESSMENT: \$21,040,000

This complaint was heard on the 23rd and 24th day of June, 2011 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, and Boardroom 8.

Appeared on behalf of the Complainant:

- B. Dell Wilson Laycraft
- P. Leclaire Hudson's Bay Company
- B. Soulier AEC International Property Tax Advisors

Appeared on behalf of the Respondent:

- J. Young, Assessor, City of Calgary
- P. Sembrat, Assessor City of Calgary

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

The Complainant and the Respondent indicated that each of their submissions would apply to the complaints filed in regard to the assessed rental rates for the Zeller's stores in the Signal Hill and the Shawville Power Centres. However, the Respondent noted that there is no complaint or disclosure before the Board with respect to the cap rate applied in the assessment of the Signal Hill Power Centre property. The Board has recently completed a two part hearing with respect to the complaints filed in regard to the rental rates for the Zellers store, and the cap rate to be applied in the assessment of the Shawville Power Centre. **Given that the evidence with respect to the Zellers rent rate complaints is the same, the Board's decision and reasons with respect to rental rates will apply to both Power Centre properties.**

Property Description:

The subject property is classified as retail "Power Centre" on a 10.19 acre site, and improvements including a free standing big box Zellers store with 112,488 square feet of main floor retail space, and 4,746 square feet of non-retail mezzanine space, and a bank with 10,240 square feet of space. The subject property is located at 5696 Signal Hill CE SW, and assessed based on the capitalized income approach to a total value of \$21,040,000

Issues:

The rent rate(\$10) per square foot used by the Respondent to calculate the potential gross income(PGI) of the main floor retail space in the Zellers store: and the rent rate(\$1) per square foot used by the Respondent to calculate the PGI for the non-retail mezzanine space in the Zellers store are the issues. The requested rates are \$8 per square foot for the main floor retail, and \$0 per square foot for the mezzanine. The Complainant also incorporated a cap rate change to 7.75 %, from 7.25%, in their calculation of the requested assessment. However, as previously noted, there is no complaint or evidence before the Board to support such a change

for the subject property.

Complainant's requested Value: \$ 17,150,000

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

As per Board decision number 1029/2011-P, the rental rate for the Zellers store main floor retail space remains at \$10 per square foot, and the rental rate for the non-retail mezzanine space in the Zellers store remains at \$1 per square foot, for the reasons outlined in the decision.

Board's Decision:

The assessment is confirmed at \$21,040,000

DATED AT THE CITY OF CALGARY THIS 26 DAY OF July 2011.

A handwritten signature in blue ink, appearing to read "T. B. Hudson", is written over a horizontal line.

T. B. Hudson
Presiding Officer

APPENDIX "A"**DOCUMENTS PRESENTED AT THE HEARING
AND CONSIDERED BY THE BOARD:**

NO.	ITEM
1. C1	Complainant AEC Disclosure
2. C2	Complainant Support and Background
3. C3 and 3a	Complainant Legal Analysis
4. C4	Comp. P. Leclaire Testimony/ Will say
5. C5 a, 5 b, & 5 c	Complainant Wilson Laycraft Evidence
6. C6	Complainant AEC Rebuttal Evidence
7. C7	Complainant Retail Sales by Year
8. R1	Respondent Disclosure

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.*