

**CALGARY
COMPOSITE 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

La Dolce Vita Restaurants (1982) Ltd. (as represented by Assessment Advisory Group Inc.), COMPLAINANT

And

The City Of Calgary, RESPONDENT

Before:

***M. Chilibeck, PRESIDING OFFICER
R. Deschaine, 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 2012 Assessment Roll as follows:

ROLL NUMBER: 056076409

LOCATION ADDRESS: 830 – 1 AVE NE

HEARING NUMBER: 67289

ASSESSMENT: \$859,000

[1] This complaint was heard by the Composite Assessment Review Board on 16th day of July, 2012 in Boardroom 11 on Floor Number 3 at the office of the Assessment Review Board located at 1212 – 31 Avenue NE, Calgary, Alberta.

Appeared on behalf of the Complainant:

- S. Cobb
- T. Youn

Appeared on behalf of the Respondent:

- L. Cheng

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

[2] Neither party raised any objections to a member of the Board hearing the subject complaint.

[3] There were no preliminary matters raised by either party.

Property Description:

[4] The subject property consists of a two storey office building constructed in 1972 and contains an area of 9960 sq ft situated on a parcel of land that contains 4,902 sq ft. The land is subject to Land Use Designation of Commercial-Corridor 1. It is located in the community of Bridgeland/Riverside in the area of 8th ST and 1st AVE NE in the City of Calgary.

Issues:

[5] The Complainant identified the matter of an assessment amount on the Assessment Review Board Complaint and attached a list outlining several reasons for the complaint. At the hearing the Complainant identified the issues as follows:

1. The vacancy factor and capitalization rate used in the capitalized income method is incorrect.

Complainant's Requested Value: \$764,500

Board's Findings in Respect of Each Issue:

[6] The subject property is valued using the capitalized income method wherein a vacancy factor of 4.5% and a capitalization rate of 7.75% is applied.

[7] The Complainant requested that the vacancy factor be increased to 10% and the capitalization rate be increased to 8%. Other factors applied by the Respondent in using the income method were accepted by the Complainant.

[8] The Complainant asserted that the subject location is similar to the Beltline community and argued that the Beltline vacancy and capitalization rate factors should be used to value the subject. The Board was not provided with any market evidence to support the claim for an increase to the vacancy factor and an increase to the capitalization rate. Also, no evidence was provided to support the assertion that the market and economic condition between the subject and the Beltline are similar. The Board is not persuaded by the dearth of information to consider a change to the assessment.

Board's Decision:

[9] The Board confirms the assessment at \$859,000.

DATED AT THE CITY OF CALGARY THIS 10th DAY OF Aug 2012.



M. Chilibeck
Presiding Officer

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

| NO. | ITEM |
|------------|--------------------------|
| 1. C1 | Complainant's Disclosure |
| 2. R1 | Respondent's 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.*

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|------------------------------------|-----------------------------|---------------------------------|---------------------------|-------------------------------|
| Decision No. 046-1118-2012P | | | Roll No. 056076409 | |
| <u>Complaint Type</u> | <u>Property Type</u> | <u>Property Sub-Type</u> | <u>Issue</u> | <u>Sub-Issue</u> |
| CARB | Office | Low Rise | Income Approach | Capitalization Rate & Vacancy |