

**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:

***Handel Transport Ltd. (as represented by Assessment Advisory Group Inc.),  
COMPLAINANT***

and

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

before:

***J. Acker, PRESIDING OFFICER  
Y. Nesry, MEMBER  
D. Cochrane, 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:

<b>ROLL NUMBER:</b>	<b>060103009</b>
<b>LOCATION ADDRESS:</b>	<b>3303 3<sup>rd</sup> Avenue NW</b>
<b>HEARING NUMBER:</b>	<b>67127</b>
<b>ASSESSMENT:</b>	<b>\$ 1,180,000</b>

This complaint was heard on 30<sup>th</sup> day of July 2012 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 6.

Appeared on behalf of the Complainant:

- *S. Cobb, Assessment Advisory Group Inc.*
- *T. Youn, Assessment Advisory Group Inc.*

Appeared on behalf of the Respondent:

- *T. Johnson*

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

1. No procedural or jurisdictional matters were raised by the parties.

**Property Description:**

2. The subject property is a 15,364 sq. ft. parcel improved with a single retail structure housing a restaurant operation and a gas bar kiosk with retail gasoline dispensing pumps.
3. The parcel is an irregularly shaped lot (triangular) bounded by 3<sup>rd</sup> Avenue NW and Parkdale Boulevard NW.

**Issues:**

4. The rental rate applied to the subject restaurant facility in using the income approach to value is excessive.
5. Since the subject property utilizes the same in-ground gasoline storage and pumping facilities as the property at 6336 Bowness Road NW, it suffers from the stigma of potential contamination issues and should enjoy a reduction in assessed value.

**Complainant's Requested Value:** \$ 1,100,000

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

6. In support of the Complainant's request for an assessed value of \$1,100,000, the Complainant argued that the subject suffered a stigma of potential soil contamination since its installation of gasoline storage and pumping equipment was similar to that of another property owned by Handel Transport Ltd. At that property, serious soil contamination issues resulted in the demolition of the premises to facilitate remediation work.
7. The Respondent provided a 2009 report on the subject that noted that any contamination on that site was undergoing natural attenuation and required little or no intervention to cure. No causality linking the subject and the property at 6336 Bowness Road was evident.
8. The Board found no support in the evidence or argument for any environmental

reduction for the subject property.

9. The Complainant argued that the valuation of the restaurant using the income approach incorrectly set the rental rate at \$33/sq. ft. The subject lease submitted into evidence demonstrates a rate of \$32/sq. ft. negotiated in 2008 when rates were somewhat higher than those currently demonstrated in similar properties. The complainant argued that the appropriate rate should be \$30/sq. ft. for the subject.

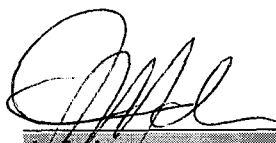
10. The Respondent detailed his income approach to the Board that utilized a \$33/sq. ft. typical rental rate for restaurant properties.

11. Insofar as the Complainant provided no market evidence supporting his request for a reduced rental rate, the Board was not persuaded that an adjustment to the assessment as rendered was appropriate.

**Board's Decision:**

The complaint is dismissed and the assessment is confirmed at \$1,180,000

DATED AT THE CITY OF CALGARY THIS 8 DAY OF August, 2012.

  
J. Acker  
Presiding Officer

FOR ADMINISTRATIVE USE

Subject	Property Type	Property Sub-Type	Issue	Sub-Issue
CARB	Retail	Restaurant	Income Approach	Rental Rate

**APPENDIX "A"**

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

NO.	ITEM
1. C1	Complainant Disclosure
2. 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.*