

**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:

**970742 Alberta Ltd. c/o Saigon Pharmacy
(as represented by Linnell Taylor Assessment Strategies), COMPLAINANT**

and

The City Of Calgary, RESPONDENT

before:

**J. Krysa, PRESIDING OFFICER
J. Massey, MEMBER
P. Pask, MEMBER**

This is a complaint to the Calgary Assessment Review Board in respect of the property assessment prepared by the Assessor of The City of Calgary and entered in the 2012 Assessment Roll as follows:

ROLL NUMBER:	075049106
LOCATION ADDRESS:	4805 17 Ave SE
HEARING NUMBER:	66462
ASSESSMENT:	\$1,110,000

The complaint was heard on August 13, 2012, in Boardroom 11 at the office of the Assessment Review Board, located at 1212 – 31 Avenue NE, Calgary, Alberta.

Appeared on behalf of the Complainant:

J. Mayer

Appeared on behalf of the Respondent:

C. Yee

Board's Decision in Respect of Procedural or Jurisdictional Matters

There were no procedural or jurisdictional matters raised by either party during the course of the hearing.

Property Description

The subject property is a 15,004 sq.ft. (square foot) parcel of land, improved with a 5,150 sq.ft. "B-" quality, "Strip" shopping centre, constructed in 1986, located at the corner of 17th Avenue and 47th Street SE, in the Foothills district of Calgary.

Issues

The Complainant identified the following matter in section 4 of the complaint form:

3. an assessment amount

The Complainant set out the grounds for the complaint in section 5 of the complaint form with a requested assessment value of \$898,000; however, at the hearing the Complainant's issues were limited to the following:

Issue: Does the subject's assessed rental rate of \$18.00 per sq.ft. reflect the typical market rent rate of the subject property?

Complainant's Requested Assessment

At the hearing, the Complainant requested an assessment of \$1,036,945.

Board's Decision in Respect of the Issue

[1] The Complainant argued that the market rent rate of the subject's CRU (Commercial Retail Unit) spaces of size range 1,001 to 2,500 sq.ft. is \$16.00 per sq.ft., in contrast to the assessed rent rate of \$18.00 per sq.ft.

[2] In support of the argument, the Complainant provided a summary of six retail leases located in the general area of the subject along 17 Ave SE, with commencement dates ranging from May 2009 to June 2012, and exhibiting rent rates ranging from \$14.00 to \$17.00 per sq.ft., with average and median rates of \$15.42 and \$15.25 per sq.ft., respectively.

[3] To demonstrate that the assessment is inequitable, the Complainant further provided seven assessment comparables located in the general area of the subject along 17 Ave SE, illustrating a range of assessed unit rates from \$140.59 to \$172.87 per sq.ft., with average and median rates of \$161.37 and \$163.65 per sq.ft. respectively, in contrast to the assessed unit rate of the subject at \$215.53.

[4] The Respondent argued that the assessed \$18.00 per sq.ft. rent rate reflects typical southeast retail rent rates.

[5] In support of the argument, the Respondent provided seven retail leases located in the general area of the subject along 17 Ave SE, commencing from July 2008 to June 2011, and exhibiting rent rates ranging from \$16.00 to \$17.75 per sq.ft.

Decision:

[6] The Board finds that the subject's assessed rental rate of \$18.00 per sq.ft. does not reflect the typical market rent rate of the subject property, and the typical market rent for the subject property's CRU spaces 1,001 to 2,500 sq.ft. in area, is \$16.00 per sq.ft.

[7] The Board was persuaded by the lease evidence of both parties that exhibits a typical market rent in the vicinity of the subject property of \$16.00 per sq.ft.

[8] Four of the seven 2010 to 2012 leases in evidence from both parties exhibit rent rates of \$16.00 per sq.ft., and the remaining three leases exhibit an average rent rate of \$16.16 per sq.ft.

The assessment is **REVISED** from: \$ 1,110,000 to: \$ 1,030,000.

DATED AT THE CITY OF CALGARY THIS

15

DAY OF OCTOBER, 2012.


J. Krysa

Presiding Officer

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

NO.	ITEM
1. C1	Complainant's Submission (27 pages)
2. R1	Respondent's Submission (36 pages)
3. C2	Complainant's Rebuttal Submission (2 pages)

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.*

FOR ADMINISTRATIVE USE

Subject	Property Type	Property Sub-Type	Issue	Sub-Issue
CARB	Retail	Strip Plaza	Income Approach	Market Rent