

**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:

708193 Alberta Ltd. (as represented by Altus Group Limited), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

B. Horrocks, PRESIDING OFFICER

T. Usselman, MEMBER

R. Roy, 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:	020092904
LOCATION ADDRESS:	3604 52 AV NW
HEARING NUMBER:	64087
ASSESSMENT:	\$7,200,000

This complaint was heard on the 5th day of Aug., 2011 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 10.

Appeared on behalf of the Complainant:

- Mr. B. Neeson (Altus Group Limited)

Appeared on behalf of the Respondent:

- Mr. G. Good

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

There were no concerns with the composition of the Board.

Prior to the start of the hearing, the Respondent advised they were revising the assessment by reducing the rental rate of the Office component from \$20.00 / sq. ft. to \$18.00 / sq. ft. which would reduce the total assessment to \$6,970,000. The Complainant advised it was a "good start", but not completely satisfactory. The merit hearing proceeded.

Property Description:

The subject property, commonly referred to as the Dalbrent Shopping Centre, is a 2.0 acre parcel located in the Brentwood Community in NW Calgary. The site contains a multitenant retail strip building with 26,409 sq. ft. of leasable area. The building was constructed in 1973 and is considered to be of B+ quality.

Issues:

The Assessment Review Board Complaint Form contained 4 Grounds for Appeal, but at the outset of the hearing the complainant advised there was only one outstanding issue, namely: the rental rate applied to the 8,961 sq. ft. office component.

Complainant's Requested Value: \$5,320,000 (Complaint Form)
\$6,630,000 (Hearing)

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

Issue Rental rate for Office component

The Complainant's Disclosure is labelled C-1.

The Complainant in support of his request to reduce the rental rate from \$18 to \$15 / sq. ft., at page 20 provided 4 purported comparables in Community and Neighbourhood Centres, of equal or higher quality, noting the rental rate for the office components ranged from a low of \$10 / sq. ft. to a high of \$18 / sq. ft., with a median of \$15.00 / sq. ft. He noted:

1. Brentwood Mall and Dalhousie Station had superior locations to the subject,
2. The office component in the County Fair Plaza was significantly smaller
3. The COOP on Macleod Trail was brand new.

The Complainant, at page 64, provided a table of 5 purported equity comparables in retail Strip Centres, noting quality ranging from C+ to B+, and assessments for the office components ranging from \$10 to \$18 / sq. ft. He argued the best comparable was located at 1431 Kensington RD NW and that assessment was at \$15.00 / sq. ft.

The Respondent's Disclosure is labelled R-1.

The Respondent, at page 24, provided a list of Equity Comparables in 4 Strip Centres in the NW, including the subject, all with assessed rental rates for the office component of \$18.00 / sq. ft.

The Board finds the equity comparables submitted by the Respondent to be more compelling and supportive of the revised rental rate of \$18.00 / sq. ft.

Board's Decision:

The 2011 assessment is reduced to \$6,970,000.

Reasons

Seven equity comparables in the subject support an assessment at \$18.00 / sq. ft.

The Complainant's equity comparables chart contains 2, B quality, Strip Centres in the NW, both with assessed rental rates of \$18.00 / sq. ft.

The Respondent's Equity Comparables chart contains 5, B class properties, all with office spaces assessed at \$18.00 / sq. ft.

The Complainant did not provide any 3rd party lease rates in support of his request to reduce the assessment to \$15.00 / sq. ft.

DATED AT THE CITY OF CALGARY THIS 17 DAY OF August 2011.


B. Horrocks
Presiding Officer

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.*