

**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 (MGA).

between:

537141 Alberta Ltd., (as represented by MNP LLP), COMPLAINANT

and

The City of Calgary, RESPONDENT

before:

L. Wood, PRESIDING OFFICER

R. Deschaine, MEMBER

K. Farn, 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:	507132801
LOCATION ADDRESS:	5 CORAL SPRINGS BV NE
HEARING NUMBER:	65870
ASSESSMENT:	\$4,530,000

This complaint was heard on the 20th day of August, 2012 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 8.

Appeared on behalf of the Complainant:

- Mr. M. Uhryn Agent, MNP LLP

Appeared on behalf of the Respondent:

- Mr. A. Mohtadi Assessor, City of Calgary
- Mr. R. Fegan Assessor, City of Calgary

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

[1] At the commencement of the hearing, the parties indicated that this matter is similar to the one identified in file #65869 which was heard by the same panel earlier that day. The parties requested that their evidence and argument, which is similar, be cross referenced to file #65869. The Board agreed to the parties' request. It is noted that the Complainant did not pursue the same preliminary issue in regards to section 299 of the MGA given the Board's ruling in file #65869 and as reflected in the Board's decision for that file, **CARB 1670-2012-P**.

Property Description:

[2] The subject property is a retail strip shopping centre located in Coral Springs. It is comprised of two buildings (and a gas bar) that have assessable building areas of 5,572 and 7,920 sq. ft. Both buildings were constructed in 1999 and have an A2 quality rating. The land parcel is 1.65 acres, and the land use designation is Commercial Neighbourhood 2.

Issue:

[3] The subject property is inequitably assessed in comparison to similar properties.

Complainant's Requested Value:

[4] The Complainant requested a revised assessment of \$2,710,000 or \$201 psf for the subject property.

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

[5] The Complainant submitted the subject property is currently assessed at \$335.72 psf but compared to similar properties it should be \$201 psf. The Complainant submitted ten equity comparables of strip shopping centres in support of his request (Exhibit C1 page 27). The properties have assessable building areas of 6,860 – 26,084 sq. ft.; constructed in 1900 – 1993; have land areas of 23,681 – 127,018 sq. ft.; various zoning designations (CN2, CC1, I-C, DC, CC3) and assessed quality ratings (A- to D). These equity comparables were assessed between \$102 - \$287 psf; a median of \$201 psf.

[6] The Respondent submitted three equity comparables of strip shopping centres to support the assessed rate (Exhibit R1 page 20). The properties have assessable building areas

of 8,813 – 28,349 sq. ft.; constructed in 1991 – 2008; have land areas of 26,480 – 148,439 sq. ft.; various zoning designation (C-COR 2, DC-I-G and DC/CN1) and are assessed as A2 quality. These equity comparables were assessed between \$234.66 - \$269.85 psf; a median of \$254.17 psf.

[7] The Respondent argued the Complainant's equity comparables have a lower classification than the subject property, which results in a lower (assessed) rate per square foot (Exhibit R1 pages 28 – 43).

[8] In addition, the Respondent argued that the Complainant's "Assessment Per Square Foot as a Unit of Comparison" is an inappropriate method without any market evidence. He provided two Board decisions in support of his position (Exhibit R1 pages 72 – 77)

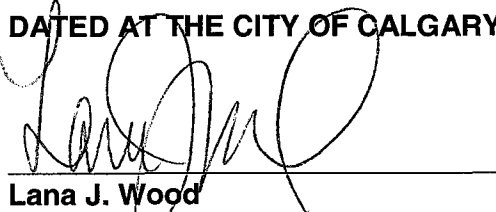
[9] In rebuttal, the Complainant argued there was no evidence from the City to support the current classification of the subject property (A2) or any of the comparables (A2 quality) used by the Respondent in his analysis.

[10] On the face of it, the range of values provided by the Complainant is so broad that it renders the median meaningless. The Board finds the Complainant failed to address how his equity comparables are similar to the subject property. The Board noted the quality ratings between the subject property and the Complainant's ten equity comparables are quite diverse (A- to D). Without any evidence to the contrary, this would suggest to the Board that these properties are not achieving similar lease rates, and in fact have been assessed with different income parameters, particularly different market net rental rates. In addition, the Complainant did not provide any evidence to dispute the current classification of the subject property. As such, the Board finds the Complainant failed to present sufficient evidence to bring the subject property's assessment into question. No further analysis of the matter is warranted

Board's Decision:

[11] The decision of the Board is to confirm the 2012 assessment for the subject property of \$4,530,000.

DATED AT THE CITY OF CALGARY THIS 14th DAY OF November 2012.



Lana J. Wood
Presiding Officer

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

NO.	ITEM
1. C1	Complainant's Evidence
2. C2	Complainant's Rebuttal
3. R1	Respondent's Evidence

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	Equity Comparables