

**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:

Northland Properties Corporation (as represented by Altus Group), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

T. B. Hudson, PRESIDING OFFICER

B. Jerchel, 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:

ROLL NUMBER: 067057521

LOCATION ADDRESS: 888 7 AV SW

FILE NUMBER: 67829

ASSESSMENT: \$22,660,000

This complaint was heard on the 24th day of September, 2012 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 8.

Appeared on behalf of the Complainant:

- *D. Hamilton*

Appeared on behalf of the Respondent:

- *D. C. Grandbois*

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

The Board determined that the Complainant did not fully comply with the provisions of the Act Section 295(1). Therefore, the income and expense data included on page 24 through page 26 of Exhibit C1, was not admissible as evidence in the complaint, in accord with the provisions of MRAC Section 9(3).

[1] The Respondent objected to the inclusion of certain income and expense data for the subject property in the disclosure of the Complainant, data that was not submitted to the assessor, pursuant to the provisions of the Act Section 295(1) which states:

"A person must provide, on request by the assessor, any information necessary for the assessor to prepare an assessment or determine if property is to be assessed."

[2] The Respondent asked the Board to refuse entry into evidence, any income and expense data that was not submitted to the assessor prior to the issuance of the 2012 roll, and pursuant to the provisions of Alberta Regulation 310/2009, Matters Relating to Assessment Complaints Regulation (MRAC), Section 9(3) which states:

"A composite assessment review board must not hear any evidence from a complainant relating to information requested by the assessor under section 294 or 295 of the Act but was not provided to the assessor."

[3] The Respondent submitted in evidence, an Assessment Request for Information (ARFI) letter dated July 19, 2011 from the City of Calgary Assessment Business Unit (ABU) to the subject property owner. The ARFI requested provision of three years (i.e. from July 1, 2008 to June 30, 2011), of income and expense data required for the preparation of the 2012 assessment by August 22, 2011 (page 25 of Exhibit R1). A reminder of the ARFI was sent on August 19, 2011.

[4] A "notice of failure to provide information" letter, dated September 15, 2011 (page 26 of Exhibit R1) was also sent by the ABU to the subject property owner.

[5] The ABU received a fax (page 28 of Exhibit R1), from the subject property owner on September 27, 2011 providing the three years of income information for the time period requested by the ABU. However, no expense information was included. **(See file # 67666 for this information).**

[6] The ABU received no further information on the matter of the requested expenses for the time period, until the disclosure on this complaint was filed on August 13, 2012.

[7] The Complainant explained that the subject property owner was unable to respond fully to the ARFI request in a timely manner, because their accounting system is aligned with the calendar year ending December 31, rather than the assessment year ending June 30.

[8] The Parties agreed that the evidence and argument from Assessment Review Board (ARB) file #67666 and the CARB 1734/2012-P decision should be cross referenced to this file ARB #67829

Property Description:

[8] The subject property is a 0.41 acre parcel improved in 1977 with a limited service 301 unit hotel located at 888 7 AV SW, and known as the Sandman Inn. The current assessment based on the capitalized income approach to value is \$22,660,000. **The Respondent recommended that the assessment be amended to the reduced amount of \$22,370,000 as a result of an expense calculation error.**

Issues:

[9] The assessment amount and class were the matters noted on the Complaint Form.

Complainant's Requested Value: \$21,185,681

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

The assessment amount was confirmed as amended.

[10] The Complainant advised that given the ruling of the Board in respect to the preliminary matter, they were unable to defend the request for a reduction in the assessment of the subject property.

Board's Decision: The assessment is reduced to the corrected amount of \$22,370,000.

DATED AT THE CITY OF CALGARY THIS 22 DAY OF October 2012.



T. B. Hudson
Presiding Officer

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

NO.	ITEM
1. C1	Complainant Disclosure
2. R2	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.*

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<i>Decision No. 1736/2012-P</i>			<i>Roll No 067057521</i>	
<u>Subject</u>	<u>Type</u>	<u>Sub-Type</u>	<u>Issue</u>	<u>Sub-Issue</u>
CARB	Commercial	Limited Service Hotel	Market Value	Equity