

**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:**

***Resman Holdings (as represented by Colliers International Realty Advisors Inc.),  
COMPLAINANT***

**and**

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

**before:**

***T Golden PRESIDING OFFICER  
R Roy MEMBER  
G Milne 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>201703972</b>
<b>LOCATION ADDRESS:</b>	<b>1105 7 AV SW</b>
<b>FILE NUMBER:</b>	<b>66464</b>
<b>ASSESSMENT:</b>	<b>\$3,550,000.00</b>

This complaint was heard on 21 day of September, 2012 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 11.

Appeared on behalf of the Complainant:

- *T. Howell*

Appeared on behalf of the Respondent:

- *E. Borisenko*

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

- [1] There were no procedural matters.

**Property Description:**

[2] The subject property is a 10,101 square foot (sq ft) C- class low rise office building constructed in 1957. The location in the west portion of the downtown is affected by the new LRT construction. A portion of the land area is leased for parking and the income from parking was included in the income approach calculation used to calculate the assessment on the subject property.

**Issues:**

- [3] 1. Has the parking portion of the subject lands been appropriately assessed?

**Complainant's Requested Value:** \$1,520,000.00

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

- [4] 1. The parking portion of the subject lands been appropriately assessed.

[5] The Complainant stated that the subject lands were over assessed. The main indicator of over assessment was the sale of the subject property. During the Complainant's review of the property they found the subject had been sold November 2011 for the value of \$2,000,000.00 which is far less than the assessed value.

[6] The source of the over assessment was twofold; firstly the number of parking stalls used in the Respondent's calculation and secondly the rate applied to each parking stall. With respect to the number of parking stalls the Complainant presented an e-mail from a property manager stating 41 stalls were available for parking. Also a February 1, 2012 lease was presented to the Board and in a diagram it is suggested 43 stalls were available for parking.

The Complainant uses 43 stalls in the proposed income calculation.

[7] The lease rate applied to the 43 parking stalls by the Complainant was \$105.00 per stall. Other inputs to the calculation were the same as those used by the Respondent. The Source of the parking rate was the February 2012 lease document that leases 17 of the available parking stalls to Imperial Parking for \$105.00 per stall. Using 43 stalls at \$105.00 per stall in the income calculation results the requested assessment.

[8] The Respondent pointed to a 2009 Assessment Request for Information form (ARFI) confirming 50 parking stalls on the subject property. No further ARFI forms have been submitted to the City. The 50 parking stalls used by the Respondent in the income calculation was confirmed to the Board using an architect's drawing dated November 7, 2011 which coincides with the Complainant's date for the sale of the subject property.

[9] A chart displaying the various parking rates applied to parking stalls in the downtown was presented to the Board by the Respondent. The chart demonstrated a rate of \$375.00 per space and it was applied to all C class office buildings. Third party information from Cresa partners was used to show parking rates in C class buildings to be \$410.00 for reserved stalls and \$371.33 for unreserved stalls. The Assessment Department analysis for parking rates was not provided to the Board.

[10] A technical issue such as the actual number of stalls is best determined by a site visit and meeting among the parties. In this case no site visit was conducted by the assessment department. In this case the Board had to determine the number of parking stalls based on the best evidence presented. The Board notes the source of the Complainant's information seems to conflict between the e-mail from the property manager which quoted 41 stalls and the lease which reported 43 stalls. Each source is post facto to the assessment condition date of December 31, 2011. This evidence is measured against the 50 stalls reported in the 2009 ARFI signed by the owner and supported by the architect's diagram prepared within the condition period of December 31, 2011. In this case without an actual on site visit the information provided by the Respondent appears to be more supportable. The Board accepts that 50 stalls exist on the subject property.

[11] With respect to the lease rate to be applied to each parking stall the Board finds the Respondent's evidence to be stronger and gives it most weight in the decision. The Complainant attempted to use actual rates to the subject property and did not address the reason these rates should be used rather than typical rates which are used in mass appraisal. In addition it is not clear to the Board that \$105.00 is the rate that should be applied. In the Complainant's evidence the e-mail from the property manager mentions a second rate of \$135.00 that is applied to some stalls in the lot. No reason was given for this higher rate and neither rate was proven to be the market rate. In this case the rate used by the Respondent is the only supported rate available to the Board. The Board was not convinced the assessment was in error.

### **Board's Decision:**

[12] The assessment is confirmed at \$3,550,000.00

DATED AT THE CITY OF CALGARY THIS 5 DAY OF November 2012.



Presiding Officer

**APPENDIX "A"**

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

<b>NO.</b>	<b>ITEM</b>
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.

Appeal Type	Property Type		Issue	Sub-Issue
CARB	office	Stand alone	Income Approach	Rent rate