

**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:**

***634338 Alberta Ltd. (as represented by Altus Group Ltd. ), COMPLAINANT***

**and**

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

**before:**

***L. Wood, PRESIDING OFFICER***

***R. Roy, MEMBER***

***T. Usselman, 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:

<b>ROLL NUMBER:</b>	<b>057229494</b>
<b>LOCATION ADDRESS:</b>	<b>1423 CENTRE ST NW</b>
<b>HEARING NUMBER:</b>	<b>64309</b>
<b>ASSESSMENT:</b>	<b>\$6,390,000</b>

This complaint was heard on 12 day of August, 2011 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:

- *Mr. K. Fong* *Agent, Altus Group Ltd.*

Appeared on behalf of the Respondent:

- *Mr. G. Good* *Assessor, City of Calgary*

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

There were no procedural or jurisdictional matters raised by the parties during the hearing.

**Property Description:**

The subject property is a retail strip centre, known as the Lambda Supermarket, located in Crescent Heights. The building is 35,663 sq. ft., constructed in 1996, and was assessed as A2 quality. The building is situated on 0.98 acres of land and has a land use designation of Commercial Corridor 2. The building is comprised of retail, office, and storage space.

The issue before the Board pertains to 9,000 sq. ft. of CRU space.

**Issues:**

1. There is 9,000 sq. ft. incorrectly assessed as retail space as opposed to grocery space.

**Complainant's Requested Value:** \$5,200,000

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

1. There is 9,000 sq. ft. incorrectly assessed as retail space as opposed to grocery space.

The Complainant submitted the 9,000 sq. ft. of rentable area within the subject property was incorrectly assessed as retail space. The Complainant argued that there are coolers affixed to the real estate which would make this space more akin to a grocery store. The assessed rate applied to CRU space of 6,000 - 10,000 sq. ft. is \$24.00 psf (Exhibit C1 page 11). The Complainant requested a reduction to \$13.00 psf based on 28 grocery store equity comparables that ranged between 12,000- 68,429 sq. ft. that were assessed at \$13.00 psf (Exhibit C1 page 44). The Complainant submitted the Safeway located at 1818 Centre St NE, which is close in proximity and sells similar products as the subject, is the best comparable.

The Complainant submitted the Assessment Request for Information ("ARFI") for the subject property which indicated a gross lease of \$11.00 psf for Lambda Supermarket, which commenced in September 2008 for a three year term, in support of the \$13.00 psf rate (Exhibit C1 pages 33 - 37).

The Respondent submitted 5 equity comparables that had retail space between 5,056 sq. ft. to

30,580 sq. ft, two of which he withdrew at the hearing (Exhibit R1 page 27). The remaining comparables included two restaurant comparables, both located at 10735 Bonaventure Dr SE, assessed at \$24.00 psf and a third comparable located at 1323 Centre St NW, which is a Shoppers Drug Mart, assessed at \$26.00 psf.

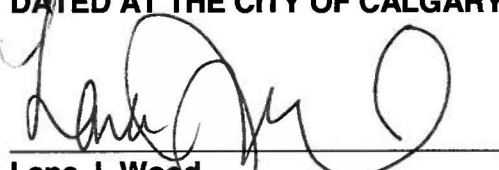
The Respondent submitted the subject lease is a non - arms length lease because it is owner occupied (Exhibit R1 page 39).

The Board was not convinced by the Complainant's evidence that the 9,000 sq. ft. was incorrectly assessed as retail space as opposed to grocery store space. Yet, the Board finds the Respondent's equity comparables were insufficient to support the assessed rate. However, the onus is on the Complainant to prove the assessment is incorrect and the Board finds the onus was not met in this instance.

**Board's Decision:**

The decision of the Board is to confirm the 2011 assessment for the subject property at \$6,390,000.

DATED AT THE CITY OF CALGARY THIS 5<sup>th</sup> DAY OF October 2011.

  
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Lana J. Wood  
Presiding Officer

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

<b>EXHIBIT NO.</b>	<b>ITEM</b>
1. C1	Complainant's Submission
2. C2	Complainant's Rebuttal
3. R1	Respondent's Submission

*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.*