

**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:**

**Ruth Singer Investments Ltd. c/o Martello Property Services  
(as represented by Altus Group Ltd.), COMPLAINANT**

**and**

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

**before:**

***J. Krysa, PRESIDING OFFICER  
R. Deschaine, MEMBER  
I. Fraser, MEMBER***

This is a complaint to the Calgary Assessment Review Board in respect of the annual 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>124146101</b>
<b>LOCATION ADDRESS:</b>	<b>9620 Elbow Drive SW</b>
<b>HEARING NUMBER:</b>	<b>67900</b>
<b>ASSESSMENT:</b>	<b>\$3,960,000</b>

The complaint was heard on September 24, 2012, in Boardroom 9 at the office of the Assessment Review Board, located at 1212 – 31 Avenue NE, Calgary, Alberta.

Appeared on behalf of the Complainant:

- K. Fong

Appeared on behalf of the Respondent:

- R. Farkas

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

There were no procedural or jurisdictional matters raised by either party during the course of the hearing.

**Property Description:**

The subject property is a 63,402 sq.ft. (square foot) parcel of land, improved with a 18,136 sq.ft. "C+" quality strip shopping centre, that was constructed in 1959 and is known as Haysboro Plaza.

**Issues:**

The Complainant raised the following matters in section 4 of the complaint forms:

3. an assessment amount
4. an assessment class

At the commencement of the hearing, the Complainant withdrew matter # 4, and led evidence and argument only in relation to matter #3, an assessment amount. The Complainant set out eleven grounds for the complaint in section 5 of the complaint form with a requested assessment of \$3,190,000; however, at the hearing only the following issues were before the Board:

1. Does the assessment of the subject property reflect the subject's total net rentable area?
2. What is the correct market rent rate applicable to the subject's 4,471 sq.ft. of recreational space?

**Complainant's Requested Value:**

The Complainant's submission included a requested assessment of \$3,260,000; however, at the hearing the Complainant revised the request to \$3,465,000.

**Board's Decision in Respect of the Issues**

**Issue 1:** Does the assessment of the subject property reflect the subject's total net rentable area?

[1] At the commencement of the hearing, the Respondent conceded to the Complainant's issue and submitted that the assessment is founded upon an inaccurate total net rentable area. The Respondent provided an amended assessment calculation to the Board with a recommendation to revise the assessment to \$3,630,000. The Complainant was in agreement with the Respondent's recommendation in respect of the stated issue.

**Decision: Issue 1**

[2] The Board accepts the Respondent's recommendation in respect of the subject's total net rentable area.

**Issue 2:** What is the correct market rent rate applicable to the subject's 4,471 sq.ft. of recreational space?

[3] The Complainant argued that the \$15.00 per sq.ft. market rent coefficient applied to 4,471 sq.ft. of the subject's large CRU areas (2,501 – 6,000 sq.ft.) is inequitable in relation to assessments of similar and competing "recreational" spaces, which are assessed at market rent rates of \$14.00 per sq.ft. (for newer structures) or \$12.00 per sq.ft. (for older structures). The Complainant further argued that the subject's \$15.00 per sq.ft. market rent coefficient is excessive in relation to the subject's current contract rent rate and typical lease rates of similar and competing recreational spaces.

[4] In support of the argument, the Complainant provided the subject's rent roll to demonstrate that the area is occupied under a recent lease commencing on November 11, 2011, at a rent rate of \$10.00 per sq.ft.

[5] The Respondent did not contest the Complainant's submissions in respect of the market rent coefficient applicable to the recreational space, and indicated that he had no evidence to refute the evidence of the Complainant.

**Decision: Issue 2**

[6] The Board accepts the Complainant's (uncontested) submissions in respect of the market rent coefficient applicable to the recreational space.

[7] The Board notes that the Complainant's requested market rent rate results in a total potential gross income that approximates the subject's actual potential gross income.

The assessment is **REVISED** from: \$3,960,000 to: **\$3,465,000**.

DATED AT THE CITY OF CALGARY THIS

19

DAY OF NOVEMBER, 2012.

  
\_\_\_\_\_  
J. Krysa  
Presiding Officer

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

<b>NO.</b>	<b>ITEM</b>
1. C1	Complainant's Submission
2. 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.*

**FOR ADMINISTRATIVE USE**

Subject	Property Type	Property Sub-Type	Issue	Sub-Issue
CARB	Retail	Strip Shopping Centre	Income Approach	Market Rent