

**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:

Ashton Property Management LTD. (as represented by Altus Group LTD), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

K. D. Kelly, PRESIDING OFFICER

A. Wong, MEMBER

B. Jerchel, 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:

ROLL NUMBER:	039035704
LOCATION ADDRESS:	6323 Bowness RD NW
HEARING NUMBER:	63747
ASSESSMENT:	\$1,220,000

This complaint was heard on 22nd day of August, 2011 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 10.

Appeared on behalf of the Complainant:

- *Mr. B. Neeson - Altus Group LTD.*

Appeared on behalf of the Respondent:

- *Ms. C. Neal - Assessor, City of Calgary*

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

None

Property Description:

The subject is an aggregate 8,400 square foot (SF) "stand alone" 1969 retail property with 3 ground floor retail areas totalling 4,343 SF; 1,600 SF of below-grade retail space; and 2,457 SF of office. The office and below-grade retail spaces are assessed at \$10 per SF, whereas the three retail spaces are assessed at \$14; \$15; and \$17 per SF respectively. The subject is located in the commercial sector core in Bowness. It is assessed using the Income Approach to Value at \$1,220,000.

Issue:

The assessment is inequitable when compared to similar properties in the area.

Complainant's Requested Value: \$800,000

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

Issue #1

"The assessment is inequitable when compared to similar properties in the area."

The Complainant provided his Brief C-1 and argued that the subject is inequitably assessed when compared to similar properties in the same general area of the subject. He provided maps and exterior photos of the subject and nearby properties to locate it/them in context with neighbouring commercial properties on the block and across Bowness Road NW. He also provided on pages 20 and 21 of C-1, excerpts from City of Calgary assessment maps showing the assessment of the subject in context with the assessments of adjacent and nearby properties.

On pages 23 to 32 of C-1 the Complainant provided the City's "Assessment Summary Reports" and frontal exterior photos for five properties nearby to the subject. They were as follows:

Address	Assessment
1. 6324 Bowness RD NW	\$979,000
2. 6303 Bowness RD NW	\$586,000
3. 6320 Bowness RD NW	\$496,000
4. 6316 Bowness RD NW	\$712,000
5. 6327 Bowness RD NW	\$550,000

It was noted that #6327 abuts the subject to the west, and #6303 is approximately 5 lots eastward from the subject in the same block. The remaining three properties are immediately across Bowness Rd from the subject.

The Complainant clarified that he did not dispute how any of the five comparables were assessed, rather, he was concerned that the subject appeared to be excessively assessed in comparison to the five comparables he had identified.

The Complainant clarified that his requested value of \$800,000 was based on a range of values as suggested by his five property comparables above-noted. The Complainant provided no Market or other evidence in support of his complaint.

The Respondent provided her Brief R-1 and proceeded to carefully clarify the assessment parameters for each of the Complainant's five comparables, and for the subject. On pages 17 to 32 of R-1 she meticulously detailed the individual and separate internal use characteristics of each of the subject, and the Complainant's five property comparables by referencing the City's "Non-Residential Properties – Income Approach Valuation" sheets for each one, which she had previously provided.

The Respondent clarified that each of the properties have differing retail, or office, or storage, or basement, or mezzanine, or mechanical repair spaces, as individual or aggregate components. Each building is used and demised differently she noted, and therefore each is assessed according to its own unique component uses. Furthermore, each component use (e.g office) is assessed using a per square foot dollar value according to "typical" lease or rental values for that use, which is the predominant rental value in the community.

Therefore, she clarified, each building should expect to be assessed differently, and they are. If they were not, she argued, it would be unfair to any building which was predominantly storage for example, to be compared to and assessed as if it were a highly-finished office building.

The Respondent noted that the Complainant has clarified that he has no issue with how any of the five property comparables he introduced have been assessed. She noted that the subject has been assessed in precisely the same way. She also noted that the Complainant has provided no market evidence whatsoever to demonstrate alternatively that the assessment is incorrect.

The Respondent requested that the assessment be confirmed at \$1,220,000.

Board's Analysis and Conclusions - Reasons

The Board considers from its review of the evidence that the Complainant's arguments fail in this appeal for the following reasons:

Firstly, the Complainant confirmed that he finds no fault with the methodology used to assess his five property comparables. The subject has been assessed in the same manner. Thus, the Complainant effectively accepts how the City has assessed the subject.

Secondly, the Board accepts the Respondent's meticulous clarification of how each of the Complainant's five property comparables and the subject are demised and used, and indeed how and why each component of each of them is valued as it has been, under Mass Appraisal. It is clear to the Board, and should be clear to the Complainant, precisely how and why each property comparable – notwithstanding its proximity or lack thereof to the subject, has been assessed a different value than the subject.

Thirdly, the Complainant provided no market evidence of any kind to demonstrate by an alternative methodology that the assessment is incorrect. The Complainant relied solely on an equity argument for this complaint, and as noted this argument failed.

The Board is therefore satisfied that, on balance and based on the evidence presented in this hearing, the assessment is both correct and equitable.

Board's Decision:

The assessment is confirmed at \$1,220,000.

DATED AT THE CITY OF CALGARY THIS 9 DAY OF SEPTEMBER 2011.


K. D. Kelly
Presiding Officer

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

NO.	ITEM
1. C-1	Complainant Disclosure Brief
2. R-1	Respondent Disclosure Brief

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.*