

**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:

Italian Supermarket Ltd.(as represented by Assessment Advisory Group Inc.)
COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

Board Chair, J. Zezulka
Board Member 1, H. Ang
Board Member 2, D. Julien

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: 201095908

LOCATION ADDRESS: 265 – 20 Avenue NE

HEARING NUMBER: 64836

ASSESSMENT: 1,620,000.00

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

Appeared on behalf of the Complainant:

- T. Howell

Appeared on behalf of the Respondent:

- C. Neal

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

There were no procedural or jurisdictional matters to be dealt with.

Property Description:

The subject consists of a a single property containing two buildings on a 0.59 acre lot, in the Tuxedo Park community of NE Calgary. The gross floor area assessed by the City is 10,506 s.f. The larger of the two buildings is 8,181 s.f., and is occupied by a supermarket, and a full service restaurant. The smaller building is 2,325 s.f. and is occupied by an insurance office.

Issues:

The property is currently assessed using the income approach. The assessment calculates to \$154.20 per s.f. of rentable area.

Although a number of issues are outlined on the complaint form, the Complainant presented evidence to address the following;

1. e) *"The assessed value does not adequately reflect the condition and characteristics of the subject property."*

The only issue before the Board is the overall size of the subject buildings, and the stratification of some of the area. According to the Complainant, the gross floor area of the two buildings is 10,157 s.f.

There are no other issues.

Complainant's Requested Value:

\$1,450,000 on the complaint form, amended to \$1,040,000 on the evidence submission, and subsequently revised to \$1,420,000. The final requested assessment calculates to \$139.81 per s.f. of the Complainant's rentable area.

The positions of the two parties is summarized as follows;

	<u>Respondent</u>	<u>Complainant</u>
CRU 1 to 1,000 s.f.	365 s.f.	0
CRU 1,001 to 2,500 s.f.	5,125 s.f.	8,124 s.f.
CRU 2,501 to 6,000 s.f.	4,224 s.f.	0
Storage	<u>792 s.f.</u>	<u>2,033 s.f.</u>
	10,506 s.f.	10,157 s.f.

Evidence

Neither party actually measured the buildings, although the Complainant stated that some of the storage areas had been measured.

The Complainant submitted a number of photographs of the subject buildings. However, these were not very helpful to the Board in determining floor area or stratification. The Complainant also submitted a 2009 Assessment Request for Information form that showed a total area of 7,947 s.f. That total did not correspond to either the Complainant's or the Respondent's information, and was not very helpful.

The Respondent based the assessed floor area on plans received, and an "ARC" map. The Respondent also presented an Assessment Request for Information form that showed a total leased area of 10,506 s.f. to which the property owner had made a hand written correction to 10,381 s.f.

Board's Decision

The Board finds that the evidence presented by both parties regarding the floor area to be less than ideal. What someone should have done is actually measured the buildings.

The Board is inclined to accept the 10,381 s.f. as amended by the property owner, as the correct area of the subject property.

During the hearing, the Respondent stated that the 365 s.f. classified in the CRU 1 to 1,000 s.f. category should be more correctly included in the 1,001 to 2,500 s.f. category, resulting in a \$1.00 per s.f. lower rent being applied.

Even after a recalculation of the assessment using a \$1.00 per s.f. lower rate for the reclassified area, and adopting the reduced floor area as indicated by the property owner, the reduction in the assessment is no more than one per cent. The Board is of the opinion that the appropriate corrections should be made as "house keeping" changes for future assessment years. However, for the current assessment, the corrections are insignificant enough to warrant a change.

The assessment is confirmed.

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


Jerry Zezulka
Presiding Officer

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

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1. C1 Complainant Submission of Evidence,
 2. R1 City of Calgary Assessment 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.*
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<i>Decision No. 1499/2011 - P</i>			<i>Roll No. 201107018</i>	
<u><i>Subject</i></u>	<u><i>Type</i></u>	<u><i>Issue</i></u>	<u><i>Detail</i></u>	<u><i>Issue</i></u>
CARB 2053	Retail	Stand alone	Floor area and stratification	