

**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:

BCIMC Realty Corporation (as represented by Altus Group Limited), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

B. Horrocks, PRESIDING OFFICER

A. Blake, MEMBER

J. Rankin, 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: | 097018501 |
| LOCATION ADDRESS: | 4990 68 AV SE |
| HEARING NUMBER: | 62789 |
| ASSESSMENT: | \$17,960,000 |

This complaint was heard on the 31st day of Aug., 2011 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 1.

Appeared on behalf of the Complainant:

- Mr. J. Smiley (Altus Group Limited)

Appeared on behalf of the Respondent:

- Mr. I. Baigent

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

There were no concerns with the composition of the Board.

There were no preliminary matters. The merit hearing proceeded.

Property Description:

The subject property is a 9.67 acre parcel located in the Foothills Industrial District in SE Calgary. The site is improved with a 273,952 square foot (SF) multi tenant warehouse that was constructed in 1997 with site coverage of 65.01% and finish of 23%. The subject is assessed at a rate of \$65 per SF utilizing the Direct Sales Comparison Approach to Value.

Issues:

The Assessment Review Board Complaint form contained 11 grounds for complaint. At the outset of the hearing, the Complainant advised that the only outstanding issue was "The assessed area is inaccurate and does not accurately reflect the assessable size of the improvements."

Complainant's Requested Value: \$15,410,000 (Complaint Form)
\$17,350,000 (Hearing)

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

Issue Net Rentable Area

The Complainant's Disclosure is labelled C-1.

The Complainant, at page 8 provided the 2011 Assessment Explanation Supplement noting the Rentable Building Area as 273,952 SF.

The Complainant, at page 10, provided the Tenant Rent Roll as of December 31, 2010, noting the Building Totals as 264,668 SF. The Complainant argued that a sophisticated landlord will typically endeavour to maximize the rentable area of their property and it is unlikely that there are thousands of square feet that are unaccounted for. The Complainant requested the assessment be reduced by correcting the Net Rentable Area and applying the same unit rate (\$65.58 per SF) which would yield a market value of \$17,356,927.

The Respondent's Disclosure is labelled R-1.

The Respondent, at page 11, provided a diagram of the subject that was prepared on May 19, 2006. The diagram contains the exterior building measurements and a notation that the building area is 275,120 square feet.

The Respondent, at page 12, provided the Assessment Request for Information (ARFI) that was dated April 15, 2010. The Total Rentable Area is identified as 264,668 Sq. ft.

The Respondent, at page 16, provided the Tenant Rent Roll dated April 19, 2010. The Building Totals are identified as 264,668 Sq. ft.

The Board notes the discrepancy between the measurement taken in 2006 (275,120 SF) and the area utilized in the calculation of the assessment (273,952 SF).

The Board finds the most recent and reliable information is the 2010 Rent Roll dated April 19, 2010. The Rent Roll is the foundation for being paid and is subject to audit/scrutiny by both the tenants and the landlord. It is noted the landlord directed the Respondent to correct the ARFI by referring them to the Rent Roll. The Net Rentable Area is 264,668 SF.

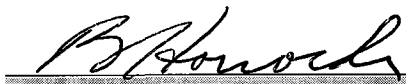
Board's Decision:

The 2011 assessment is reduced to \$17,350,000.

Reasons

The most recent and reliable information is the Rent Roll dated April 19, 2010.

DATED AT THE CITY OF CALGARY THIS 15 DAY OF September 2011.


B. Horrocks
Presiding Officer

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

| NO. | ITEM |
|------------|------------------------|
| 1. C1 | Complainant Disclosure |
| 2. R1 | Respondent Disclosure |
| 3. C2 | Complainant Rebuttal |

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.*