

**COMPOSITE  
ASSESSMENT REVIEW BOARD  
DECISION WITH REASONS**

In the matter of the complaint against the property assessment as provided by the *Municipal Government Act*, (MGA) Chapter M-26, Section 460, Revised Statutes of Alberta 2000 (the Act).

**between:**

***Capital Ideas Ltd. (as represented by Altus Group Ltd.), COMPLAINANT***

**and**

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

**before:**

***C. J. Griffin, PRESIDING OFFICER  
D. Cochrane, MEMBER  
J. Rankin, MEMBER***

This is a complaint to the *Composite Assessment Review Board* (CARB) 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: 523018703**

**LOCATION ADDRESS: 11245 Valley Ridge Dr. NW**

**HEARING NUMBER: 62825**

**ASSESSMENT: \$6,440,000.**

This complaint was heard on 20<sup>th</sup> day of September, 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:

- A. Izard

Appeared on behalf of the Respondent:

- G. Good

**Preliminary Matters:**

The Respondent failed to provide a copy of their submission to the Complainant as required by the *Matters Relating to Assessment Complaints Regulation* (MRAC), Alberta Regulation 310/2009, Division 2 Section 8(2)(b).

**Board Decision – Preliminary Matter(s):**

The CARB made the determination that, in accordance with MRAC 9(2), the Hearing would proceed without any submission from the Respondent.

**Property Description:**

The subject property is a retail strip shopping centre having an assessed area of 19,954 Sq. Ft. The property was originally constructed in 1998 and it sits on a site that is 2.00 acres in size.

**Issues:**

There are a number of interrelated issues outlined on the Assessment Review Board Complaint form; however, at the Hearing the Complainant reduced the issues to be considered by the CARB to:

1. The assessment if the subject property is in excess of its market value for assessment purposes
2. The assessment of the subject property is not fair and equitable considering the assessed value and assessment classification of comparable properties
3. The property details as assessed are incorrect and inconsistent with the characteristics and physical condition as described by Section 289(2) of the MGA.

**Complainant's Requested Value:** \$6,210,000. (revised at the Hearing)

**Party Positions:**

**Complainant's Position**

The Complainant has valued the subject property through application of the Income Approach to Value. The single area of disagreement, from the Complainant's point of view, is the rental rate for the office area of the subject property. Initially the Complainant was requesting a rate of \$11/Sq. Ft. be applied; however, this was revised at the Hearing to \$15/Sq. Ft. and the area in question is 5,976 Sq. Ft.

All other in-puts utilized in application of the Income Approach remain consistent with those applied by the Assessor including, but not restricted to, the capitalization rate (7.50%), a vacancy rate of 3.75%, a vacancy shortfall of \$8/Sq. Ft. and a non-recoverable allowance of 1%. Application of the Income Approach with these in-puts results in the Complainant's requested assessed value of \$6,210,000.

The Complainant's Exhibit C-1 contains evidence to support their applied rental rates.

**Respondent's Position**

The Assessor, as outlined in the Preliminary Matters section of this Decision, did not have a submission for the CARB to consider regarding the defence of the assessed value of the subject.

**Board's Decision:**

The assessment is **reduced** to: **\$6,210,000**.

**Decision Reasons:**

The CARB was of the judgment that the evidence of the Complainant was sufficient to warrant a reduction of the assessed value of the subject and with no evidence presented by the Assessor for consideration, the assessment is reduced.

DATED AT THE CITY OF CALGARY THIS 28 DAY OF September 2011.

  
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**C. J. Griffin,**  
**Presiding Officer**

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

<b>NO.</b>	<b>ITEM</b>
1. C1	Complainant Disclosure

*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.*