

**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:

Western Securities Limited (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: 043000207

LOCATION ADDRESS: 1941 Uxbridge Dr. NW

HEARING NUMBER: 64758

ASSESSMENT: \$14,440,000.

This complaint was heard on 20th 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 46,228 Sq. Ft. The property was originally constructed in 1962 and it sits on a site that is 4.80 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: \$12,880,000.

Party Positions:

Complainant's Position

The Complainant has valued the subject property through application of the Income Approach to Value and in so doing has applied the following rental rates:

CRU < 1,000 Sq. Ft.	\$23/Sq. Ft.
CRU 1,000 – 2,500 Sq. Ft.	\$23/Sq. Ft.
CRU 2,501 - 6,000 Sq. Ft.	\$22/Sq. Ft.
CRU > 6,000 Sq. Ft.	\$20/Sq. Ft.
Retail Bank	\$24/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 \$12,880,000.

The Complainant's Exhibit C-1 contains considerable 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: **\$12,880,000.**

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 26th DAY OF September 2011.



C. J. Griffin,
Presiding Officer

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

NO.	ITEM
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.*