

**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**

***Calgary Co-operative Association Limited  
(as represented by Altus Group), COMPLAINANT***

**and**

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

**before**

***L. Yakimchuk, PRESIDING OFFICER  
D. Julien, MEMBER  
H. Ang, 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: 200456077**

**LOCATION ADDRESS: 1130 – 11 Ave. SW**

**HEARING NUMBER: 60741**

**ASSESSMENT: \$11,320,000**

This complaint was heard October 6, 2011 at the office of the Assessment Review Board located at Floor Number 4, 1212 - 31 Avenue NE, Calgary, Alberta, Boardroom 5.

Appeared on behalf of the Complainant:

- *Mr. A. Izard, Altus Group*

Appeared on behalf of the Respondent:

- *Mr. L. Wong, City of Calgary Assessment Business Unit*

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

There were no procedural or jurisdictional matters.

**Property Description:**

The assessment summary report describes the subject property on 1130 - 11 Ave. SW as 1.27 acres (55,783 square feet) of Beltline Commercial property, with a Direct Control land use. The improvement on it, a Calgary Co-operative Association grocery store, is a 48,073 sq. ft. retail area constructed in 2004. The subject property is assessed at \$11,320,000.

**Issues:**

Is the assessment too high?

Is the method of evaluation appropriate for this property?

**Complainant's Requested Value:** \$9,890,000

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

The Complainant, Mr. Izard (Altus), on behalf of Calgary Co-operative Association Ltd., described the downtown grocery store owned by Calgary Co-op as a new (2004) building which was designed and built with consultation from the local community. He stated that most grocery stores of this type have a 60 year expected life span.

The Complainant stated the adjoining site (1.14 acres) east of the subject property is for customer parking and is restricted as such by a development permit. The improved site which forms the east end of the block has a residential high rise development. All three sites were originally one land package which was subdivided in accordance with the needs of the community and the requirements of the development permit.

Mr. Izard argued that, given that the tower is part of the Victoria and Connaught community which was involved in the original planning for the grocery store development, and given that any new development on the Calgary Co-op lands would require consultation with the community, it is highly unlikely that a higher density development would be approved to take place on either the subject or the parking site in the near future. For that reason, assessing the subject property as Land Only is inaccurate.

To support Calgary Co-operative Association's argument, Mr. Izard presented the detailed Development Permit (C-1c, p.462) established within the parameters of the Direct Control

district (DC14Z 2001), and the accompanying letters of support from the community for this development.

The Complainant also argued that the comparable lots presented by the City are not comparable to the subject property because they are not located in the same area and do not have the same land designation or restrictions in order to redevelop. He suggested that the Safeway at 410 10 St. NW (C-2, p.36) is a more comparable property, which has been assessed on the Income Approach. He also pointed out that the Sunterra Market (C-2, p.38) in the same area has been assessed on the Income Approach. The only other supermarket in Calgary assessed as Land Use is the Safeway mentioned in the City's list of comparables (R-1, p.53), but it is not in the same area.

The Respondent, Mr. L. Wong, on behalf of City of Calgary, maintained that this Calgary Co-op Grocery Store is not typical and could not be appropriately assessed under the Income Approach. He said that there were not enough comparable property sales to establish a good sale value, and that the best approach was Land Value.

Further, Mr. Wong presented the general parameters of the City's Direct Control land designation, stating that these were quite broad and were comparable with the CCX land designation of beltline properties, therefore the subject land could potentially be redeveloped in a variety of ways.

The Respondent also pointed out that the parking site is on a separate lot, making it different from the other comparable properties in the beltline.

The Board noted that the valuation approach for this property had been appealed in 2010 (CARB 2315/2010-P) and the Board had reduced the amended assessment under appeal to the Income Approach assessment value.

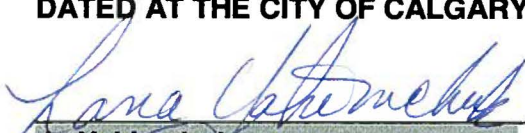
The Board is convinced that Calgary Co-operative Association should be assessed on an Income Approach, thus making its assessment equitable with other comparable grocery stores in the same community. It would be very onerous to change the Direct Control Development Permit plan, created with the consultation of the community, which currently exists. Therefore a Land Value approach is not the best valuation process. There were no comparable sales to establish a market value.

The Board supports the Complainant's request to value the property on the Income Approach, and to reduce the assessment using the typical values for this district (C-1a, p.250).

**Board's Decision:**

The Board reduces the assessment to \$9,890,000.

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

  
L. Yakimchuk  
Presiding Officer

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

<b>NO.</b>	<b>ITEM</b>
1. C-1:a,b,c	Complainant Disclosure
2. C-2	Rebuttal
3. C-3:a,b	Highest and Best Use, economic demand
4. C-5	Highest and Best Use, valuation approach
5. R-1	Respondent 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.*

**This information is for MGB Records Only**

File Number	Roll Number	Subject Type	Issue	Detail	Sub-Detail
2485	200456077	CARB	HBU	Direct Control.	