



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:

Deer Valley Village Shopping Centre Ltd. (as represented by Linnel Taylor Assessment Strategies), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

***R. Fegan, PRESIDING OFFICER
M. Grace, BOARD MEMBER
J. Pratt, BOARD 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 2013 Assessment Roll as follows:

ROLL NUMBER: 149149809

LOCATION ADDRESS: 1176 137 AV SE.

FILE NUMBER: 71971

ASSESSMENT: 7,140,000

This complaint was heard on June 17, 2013 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 11.

Appeared on behalf of the Complainant:

- J. Mayer, (Linnel Taylor Assessment Strategies)

Appeared on behalf of the Respondent:

- I. Pau, (City of Calgary)

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

- [1] No procedural or jurisdictional matters were raised.

Property Description:

[2] The subject property is a retail strip located in the community of Deer Ridge and is comprised of three separate buildings. The site area is 2.96 acres and the total building area is 26,406 square feet. The 2013 property assessment is \$7,140,000. The assessed value has been calculated using the income approach to value.

Issues:

- [3] The market rent for the CRU space in the 1,001 – 2,500 square foot range should be \$18.00 not \$20.00.
- [4] The market rent for the CRU space in the 2,501 – 6,000 square foot range should be \$17.00 not \$18.00.
- [5] The market rent for the CRU space in the recreational category should be \$11.00 not \$14.00.

Complainant's Requested Value: \$6,940,000.

Board's Decision:

The assessment is confirmed at \$7,140,000.

Position of the Parties:

Complainant's Position:

[6] The complainant relied completely on leasing within the subject property to support his request for the application of lower rental rates. The complainant argued that the actual rents in the subject property were representative of market rent.

Respondent's Position:

[7] The respondent provided a market rental analysis for each of the space classes that were being contested.

[8] With respect to the CRU space between 1,001 – 2,500 square feet, the Board had some concerns regarding the fact that the analysis provided by the respondent was made up of only 4 leases and one of them was from a Macleod Trail location, however, when this lease was removed from the sample the median rent was still within an acceptable range of the \$20.00 rate used by the assessor.

[9] The respondent's rental sample for space between 2,501 and 6,000 square feet, was comprised of only 3 rental samples but did support the \$18.00 rate.

[10] The respondent's rental analysis for the recreational space was based on 8 leases and supported the rental rate used of \$14.00.

Board's Reasons for Decision:

[11] The Board found that the complainant had provided no evidence (other than the actual leasing) to demonstrate that the subject rents were in fact typical for properties similar to the subject property. The Board was not convinced by the evidence that the subject property was sufficiently unique to justify the use of actual rents for the subject property. The Board's decision was strongly influenced by AR 220/2004, *"An assessment of property based on market value must reflect typical market conditions for properties similar to that property."* The Board found that the respondent's analysis best represented typical market rent for spaces similar to those in the subject property.

DATED AT THE CITY OF CALGARY THIS 17th DAY OF July 2013.


R. Fegan
Presiding Officer

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

NO.	ITEM
1. C1	Complainant Disclosure
2. R2	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.*