



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:

Edron Holdings LTD. (as represented by Altus Group Limited), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

T. Golden, PRESIDING OFFICER

R. Deschaine BOARD MEMBER

D. Julien 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: 201072253

LOCATION ADDRESS: 15425 Bannister Rd SE

FILE NUMBER: 72390

ASSESSMENT: \$10,630,000

This complaint was heard on the 8th day of October, 2013 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:

- *K. Fong, D. Main*

Appeared on behalf of the Respondent

- *G. Jones*

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

[1] There were no preliminary issues.

[2] **Property Description:** The subject is a retail commercial site with quality ratings between A- and A2. The development is on a 2.7 acre parcel and was constructed partly in 1991 further in 2011. An assessment was prepared using the Income Approach to valuation. The rental rate in question is the fast food rate with other inputs in the Income calculation not in dispute.

Issues:

Issue 1: Is the rental rate applied to fast food outlet an appropriate rate?

Complainant's Requested Value: \$10,500,000

Board's Decision: The assessment is confirmed at **\$10,630,000**

Board Decision on Issue 1: The rental rate applied to fast food outlet is the appropriate rate.

Complainant's Position:

[3] The table of fast food leases submitted in support of the rental rate request used leases from fast food outlets in various parts of the City. These leases were much more representative of the subject. The requested value is supported by a table of 6 leases (pg., 31 C-1). The table of fast food restaurants has a mean of \$30.14 per sq. ft. and a median of \$28.16 per sq. ft. supporting the requested value of \$28.00 per sq. ft..

Respondent's Position

[4] The Respondent presented a table of 16 fast food restaurants (pg.26 R-1) indicating a median of \$31.50 per sq. ft. These leases are taken from throughout the City. The Respondent stated this category draws from all sectors of the City and not just a particular quadrant.

Board's Reasons for Decision on issue 1

[5] The Board accepts the Respondent position it is reasonable to use fast food restaurant leases from across the City and therefore places more weight on the Lease table in R-1 pg. 26 than the Complainant's evidence. The evidence in C-1 is from a narrower range of leases and fewer leases. The Respondent has used a better sample to develop the typical rental rate.

[6] It should be noted that this complaint is a request for a reduction in assessment of 1.2% well within the acceptable range of 5%

DATED AT THE CITY OF CALGARY THIS 28th DAY OF November 2013.



Tom Golden

Presiding Officer

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

NO.	ITEM
1. C1	Complainant Disclosure
2. C2	Complainant Rebuttal
3. R1	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.*

Roll	Address	Subject	Issue	Detail	Sub Detail
201072253	15425 Bannister Rd	Strip mall	income	Rental rate	