



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:

Airstate Ltd.
(as represented by Altus Group Limited), COMPLAINANT

and

The City of Calgary, RESPONDENT

before:

C. J. Griffin, PRESIDING OFFICER
D. Julien, BOARD MEMBER
G. Milne, BOARD 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 2013 Assessment Roll as follows:

ROLL NUMBER(S):	100015007
LOCATION ADDRESS:	1220 – 59 Ave. SE
FILE NUMBER:	72964
ASSESSMENT:	\$48,750,000.

This complaint was heard on the 3rd day of September, 2013 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, in Boardroom 4.

Appeared on behalf of the Complainant:

- D. Chabot

Appeared on behalf of the Respondent:

- M. Ryan

Board's Decision in Respect of Procedural Matters:

The CARB agreed with a recommendation put forth by the Complainant, and agreed to by the Respondent, that all of the evidence and argument pertaining to the issue, described herein, that was presented in the preceding Hearing (#72395) be carried forward and applied to this Hearing.

Property Description:

[1] According to the Property Assessment Detail Report (Exhibit C-1 pg. 22), the subject property is a combination A+ Class 3 storey (office) and C+ Class (warehouse) suburban office/warehouse building containing a total assessed area of 253,547 Sq. Ft. together with 203 underground parking stalls. While the total assessed area is 253,547 Sq. Ft., this complaint relates to 106,757 Sq. Ft. of office space. There is an undescribed exempt area in this property which is not under complaint. The office component of the building was constructed in 2009 while the warehouse component was constructed, in two stages, in 1979. The property is located in the Burns Industrial area of southeast Calgary.

Issue(s):

[2] The Complainant introduced one issue (Exhibit C-1 pg. 6) for the CARB's consideration consisting of:

- The assessed office rental rate is in excess of market rent and a reduction is requested from the assessed rate of \$21/Sq. Ft. to \$20/Sq. Ft..

Current Assessment(s):

[3] \$ 48,750,000. (Net of Exempt portion)

Complainant's Requested Value:

[4] \$ 47,310,000. (Net of Exempt portion)

Board's Decision:

[5] The assessment is **confirmed** at:

\$ 48,750,000. (Net of the Exempt portion)

Position of the PartiesComplainant's Position:

[6] In accordance with Board's decision to carry forward the evidence and argument of both parties (see Procedural Matters) as presented in preceding Hearing, the reader is requested to review CARB Decision 72395/P-2013 for a description of the Complainant's position pertaining to the issue at hand. The CARB accepted the Complainant's brief and marked same as Exhibit C-1.

Respondent's Position:

[7] As indicated above, the reader is requested to review CARB Decision 72395/P-2013 for a description of the Respondent's position pertaining to the issue at hand. The CARB accepted the Respondent's brief and marked same as Exhibit R-1.

Complainant's Rebuttal

[8] The Complainant introduced their Rebuttal (Exhibit C-2) which is similar in content to that introduced in the preceding Hearing. The Reader is asked to review CARB Decision 72395/P-2013 for a complete understanding of the Complainant's Rebuttal.

Board's Decision Reasons:

[9] The CARB is of the judgment that requesting a reduction from \$21/Sq. Ft. to \$20/Sq. Ft., equating to approximately 5%, is a request that requires a very finite analysis as opposed to the more general analyses provided by both parties. Additionally, there is case law that states, basically, that market value is a range as opposed to a specific value and that if one is within 5% then one has achieved market value. The CARB maintains that the referenced term 'market value' can be substituted with the term 'market rent' without altering the impact of the statement. Accordingly and in recognition of the Assessor's legislated requirement to prepare assessments using a Mass Appraisal process, the CARB has determined that the assessed office rental rate of \$21/Sq. Ft. is representative of 'market rent' and no reduction in the assessed value derived from this assessed rental rate is warranted.

DATED AT THE CITY OF CALGARY THIS 1st DAY OF October 2013.


C. J. Griffin

Presiding Officer

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

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

For MGB Administrative Use Only

Municipality: Calgary	Decision No. 72964/P-2013	Roll No: 100015007	
<u>Property Type</u>	<u>Property Sub-Type</u>	<u>Issue</u>	<u>Sub-Issue</u>
Office	Suburban Office	M.V.	Assessed office rental rate