



## **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:**

***Scotia Realty Limited (as represented by Altus Group Limited), COMPLAINANT***

**and**

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

**before:**

***M. Axworthy, PRESIDING OFFICER***

***H. Ang, BOARD MEMBER***

***A. Wong, 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 2014 Assessment Roll as follows:

**ROLL NUMBER: 201908423**

**LOCATION ADDRESS: 1303 Centre ST NW**

**FILE NUMBER: 75351**

**ASSESSMENT: \$4,340,000**

This complaint was heard on 21 day of July, 2014 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 2.

Appeared on behalf of the Complainant:

- *M. Cameron, Agent*

Appeared on behalf of the Respondent:

- *R. Sidikou, Assessor*
- *S. Turner, Assessor*

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

- [1] No procedural or jurisdictional matters were raised.
- [2] Both the Complainant and the Respondent requested that all evidence, argument and rebuttal be cross-referenced to File 74623.

**Property Description:**

- [3] The subject property is an 9,017 square foot (SF) bank and 9,570 SF of storage with an assessable land area of 18,500 SF, located in the community of Crescent Heights. The subject was constructed in 1967 and has a Subproperty use code of CM201 Retail-Freestanding. It is assessed using the Income Approach to value and is owner occupied.

**Issues:**

- [4] While a number of issues were identified on the Complaint Form, the following issues were argued at the hearing.
- a) The property is incorrectly classified as "B" quality.
  - b) The assessed retail rate is too high and should be no more than \$27.00 per SF.

**Complainant's Requested Value: \$3,340,000**

**Board's Decision:**

- [5] The Board confirmed the assessment.

**Legislative Authority, Requirements and Considerations:**

[6] Under the Act Section 460.1(2) and subject to Section 460(11), a composite assessment review board has jurisdiction to hear complaints about any matter referred to in section 460(5) that is shown on an assessment notice for property, other than property described in subsection 460.1 (1)(a).

[7] The Board reviewed the evidence provided and will limit its comments to the relevant facts pertaining to this case and materials which led to the decision.

**Position of the Parties****Complainant's Position:**

[8] The Complainant stated that the subject is an older, freestanding bank with a Year-of-Construction (YOC) of 1967 with lower quality finishes, no recent renovations and without a drive-through common to many newer banks. It is located in the inner city community of Crescent Heights next to a Tim Horton's and a Shoppers Drug Mart.

[9] The Complainant stated that while the subject is in a better location than the CIBC bank further north on Centre ST (cross reference File 74623), it is also an older bank in poorer condition than the other banks assigned a "B" quality rating by The City.

[10] In support of its argument, the Complainant provided location maps and photos of the subject [C1, p.p. 16, 17] along with a photographs of other "B" quality banks included in the City of Calgary 2014 Citywide Bank Lease Analysis: B Quality [C1, p. 23 and pp. 24-40] and stated that the banks included in the analysis were of a higher quality in terms of location and finishing materials and were newer than the subject. The Complainant noted that the "B" quality banks in The City study had a median YOC of 1991, with the oldest bank in the "B" category having a YOC of 1962.

[11] The Complainant also made reference to The City's 2014 City Wide Bank Lease Analysis: C Quality [C1, p. 41] with a median YOC of 1974, and provided photos of "C" quality banks [C1, pp. 42-82], stating that in its opinion, the subject is more comparable to banks classified as "C" quality by The City including a "C" quality bank located north of the subject at 4811 Centre ST NW [C1, p. 84-88].

**Respondent's Position:**

[12] The Respondent stated that the Complainant indicated that it supports the rates applied in The City's 2014 bank analysis. The Respondent noted that the Complainant had not done its own bank study but wanted to move some banks into different quality ratings without a clear rationale for doing so.

[13] The Respondent stated that there was no evidence to support the Complainant's contention that freestanding banks command lower rates in the market place and that in some cases, freestanding bank rental rates were higher than those in strip or neighbourhood centres.

[14] The Respondent stated that YOC alone was not a determining factor in the quality rating of banks. Location was the most important criterion, followed by YOC and if any renovations had occurred.

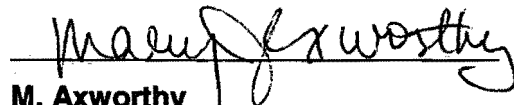
[15] The Respondent argued that the subject had an excellent inner city location on a section of Centre St. with a high volume of pedestrian traffic and was of average quality and that for these reasons, the classification as "B" quality was appropriate.

**Board's Reasons for Decision:**

[16] The Board finds that the "B" quality rating assigned by the Respondent is appropriate. The subject is well located on an inner city section of Centre ST NW with a high volume of pedestrian traffic. The building is of average quality as shown in the photographs provided by both the parties and as compared to other banks of a "B" quality rating.

[17] The Board finds that that the rental rate for the subject at \$35.00 per SF is correct and the assessment is confirmed at \$4,340,000.

DATED AT THE CITY OF CALGARY THIS 14 DAY OF August 2014.

  
M. Axworthy  
Presiding Officer

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

<b>NO.</b>	<b>ITEM</b>
1. C1	Complainant Disclosure
2. C2	Respondent Rebuttal (Cross-referenced to File #74623)
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.*

**For Administrative Use Only**

<b>Municipal Government Board use only: Decision Identifier Codes</b>				
Appeal Type	Property Type	Property Sub-Type	Issue	Sub-Issue
CARB	Retail	Stand alone	Bank quality rating	