

IN THE MATTER OF A COMPLAINT filed with the City of Grande Prairie *Composite Assessment Review Board* (CARB) pursuant to Part 11 of the *Municipal Government Act* being Chapter M-26 of the Revised Statutes of Alberta 2000 (Act).

BETWEEN:

Colliers International Valuation & Advisory Services - Complainant

- a n d -

City of Grande Prairie - Respondent

BEFORE:

Members:

J.P. Acker, Presiding Officer

B. Dixon, Public Member

J. Munroe, Public Member

A hearing was held on October 4, 2011 at the Grande Prairie Museum 10329 – 101 Avenue – Multi-Use Room, in the City of Grande Prairie in the Province of Alberta to consider a complaint about the assessment of the following property tax roll number:

Roll Number:	804790
Civic Address:	8100 – 100 Street
2011 Assessment:	\$ 7,910,900

PART A: BACKGROUND AND DESCRIPTION OF PROPERTY UNDER COMPLAINT

The Grounds of Appeal:

The assessment notice identifying the above facts was mailed March 1, 2011. The Complainant, Colliers International Valuation & Advisory Services filed a complaint against the assessment April 29, 2011. At issue is whether or not the assessed value derived from an income approach calculation fairly represents the market value of the subject property. At issue is the market rent value utilized by the Assessor in the valuation calculation.

Property Description:

The subject property is a 48,135 square foot standalone grocery store located at 8100 – 100 Street in the City of Grande Prairie built in 2005. The improvement is a Canada Safeway store purpose built for the tenant

PART B: PROCEDURAL OR JURISDICTIONAL MATTERS

The Grande Prairie Composite Assessment Review Board derives its authority to hear and decide appeals under Part 11 of the Municipal Government Act of Alberta.

There were no procedural issues raised by either of the parties.

PART C: PARTY POSITIONS

The Complainant provided evidence and testimony supporting his contention that the subject property was not properly valued for assessment purposes because the Assessor applied the wrong market rent rate in his value calculation using the income approach.

He provided a list of 21 Canada Safeway properties demonstrating their size, annual base rent and the derived rate per square foot. This selection of properties produced a median rental rate of \$11.45. This was offered in support of his request for a \$12/square foot rate rather than the \$14.50 applied by the Assessor.

The Respondent provided 6 comparable stand-alone grocery stores in Grande Prairie stratified into 3 older properties 3 newer properties. These demonstrated rental rates of \$14 - \$16.50 for newer facilities (comparable to the subject) and \$12.25 - \$12.50 for older properties. Each of these was supported by lease information and details on age, location, condition and unique attributes such as wall height, site coverage and visibility. This evidence supports an assessment of \$14.50/ square foot for the subject.

FINDINGS:

1. The applied rental rate of \$ 14.50 is appropriate for the subject property.

DECISION: The assessment is confirmed at \$ 7,910,900

REASONS:

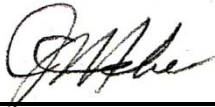
The appeal process for a challenge to a property assessment requires that the Complainant demonstrate at the outset that the assessment is in some way impaired. This burden of onus must be met to support an appeal and transfer onus to the Respondent to defend the assessment as rendered.

The Board was not persuaded that the Complainant met onus in this appeal. A list of 21 properties geographically spread across numerous jurisdictions in Alberta showing building areas and derived square foot unit rents is in itself not sufficient to provide any meaningful conclusions. No detail was offered for any of the listed properties that might demonstrate similarity with the subject beyond the fact that all are Canada Safeway outlets, nor was any supporting evidence advanced indicating that the Grande Prairie marketplace was similar to those communities included in the listed properties.

Accordingly, the Board confirms the assessment at \$ 7,910,900

It is so ordered.

Dated at the City of Grande Prairie this 4th day of October, 2011.



J. P. Acker, Presiding Officer

APPENDIX "A"

DOCUMENTS RECEIVED AND CONSIDERED BY THE CARB:

- 1A Evidence Submission of the Complainant
- 2R Evidence Submission of the Respondent

Subject	Property Type	Property Sub-Type	Issue	Sub-Issue
CARB	Retail	Stand Alone	Income Approach	Net Market Rent/Lease Rates