

OKOTOKS COMPOSITE ASSESSMENT REVIEW BOARD ORDER #0238/08/2010-M

IN THE MATTER OF A COMPLAINT filed with the Town of Okotoks Composite Assessment Review Board (CARB) pursuant to the *Municipal Government Act (Act)*, Chapter M-26.1, Section 460(4).

BETWEEN:

Prairie Fire (Okotoks) GP Ltd., Complainant

- and -

The Town of Okotoks, Respondent

BEFORE:

R. Irwin, Presiding Officer
R. May, Member
J. Tiessen, Member

This is a complaint to the Town of Okotoks Composite Assessment Review Board (CARB) in respect of property assessments prepared by the Assessor of the Town of Okotoks and entered in the 2010 Assessment Roll as follows:

Roll Number	Address	Assessment
Roll Number: 0061300	700 201 Southridge Drive	\$14,140,000

This complaint was heard on the 13th day of October, 2010 at the Town of Okotoks Council Chambers at 5 Elizabeth Street, Okotoks, Alberta.

Appearing on behalf of the Complainant:

- Altus Group Limited (Agent for the Complainant) – B. Ryan

Appearing on behalf of the Respondent:

- P. Huskinson

Preliminary Matters:

There were no preliminary matters. The merit hearing proceeded.

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Property Description:

The subject property includes, a Sobeys (grocery and liquor), Bank of Nova Scotia, Ricki's, Movie Gallery, H & R Block and Extreme Pita. The areas are:

42792 sq ft Retail-Grocery (Main floor area)

2515 sq ft Grocery Mezzanine Office

6156 sq ft Retail (Bank)

13274 Retail Other

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64,737 Total Sq Ft.

The property is assessed at \$14,140,000

Issues:

- Mezzanine Rate
- Grocery Rate
- Bank Rate

Complainant's Requested Value:

The request on the complaint form was \$11,947,700. This was revised to \$13,167,000 in the evidence and at the hearing.

Board's Findings in Respect of Each Matter of Issue:

Mezzanine Rate:

The Complainant requested a reduction in the Mezzanine office rates from \$12.00 to \$1.00. The Complainant submitted evidence that the "gross leasable area" definition in the subject lease in Okotoks excluded the Mezzanine area and therefore requested that the Mezzanine should not be assessed. The Complainant presented a list of 32 comparable properties located in the City of Calgary, that all had mezzanines and were assessed at \$1.00.

The Respondent replied that the Town of Okotoks had a fair, equitable and consistent process of assessing Mezzanine space for all properties that had a mezzanine in Okotoks. The Respondent drew attention to the Municipal Government Act defines an improvement in 284(1)(j) as

- (i) A structure
- (ii) Any thing attached or secured to a structure, that would be transferred without special mention by a transfer or sale of the structure.

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Decision:

The Board agreed that how other municipalities conducted assessments or assessed mezzanine space was not relevant. The Board also agreed that the mezzanine was an improvement and would be transferred or sold without special mention. Evidence indicated that all similar property in Okotoks was assessed fairly.

The subject property's mezzanine area has been assessed correctly.

Grocery Rate:

The Complainant requested that the Grocery Rate be reduced from \$16.00/sq ft to \$15.00/sq ft. The Complainant presented evidence that included photographs of Calgary grocery stores and charts depicting Altus Groups Stratification of Calgary Grocery Stores to support the request.

The Respondent also included photographs and lease analysis information for comparable Calgary grocery stores. In addition, the Respondent presented Okotoks comparable Grocery Store data. The Respondent stated that they used Calgary data and combined it with local Okotoks market data to develop an Okotoks stratification.

Decision:

The Board found the Respondent's evidence illustrated a consistent Okotoks assessment of similar property and the Respondent's stratification was fair for the local market.

The Board agreed that the \$16.00 per sq. ft. rate is correct.

Bank Rate:

The Complainant requested to reduce the Bank Rate from \$30.00 to \$28.00.

The Complainant presented a list of 22 banks located in the City of Calgary. The evidence concluded a mean rate of \$31.60.

The Respondent's evidence included a list of local Okotoks bank comparables that averaged \$31.80 per sq ft.

Decision:

There was insufficient evidence presented to convince the Board to consider a reduction of the \$30.00 assessed rate.


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Board's Decision:

After considering all the facts, evidence and argument, the ARB decided that the Assessment is confirmed at \$14,140,000.

It is so ordered.

Dated at the Town of Okotoks in the Province of Alberta, this 2nd day of November 2010.

(for) 

R. Irwin
Presiding Officer

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.*