

**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-26.1, Section 460(4).

**between:**

***Altus Group Ltd., COMPLAINANT***

**and**

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

**before:**

***Earl K Williams, PRESIDING OFFICER***

***Ian Fraser, MEMBER***

***Peter Charuk, MEMBER***

This is a complaint to the Calgary Assessment Review Board in respect of the Property assessment prepared by the Assessor of The City of Calgary and entered in the 2010 Assessment Roll as follows:

**ROLL NUMBER: 201272952**

**LOCATION ADDRESS: 3737 37St SW**

**HEARING NUMBER: 59843**

**ASSESSMENT: \$6,980,000**

This complaint was heard on 4<sup>th</sup> day of August, 2010 at the office of the Assessment Review Board located at 4<sup>th</sup> Floor, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 2.

Appeared on behalf of the Complainant:

- *K. Fong, Agent, Altus Group Ltd.*

Appeared on behalf of the Respondent:

- *D. Zhao, Assessor, City of Calgary*

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

No preliminary, procedural or jurisdictional matters were raised

**Property Description:**

The property is a 38,829 square foot (sq ft) Safeway Supermarket (Classified as a CM0203 Retail Shopping Centre – Neighbourhood Shopping Centre) on a 2.93 acre site located in the Community of Glamorgan. The subject property and Glamorgan Shopping Centre are adjacent to each other at the intersection of 37 St and Richmond Rd SW. The Safeway is on a separate title from the balance of the shopping centre and functions as the anchor for the retail complex at this intersection

**Issues:**

Vacancy Rate – the vacancy rate for assessment be increased from 1% to 4% to reflect the current market conditions for Grocery Store anchors.

**Complainant's Requested Value:**

\$5,910,000

**Board's Decision in Respect of Each Matter or Issue:**

Both the Complainant and the Respondent presented a wide range of relevant and less relevant evidence in respect of the issues.

**Complainant**

The Complainant's evidence included photographs and a schematic layout of the subject property (pages 15 -20) which shows that the Safeway is part of the Glamorgan Shopping Centre.

In support of the request to increase the vacancy rate to 4% the Complainant presented a 2010 Shopping Centre Vacant Space Analysis – Anchor Tenant Space (pages 24-83) for 21 retail properties. For each of the 21 comparable properties the Complainant presented the Income Approach Valuation summary prepared by the City of Calgary's Assessment Department as well as in certain cases a photograph of the property.

The CARB reviewed the 21 comparables and determined the following:

- 9 were supermarkets and 12 were other types of retailers;
- of the 9 supermarkets; 3 were standalone, 5 were big box and 1 was in a strip mall centre;
- the assessed anchor vacancy was 4% for the 9 supermarkets;
- the property use code for all 21 comparables was different than the subject property.

#### Respondent

The evidence included photographs and a schematic layout of the subject property (pages 7-9) which supported that the Safeway is physically adjacent to and functions as part of the Glamorgan Shopping Centre.

The Respondent presented on page 15 a table titled City Vacancy Equity which in addition to other data reported the assessed vacancy rate for anchors for 22 properties all with the Sub-Property Use of CM0203 – Retail Shopping Centre – NBHD which is the same use code as the subject. The CARB reviewed the table and determined the following:

- 13 were supermarket anchors and 8 were other types of retailers
- the assessed vacancy was 1% for all 22 comparables

The Respondent's evidence (page 14) also included a table titled Altus Vacancy Equity which summarized the data for the Complainant's comparables. The presentation of the comparables in the two tables facilitated the CARB's review and analysis. The Respondent also included retail market reports prepared by Colliers International and CBRE Richard Ellis.

#### Board's Decision

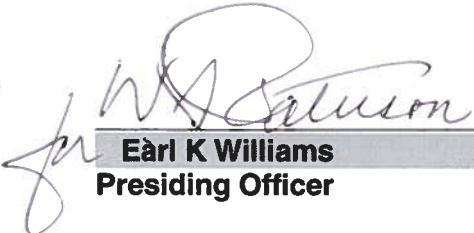
The CARB reviewed the evidence presented by the Complainant and the Respondent with particular attention to the assessed vacancy rate comparables. The Respondent's table titled City Vacancy Equity reported data for properties with the same Sub-Property Use code as the subject property. The subject property is not a big box retailer or a stand alone supermarket.

Based on the evidence the CARB confirmed the vacancy rate to be 1%.

#### **Board's Decision:**

Assessment confirmed at **\$6,980,000**

DATED AT THE CITY OF CALGARY THIS 16 DAY OF September 2010.

  
**Earl K Williams**  
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.*