

**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:

J. Noonan, *PRESIDING OFFICER*

A. Wong, *MEMBER*

C. McEwen, *MEMBER*

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

ROLL NUMBER:	048040893
LOCATION ADDRESS:	2116 27 Ave NE
HEARING NUMBER:	57710
ASSESSMENT:	\$9,580,000.

This complaint was heard on the 17th day of August, 2010 at the office of the Assessment Review Board located at the 4th Floor, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 3.

Appeared on behalf of the Complainant:

- G. Worsley, B. Ryan, Tax Consultants, Altus Group

Appeared on behalf of the Respondent:

- A. Jerome, Assessor, *The City of Calgary*

Property Description:

The subject is located at 2116 27 Ave NE, Calgary. It is a 62,433 sq.ft. lowrise suburban office building constructed in 1979 in the South Airways neighbourhood. After deduction of several exempt sub-accounts, the assessed value is \$9,580,000.

Issues:

From a lengthy list of reasons identified on the complaint form, the Composite Assessment Review Board (CARB) heard evidence and argument on the following issues:

1. Should the vacancy rate be increased from 9% to 14%?
2. Should the lease rate be reduced from \$18 to \$15?
3. Has the correct amount of space been allocated to the exempt sub-accounts?

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

1. The parties acknowledged that the issue of appropriate vacancy rate for NE suburban offices had been extensively argued before other panels, and their decisions (ARB 1074/2010P and ARB 1089/2010P) had found 14% vacancy better reflective of the NE market. Specifically, those decisions had found that some office/warehouses ought to be excluded from the vacancy study, and that some substantial new inventory should be included. The Board accepts the conclusion of those decisions, and finds a 14% vacancy rate appropriate for the subject NE office building.

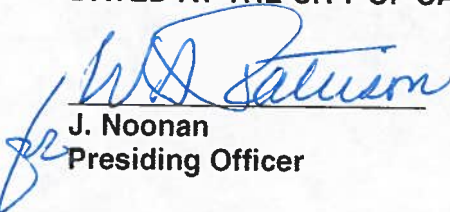
2. The parties presented leasing evidence in favour of their respective positions, but the CARB was not swayed to depart from the typical \$18 rate for NE "B" class offices.

3. The CARB notes that the space allocation differential between the parties is modest and would likely produce a result that would be lost in the rounding process even if the Board were to prefer a modestly higher allocation to the exempt accounts.

Board Decisions on the Issues:

The Board reduces the taxable portion of the assessment after deduction of the exempt sub-accounts to \$8,410,000.

DATED AT THE CITY OF CALGARY THIS 15 DAY OF September 2010.



J. Noonan
Presiding Officer

JN/sd

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.*