

**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(4).

between:

*Altus Group Ltd., COMPLAINANT*

and

*The City Of Calgary, RESPONDENT*

before:

*J. Gilmour PRESIDING OFFICER*

*E. Reuther, MEMBER*

*P. Charuk, 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 2010 Assessment Roll as follows:

<b>ROLL NUMBER:</b>	<b>175035914</b>
<b>LOCATION ADDRESS:</b>	<b>151 Crowfoot Cr NW</b>
<b>HEARING NUMBER:</b>	<b>59211</b>
<b>ASSESSMENT:</b>	<b>\$76,260,000</b>

This complaint was heard on the 10<sup>th</sup> day of November, 2010 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 1.

Appeared on behalf of the Complainant:

- *D. Genereux*                      *Agent, Altus Group Ltd.*

Appeared on behalf of the Respondent:

- *S. Turner*                              *Assessor, The City of Calgary*

**Property Description:**

The subject property is the Crowfoot Power Centre, located in the community of Arbour Lake. This centre is one of the oldest in the City of Calgary. The rentable area of the property is 257,542 sq. ft. on 24.3 acres of land. Most of the buildings on site were constructed in 1997.

The 2010 assessment of \$76,260,000 was revised by the Respondent to \$75,760,000 (EX R1 – Page 25).

Space	Area	Current Rental Rate for the Current Assessment	Requested Rental Rate
Anchor (Chapters Book Store)	23,130 sq. ft.	\$18	\$15
Pad (Shanks)	23,860 sq. ft.	\$18	\$14
Restaurant/Dining Lounges	18,333 sq. ft.	\$30	\$28
Restaurant – Fast Food	8,011 sq. ft.	\$30	\$28
Theatre	51,151 sq. ft.	\$20	\$15

**Complainant's Requested Value:**

\$69,520,000

**Board's Decision in Respect of the Issue:**

The Complainant relied primarily in his evidence of equity comparables in various other properties throughout the City, that the rental rates for the above spaces should be reduced in the Crowfoot Power Centre. These equity comparables were located in the following areas:

- Shawnessy Towne Centre
- McKenzie Towne
- Shepard Regional Centre
- Sunridge
- Macleod Trail
- Willow Park
- Southland
- 32 Avenue

- Shawville Bv
- Country Hills Bv
- Signal Hill

The only property in the Complainant's equity list close to the property under review was the business assessment for Joey Tomato's, which listed the rental rate at \$28 in lieu of \$30. The assessor stated before the Board that the reduction was an error and would be corrected in the following year.

The Complainant did submit the following ARFI information to the Board, but all these leases had expired and 10 new leases were submitted by the Complainant.

Chapters	1999	10 year term	\$14.25
Shanks	1998	10 year term	\$14
Theatre	1998	10 year term	\$15

The Altus Group Box Store Leasing Summary noted in EX C-1, Page 34 was of little assistance to the Board, as it noted some 44 box stores located in various areas throughout the City.

The Respondent argued before the Board that the Complainant's equity comparables were not comparable to the subject, since they were located in different areas of the City. The power centre in Crowfoot was unique to other comparable centres in the City based on the specific characteristics of buildings located within the centre and properties not located in power centres at all.

The Respondent submitted 12 comparable leasehold properties in the City with similar size to the Chapters Store within Crowfoot at 23,130 sq. ft. The median rate for these leases with start-up dates from 2007 – 2009 resulted in a figure of \$18.05. The Respondent agreed to a rental rate for the property of \$18.

For the Shanks property, using the same lease comparables, \$18 was the rental rate used in the determination of the assessment for this building.

For the free-standing restaurants, the Respondent relied on 5 comparable restaurants in the northwest of the City, which produced a rental rate of \$30, similar to the rental rate for the 3 restaurants located within the Crowfoot Power Centre. The lease comparables for these 5 restaurants resulted in a median rental rate of \$34.25. The City assessed all these restaurants at \$30.

For the fast food restaurants, the assessor compared the rental rates of 5 restaurants in the northwest area of the City. All but one had an assessed rental rate of \$30.

The lease information submitted by the Respondent for 4 restaurants within the power centre resulted in a median of \$32. Similar fast food restaurants in other power centres resulted in much higher rental rates than those within Crowfoot. The City assessed the subject fast food restaurants at \$30.

The theatre complex within Crowfoot, similar to other theatres throughout the City, is assessed at a rental rate of \$20, with the exception of the theatre in Chinook at a rate of \$29. The lease comparables of these theatres indicated a median rate of \$22.50. The City's assessment rental

rate for the subject theatre is \$20.

The Complainant's rebuttal package (EX C-2) noted some further "equitable" comparables. The Board, however, suggested that these comparables were distant from the subject properties.

**Board's Findings:**

The Composite Assessment Review Board finds that the Respondent provided the most compelling relevant evidence and in the time frame to demonstrate that the rental rates for the assessment valuations were fair and reasonable.

**Board's Decision:**

The revised assessment of \$75,760,000 is confirmed by the Board.

DATED AT THE CITY OF CALGARY THIS 18 DAY OF November 2010.

  
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J. Gilmour  
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.*