

**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, Revised Statutes of Alberta 2000 (the Act).

**between:**

***Superior Investments 2004 Ltd. (as represented by Altus Group Limited), COMPLAINANT***

**and**

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

**before:**

***Board Chair, J. Zezulka  
Board Member, B. Bickford  
Board Member, E. Reuther***

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 2012 Assessment Roll as follows:

**ROLL NUMBER: 089031207**

**LOCATION ADDRESS: 814 - 49 Avenue SW**

**HEARING NUMBER: 67685**

**ASSESSMENT: \$2,410,000**

This complaint was heard on the 8th day of August, 2012, at the office of the Assessment Review Board located at Floor Number Three, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom Eight.

Appeared on behalf of the Complainant:

- *A. Izzard*
- *B. Neeson*

Appeared on behalf of the Respondent:

- *R. Ford*

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

- (1) There were no procedural or jurisdictional matters raised by either party.

**Property Description:**

- (2) The subject is part of Britannia Plaza, a strip class retail shopping centre located in SW Calgary. The assessable building area is 12,346 s.f.

**Issues / Appeal Objectives**

- (3) The property is currently being assessed using the income approach. The Complainant does not dispute the valuation method. The only issue in this matter is the capitalization rate used by the City. In the capitalization calculations, the Respondent applies a capitalization rate of 7.50 per cent. The Complainant does not dispute the rents, vacancy allowance, vacancy space shortfall, or non-recoverable allowance applied by the City. However, it is the Complainant's position that the shopping centre should be reclassified from a strip centre to a neighbourhood centre. The capitalization rate applied should then be 7.75 per cent.

**Complainant's Requested Value:** \$2,370,000. The Board notes that the requested value represents a decrease of no more than \$40,000, which is 1.66 per cent of the original assessment.

**Evidence / Argument**

- (4) The Complainant submitted a number of documents relative to capitalization rates. Document C-1 contained the argument specific to the subject. Exhibit C-2 is the 2012 general capitalization rate analysis and argument for neighbourhood shopping centres. The C-2 document is an extensive and thorough analysis that concluded that 7.75 per cent is the appropriate capitalization rate for community and neighbourhood shopping centres.

- (5) The Complainant could not offer any evidence to support the request to reclassify the subject to a neighbourhood centre.

**Board's Findings**

- (6) The onus of proving that an assessment is incorrect lies with the individual alleging it. The onus rests with the Complainant to provide convincing evidence to justify a change in the

assessment. Since the Board finds no reason to change the classification of the subject, the Complainant's capitalization rate argument fails.

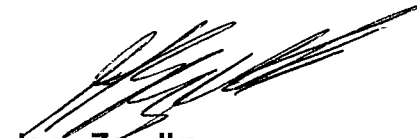
(7) Furthermore, just as the onus is on the Complainant to provide prima fascia proof that any particular assessment may be incorrect or inequitable, the Complainant also has the initial burden of proving that the Respondent erred in the methodology adopted or implemented in connection with the assessment. The Complainant failed to do that.

(8) The requested 1.66 per cent reduction is not significant in the context of an assessment that is purported to reflect market value, where five per cent is an acceptable margin of error.

**Board's Decision**

(9) The assessment is confirmed at \$2,410,000.

DATED AT THE CITY OF CALGARY THIS 27 DAY OF SEPTEMBER, 2012.



**Jerry Zezulka**  
**Presiding Officer**

**APPENDIX "A"****DOCUMENTS PRESENTED AT THE HEARING  
AND CONSIDERED BY THE BOARD:**

<b>NO.</b>	<b>ITEM</b>
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- |    |  |
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| 1. | C1; Evidence submission of the Complainant   |
| 2. | C2; 2012 Neighborhood-Community Shopping Centre Capitalization Rate study of the Complainant |
| 3. | C3; Complainant Rebuttal Submission to the Respondent,s Capitalization Rate Study            |
| 3. | R1 Evidence Submission of the Respondent   |

*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.*

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<i>Decision No. 1399/2012 - P</i>		<i>Roll No. 086143500</i>		
<u>Subject</u>	<u>Type</u>	<u>Issue</u>	<u>Detail</u>	<u>Issue</u>
CARB	Retail	Income approach	Capitalization rate	N/A