



ASSESSMENT REVIEW BOARD

MAIN FLOOR CITY HALL
1 SIR WINSTON CHURCHILL SQUARE
EDMONTON ALBERTA T5J 2R7
(780) 496-5026 FAX (780) 496-8199

NOTICE OF REVISED DECISION NO. 0098 08/10

(Pursuant to Section 471(2) of the *Municipal Government Act*)

ALTUS GROUP LTD
17327 - 106A AVENUE
EDMONTON AB
T5S 1M7

THE CITY OF EDMONTON
ASSESSMENT AND TAXATION BRANCH
600 CHANCERY HALL
3 SIR WINSTON CHURCHILL SQUARE
EDMONTON AB T5J 2C3

This is a decision of the Assessment Review Board (ARB) from a hearing held on June 28, 2010, respecting an appeal on the 2010 Annual New Realty Assessment.

Roll Number 2874006	Municipal Address 1 WESTMOUNT SHOPPING CENTRE NW	Legal Description Plan: 5079 HW Block: 20
Assessed Value \$78,119,500.	Assessment Type Annual - New	Assessment Notice For: 2010

Before:

Tom Robert, Presiding Officer
James Wall, Board Member
Jasbeer Singh, Board Member

Persons Appearing: Complainant
David Fu – Altus Group Ltd.

Persons Appearing: Respondent
Frank Wong, Assessment and Taxation
Cam Ashmore, Law Branch

PROCEDURAL MATTERS

Upon questioning by the Presiding Officer, the parties present indicated no objection to the composition of the Board. In addition, the Board members indicated no bias with respect to this file.

The subject property is known as the Westmount Shopping Centre located at 13310 - 111 Avenue. Originally there were twenty (20) issues put forward on complaint – seventeen (17) of these issues have either been agreed to or withdrawn.

ISSUE(S)

The issues before the Board are as follows:

1. The rental rate applied by the City for Commercial Retail Units (CRUs) for 5,001 to 10,000 square feet is too high when economies of scale are taken into consideration.
2. The rental rate applied by the City for Commercial Retail Units (CRUs) for restaurant space is inequitable when compared to other assessed rental rates.
3. The rental rate applied by the City for stage space is inequitable when compared to other assessed rental rates.

LEGISLATION

The Municipal Government Act, R.S.A. 2000, c. M-26;

s.467(1) An assessment review board may, with respect to any matter referred to in section 460(5), make a change to an assessment roll or tax roll or decide that no change is required.

s.467(3) An assessment review board must not alter any assessment that is fair and equitable, taking into consideration

- a) the valuation and other standards set out in the regulations,
- b) the procedures set out in the regulations, and
- c) the assessments of similar property or businesses in the same municipality.

POSITION OF THE COMPLAINANT

Issue #1 The Complainant presented eight (8) shopping centre assessment comparables of CRUs space; arguing that when comparing the assessed rental rates for CRUs 3,001 to 5,000 square feet and CRUs 5,001 to 10,000 square feet within the same shopping centre, there is an average indicated adjustment factor of 0.93. Therefore, typically the larger spaces are assessed at approximately 93% of the smaller spaces.

Issue #2 The Complainant presented four (4) shopping centre restaurant pad assessment comparables arguing that the assessed rates per square foot range from \$23.00 per square foot to \$27.00 per square foot with an average median of \$25.00 rather than the current assessed rate of \$30.00.

Issue #3 The Complainant argued that based on three (3) comparables presented, which range from \$8.00 to \$10.00 per square foot, the subject space is assessed too high at \$16.00 per square foot.

POSITION OF THE RESPONDENT

Issue #1 The Respondent argued firstly that shopping centres are unique properties and factors such as similar location, age and tenant mix must be considered. The Respondent further argued that due to these factors comparables are not similar to the subject, and in fact, in three of the comparables put forward the rates did not decrease due to the increased square footage.

Issue #2 The Respondent argued again that similarity must be regarded, taking into consideration location, age and tenant mix.

Issue #3 The Respondent presented eight (8) comparables together with the Complainants three (3) comparables which indicated an average of \$16.72 per square foot. However, as was previously stated, the Respondent argued that similarity must be considered.

The Respondent further indicated that the Complainant is seeking an overall reduction from the adjusted value of approximately 3%, well below the established benchmark of 5% correctness margin.

DECISION

The Decision of the Board is to accept the Respondent's recommendation, with the Complainant's endorsement to reduce the assessment to \$75,416,500.00

REASONS FOR THE DECISION

The Board accepts the joint agreement to reduce the assessment.

DISSENTING DECISION AND REASONS

There was no dissenting decision.

Dated this 9th day of August, 2010, at the City of Edmonton, in the Province of Alberta.

Presiding Officer

CC: FIRST CAPITAL (NORTHGATE) CORPORATION
2201, 4525 KINGSTON ROAD
TORONTO ON M1E 2P1