



ASSESSMENT REVIEW BOARD

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

NOTICE OF DECISION NO. 0098 157/10

Alexander Davidoff
1243616 Alberta Ltd
2874, 8882 170 Street
Edmonton, AB T5T 3J7

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 Composite Assessment Review Board (CARB) from a hearing held on August 25, 2010 respecting a complaint for:

Roll Number 2660462	Municipal Address 10220 – 140 Street NW	Legal Description Plan: 7722609 Block: 101 Lot: 1A / Plan: 3875P Block: 101 Lot: 2 / 3
Assessed Value \$2,274,000	Assessment Type Annual New	Assessment Notice for: 2010

Before:

Lillian Lundgren, Presiding Officer
Petra Hagemann, Board Member
Howard Worrell, Board Member

Board Officer: Annet N. Adetunji

Persons Appearing: Complainant

None

Persons Appearing: Respondent

Tracy Ryan, Assessment and Taxation Branch

PRELIMINARY MATTERS

The Complainant was not present at the hearing and the Board confirmed that a hearing notice with the proper date, time and location of the hearing was mailed to the Complainant. In accordance with section 463 of the *Municipal Government Act*, the Board proceeded to deal with the complaint in the absence of the Complainant.

BACKGROUND

The subject property, Glenora Village, is a low density Class B office building, located in district 149 of the City of Edmonton. This property was assessed based on the income approach and valued at \$167.69/ sq. ft. for a total assessment of \$2,274,000.

ISSUES

The Complainant was not present for the hearing and the only issues considered were those identified on the original complaint form filed by the Complainant.

1. Is the subject property's assessment correct?
2. Do the environmental guidelines (2007) negatively affect the value of the subject property?

LEGISLATION

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

S. 463 If any person who is given notice of the hearing does not attend, the assessment review board must proceed to deal with the complaint if

- (a) all persons required to be notified were given notice of the hearing, and
- (b) no request for a postponement or an adjournment was received by the board or, if a request was received, no postponement or adjournment was granted by the board.

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

The Complainant was not present at the hearing and did not submit any evidence or argument to support a reduction in the 2010 assessment.

POSITION OF THE RESPONDENT

The Respondent indicated that there was no disclosure of evidence provided by the Complainant. The only information provided for this account was contained on the complaint form. The Respondent was not able to determine what the Complainant is asking for in relation to the assessed value for the subject property.

In response to the environmental guidelines mentioned on the complaint form, there is no information provided by the Complainant that shows an impact on property values.

FINDINGS

The Board finds insufficient evidence to alter the 2010 assessment.

DECISION

The decision of the Composite Assessment Review Board is to confirm the 2010 assessment at \$2,274,000.

REASONS FOR THE DECISION

The Board is persuaded by the Respondent's valuation of the subject property based on typical low density valuation rates for B Class buildings in District 149 showing:

- an average office rent of \$15.00/ sq. ft.
- a cap rate of 8%
- an average assessment of \$167.69/ sq. ft.

The Greater Edmonton Report by Colliers International for the 2nd quarter of 2009 for the 149th Street suburban market area shows an average asking rental rate between \$18.00 - \$19.00. This would support the subject's assessed rental rate of \$15.00.

CB Richard Ellis in the Canadian Cap Rate survey for the 2nd quarter for suburban office rates in Edmonton shows a range of cap rate from 8.00% to 8.50%. This indicates the cap rate of 8% used in the assessment of the subject to be correct.

The Respondent provided fifteen equity comparable properties in the 149 Street district all assessed at \$167.69/ sq. ft. showing that the assessment of the subject is equitable.

The Board notes that no information was provided by the Complainant to indicate in what way and to what degree the new environmental guidelines mentioned on the complaint form affect the value of the subject property and, therefore, has not addressed this issue.

In section 5 on the complaint form, the requested assessed value is listed at \$26,890. The Board believes this to be a request for a reduction in taxes as the 2010 assessment of the subject property is \$2,274,000. The Board does not have jurisdiction to deal with reduction in property taxes as per *Municipal Government Act*, Part 11, Section 460(1) *A person wishing to make a complaint about any assessment or tax must do so in accordance with this section.* Section 460 (6) *There is no right to make a complaint about any tax rate.*

The Board finds that the Complainant has not provided sufficient and compelling evidence to show that the assessment is not correct and, therefore, confirms the 2010 assessment at \$2,274,000.

DISSENTING DECISION AND REASONS

None.

Dated this 30th day of August, 2010, at the City of Edmonton, in the Province of Alberta.

Presiding Officer

This Decision may be appealed to the Court of Queen's Bench on a question of law or jurisdiction, pursuant to Section 470(1) of the Municipal Government Act, R.S.A. 2000, c.M-26.

CC: Municipal Government Board