



## ASSESSMENT REVIEW BOARD

MAIN FLOOR CITY HALL  
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EDMONTON AB T5J 2R7  
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### NOTICE OF DECISION NO. 0098 159/10

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 Composite Assessment Review Board (CARB) from a hearing held on August 3, 2010 respecting a complaint for:

<b>Roll Number</b> 10085379	<b>Municipal Address</b> 18855 Stony Plain Road	<b>Legal Description</b> Plan 0720647 Block 1 Lot 8
<b>Assessed Value</b> \$3,217,000	<b>Assessment Type</b> Annual New	<b>Assessment Notice for:</b> 2010

#### Before:

Hatem Naboulsi, Presiding Officer  
Taras Luciw, Board Member  
Anthony Slemko, Board Member

#### Board Officer:

J. Halicki

#### Persons Appearing: Complainant

John Trelford, Agent  
Director, Realty Tax Consulting  
Altus Group Ltd.

#### Persons Appearing: Respondent

Chris Rumsey, Assessor  
Assessment and Taxation Branch  
City of Edmonton

### PROCEDURAL MATTERS

The Complainant and Respondent expressed no objection to the composition of the Board and the Board Members had no bias to this file.

### PRELIMINARY MATTERS

The Complainant submitted a rebuttal document (exhibit C2) objecting to the admission of the Respondent's submissions, asserting that s.8(2)(b)(i) of *Matters Relating to Assessment Complaints Regulation* AR310/2009 had not been satisfied. The Board allowed the Respondent to proceed with the admission of their evidence.

The Board reviewed the provisions of the aforementioned regulation and concluded that the packages had been exchanged properly. The Board ruled that the Respondent could present his evidence without providing any information that had not been provided in the disclosure package. The Complainant was permitted to object if the Respondent presented evidence outside of the disclosure.

## **BACKGROUND**

The subject property, located in the Place La Rue neighbourhood, consists of an undeveloped parcel of land with a surface area of 157,379 square feet.

## **ISSUE(S)**

Is the subject property fairly and equitably assessed as compared with similar properties in the area?

## **LEGISLATION**

***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.

## ***Matters Relating to Assessment Complaints Regulation AR310/2009***

s. 8(2) If a complaint is to be heard by a composite assessment review board, the following rules apply with respect to the disclosure of evidence:

- (b) the respondent must, at least 14 days before the hearing date,
  - (i) disclose to the complainant and the composite assessment review board the documentary evidence, a summary of the testimonial evidence, including a signed witness report for each witness, and any written argument that the respondent intends to present at the hearing in sufficient detail to allow the complainant to respond to or rebut the evidence at the hearing, and

## **POSITION OF THE COMPLAINANT**

The Complainant submitted for the Board's consideration twelve sales comparables including the subject and dated from January 2007 to July 2008 (C1, pg. 8) using a land value direct sales comparison approach. These time-adjusted sales comparables ranged from \$9.51 to \$21.56 per square foot with an average of \$15.60 per square foot.

Additionally, nine equity comparables using a land value equity comparison approach (ibid., pg. 10) ranging from \$12.71 to \$19.00 per square foot with an average of \$15.85 per square foot were submitted by the Complainant.

The Complainant requests a reduction in the subject property's 2010 assessment from \$3,217,000 to \$2,451,500 based on a direct sales comparables or, based on equity comparables, to \$2,493,500. A final request to \$2,451,500 was submitted.

As noted above, the Complainant presented a rebuttal document (exhibit C2) on the preliminary matter.

### **POSITION OF THE RESPONDENT**

The Respondent stated that the 2010 assessment of the subject property has been fairly and equitably assessed using the mass appraisal model and not site specific.

The Respondent presented two sets of sales comparables totaling eight sales. Four of them were from the same area as the subject property (dated from September 2007 to November 2008) with a time-adjusted sale price per square foot of \$16.55 to \$40.61 which averages \$26.82 per square foot. The remaining four sales comparables, located in the SW quadrant of Edmonton, dated from August 2007, ranged in time-adjusted value from \$21.64 to \$21.77 per square foot with an average of \$21.72. The overall average of all eight sales comparables was \$24.27 per square foot.

The Respondent also presented three equity comparables ranging from \$18.81 to \$22.23 per square foot with an average of \$20.10 per square foot.

A law and legislation brief (exhibit R2) was also submitted by the Respondent.

### **DECISION**

The Board's decision is to reduce the 2010 assessment from \$3,217,000 to \$2,708,500.

### **REASONS FOR THE DECISION**

The Board placed most weight on those sales comparables that were in closest proximity to the subject property as the Board is of the opinion that they are more likely to be predictive of market value of a property of this nature. In particular, the Board was persuaded by the Respondent's first two sales located in the same area as the subject property (R1, pg. 16) with a time-adjusted sale price respectively of \$19.29 and \$16.55 per square foot. The Complainant's last sale (C1, pg. 8) is also located in the same area as the subject property with an adjusted sale price per square foot of \$15.79. The average of these three sales is \$17.21 per square foot. This is the figure used by the Board to arrive at the assessment of \$2,708,500.

The Board acknowledged the sale of the subject property in 2007, noting the sale price had been time-adjusted by the Respondent. The Board was of the opinion that the average price of three properties (including the subject) in the vicinity was more reflective of the market value.

The Board did not place any weight on the Respondent's sales comparables (R1, pg. 16) located in the SW quadrant of Edmonton as they represent a different market area with different values.

*Bramalea* articulates that where the assessment standard is market value, a taxpayer is entitled to either market value or a value that is fair and equitable in relation to similar properties, whichever is lower. It is

a long established principle of assessment that a taxpayer has the right to an assessment not in excess of actual value, and to an assessment that is comparable with similar properties in the municipality.

**DISSENTING DECISION AND REASONS**

Not applicable.

Dated this second day of September, 2010, at the City of Edmonton, in the Province of Alberta.

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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  
City of Edmonton, Assessment and Taxation Branch  
CWA Holdings Ltd.