



ASSESSMENT REVIEW BOARD

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NOTICE OF DECISION NO. 0098 212/11

CVG
1200-10665 JASPER AVENUE
EDMONTON, AB T5J 3S9

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 September 7, 2011, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
7809429	6003 103A Street NW	Plan: 4269HW Block: 83 Lot: 1, 1A	\$5,319,000	Annual New	2011

Before:

John Noonan, Presiding Officer
Judy Shewchuk, Board Member
Ron Funnell, Board Member

Board Officer: Jason Morris

Persons Appearing on behalf of Complainant:

Tom Janzen, CVG

Persons Appearing on behalf of Respondent:

Susen Douglass, Assessor, City of Edmonton

BACKGROUND

The subject consists of two single storey 1974-built industrial buildings that cover 42% of a 2.91 acre lot. One building measures 28,618 sq.ft. and the other 23,991 sq.ft., for a total of 52,609 sq.ft. The 2011 assessment was prepared by the direct sales comparison approach, and equates to a per sq.ft. value of \$101.10 for the improvement.

ISSUE(S)

The complaint form identified a number of issues: that the assessment was greater than the July 1, 2010 market value and inequitable in relation to assessments of similar properties; the capitalized value of the actual net operating income is less than the assessment; the property details and description do not correctly reflect actual physical characteristics; an analysis of ASRs (assessment to sales ratios) of similar properties supported a lower assessment value.

At the hearing, evidence and argument from the Complainant addressed a single issue:

1. Do the Complainant's sales comparables justify a lower assessment?

In addition to market sales evidence, the Respondent also addressed assessment equity.

LEGISLATION

Municipal Government Act, RSA 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

The Complainant requested the assessment be reduced to \$4,734,500. The request was based on an analysis and comparison of 6 sales that concluded an appropriate per sq.ft. value for the subject of \$90 as opposed to the assessed value of \$101.10.

The 6 sales occurred between January 2008 and June 2010, were time-adjusted by the same factors employed by the Respondent, and showed per sq.ft. values ranging from \$76.26 to \$98.95.

The Complainant noted that 4 of the Respondent's sales were dated, and the 2 most recent sales were on 99 Street, a location superior to that of the subject.

POSITION OF THE RESPONDENT

The Respondent presented 7 sales comparables selected for having higher site coverage, larger main floor areas, and little or no mezzanine space. The sales dated from February 2007 to January 2009, 4 being 2007 sales. The sales showed an average adjusted sale price per sq.ft. of main floor area and total building area of \$111.17 and \$106.03 as compared to the subject's assessed value of \$101.10.

In answer to a question, it was noted the assessment model assigns a greater value to two buildings than one of the same total area.

A list of 17 equity comparables selected for similar age, south side location, and building sizes showed assessments per sq.ft. of main floor building area in a range from \$95.56 to \$104.89.

DECISION

The CARB confirms the 2011 assessment at \$5,319,000.

REASONS FOR THE DECISION

On review of the evidence, the CARB noted the City records for this property indicate it is an office development with no warehouse area. An overhead photo of the subject tends to confirm a lack of truck access to most, if not all of this development. Unlike the subject, the comparables presented by both parties were conventional industrial properties containing a mix of office and warehouse space. The CARB was unable to determine that the assessment was incorrect or inequitable, and so declines to alter the assessment.

Dated this 5th day of October, 2011, at the City of Edmonton, in the Province of Alberta.

John Noonan, 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, RSA 2000, c M-26.

cc: ACE LANGE CONSTRUCTION LTD