



ASSESSMENT REVIEW BOARD

MAIN FLOOR CITY HALL
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NOTICE OF DECISION 0098 251/10

1311387 Alberta Ltd
10101 111 Street NW
Edmonton, AB T5K 2W4

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 09, 2010 respecting a complaint for:

Roll Number 9959758	Municipal Address 10053 111 Street NW	Legal Description Plan: 9823391 Block: 10 Lot: 2A
Assessed Value \$7,546,500	Assessment Type Annual - Revised	Assessment Notice for 2010

Before:

Hatem Naboulsi, Presiding Officer
Jim Wall, Board Member
Jasbeer Singh, Board Member

Board Officer: Annet N. Adetunji

Persons Appearing: Complainant

Lorenzo Clonfero, 1311387 Alberta Ltd

Persons Appearing: Respondent

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PRELIMINARY MATTERS

The parties present indicated no objection to the composition of the Board. The Board members indicated no bias with respect to this file.

BACKGROUND

The subject property is a 58 suite high-rise building known as Rosedale Manor and is located at 10053 111 Street. It was constructed 1979 as a 6 storey concrete office building. Subsequently, it was purchased and converted into a seniors' facility around 1997.

ISSUE

What is the appropriate assessment for the subject property?

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

The Complainant submitted 3 equity comparables (C1, page 1):

1. Riverbend Retirement Seniors' Residence at 103 Rabbit Hill Court is assessed at \$8,136,000 for 136 suites which is \$59,823 per suite.
2. Shepherds Care Kinsington Village at 12603 135 Avenue is assessed at \$7,384,000 for 192 suites which is \$37,867 per suite.
3. Claire Estates Retirement Community at 10305 100 Avenue is assessed at \$10,389,500 for 150 suites which is \$69,263 per suite.

The Complainant submits that the subject property is a specialized seniors' facility which is recognized by the provincial government as an assisted living facility. It has been identified by Capital Health as meeting the standards for an assisted living facility and is contracted to provide services to seniors.

POSITION OF THE RESPONDENT

The Respondent submitted a 64 page assessment brief which showed that the assessment of the subject property at \$7,546,500 was completed through the cost approach. The Respondent also submitted 7 equity comparables (R1, page 23) and 7 land sales comparables (R1, page 24) in support of the assessment.

The Respondent asked the Board to confirm the assessment.

DECISION

The decision of the Board is to reduce the 2010 assessment of the subject property from \$7,546,500 to \$4,820,500.

REASONS FOR THE DECISION

The subject property was constructed as a high rise office building with heated underground parking. The subsequent conversion of the building to its current use as an assisted living complex results in several over adequacies in the building. The effect on value from these over adequacies is not fully recognized in the application of the cost approach.

The Board finds that the 3 equity comparables put forward by the Complainant ranged in assessment from \$37,867 to \$69,263 per suite compared to the subject property's assessment at \$130,112 per suite. The Respondent used 2 of these equity comparables together with 5 others which ranged in assessment from \$105,856 to \$165,237 per suite. The Board disregards the previously mentioned 5 equity comparables of the Respondent as unlike the subject and the Complainant's equity comparables were not licensed as supported living facilities by the Alberta government.

The Board finds that the suites in the subject property are larger than those in the equity comparables and in addition recognizes that the subject property's location is superior. The Board considers the third equity comparable (Claire Estates Retirement Community) assessed at \$69,263 per suite to be the best comparable for the subject. When positive adjustments to reflect the subject's larger suites and superior location are taken into consideration, the Board finds that a 20% adjustment is fair and equitable and results in a 2010 assessment of \$4,820,500.

DISSENTING OPINIONS AND REASONS

None.

Dated this 20th day of September, 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