



ASSESSMENT REVIEW BOARD

MAIN FLOOR CITY HALL
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NOTICE OF DECISION 0098 300/10

Canadian Valuation Group (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 28, 2010, respecting a complaint for:

Roll Number 3134806	Municipal Address 10550 Jasper Avenue NW	Legal Description Plan: NB Block: 5 Lot: 131 / 132
Assessed Value \$30,399,000	Assessment Type Annual - New	Assessment Notice for 2010

Before:

Darryl Trueman, Presiding Officer
Jack Jones, Board Member
Brian Hetherington, Board Member

Board Officer: Annet N. Adetunji

Persons Appearing: Complainant

Peter Smith, CVG

Persons Appearing: Respondent

Rebecca Ratti, Law Branch
Renee Gosselink, Assessment and Taxation Branch

PRELIMINARY MATTERS

At the commencement of the hearing, the parties advised the Board that recent discussions had resulted in an understanding and agreement that the subject property's classification and typical building rents that were a result of the original classification, should be reduced. The municipal address for the property as presented by the assessor was 10550 Jasper Avenue NW and the high-rise office summary pro forma notes the property as 10109 106 street. It is accepted that the correct municipal address is 10550 Jasper Avenue NW.

BACKGROUND

The subject property is a high-rise office building located at the corner of Jasper Avenue and 106 Street. It is known as Energy Square and contains 126,139 ft.² of rentable area.

ISSUE

The Board heard that the property had been assessed using a \$19 per sq. foot projected rental income and that this was some \$4 per sq. foot higher than could reasonably be achieved.

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 advised the Board that the subject property had been classified as a BH (B high) when in fact it should have been classified as a BL (B low) property.

POSITION OF THE RESPONDENT

The Respondent agreed that the building had somehow been misclassified and that a \$4 per sq. foot adjustment was reasonable.

DECISION

The appeal is allowed and the assessment is set at \$24,748,000.

REASONS FOR THE DECISION

Upon review of a projected profit and loss pro forma for the subject property, which demonstrated the use of a \$15 per sq. foot rental rate, the Board was left with no alternative but to reduce the assessment.

Dated this 27th day of October, 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
Energy Square Holdings Ltd