



ASSESSMENT REVIEW BOARD

Churchill Building
10019 103 Avenue
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NOTICE OF DECISION NO. 0098 305/11

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 October 20, 2011, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
10016741	16820 129 AVENUE NW	Plan: 0421514 Block: 2 Lot: 5A	\$3,414,500	Annual New	2011

Before:

Patricia Mowbrey, Presiding Officer
Jack Jones, Board Member
Jasbeer Singh, Board Member

Board Officer: Jason Morris

Persons Appearing on behalf of Complainant:

Peter Smith, CVG

Persons Appearing on behalf of Respondent:

Will Osborne, Assessor, City of Edmonton

PROCEDURAL MATTERS

The parties indicated that they had no objection to the composition of the panel. The Board Members indicated that they had no bias with regard to the matter.

BACKGROUND

The subject property is an industrial property consisting of two buildings of a combined size of approximately 33,000 square feet located at 16820- 129 Avenue NW on a lot of approximately 136,000 square feet in the Kinokamau Plains Area neighbourhood in northwest Edmonton. The property was assessed on the direct sales comparison method, and the 2011 assessment was \$3,414,500.

ISSUE(S)

Is the 2011 assessment of the subject property at \$3,414,500 fair and equitable?

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 presented evidence (C-1) and argument for the Board's review and consideration.

The Complainant noted that the subject property was located in an industrial area without storm water sewers and had partially paved roads.

The Complainant presented four time adjusted sales comparables (C-1, page 1) to support a requested reduction of the 2011 assessment from \$103.35 (\$123.10 per square foot in the Respondent's evidence) to \$80.00 per square foot. The Complainant suggested that the best comparables to the subject property were # 1 to #4.

The Complainant noted that the 2011 assessment (C-1, page 3) had increased by 29% over the previous year's assessment whereas the market time adjustments (C-1, page 4) for the same period indicate a reduction of approximately 4%.

The Complainant requested the 2011 assessment be reduced from \$3,414,500 to \$2,643,000 (C-1, page 2).

POSITION OF THE RESPONDENT

The Respondent presented evidence (R-1 & R-2) and argument for the Board's review and consideration.

The Respondent outlined the mass appraisal process and the factors found to influence value in the warehouse market (R-1, page 7).

The Respondent noted that the level of services available to the subject property was typical in the subject's market area and the lack of full services is equally applicable to the sales comparables presented.

The Respondent also noted that each year's assessment stands alone and that year by year percentage increases alone are not a justification for a reduction in assessment.

The Respondent presented seven time adjusted sales comparables (R-1, page 20) to support the 2011 assessment of \$123.10 per square foot. The Respondent noted that the building area utilized in the assessment (27,737 square feet) varied from the area used by the Complainant (33,037 square feet) due to the elimination of a 5,300 square foot storage shell which was assessed using the cost approach.

The Respondent also presented fifteen equity comparables (R-1, page 28) to support the 2011 assessment of the subject property.

The Respondent requested the 2011 assessment be confirmed at \$3,414,500.

DECISION

The decision of the Board is to confirm the 2011 assessment of the subject property at \$3,414,500 as fair and equitable.

REASONS FOR THE DECISION

- 1) The Board considered the evidence and argument presented by both parties.
- 2) The Board placed greater weight on the sales comparables presented by the Respondent (R-1, page 20) which supported the 2011 assessment of the subject property. The sales comparables presented were similar to the subject property with respect to location, age, size, services and site coverage.
- 3) The Board considered the Respondent's sales comparables #4, 5 & 6 (R-1, page 20) as the most similar to the subject property with a TASP range of \$117.08 to \$178.83 per sq

ft and an average TASP of \$157.88 per sq ft. which supported the 2011 assessment of \$129.88 per sq ft.

- 4) The Board found that the sales comparables presented by the Complainant (C-1, page 1) were not similar to the subject property with respect to age or size and showed an average TASP of \$61.53, compared to the 2011 assessment of \$129.88 per sq ft, and as such were given less weight in the analysis.
- 5) The Board found that the Respondent's equity comparables (R-1, page 28) further supported the 2011 assessment of the subject property.
- 6) The Board finds that the 2011 assessment of the subject property at \$3,414,500 is fair and equitable.

DISSENTING OPINION AND REASONS

There were no dissenting opinions.

Dated this 21st day of October, 2011, at the City of Edmonton, in the Province of Alberta.

Patricia Mowbrey, 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: COFFER HOLDINGS LTD