



ASSESSMENT REVIEW BOARD

MAIN FLOOR CITY HALL
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NOTICE OF DECISION 0098 306/10

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 October 12, 2010 respecting a complaint for:

Roll Number 3884210	Municipal Address 3867 92 Avenue NW	Legal Description Plan: 9320912 Lot: 1
Assessed Value \$10,213,500	Assessment Type Annual New	Assessment Notice for: 2010

Before:

Michael Vercillo, Presiding Officer
Brian Hetherington, Board Member
Jack Jones, Board Member

Board Officer:

J. Halicki

Persons Appearing: Complainant

A.R. (Tony) Patenaude, Agent
Sr. Tax Consultant, Altus Group Ltd.

Persons Appearing: Respondent

Richard Fraser, Assessor
Assessment and Taxation Branch

PRELIMINARY MATTERS

Upon questioning by the Presiding Officer, the parties indicated no objection to the composition of the CARB and that complete disclosure had occurred between them. In addition, the Board Members indicated no bias with respect to this file.

ISSUE(S)

The Complainant listed 25 issues or grounds for appeal on the Complaint form, but during the hearing indicated that only one issue, as stated in the "Objectives" of his written submission, would be addressed. The issue is restated as follows:

Sales of similar land would indicate a lower value than the current assessment.

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.

BACKGROUND

Located in the Morris Industrial subdivision, the commercial subject property zoned IH comprises an area of approximately 1,148,647 square feet (SF) and contains several improvements. The subject property operates as a small manufacturing plant with site coverage of approximately 3%.

The subject is considered a “special purpose” property by the Respondent and, accordingly, is assessed using the cost approach to value. Using this approach the subject is currently assessed as follows:

- Building - \$ 1,933,959
- Land - \$ 8,279,606
- Total (rounded) \$10,213,500

COMPLAINANT’S POSITION

The Complainant presented written evidence in support of his position entered as exhibit C1.

The Complainant submitted a chart of five land sales comparables to demonstrate that the sales of similar parcels suggest a lower value for the subject. The average time-adjusted sales price per SF of the comparables was \$6.38, while the average for the sales comparables deemed as interior parcels (no arterial roadway exposure) was \$5.38. The subject property, an interior parcel, is currently assessed at \$7.21 per SF. The Complainant concluded that the average rate of \$5.38 per SF of the interior land sales comparables should be applied to the subject to arrive at a requested land value of \$6,179,720. This requested land value combined with the current assessed value of the improvements results in an overall requested assessment value for the subject of \$8,113,690.

RESPONDENT’S POSITION

The Respondent presented written evidence in support of his position entered as exhibit R1. He also presented a legal brief entered as exhibit R2.

The Respondent submitted a chart of the same five land sales comparables as the Complainant. The Respondent felt that the average of \$6.38 per SF of the Complainant’s comparables was a

reasonable value for the land and was prepared to make that recommendation. Accordingly, the Respondent recommended the following revision to the assessment:

- Building - \$ 1,933,959
- Land - \$ 7,328,368
- Total (rounded) \$ 9,262,000

DECISION

The decision of the CARB is to revise the assessment to a value of \$9,262,000.

REASONS FOR THE DECISION

The CARB accepts the recommendation of the Respondent.

DISSENTING DECISION AND REASONS

There was no dissenting decision.

Dated this twentieth day of October, 2010 A.D. at the City of Edmonton, in the Province of Alberta.

Michael Vercillo
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
Burnswest Corp.