



## ASSESSMENT REVIEW BOARD

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### NOTICE OF DECISION NO. 0098 311/10

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 19, 2010 respecting a complaint for:

<b>Roll Number</b> 4143491	<b>Municipal Address</b> 7055 Argyll Road NW	<b>Legal Description</b> Plan: 9021542 Block: 2 Lot: 7
<b>Assessed Value</b> \$12,061,000	<b>Assessment Type</b> Annual New	<b>Assessment Notice for:</b> 2010

#### Before:

Jack Schmidt, Presiding Officer  
Howard Worrell, Board Member  
Petra Hagemann, Board Member

#### Board Officer:

J. Halicki

#### Persons Appearing: Complainant

David Fu, Agent  
Altus Group Ltd.

#### Persons Appearing: Respondent

Richard Fraser, Assessor  
Assessment and Taxation Branch

### PRELIMINARY MATTERS

Both parties agreed that all evidence and argument common to roll #10127345 assessment complaint hearing was to be carried forward to this hearing. The Respondent did not have any recommendation for this roll.

### ISSUE(S)

Is the land value in excess of its market value?

## **LEGISLATION**

### ***The Municipal Government Act, R.S.A. 2000, c. M-26;***

- s. 289(2)(a) Each assessment must reflect the characteristics and physical condition of the property on December 31 of the year prior to the year in which a tax is imposed under Part 10 in respect of the property, and
- 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 at 7055 Argyll Road NW in the Girard Industrial subdivision, the subject property comprising approximately 3.437 acres and zoned DC2 is used commercially as a casino.

As a Special-Use Property Type, the assessment is based upon the cost approach to market value.

## **COMPLAINANT'S POSITION**

The Complainant confirmed that the improvement value of the assessment was not in dispute.

The Complainant submitted three land sales comparables (C1, pg. 8) to demonstrate that the subject's assessment was excessive. The sales comparables averaged \$12.75/sq. ft. whereas the subject's was assessed at \$20.62/sq. ft. The Complainant noted that his third sales comparable was not fully serviced and required an adjustment upward of 33% to make it equivalent to being serviced. This resulted in a revised, average time-adjusted sales price of \$13.67/sq. ft. as compared to the original requested \$12.75/sq. ft.

In exhibit C1, the Complainant also provided excerpts from Edmonton Zoning Bylaw #12800, diagrams and a photograph of the subject property for illustrative purposes, and data sheets related to the land sales comparables.

The Complainant requested that the revised land value based on \$13.67/sq. ft. or \$2,046,428 be added to the assessed improvement value of \$8,974,190 to reduce the 2010 assessment from \$12,061,000 to \$11,020,618.

## **RESPONDENT'S POSITION**

The Respondent, having used the commercial/industrial (special-use) assessment model, maintains that the subject property has been fairly and equitably assessed. The Respondent explained that special-use properties are assessed using the cost approach to value.

Five land sales comparables (R1, pg. 21) were provided with supporting *Network* data sales sheets (R1, pgs. 22-26) ranging from \$21.56 to \$37.57/sq. ft. This demonstrates that the subject at \$20.62/sq. ft. is assessed fairly.

The Respondent stated that the original IB zoning on the land would not allow for casino development. Subsequently, the subject property was re-zoned to site specific direct control (DC2). To determine the subject's land assessment value based on its permitted uses, the assessor applied equivalent value of similar CB2 land.

The Respondent argued that IM and IB zoning would not allow for casino use; therefore, the comparables submitted by the Complainant should be given little weight.

The Respondent requested that the land value at \$3,087,208 and improvement value at \$8,974,190 for a total property assessed value of \$12,061,000 be confirmed.

## **FINDINGS**

The land value portion of the subject's assessment is not in excess of its market value.

## **DECISION**

The assessment complaint is denied.

## **REASONS FOR THE DECISION**

Having given careful consideration to the evidence, argument, and fact which came forward at the hearing, the following reasons are provided.

The Complainant submitted that the land would revert to industrial use land if it were vacant and, therefore, should be assessed as IB zoned land. The Respondent argued that the Complainant's submission on this matter is merely speculative. When regard is given to section 289 of the *Municipal Government Act*, there can be no doubt the assessment must reflect the characteristics and physical condition of the property as of December 31 of the assessment year. In this case, the subject land assessment does reflect the current zoning as of December 31, 2009. Therefore, the Board can not accept the Complainant's position on this issue.

The Complainant's IM and IH zoned sales comparables were dissimilar with respect to permitted use in relation to the subject property and, therefore, the Board placed less weight on them (C1, pg. 8).

Although the Respondent's sales comparables are not in close proximity to the subject, the Board relied on them as the best evidence due to their similarity in zoning. These comparables support the assessment.

The Board is satisfied that the land value of \$3,087,208 (equating to \$20.62/sq. ft.) is not overstated and combined with the improvement value of \$8,974,190 confirms the total 2010 assessment at \$12,061,000.

### **DISSENTING DECISION AND REASONS**

There were no dissenting decisions/reasons.

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

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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  
Sunalta Bingo Ltd.