



## **ASSESSMENT REVIEW BOARD**

MAIN FLOOR CITY HALL  
1 SIR WINSTON CHURCHILL SQUARE  
EDMONTON AB T5J 2R7  
(780) 496-5026 FAX (780) 496-8199

### **NOTICE OF DECISION NO. 0098 334/10**

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 between August 23 and October 21, 2010 respecting a complaint for:

<b>Roll Number</b> 8978314	<b>Municipal Address</b> 9425 35 Avenue NW	<b>Legal Description</b> Plan: 7821552 Block: 21 Lot: 3
<b>Assessed Value</b> \$1,841,000	<b>Assessment Type</b> Annual - Revised	<b>Assessment Notice for:</b> 2010

#### **Before:**

Tom Robert, Presiding Officer  
Dale Doan, Board Member  
Mary Sheldon, Board Member

#### **Board Officer:**

Segun Kaffo

#### **Persons Appearing: Complainant**

Chris Buchanan

#### **Persons Appearing: Respondent**

Suzanne Magdiak, Assessor  
Cherie Skolney, Assessor  
Tanya Smith, Law Branch

### **PROCEDURAL MATTERS**

Upon questioning by the Presiding Officer, the parties indicated no objection to the composition of the Board. In addition, the Board members indicated no bias with respect to the file.

All parties giving evidence during the proceedings were sworn by the Board Officer.

## **PRELIMINARY MATTERS**

The parties agreed that all evidence, submissions and argument on Roll # 8480097 would be carried forward to this file to the extent that matters were relevant to this file. In particular, the Complainant chose not to pursue arguments with respect to the evidence he had provided regarding the income approach to value.

The Complainant and the Respondent presented to the Board differing time adjustment figures for industrial warehouses based on the Complainant's submission that some data used in the preparation of the Respondent's time adjustment model was faulty. The Board reviewed the data from the Complainant used in the preparation of his time adjustment figures and was of the opinion that the data used was somewhat questionable (Exhibit C-2). In any event, the differences between the time adjustment charts used by the parties for industrial warehouses were small and in many cases of little significance. Therefore, the Board has accepted the time adjustment figures used by the Respondent.

## **BACKGROUND**

The subject is a small warehouse located in the Strathcona Industrial Park subdivision of the City of Edmonton. It was built in 1999 and has a gross building area of 6,000 square feet. The site coverage is 8% and there is no finished upper floor space.

## **ISSUES**

The Complainant had attached a schedule listing numerous issues to the complaint form. Most of those issues were abandoned and the remaining issue to be decided was as follows:

- Is the assessment of the subject fair and equitable when compared to the assessments of comparable properties?

## **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 indicated to the Board that the only issue to be decided in this hearing was the fairness of the subject's assessment when compared with the assessments of similar properties. In support of his position that the assessment of the subject property was inequitable, the Complainant provided a chart of five equity comparables for the Board's consideration (C-3vv, page 12). The average assessment per sq. ft. of these comparables was \$237.83 based on total building size, while the assessment per sq. ft. of the subject was \$306.83.

The Complainant requested that this value of \$237.83 per sq. ft. be applied to the subject and that the assessment of the subject be reduced to \$1,426,500.

## **POSITION OF THE RESPONDENT**

The Respondent provided to the Board a chart of five sales comparables to support his position of the market value of the subject (R-3vv, page 17). One of these comparables was much older than the subject and was rated as being in "poor" condition. Comparable # 5 was the subject property and was to be discarded. Of the remaining three comparables, two were much larger than the subject and one was much older.

The Respondent also supplied a chart of equity comparables for the Board's consideration (R-3vv, page 23). The range of assessment per sq. ft. of the comparables was from \$246 to \$316 while the assessment per sq. ft. of the subject was \$307.

The Respondent requested that the Board confirm the 2010 assessment of the subject at \$1,841,000 based on the above evidence.

## **DECISION**

The decision of the Board is to reduce the 2010 assessment of the subject to \$1,404,000.

## **REASONS FOR THE DECISION**

The Board is of the opinion that when determining a question of fairness and equity alone, the assessment equity comparables must meet a high standard of comparability.

The Board notes that of the equity comparables provided by the Complainant, all range between 8,000 square feet to 12,000 square feet and site coverages range from 6% to 12%. All are interior lots and have similar configurations and the buildings are of similar age. However, one comparable has upper floor space. The Board is of the opinion that since the subject does not have finished upper floor space, a comparable with finished upper floor space is of less comparability.

The Board puts more weight on the four equity comparables of the Complainant which do not have finished upper level space. The average assessment per sq. ft. of these comparables is \$234 which gives a value to the subject of \$1,404,000.

The Board is not persuaded by the sales and equity comparables provided by the Respondent. The sales comparables provided by the Respondent exhibit many differences from the subject. Of the equity comparables supplied by the Respondent, the ones that are very similar to the subject show an assessment per sq. ft. value of approximately \$250.

**DISSENTING OPINION AND REASONS**

There was no dissenting opinion.

Dated this 25<sup>th</sup> 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  
Wheaton Investments Ltd.