



## **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 335/10**

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> 9552910	<b>Municipal Address</b> 8103 43 Street NW	<b>Legal Description</b> Plan: 7822427 Block: 2 Lot: 4A
<b>Assessed Value</b> \$2,835,000	<b>Assessment Type</b> Annual - New	<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

### **PRELIMINARY 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.

## **PROCEDURAL 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 (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 were of little significance. Therefore, the Board has accepted the time adjustment figures used by the Respondent.

## **BACKGROUND**

The subject is a medium warehouse located in the Morris Industrial subdivision of the City of Edmonton. The single level building was constructed in 1980 and has a gross building area of 25,780 square feet. The site coverage is 30% and there is no finished upper floor space.

## **ISSUES**

The Complainant had attached a schedule listing numerous issues to the complaint form. However, most of those issues were abandoned and only the following issue remained for the Board to decide:

- When compared to comparable property assessments, is the subject property's assessment equitable?

## **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**

In support of his position that the assessment of the subject was not equitable when compared with the assessments of comparable properties, the Complainant provided a chart of five equity comparables (C-3xx, page 10). Two of those comparables had finished upper floor space. The sizes of the buildings varied from 12,021 square feet to 36,353 square feet. The assessments of the comparables averaged \$91.11 per sq. ft. while the assessment of the subject was \$109.97 per sq. ft.

The Complainant advised the Board that the subject received a 10% industrial adjustment for site configuration (C-3xx, page 17).

The Complainant requested that the Board apply the figure of \$91.11 per sq. ft. to the subject property which would reduce the assessment to \$2,348,500.

## **POSITION OF THE RESPONDENT**

The Respondent provided seven sales comparables for the Board's consideration. These properties were similar in year built and site coverage. None of the comparables had finished upper floor space. The time adjusted sale price ranged from \$115.21 to \$152.28 per sq. ft. The assessment of the subject was \$109.97 per sq. ft.

The Respondent also provided a chart of ten equity comparables. Six of these equity comparables possessed finished upper floor space. Assessments of these comparables ranged from \$111 to \$124 per sq. ft.

The Respondent submitted to the Board that the evidence presented showed that the assessment of the subject was fair and equitable.

## **DECISION**

The Board concludes that the assessment of the subject should be confirmed at \$2,835,000.

## **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 accepts the argument of the Respondent that there is uncertainty about the reliability of the information used in the Complainant's equity chart concerning the size of the buildings.

The Board notes also that the subject has no finished upper floor space. Some comparables used by the Complainant in his calculations have finished upper floor space. If only the assessment per sq. ft. of the main floor space of the comparables is used, the average will change, bringing it more into line with the assessment of the subject.

The Board notes further that the size of the building area of the comparables brought forward by the Complainant vary widely, making comparison less reliable.

For the above reasons, the Board concludes that the evidence brought forward by the Complainant does not show that the assessment of the subject is incorrect and accordingly, the Board confirms the assessment of the subject property.

### **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.

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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.*

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CC: Municipal Government Board  
Birco Building Supplies Ltd.