

NOTICE OF DECISION NO. 0098 35/12

Altus Group
780, 10180 - 101 Street NW
Edmonton, AB T5J 3S4

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 June 11, 2012, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
1618743	12230 - 163 STREET NW	Plan: 8020938 Block: 3 Lot: 5	\$1,583,500	Annual New	2012

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: BML POWER SYSTEMS LTD

Edmonton Composite Assessment Review Board

Citation: Altus Group v The City of Edmonton, 2012 ECARB 910

Assessment Roll Number: 1618743
Municipal Address: 12230 163 STREET NW
Assessment Year: 2012
Assessment Type: Annual New

Between:

Altus Group

Complainant

and

The City of Edmonton, Assessment and Taxation Branch

Respondent

DECISION OF
Steven Kashuba, Presiding Officer
Lillian Lundgren, Board Member
Ron Funnell, Board Member

Preliminary Matters

[1] When asked by the Presiding Officer, the parties indicated no objection to the composition of the Board. In addition, the Board members indicated they had no bias in the matter before them.

[2] There were no other preliminary matters.

Background

[3] The subject property is a small warehouse with an effective year built of 2000 in the Carleton Square Industrial Subdivision at 12230 – 163 Street NW. With a site coverage of 17 percent on a land size of 43,272 square feet, the warehouse has a main floor area of 7,317 square feet of which 2,752 square feet is allocated to office space. The current assessment is \$1,583,500.

Issues

[4] Is the subject assessed correctly when taking into consideration the sales values of similar properties?

[5] Is the subject equitably assessed when taking into consideration the assessments of similar properties?

Legislation

[6] The *Municipal Government Act* reads:

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

[7] In support of their request for a lower assessment, the Complainant presented an Appraisal Report with an effective date of March, 2009. An excerpt from that report suggests an appraisal value of \$1,445,000 in contrast to the current assessed value of \$1,583,500.

[8] The Appraisal Report utilizes five sales comparables derived from unadjusted unit values ranging from a low of \$120 per square foot to a high of \$209.37 per square foot of the building footprint area (Exhibit C-1, pages 8 – 15).

[9] As to the question of sales comparables, the Complainant presented one sales comparable located near the subject property at 12261 – 163 Street. This sales comparable reflects a time-adjusted sales value of \$144.08 per square foot (Exhibit C-1, page 16).

[10] As regards the issue of equity, the Complainant presented five equity comparables each of which consists of one building as does the subject property. The equity comparables are located in the same quadrant of the City, reflect similar age, and site coverage to that of the subject property. However, in terms of site area, two of the comparables are similar (15227 – 119 Avenue NW and 17430 – 103 Avenue NW) while the remaining three equity comparables are situated on properties that are either considerably smaller or larger (Exhibit C-1, page 17).

Position Of The Respondent

[11] In support of the current assessment the Respondent presented four sales comparables. Two are a part of a duplex warehouse, one appears on two roll numbers, and the fourth, located at 11116 – 156 Street NW exhibits characteristics similar to that of the subject property in terms of age, condition, total main floor area, office area, and total building area (Exhibit R-1, page 19). The time-adjusted sales value per square foot of this latter sales comparable is \$211.41 per square foot while the subject is assessed at \$216.41 per square foot.

[12] As for the issue of equity comparables to support the current assessment, the Respondent presented seven equity comparables. Each has a building count of one, and similarities in site

coverage, condition, lot size, and total floor area (Exhibit R-1, page 26) to that of the subject property.

Decision

[13] It is the decision of the Board to confirm the assessment of the subject property for 2012 at \$1,583,500.

Reasons For The Decision

[14] The Board places little weight upon the Complainant's Appraisal Report as it is an incomplete document in that it is dated and provides little detail about the sales comparables through which the Board would be able to determine the element of comparability.

[15] The Board places minimal weight upon the Complainant's sales comparables in that its sales value appears to be at odds with assessments of similar properties in the same sector of the City. The Complainant's argument that the subject's market value is actually reflected in its sales price carries little weight because the owner/user sold the property and did not provide sufficient detail as to the terms of the sale.

[16] Of the four sales comparables presented by the Respondent, the Board places considerable weight upon the Respondent's sales comparable located at 11116 – 156 Street NW in that it has characteristics similar to that of the subject property in terms of age, condition, site coverage, total main floor area, and total building area. The time-adjusted sales value per square foot for this sale is \$211.41 while the subject is assessed at \$216.41 per square foot.

[17] The Board accepts the Respondent's submission that the seven equity comparables do support the assessment. In this regard, the Board places considerable weight upon two equity comparables located in the same quadrant of the City at 13008 – 151 Street NW and 11811 – 152 Street NW in that these have characteristics similar to those of the subject property and do support an assessment of the subject property at \$216.41 per square foot.

Dissenting Opinion

[18] There is no dissenting opinion.

Heard commencing June 11, 2012.

Dated this 3rd day of July, 2012, at the City of Edmonton, Alberta.

Steven Kashuba, Presiding Officer

Appearances:

Walid Melhem, Altus Group
for the Complainant

Marty Carpentier, City of Edmonton
for the Respondent