



ASSESSMENT REVIEW BOARD

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

NOTICE OF DECISION 0098 351/10

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 1151372	Municipal Address 16333 137 Avenue NW	Legal Description Plan: 4541MC Lot: C
Assessed Value \$26,321,000	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 Board and confirmed full disclosure had occurred between the parties. In addition, the Board Members indicated no bias with respect to this file.

There were no preliminary matters raised by the parties and the Respondent did not have any recommendation for this roll.

ISSUE(S)

Is the land valuation utilized in the 2010 assessment for the subject property fair and 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.

BACKGROUND

Located in the Mistatim Industrial subdivision, the commercial subject property comprises five buildings (medium manufacturing plant) on a site area of 104.557 acres, with a site coverage of 1%. As a special use property, the subject is assessed utilizing the cost approach to value for the improvements which is added to a market valuation for the land to arrive at the 2010 assessment.

COMPLAINANT'S POSITION

The Complainant provided evidence (C-1) and argument for the Board's review and consideration. The Complaint form listed 25 issues to be considered by the Board but, upon questioning, the Complainant indicated that the only remaining issue to be determined (C-1, pg. 9) was the one noted above.

With respect to the issue of land valuation, the Complainant presented four land sales comparables (C-1, pg. 8) which had an average value of \$6.27 per square foot, compared to the assessed value of \$5.58 per square foot. The Complainant indicated that the best comparable to the subject property with respect to size was #2 which has a value of \$4.31 per square foot. The Complainant requested that the value be revised using a unit rate of \$4.31 to revise the total land value to \$19,631,244.

The Complainant had no issue with respect to the value of improvements and requested the revised land value be added to the assessed improvement value, to reduce the 2010 assessment from \$26,321,000 to \$20,540,000.

RESPONDENT'S POSITION

The Respondent provided evidence (R-1, assessment brief and R-2, legal brief) and argument for the Board's review and consideration.

With respect to the issue of land valuation, the Respondent presented seven land sales comparables (R-1, pg. 17) to support the assessment which also included the Complainant's four sales comparables. The Respondent noted that there was a significant variance in the value of

serviced versus non-serviced properties and indicated that the subject property was listed on the assessment as serviced. The three serviced sales comparables (#2, 4 & 6) had an average value of \$8.34 per square foot compared to the assessed value of the subject property of \$5.58 per square foot.

The Respondent requested that the 2010 assessment of \$26,321,000 be confirmed.

DECISION

The decision of the Board is to confirm the 2010 assessment of \$26,321,000 as fair and equitable.

REASONS FOR THE DECISION

The Board placed greatest weight on the land sales comparables provided by the Respondent (which included all of the Complainant's sales comparables) and in particular #2, #4 and #6 which were most similar to the subject property with respect to servicing. The average value of these land sales was \$8.34 per square foot and supports the assessed value of \$5.58 per square foot.

DISSENTING DECISION AND REASONS

There were no dissenting opinions.

Dated this twenty-seventh 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
Lehigh Hanson Materials Ltd.