



## 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 NO. 0098 366/10

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 20, 2010 respecting a complaint for:

<b>Roll Number</b> 3196805	<b>Municipal Address</b> 10179 108 St. NW	<b>Legal Description</b> Plan: B2 Block: 7 Lot: 101 et al.
<b>Assessed Value</b> \$2,701,000	<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

Chris Buchanan, Agent  
Sr. 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 CARB's composition and Board Members expressed no bias with respect to this roll.

### **ISSUE(S)**

1. Is the assessment of the subject land too high?
2. Has the assessor failed to depreciate the Net Items in accordance to the proper cost approach methodology?

## **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 downtown Edmonton, the subject property, comprising approximately 15,000 sq. ft. and zoned EZ (enterprise zone), is a commercially zoned funeral home known as Memorial Gardens.

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

## **COMPLAINANT'S POSITION**

The Complainant submitted three land sales comparables (C1, pg. 8) and related *Network* data sheets (C1, Appendix A) to demonstrate that the subject's assessment was excessive when compared to similar properties. The sales comparables averaged \$100.00/sq. ft. compared to the subject's \$158.87/sq. ft.

In exhibit C1, the Complainant also provided excerpts from jurisprudence as well as, for illustrative purposes, diagrams and a photo of the subject property.

In the Complainant's brief it was submitted that the improvement value on the subject is incorrect in that certain net items, according to the cost approach, were incorrectly depreciated (C1, pg. 11; Appendix B). At the hearing, the issue of depreciation was abandoned.

It was requested that the total assessment be reduced from \$2,701,000 to \$1,804,500 (C1, pg. 9).

## **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 along with supporting *Network* and other data sales sheets as well as land title documents (R1, pgs. 22-38) to demonstrate that the

subject's assessment at \$158.86/sq. ft. was within the range established by those sales from a low of \$155.46 to \$331.48/sq. ft.

Concerning depreciation, a replacement cost detail report (R1, pg. 17) was submitted.

Also, the Respondent also submitted a law and legislation brief (R2). The Respondent requested that the 2010 assessment of \$2,701,000 be confirmed.

## **FINDINGS**

1. The assessment of the subject property is not too high.
2. During the hearing, the issue of depreciation was abandoned.

## **DECISION**

The decision of the Board is to dismiss the complaint.

## **REASONS FOR THE DECISION**

The Board reviewed the sales comparables provided by the Complainant. Sale #1 was a contaminated site and the Board was not provided with evidence for remedial costs. Sale #2 had designated green space which would negatively affect its value. Sale # 3 was extremely large in comparison to the subject and comparability was not possible. Therefore, little weight was placed on these sales.

The Respondent provided the Board with five sales comparables. The last three sales were consolidated land sales and may have had other factors influencing the sales price.

The Board was persuaded by the Respondent's first two sales comparables; in particular, the sale located at 10163/69 – 108 Street which is abutting the subject and has a time-adjusted sales price of \$155.46/sq. ft. compared to the subject at \$158.85/sq. ft.

The Board confirms the assessment at \$2,701,000.

## **DISSENTING DECISION AND REASONS**

There were no dissenting decisions/reasons.

Dated this twenty-ninth day of October, 2010 A.D. 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  
City of Edmonton, Assessment and Taxation Branch  
Memorial Gardens Canada Ltd.