



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 395/10

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:

Roll Number 8627200	Municipal Address 9735 62 Avenue NW	Legal Description Plan: 1660KS Block: 4 Lot: B
Assessed Value \$1,243,500	Assessment Type Annual – New	Assessment Notice for: 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 property is a small warehouse built in 1959 and located in the Rosedale Industrial subdivision of the City of Edmonton. The property has a building area of 6,000 square feet with 9% site coverage.

ISSUES

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

- What is the typical market value of the subject property?
- Is the assessment of the subject property fair and equitable in comparison with similar 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 presented seven sales comparables with time adjusted sales prices ranging from \$106.90 to \$174.73 per sq. ft. indicating an average price of \$148.05 per sq. ft. (C-3rr, page 9).

The Complainant also submitted six equity comparables ranging in value from \$164.28 to \$186.71 per sq. ft. The average assessment value of these comparables was \$181.24 per sq. ft. (C-3rr, page 11).

The Complainant argued that based on the sales and equity comparables presented, the subject property is over assessed at \$207.25 per sq. ft. and he requested that the assessment should be reduced to \$880,000.

POSITION OF THE RESPONDENT

The Respondent presented four sales comparables with time adjusted sales prices ranging from \$127.23 to \$276.71 per sq. ft. (R-3rr, page 18).

In addition, the Respondent submitted ten equity comparables in average condition, ranging in value from \$173.78 to \$275.43 per sq. ft. (R-3rr, page 23).

The Respondent argued that the assessment was fair and equitable and in the range indicated by the sales comparables.

DECISION

The decision of the Board is to reduce the assessment from \$1,243,500 to \$1,050,000.

REASONS FOR THE DECISION

The sales ranges of both parties show that the best indication of value for the subject appears to fall to the bottom of both comparable ranges. This is supported by the most comparable sale at 9740-54 Avenue, similar in building size, site coverage and total area, which sold in June 2009 at \$174.73 per sq. ft. The Board therefore reduces the assessment of the subject to \$175 per sq. ft. which will result in a value of \$1,050,000.

DISSENTING OPINION AND REASONS

There was no dissenting opinion.

Dated this 25th 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
Crown Amusements Ltd.