



ASSESSMENT REVIEW BOARD

MAIN FLOOR CITY HALL
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NOTICE OF DECISION NO. 0098 406/10

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 8970055	Municipal Address 4150 101 Street	Legal Description Plan: 4984 NY Block: 1 Lot: 1
Assessed Value \$11,559,000	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

Walid Melhem

Persons Appearing: Respondent

Joel Schmaus, Assessor
Steve Lutes, 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 large warehouse located in the Strathcona Industrial Park subdivision of the City of Edmonton. There are two buildings on site with total building area of 130,281 square feet. One of the buildings was built in 1967 while the second was built in 2004. Site coverage for the subject is 34%.

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:

- 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

In support of his position that assessments of similar properties showed that the assessment of the subject was not equitable, the Complainant presented five equity comparables for the Board's consideration (C-3a19, page 12).

The average value of these comparables was \$80.15 per sq. ft. while the subject was assessed at \$88.72 per sq. ft.

The Complainant requested that the Board reduce the assessment of the subject to \$10,442,000 based on applying a value of \$80.15 per sq. ft. to the subject.

POSITION OF THE RESPONDENT

The Respondent advised the Board that the evidence contained in the assessment brief prepared by the Respondent was not correct, not related to this hearing and was not placed before the Board.

The Respondent pointed out to the Board the factors which affect the valuation of the warehouse inventory (R-3a19, page 7).

DECISION

The decision of the Board is to confirm the assessment of the subject at \$11,559,000.

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.

It is the responsibility of the Complainant to present sufficient evidence to the Board to raise a doubt as to the validity of the assessment of the subject. In the opinion of the Board, the Complainant failed to do so.

Of the five equity comparables presented by the Complainant, all are inferior in age to the subject property. All but one is smaller than the subject and only one possesses finished upper level space, as does the subject.

Therefore, the Board concludes that the evidence put forth by the Complainant failed to meet the test of placing into question the validity of the assessment. Since the Complainant did not meet this test, the Respondent was not obliged to provide evidence as to the fairness of the assessment.

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
SREIT (Nuquest Edmonton) Ltd.