



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 412/10

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 9943965	Municipal Address 1201 76 Avenue NW	Legal Description Plan: 9720761 Block: 1 Lot: 14
Assessed Value \$7,647,500	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

Walid Melhem

Persons Appearing: Respondent

Joel Schmaus, 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 medium warehouse with two buildings constructed in 1974 and 1996 respectively. The subject is located in the Southeast Industrial (Annexed) subdivision of the City of Edmonton and has a total building area of 32,323 square feet with 3% site coverage.

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 reflective of typical market value?

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 argued that the two warehouse buildings comprising the subject are over valued. The indicated value of these improvements using the cost approach to value would indicate a total building value of \$610,920.

Further, the Complainant argued that the land value of the subject, based on four comparables presented, ranging in value from \$4.21 to \$6.40 per sq. ft. should be \$5.35 per sq. ft. or \$5,324,715. When this value is added to the total building value, a value of \$5,935,600 is produced, and the Complainant requested a reduction of the assessment to this amount.

POSITION OF THE RESPONDENT

The Respondent argued that the subject property is valued using the direct comparison approach. The Respondent presented five comparables ranging in value from \$181 to \$277 per sq. ft.

The Respondent also presented four equity comparables ranging in value from \$192 to \$249 per sq. ft. in addition to a listing of fourteen vacant land sales ranging in value from \$5.1 to \$25.6 per sq. ft., with a mean average of \$10 per sq. ft. The subject is assessed at \$10.1 per sq. ft.

DECISION

The decision of the Board is to confirm the assessment at \$7,647,500.

REASONS FOR THE DECISION

The Complainant provided no evidence as to how the improvement values were estimated, other than to advise that they were valued via the Marshall and Swift Cost Manual.

Further, the Complainant's evidence, as well as the Respondent's indicates that the subject is serviced. The few land comparables presented by the Complainant were unserviced or minimal service parcels.

The Board is of the opinion that the Complainant's evidence was not sufficient to persuade the Board that the assessment was incorrect.

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
Shaw Industries