



## **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 413/10**

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:

<b>Roll Number</b> 9972798	<b>Municipal Address</b> 7603 McIntyre Road NW	<b>Legal Description</b> Plan: 9925652 Block: 3 Lot: 23
<b>Assessed Value</b> \$5,968,000	<b>Assessment Type</b> Annual – New	<b>Assessment Notice for:</b> 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 medium warehouse built in 2001 and located in the McIntyre Industrial subdivision of the City of Edmonton. The property has a building area of 42,500 square feet with site coverage of 25%.

## **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 argument that the assessment of the subject was unfair and inequitable in relation to the assessments of comparable properties, the Complainant presented a chart of four equity comparables for the consideration of the Board (C-3a, 17, page 12). The average value per sq. ft. of these comparables was \$131.42 while the assessment of the subject was \$140.42 per sq. ft.

The Complainant requested that the Board reduce the assessment of the subject to \$5,585,000 based on a value of \$131.41 per sq. ft. applied to the subject.

## **POSITION OF THE RESPONDENT**

The Respondent presented a chart of sales of comparable properties in support of his position that the assessment of the subject was fair and equitable (R-3a, 17, page 16). He did indicate to the Board that, in general, these properties were smaller and older than the subject and therefore of limited assistance in establishing value for the subject.

The Respondent presented a chart of the assessments of comparable properties (R-3a, pages 17-22). He submitted that comparable # 3 would give some assistance in establishing value although there would have to be adjustments for age and site coverage and lack of second floor finished space as the subject was larger, newer and possessed lower site coverage and finished upper floor space. He indicated that the remainder of his equity comparables would be of limited assistance to the Board in establishing value for the subject since they were all much smaller in size.

The Respondent requested that the Board confirm the assessment of the subject at \$5,968,000.

## **DECISION**

The decision of the Board is to confirm the assessment of the subject at \$5,968,000.

## **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. In this case, the Board notes that the evidence provided by both parties did not meet this standard.

With respect to the equity comparables presented by the Complainant, the Board notes that comparables # 1 and # 4 have multiple buildings on the site. The Complainant did not provide any information as to the square footage of these buildings and how that might affect the assessment. No extra supporting information was provided for the Complainant's equity comparable #3. No information was supplied by the Complainant as to the condition or possible adjustment for shape configuration for any comparable.

With respect to the sales comparables presented by the Respondent, this information was of little assistance to the Board since the properties were not comparable in size or other aspects.

With respect to the equity comparables presented by the Respondent, only one could be compared to the subject, but even that comparable would need significant adjustments to assess its comparability with the subject.

It is the responsibility of the Complainant to present enough evidence to the Board to raise a doubt that the assessment of the subject is not equitable. The Board concludes that the evidence presented by the Complainant did not persuade the Board that the assessment was not equitable.

### **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.

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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.*

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CC: Municipal Government Board  
McIntyre Equities Inc.