



## **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 414/10**

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> 9980978	<b>Municipal Address</b> 9230 41 Avenue NW	<b>Legal Description</b> Plan: 0022572 Block: 22 Lot: 16B
<b>Assessed Value</b> \$1,913,500	<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**

Mary-Alice Lesyk, Assessor  
Joel Schmaus, Assessor  
Veronika Ferenc, 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 2001 and located in the Strathcona Industrial Park subdivision of the City of Edmonton. The property has a building area of 10,050 square feet with site coverage of 28%.

## **ISSUES**

The Complainant had attached a schedule listing numerous issues to the complaint form. However, most of those issues had been abandoned and the issues left to be decided were as follows:

- Based on comparable sales, is the assessment deemed to be reflective of market value?
- When compared to comparable property assessments, is the subject property's assessment equitable?

## **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 the assessment of the subject was not correct based on comparable sales, the Complainant presented a chart of three sales of comparable properties (C-3jj, page 10). Comparable # 3 was located next door to the subject. The average time adjusted price per sq. ft. of these comparables was \$159.20 whereas the subject was assessed at \$190.40 per sq. ft.

In support of his position that the assessment of the subject was not correct based on the assessments of comparable properties, the Complainant presented a chart of five equity comparables. All were located very close to the subject. The average assessment per sq. ft. of these comparables was \$155.64.

The Complainant asked the Board to reduce the assessment of the subject to \$1,599,500 based on applying the average time adjusted price per sq. ft. of the sales comparables to the subject.

## **POSITION OF THE RESPONDENT**

The Respondent presented six sales comparables for the Board's consideration (R-3jj, page 17). Two of those comparables (# 2 and # 4) were the same as the Complainant's sales comparables # 1 and # 2. The Respondent noted that when the City's time adjustment factor is supplied, the resulting time adjusted price per sq. ft. supported the assessment of the subject. The range of time adjusted price per sq. ft. of all the comparables was from \$178.66 to \$248.65 which the Respondent stated supported the assessment of the subject at \$190.40 per sq. ft.

To support his submission that the assessments of comparables properties supported the assessment of the subject, the Respondent presented a chart of nine equity comparables (R-3jj, page 24). The range of assessments per sq. ft. was from \$183 to \$214.

The Respondent noted for the Board that two of the nine equity comparables presented by the Respondent were the same as those presented by the Complainant. In particular, the Respondent's equity comparables # 3 and # 5 corresponded to the Complainant's equity comparables # 4 and # 1. The Respondent stated that when adjustments were made for size discrepancies and the presence of finished upper floor space, the resulting values supported the assessment.

The Respondent requested the Board to confirm the assessment of the subject at \$1,913,500.

## **DECISION**

The decision of the Board is to confirm the assessment of the subject property at \$1,913,500.

## **REASONS FOR THE DECISION**

The Board notes the comparables produced by the Complainant contain errors and inconsistencies, making reliance on the evidence presented by the Complainant difficult. In particular, the Board notes that there were errors in size for some of the Complainant's equity

comparables. With respect to the sales comparables presented by the Complainant, the Board notes that if the time adjustment figures used by the Respondent were used, the assessment would be supported. The Board has indicated under the heading of preliminary matters that it considers the time adjustment factors used by the Respondent to be more reliable.

However, the Board notes as well that there are some problems with the sales comparables presented by the Respondent. One of the comparables is located on a major roadway and most have low site coverage (C-4jj, page 148).

It is the responsibility of the Complainant to show the Board that there is doubt that assessment of the subject is correct. In the Board's opinion, the Complainant has failed to do so with respect to both the issues of sales and equity.

Therefore, the Board concludes that the 2010 assessment of the subject at \$1,913,000 should be confirmed.

### **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  
1005128 Alberta Ltd.