



ASSESSMENT REVIEW BOARD

MAIN FLOOR CITY HALL
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NOTICE OF DECISION NO. 0098 415/10

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 9983202	Municipal Address 4104 78 Avenue NW	Legal Description Plan: 0023562 Block: 4 Lot: 5B
Assessed Value \$14,620,500	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

Marty Carpentier, 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 large warehouse consisting of three buildings constructed between 1977 and 2003. The property is located in the Weir Industrial subdivision of the City of Edmonton. The subject has a total building area of 174,195 square feet with 36% 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 issues remained for the Board to decide:

- Should the subject property receive an adjustment for exposure?
- 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 argued that the subject should receive a minimal adjustment of 7%, due to two of the three buildings being on the back portion of the parcel, and that the second building is perpendicular to the frontage.

The Complainant further presented seven assessment comparables grouping # 1 to # 3 as newer with an average of \$86.23 per sq. ft., and the balance as older with an average of \$72.28 per sq. ft., indicating an overall average of \$77.68, which is argued as being representative of the subject's various aged buildings.

POSITION OF THE RESPONDENT

The Respondent argued that the subject property has signage exposure on the Sherwood Park Freeway on a portion of the property and the main building is fronted on 78 Avenue.

The Respondent presented five sales comparables of similar size, age and site coverage, four of which were located in the west end of the city, suggesting that these are provided to indicate value comparability to the variety of ages similar to the subject. These comparables ranged in value from \$88.45 to \$123.30 per sq. ft. The Respondent argued that sales comparable # 5 at \$123.30 per sq. ft., located in the South East similar to the subject well supports the assessment.

DECISION

The decision of the Board is to confirm the current assessment at \$14,620,500.

REASONS FOR THE DECISION

The Board is of the opinion that no evidence was presented by the Complainant to support the argument for adjustment. The Board was not convinced that the issue of exposure and configuration of the buildings on the subject property amounted to a disadvantage.

In regard to the issue of equity, the Board was not convinced that the method chosen by the Complainant in arriving at an equitable assessment represented the subject property.

DISSENTING OPINION AND REASONS

There was no dissenting opinion.

Dated this 26th 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 (Sherwood Business Centre) Ltd.