



## **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 421/10**

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> 10060758	<b>Municipal Address</b> 4403 97 Street NW	<b>Legal Description</b> Plan: 0623454 Block: 5 Lot: 24A
<b>Assessed Value</b> \$7,404,000	<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**

Suzanne Magdiak, 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 built in 2004 and located in the Papaschase Industrial subdivision of the City of Edmonton. The property has a total building area of 57,000 square feet with site coverage of 41%.

## **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:

- What is the typical market value of the subject property?
- 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 submitted one sales comparable indicating a value of \$127.68 per sq. ft. after time adjustment. The Complainant pointed out that sales comparables are limited, and that one sale is not an indication of typical market value.

The Complainant argued that the subject is not considered to be on a major arterial road, as traffic volumes and map evidence indicate.

The Complainant presented typical lease data, pointing out lease rates on major roadways were higher than leases on secondary roadways, and that the subject was similar to the secondary roadway leases as indicated on the subject's Rent Roll.

The Complainant further argued via rebuttal that only the higher traffic values per sq. ft. were considered in arriving at typical values. The Complainant presented eleven sales comparables in support of this argument.

## **POSITION OF THE RESPONDENT**

The Respondent argued that the traffic volumes are not a major factor in determining value.

The Respondent presented four direct sales comparables ranging in value from \$123.30 to \$157.92 per sq. ft, in addition to six equity comparables ranging in value from \$126 to \$138 per sq. ft.

## **DECISION**

The decision of the Board is to confirm the current assessment at \$7,404,000.

## **REASONS FOR THE DECISION**

The Board is of the opinion that the evidence regarding the matter of major arterial road in regard to the subject is inconclusive, as the Complainant only put forward one comparable in support of the value argument.

The lease rates put forward by the Complainant indicated that lease rates on major arterial roads are higher than secondary roads. However, no conclusive evidence was presented to further support the argument that 97 Street in the vicinity of the subject is a major arterial road.

The Board reviewed the evidence of both parties and concluded that the value ranges submitted by the Respondent fall well within an acceptable range of the subject's value.

## **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.

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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  
ING Industrial Fund I Inc.