



## **ASSESSMENT REVIEW BOARD**

MAIN FLOOR CITY HALL  
1 SIR WINSTON CHURCHILL SQUARE  
EDMONTON ALBERTA T5J 2R7  
(780) 496-5026 FAX (780) 496-8199

### **NOTICE OF DECISION NO. 0098 448/10**

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> 8487159	<b>Municipal Address</b> 4435 99 Street NW	<b>Legal Description</b> Plan: 7521204 Block: 7 Lot:10A
<b>Assessed Value</b> \$4,248,000	<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**

Stephen Leroux, Assessor  
Cameron Ashmore, 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 an industrial warehouse built in 1974 and located in the Papachase Industrial subdivision of the City of Edmonton. It is 36,864 square feet in size with site coverage of 38%.

## **ISSUES**

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

- Is the assessment of the subject fair and equitable when compared to the assessments of comparable 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 position that the subject was not assessed fairly in comparison with similar properties, the Complainant produced a chart of the assessments of comparable properties (C-3k,

page 12). This chart consisted of three equity comparables and showed an average assessment of \$101.71 per sq. ft. compared to the assessment of the subject at \$115.23 per sq. ft.

The Complainant submitted that this figure of \$101.71 per sq. ft. when applied to the subject would produce a value of \$3,749,500 and he requested the Board to reduce the assessment of the subject to this amount.

### **POSITION OF THE RESPONDENT**

In support of his position that the assessment of the subject was fair and equitable, the Respondent produced a chart of the sales of similar properties which showed a range of time adjusted sale prices from \$114.29 to \$170.77 per sq. ft. (R-3k, page 17). He submitted that the assessment of the subject at \$115.23 per sq. ft fell within this range.

To further support his position that the current assessment of the subject was correct, the Respondent produced a chart of the assessments of properties similar to the subject (R-3k, page 28). This chart showed an average assessment of \$122.34 per sq. ft.

The Respondent submitted to the Board that this evidence showed that the assessment of the subject was within an acceptable range and requested the Board to confirm the assessment at \$4,248,000.

### **DECISION**

The Board concludes that the current assessment of the subject should be confirmed at \$4,248,000.

### **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.

With respect to the equity comparables presented by the Complainant, the Board notes that comparable # 1 does not have frontage onto a major roadway. Since the subject is located on a major roadway, this comparable is of little value. Further, the Board notes that the Complainant's equity comparable # 2 has significant second floor space. The subject does not have this second floor space, thus rendering comparable # 2 also of little value. This only leaves comparable # 3 on the Complainant's chart of equity comparables. This one comparable is of little assistance in establishing value for the subject.

The Board concludes that the Complainant has not provided sufficient evidence to demonstrate to the Board that the assessment of the subject is incorrect. Therefore, the Board confirms the assessment of the subject at \$4,248,000.

## **DISSENTING OPINION AND REASONS**

There was no dissenting opinion.

Dated this 10th day of November, 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  
York Realty Inc.