



ASSESSMENT REVIEW BOARD

MAIN FLOOR CITY HALL
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NOTICE OF DECISION NO. 0098 467/10

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 10161899	Municipal Address 10050 29A Avenue NW	Legal Description Plan: 0923583 Block: 2 Lot: 22C
Assessed Value \$8,631,000	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

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 large warehouse built in 1976 and located in the Parsons Industrial subdivision of the City of Edmonton. The property has a building area of 101,850 square feet and 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

The Complainant submitted four equity comparables ranging in value from \$71.13 to \$79.16 per sq. ft. The two most comparable properties located at 4315-92 Avenue and 2959 Parsons Road had assessment values of \$71.13 and \$74.72 respectively. The Complainant argued that these comparables are closest in terms of building size, site coverage, year built and lot size.

The Complainant submitted that these comparables support the requested value of \$75 per sq. ft. or \$7,703,000.

POSITION OF THE RESPONDENT

The Respondent submitted five direct sales comparables ranging in value from \$87 to \$166 per sq. ft., in addition to nine equity comparables ranging in value from \$82 to \$138 per sq. ft.

The Respondent argued that the assessment was fair and equitable and supported by the comparables provided.

DECISION

The decision of the Board is to reduce the assessment to \$8,046,000.

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.

The Board analyzed both parties' comparables and concluded that the best indicators of value were the Complainant's equity comparables # 1 and # 2 assessed at \$71.13 and 74.72 per sq. ft. respectively.

The Board also concluded that of the Respondent's equity comparables, comparables # 8 and # 9 assessed at \$83 and \$82 per sq. ft. respectively were the best indicators of value. All of these comparables required some adjustment in terms of size and site coverage.

The Board concludes that a value of \$79 per sq. ft. for the subject would appear to be fair and equitable when compared with similar properties.

DISSENTING OPINION AND REASONS

There was no dissenting opinion.

Dated this 28th 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
Concert Real Estate Corporation