



ASSESSMENT REVIEW BOARD

MAIN FLOOR CITY HALL
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NOTICE OF DECISION NO. 0098 479/10

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 10096665	Municipal Address 18910 111 Avenue NW	Legal Description Plan: 0323225 Block 1 Lot: 8 et al
Assessed Value \$11,614,500	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

Kevin Xu, Assessor
Aleisha Bartier, 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 2007 and located in the White Industrial subdivision of the City of Edmonton. The property has a total building area of 112,469 square feet with site coverage of 40%.

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:

- 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

The Complainant presented a chart of five equity comparables (C-3a80, page 9). He indicated to the Board that these comparables were similar to the subject in terms of location, size range, site coverage and age. The average value of these comparables was \$89.16 per sq. ft. while the subject property was assessed at \$103.27 per sq. ft.

The Complainant submitted to the Board that the best comparable to the subject, especially in terms of location, was comparable # 4.

The Complainant requested that the Board reduce the assessment of the subject to \$10,028,000 based on the value of \$89.16 per sq. ft.

POSITION OF THE RESPONDENT

The Respondent presented to the Board a chart of four sales of properties similar to the subject. The average time adjusted value of these comparables was \$105.38 per sq. ft. while the subject was assessed at \$103.27 per sq. ft. (R-3a80, page 18).

The Respondent also presented an equity chart of eight properties similar to the subject. The average assessment of these comparables was \$103.24 per sq. ft. (R-3a80, page 23).

The Respondent asked the Board to confirm the assessment of the subject at \$11,614,500.

DECISION

The decision of the Board is to confirm the assessment of the subject at \$11,614,500.

REASONS FOR THE DECISION

The Board heard evidence that of the Complainant's equity comparables, comparable # 1 consisted of two buildings while comparables # 4 and # 5 had each received a 5% downward adjustment in their assessments from the City of Edmonton (R-3a80, page 25-27). In the opinion of the Board, this makes these properties less comparable to the subject. As well, the Board notes that the assessment of the comparable # 2 supports the assessment of the subject.

With respect to the eight equity comparables presented by the Respondent, the Board notes that seven of these comparables have finished upper level space which, in the view of the Board, makes these properties less comparable to the subject.

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 concludes that in this case the Complainant has not presented sufficient compelling evidence to show that the assessment of the subject is inequitable. Therefore, the decision of the Board is that the assessment of the subject should be confirmed.

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.

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 (West No 7) Ltd