



ASSESSMENT REVIEW BOARD

MAIN FLOOR CITY HALL
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NOTICE OF DECISION NO. 0098 490/10

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 9941098	Municipal Address 8704 48 Avenue NW	Legal Description Plan: 9622009 Block: 8 Lot: 6A
Assessed Value \$2,914,000	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

Chris Buchanan

Persons Appearing: Respondent

Suzanne Magdiak, Assessor
Cherie Skolney, 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 (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 were of little significance. Therefore, the Board has accepted the time adjustment figures used by the Respondent.

BACKGROUND

The subject is a two story medium warehouse in the McIntyre Industrial subdivision of the City of Edmonton. It was constructed in 1979 and has a gross building area of 26,984 square feet. The site coverage is 30% and there is finished upper level space.

ISSUES

The Complainant had attached a schedule listing numerous issues to the complaint form. Most of those issues were abandoned and the remaining issues to be decided were as follows:

- Is the assessment of the subject more than the appraised value?
- 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 four equity comparables in support of his position that the assessment of the subject was not reflective of market value (C-3a2, page 11). The average assessment of the comparables was \$87.50 per sq. ft. as compared to the assessment of the subject at \$107.99 per sq. ft.

The Complainant also presented an appraisal for the subject dated April, 2010 which recommended a value of \$2,250,000 (C-3a2, page 31).

The Complainant requested that the Board apply the value of \$87.50 to the subject and reduce the assessment to \$2,361,000.

POSITION OF THE RESPONDENT

The Respondent presented a chart of six sales comparables to the Board (R-3a2page 17). The time adjusted sale price of these comparables ranged from \$117.26 to \$173.74 per sq. ft. He submitted that the assessment of the subject at \$107.99 per sq. ft. was within this range.

The Respondent also presented a chart of thirteen equity comparables (R-3a2, page 24). All of these equity comparables had finished upper floor space, similar to the subject. The assessment of main floor area ranged from \$105 to \$124 per sq. ft. and he submitted that the assessment of the subject was within this range.

The Respondent requested the Board to confirm the assessment of the subject.

DECISION

The Board concludes that the assessment of the subject should be confirmed at \$2,914,000.

REASONS FOR THE DECISION

The Board notes that of the Complainant's equity comparables, none has finished upper floor space. The subject does have finished upper floor space. This makes the Complainant's equity comparables less reliable in establishing value for the subject.

The Board notes that the appraisal report provided as evidence by the Complainant was prepared post facto to the valuation date and is therefore not persuasive in establishing value for the subject.

The equity comparables presented by the Respondent all have significant upper floor space and are very similar to the subject in terms of size and site coverage and age. The Board is of the opinion that these assessment comparables presented by the Respondent show that the assessment of the subject is equitable.

Therefore, the Board concludes 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
Stromiga Inc.