



## ASSESSMENT REVIEW BOARD

Churchill Building  
10019 103 Avenue  
Edmonton AB T5J 0G9  
Phone: (780) 496-5026

### NOTICE OF DECISION NO. 0098 507/11

ALTUS GROUP  
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 on November 21, 2011, respecting a complaint for:

| Roll Number | Municipal Address  | Legal Description               | Assessed Value | Assessment Type | Assessment Notice for: |
|-------------|--------------------|---------------------------------|----------------|-----------------|------------------------|
| 6411557     | 7635-127 AVENUE NW | Plan: 4983KS<br>Block: A Lot: 8 | \$1,669,500    | Annual New      | 2011                   |

#### Before:

Warren Garten, Presiding Officer  
Brian Carbol, Board Member  
Mary Sheldon, Board Member

**Board Officer:** Segun Kaffo

#### Persons Appearing on behalf of Complainant:

Walid Melhem, Altus Group

#### Persons Appearing on behalf of Respondent:

Doug McLennan, Assessor, City of Edmonton  
Scott Hyde, Assistant Assessor, City of Edmonton

## **PRELIMINARY 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 this file.

No other preliminary matters were brought forward before the Board

## **BACKGROUND**

The subject property is a “packing plant-production” located in the Yellowhead Corridor subdivision of the City of Edmonton with a municipal address at 7635 127 Avenue. The property has a building area of 21,242 square feet on a site area of 76,531 square feet. The land is currently zoned IM and has full municipal servicing.

## **ISSUE(S)**

The main merit issue before the board is market value of the land (only) using the Direct Sales Comparison Approach to Value of the subject parcel totaling 76,531 Square Feet.

## **LEGISLATION**

### ***Municipal Government Act, RSA 2000, c M-26***

s. 1(1)(n) ‘market value’ means the amount that a property, as defined in section 284(1)(r), might be expected to realize if it is sold on the open market by a willing seller to a willing buyer.

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, using the Land Value Direct Sales Comparison Approach, presented 8 sales of similar properties in north Edmonton in close proximity to the subject property (C-1, p.10).
- The Complainant’s sales comparables resulted in an average sales price of \$11.29 per square foot and a median sales price of \$10.24 per square foot.

- The Complainant maintained that the 8 sales of similar properties used as comparables indicated a value lower than the current assessment, and requested a revised assessment for the land of \$10.25 per square foot for a total requested assessment of \$1,669,500 for the subject property (C-1, p. 11).

### **COMPLAINANT'S REBUTTAL**

- The Complainant further argued that more weight should be placed on the Complainants comparables, as they are located in the same part of the city as the subject property whereas most of the Respondents comparables are not. The Complainant provided maps to illustrate this (C-2, p.3, 4).

### **POSITION OF THE RESPONDENT**

- The Respondent provided a chart of 7 sales of lands comparable to the land portion of the subject (R-1, page 27). The Respondent advised that these comparables were of a similar size and zoning as the subject land and that all were located along the northern strip of Edmonton, along the Yellowhead highway.
- The range of time adjusted sale prices per square foot of the comparables was from \$11.41 to \$15.65 with the median being \$14.00 per square foot.
- Since the assessment per square foot of the land portion of the subject was \$13.97, the Respondent argued that this evidence supported the assessment.
- The Respondent submitted to the Board that the current assessment of the subject was fair and equitable and requested that the Board confirm the assessment at \$1,669,500.

### **DECISION**

It is the Board's decision to reduce the current assessment to \$1,404,000 based on a reduced land assessment of \$10.50 per square foot.

### **REASONS FOR THE DECISION**

In reaching its decision, the Board considered all argument and evidence.

The Complainant provided 8 comparables for the Board's consideration. The Board found comparable number 1 could not be considered as the sale is post facto. The Board found that comparable numbers 3, 4, 5, 7 and 8 were all commercial sites and could not be considered. Sale number 2 was given the most weight by the Board.

The Respondent presented a total of 7 comparables of which numbers 3, 4, 5, 6 and 7 were not considered by the Board as they are in West End locations. The Board placed the most weight on the Respondent's sales comparable numbers 1 and 2.

The Board considered the Complainants list of comparable sites number 2 along with the Respondent's comparable numbers 1 and 2. The Board found the average time adjusted selling price of these 3 sales to be \$11.26 with a median selling price of \$10.50 per square foot.

The Board placed the most weight on the median price of \$10.50 per square foot and reduced the land component of the assessment to \$803,597 from the initial assessment of \$1,069,481.

### **DISSENTING OPINION AND REASONS**

There were no dissenting opinions regarding this decision.

Dated this 13<sup>th</sup> day of December, 2011, at the City of Edmonton, in the Province of Alberta.

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Warren Garten, Presiding Officer

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*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, RSA 2000, c M-26.*

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cc: LILYDALE INC.