



ASSESSMENT REVIEW BOARD

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

NOTICE OF DECISION NO. 0098 509/11

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 22, 2011, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
10041841	1930-121 AVENUE NE	Plan: 0525579 Block: 1 Lot: 5B	\$8,226,000	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
Shelly Milligan, 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 “large manufacturing plant” located in the Clover Bar Area subdivision of the City of Edmonton with a municipal address at 1930 121 Avenue NE. The property has a building area of 95,699 square feet on a site area of 508,057 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 508,057 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 the City of Edmonton (C-1, p.11).
- These sales averaged \$6.29 per square foot with a median of \$6.18 per square foot.
- Based on these sales comparables the Complainant requests a revised assessment for the land portion of the subject property of \$6.25 per square foot for a total requested revised assessment of \$7,537,000 (C-1, p. 12).

REBUTTAL

- The Complainant argued that the Respondent's sales comparable #1 has a warehouse on site. This comparable was assessed at \$6.22 per square foot including the value of the improvements which is similar to the requested value of the Complainant (C-2, page 4).
- The Complainant further noted that the Respondent's sale #1 is high and should not be used.

POSITION OF THE RESPONDENT

- In support of its position that the current assessment of the subject was fair and equitable, the Respondent produced a chart of 3 sales of land which, in the opinion of the Respondent, were comparable to the land portion of the subject (R-1, page 31). He submitted to the Board that 2 of the comparables were fully serviced lots, similar to the subject, while the remaining comparable had rural standard servicing.
- The time adjusted sale prices per square foot of the comparables ranged from \$8.03 to \$9.15. The Respondent argued that this range supported the assessment per square foot of the subject at \$7.80.
- The Respondent submitted that the current assessment of the subject was fair and equitable and requested that the Board confirm the assessment at \$8,226,000.

DECISION

It is the Board's decision to confirm the current assessment at \$8,226,000

REASONS FOR THE DECISION

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

The Complainant provided to the Board 8 comparables for consideration. The Board found that the Complainant's comparable numbers 1, 2, 3, 5 and 8 could not be considered as these sites are serviced to rural standard and are dissimilar to the subject. The Board found that comparable numbers 6 to have been sold with a vendor take back (VTB) mortgage and could not be considered a clean, non- arms length sale.

Further the Board found that comparable number 7 would require at least \$1,000,000 in fill to bring the site up to the subject's standard and could not be considered as a good comparable. As a result the Board placed the most weight on Complainant's sales comparable number 4 at \$9.07 which does not support a reduction as requested by the Complainant.

Without adequate evidence by the Complainant, the Board found the current assessment to be fair and reasonable.

DISSENTING OPINION AND REASONS

There were no dissenting opinions regarding this decision.

Dated this 14th day of December, 2011, at the City of Edmonton, in the Province of Alberta.

Warren Garten, 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, RSA 2000, c M-26.

cc: WEST COAST REDUCTION LTD