



ASSESSMENT REVIEW BOARD

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

NOTICE OF DECISION NO. 0098 532/11

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:
6411615	7405-127 AVENUE NW	Plan: 7521408 Block: A Lot: 11	\$1,830,000	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
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 - Storage” located in the Yellowhead Corridor East subdivision of the City of Edmonton with a municipal address at 7405 127 Avenue. The property has a building area of 28,500 square feet on a site area of 62,326 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 62,326 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 7 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 \$12.09 per square foot and a median sales price of \$12.75 per square foot.

- The Complainant maintained that the 7 sales of similar properties used as comparables indicated a value lower than the current assessment, and requested a revised assessment for the land of \$11.00 per square foot for a total requested assessment of \$1,624,500 for the subject property (C-1, p. 11).

COMPLAINANT'S REBUTTAL

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

POSITION OF THE RESPONDENT

- In support of its position that the current assessment of the subject was fair and equitable, the Respondent presented a chart of 7 sales of land comparable to the land portion of the subject (R-1, page 28). The median time adjusted sale price of these comparables was \$14.74 per square foot. The Respondent argued that this supported the assessment per square foot of the land portion of the subject at \$14.28.
- The Respondent requested that the Board confirm the current assessment of the subject at \$1,830,000.

DECISION

It is the Board's decision to reduce the current assessment to \$1,625,000 based on a reduced land assessment of \$11.00.

REASONS FOR THE DECISION

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

The Complainant provided 7 comparables for the Board's consideration. The Board found that sale number 1 was a Post Facto sale and could not be considered. The Board found comparable numbers 4, 5, 6 and 7 could not be considered as all were zoned commercial. Sale number 2 and 3 were given the most weight by the Board along with the Respondent's evidence.

The Respondent presented a total of 7 comparables of which numbers 3, 4, 5 and 6 were not considered by the Board as they are in West End locations. The Board found that the size of sale number 1 was only 40% of the subject and could not be considered. The Board placed the most weight on the Respondent's sales comparable numbers 2 and 7 along with the Complainant's evidence.

The Board found that there were 2 sales that were common in both the Complainant's and Respondent's evidence. These are located at 12532 60 Street and 5304 127 Avenue.

The Board considered the Complainant's and Respondent's common sales resulting in the

Board placing the most weight on the Complainant's requested assessment for a reduction of the land component to \$685,575 from the initial assessment of \$890,800.

DISSENTING OPINION AND REASONS

There were no dissenting opinions regarding this decision.

Dated this 13th 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: KS ICE MOUNTAINS INC