



## ASSESSMENT REVIEW BOARD

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

### NOTICE OF DECISION NO. 0098 533/11

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 23, 2011, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
8636250	10020-56 Avenue NW	Plan: 6712KS Block: 14 Lot: 4	\$8,090,000	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 Coronet Industrial subdivision of the City of Edmonton with a municipal property address of 10020-56 Avenue. The property has a building area of 76,439 square feet on a site area of 398,062 square feet. The land is currently zoned IH 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 398,062 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 the southeast industrial zone of the City of Edmonton (C-1, p.11)
- The Complainant’s sales comparables resulted in an average sale price of \$11.46 per square foot and a median sale price of \$11.81 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 \$11.50 per square foot for a total requested assessment of \$7,005,500 (C-1, p. 12).

## **COMPLAINANT'S REBUTTAL**

- The Complainant further argued that of the 5 comparable properties presented by the City of Edmonton, two (# 2 and # 3) are located on busier roadways, which would positively impact the value of the comparables.
- The Complainant also noted that one (#5) of the comparable properties presented by the Respondent is significantly smaller and is not a good comparable.
- The Complainant added that the Respondent included a sale (#4) where the Respondent included incorrect information. The correct information is included in the Complainant's disclosure (C-1, p. 11).

## **POSITION OF THE RESPONDENT**

- In support of its argument that the current assessment of the subject was fair and equitable, the Respondent presented to the Board a chart of 5 sales of land comparable to the land portion of the subject (R-2). The Respondent advised the Board that this chart replaced R-1, page 32 as the sale prices and site sizes of comparables # 3 and #4 had not been correct in that original chart..
- The Respondent submitted that its comparable #2 was the most comparable to the subject in terms of size and location, and that comparable #2 had a time adjusted sale price per square foot of \$15.74 and the median time adjusted sale price per square foot of all the five comparables was \$14.94.
- The Respondent argued that the median time adjusted sale price per square foot of the comparables at \$14.94 supported the assessment per square foot of the subject land at \$14.23.
- The Respondent submitted to the Board that its evidence showed that the assessment per square foot of the land portion of the subject was fair and equitable and requested that the Board confirm the total assessment of the subject at \$8,090,000.

## **DECISION**

The Board's decision is to reduce the current assessment to \$7,404,000 based on a land value of \$12.50 per square foot.

## **REASONS FOR THE DECISION**

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

The Complainant presented 7 comparables as evidence. The Board found that that the Complainant's comparable #3 with a time adjusted selling price of \$9.34 could not be considered as there was no evidence backing up this sale. Comparable numbers 6 and 7 were also eliminated from consideration due to the size (75% larger than the subject) of the site. As a result the Board placed the most weight on Complainant's sales comparable numbers 1, 2, 4 and 5 in addition to the Respondent's evidence.

The Respondent presented a total of 5 comparables as evidence for consideration. Comparable numbers 1, 2 and 3 were not considered by the Board due to their location on major arteries. In addition comparable numbers 4 and 5 were deemed to be too small (almost half the size of the subject) to be considered. As a result the Respondent's evidence of comparables could not be considered.

The Board considered the Complainants number 1, 2, 4 and 5 as appropriate comparables. The Board found the average time adjusted selling price of these 4 sales to be \$12.31 per square foot with a median selling price of \$12.50

The Board placed the most weight on the median price of \$12.50 which reduces the land component of the assessment to \$4,975,775 from the initial assessment of \$5,662,428.

### **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.

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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: Canadian Liquid Air Ltd