



ASSESSMENT REVIEW BOARD

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

NOTICE OF DECISION NO. 0098 538/11

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 24, 2011, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
3047420	11911-168 STREET NW	Plan: 8521245 Block: 4 Lot: 2	\$1,169,000	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

Persons Appearing on behalf of Respondent:

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 “gas station/car wash” located in the Carleton Square Industrial subdivision of the City of Edmonton with a property location located at NE 36 52 24 4. The property has a building area of 5,052 square feet on a site area of 55,055 square feet. The land is currently zoned IB 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 55,055 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 12 sales of similar properties in northwest Edmonton (C-1, p.11).
- The Complainant’s sales comparables resulted in an average sales price of \$14.37 per square foot and a median sales price of \$14.18 per square foot.
- The Complainant maintained that the 12 sales of similar properties used as comparables indicated a value lower than the current assessment, and requested a revised assessment for the land of \$14.25 per square foot for a total requested assessment of \$956,500 for the subject property (C-1, p. 11).

COMPLAINANT'S REBUTTAL

- The Complainant further argued that of the 6 properties presented by the City of Edmonton, one is located on a busier roadway which would positively impact the value of the comparable (C-2, p 2).
- Another property has the wrong sale date (C-2, p. 2).
- The four remaining sales can also be found in the Complainant's disclosure (C-1, p. 110).

POSITION OF THE RESPONDENT

- The Respondent recommended that the current assessment of the subject be amended to \$1,053,000. This was not acceptable to the Complainant so the merit hearing continued.
- The Respondent presented a chart of 6 sales of land comparable to the subject (R-2) and noted that all of these comparables except #4 and #5 were the same as those presented by the Complainant.
- The Respondent further advised the Board that its comparable #4 had a higher time adjusted sale price per square foot as a result of its exposure to large traffic volumes. In the opinion of the Respondent, that time adjusted sale price per square foot of that comparable would have to be adjusted downward to be a meaningful comparable to the subject.
- The Respondent advised the Board that the median time adjusted sale price per square foot of the comparables – excluding #4 was \$15.50. The assessment per square foot of the subject land was \$18.11 and the Respondent submitted to the Board that an assessment per square foot at \$16.00 for the land value would be fair and equitable considering the evidence presented.
- Accordingly, the Respondent requested that the Board accept the recommended amended assessment and change the current assessment of the subject from \$1,169,000 to \$1,053,000.

DECISION

The Board's decision is to reduce the current assessment to \$956,500 based on a land value of \$14.25 per square foot.

REASONS FOR THE DECISION

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

The Complainant's presented a total of 12 time adjusted sales comparables of interior industrial lots. The Board found that comparable numbers 2 and 3 could not be considered as an appropriate comparable due to the unusual shape of the lots. The Board found comparable

number 9 to be an outlier with a selling price of \$19.98 and was not considered. As a result, the Board placed the most weight on the balance of the Complainant's sales comparables which have an average time adjusted selling price per square foot of \$14.65 and a median price of \$14.35.

The Respondent presented a total of 6 comparables of which number 1, 2, 3 and 6 were common with the Complainant. However number 1 was not considered by the Board as described above. Comparable number 4 was not considered by the Board due to its location as a high traffic site. The remaining 5 comparables have a time adjusted average selling price of \$15.44 with a median price of \$15.50.

The Board did not consider the Respondent's request to reduce the land assessment to \$16.00 per square foot as the evidence produced from the Complainant far outweighed the Respondent's evidence presentation.

DISSENTING OPINION AND REASONS

There were no dissenting opinions regarding this decision.

Dated this 14th day 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: CHEVRON CANADA LIMITED