

NOTICE OF DECISION NO. 0098 75/12

Altus Group
780-10180 101 ST NW
EDMONTON, AB T5J 3S4

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 June 28, 2012, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
8956773	9751 34 Avenue NW	Plan: 7920813 Block: 13 Lot: 10	\$6,945,500	Annual New	2012

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: PACEMAKER HOLDINGS LTD

Edmonton Composite Assessment Review Board

Citation: Altus Group v The City of Edmonton, 2012 ECARB 546

Assessment Roll Number: 8956773
Municipal Address: 9751 34 Avenue NW
Assessment Year: 2012
Assessment Type: Annual New

Between:

Altus Group

Complainant

and

The City of Edmonton, Assessment and Taxation Branch

Respondent

DECISION OF
Peter Irwin, Presiding Officer
Lillian Lundgren, Board Member
Ron Funnell, Board Member

Preliminary Matters

[1] 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.

Background

[2] The subject property is an auto dealership located in the Parsons Industrial subdivision on the south side of Edmonton. The site area is 170,905 square feet (sf). The building situated on it was constructed circa 1999 and has a gross building area of 44,683 sf. The property is zoned Industrial Business (IB).

Issue(s)

[3] What is the correct value of the land?

Legislation

[4] The Municipal Government Act reads:

Municipal Government Act, RSA 2000, c M-26

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

[5] The Complainant presented a 26-page package of information to the Board (Exhibit C-1). The total assessment on the subject property is \$6,945,500. It was noted that the subject is assessed on the cost approach to value. The only issue in this complaint is that the land is assessed at a value of \$2,914,995 or \$17.06 per sf (\$742,967 per acre) which the Complainant submits is excessive.

[6] The Complainant directed the Board's attention to a table of property sales showing five comparables of south side properties (page 8, Ex. C-1), with time-adjusted sale prices (tasp) ranging from \$13.14 to \$17.23 per sf, and a median of \$16.05 per sf.

[7] The requested land assessment of \$16.00 per sf, combined with the building assessment, produces a value estimate of \$6,765,000.

[8] Upon questioning, the Complainant conceded that the data sheets for comparable #2 (9325 62 Avenue) were not included in the package.

[9] Upon questioning in regard to comparable #1 (5803 Roper Road) and its triangular shape, the Complainant indicated that no adjustment had been made for the irregular shape.

Position Of The Respondent

[10] The Respondent presented a 29-page package of information to the Board (Exhibit R-1) and directed the Board's attention to page 22, showing seven sales comparables, including one (#2, at 6403 Roper Road) that was also included in the Complainant's table. The properties had tasps ranging from a low of \$15.39 per sf to a high of \$19.15 per sf. The average of the six comparables is \$17.33 per sf and the median value is \$17.57 per sf. The Respondent submitted that, although the comparables included both interior lots and corner lots, even the interior lots were within range. The balance of the exhibit (pages 23 – 29) consisted of land data sheets. The Respondent submitted that the sales comparables supported the assessment and requested confirmation of the assessment.

Complainant's Rebuttal

[11] The Complainant presented the Board with a 33-page rebuttal package (Exhibit C-2). The Complainant submits that, of the Respondent's seven comparables, the first two have either been used in the Complainant's analysis, or are deemed acceptable comparables and require no further rebuttal. However, the Complainant suggested that the Respondent's five other comparables

should not be used because: they are all located in the same area (Ellerslie Industrial) and all have a prime location; with their convenient and almost immediate access to both Parson's Road and the Anthony Henday, they have a premium value and are thus not comparable to the subject property.

Decision

[12] The Board confirms the 2012 assessment of \$6,945,500.

Reasons For The Decision

[13] The Board carefully reviewed the sales comparables put forward by the parties. With respect to the Complainant's first comparable, the Board is of the opinion that the irregular (triangular) shape of the property at 5803 Roper Road is significant and finds it to be unsuitable for inclusion in the table. In the absence of sales data sheets for #2, the Board sees fit to exclude that comparable from the table as well.

[14] With respect to the Respondent's sales comparables, the Board was not convinced that the Ellerslie Park comparables were superior due to their proximity to Parson's Road and the Anthony Henday freeway. Their size, zoning and servicing made them good comparables.

[15] When the Board calculates the combination of the Complainant's comparable #3, #4, and #5, along with all of the Respondent's comparables (except #2 which was the common one), the Board finds that the average, at \$17.00 per sf, supports the assessment of the subject property and therefore confirms the assessment.

Heard commencing June 28, 2012.

Dated this 16th day of July, 2012, at the City of Edmonton, Alberta.

Peter Irwin, Presiding Officer

Appearances:

Brett Flesher

Chris Buchanan

for the Complainant

Shelly Milligan

for the Respondent