

**NOTICE OF DECISION      NO. 0098 76/12**

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 July 23, 2012, respecting a complaint for:

<b>Roll Number</b>	<b>Municipal Address</b>	<b>Legal Description</b>	<b>Assessed Value</b>	<b>Assessment Type</b>	<b>Assessment Notice for:</b>
3508140	20 Airport Road NW	Plan: 6466MC Block: 18B Lot: 6 / Plan: 6466MC Block: 18B Lot: 7 / Plan: 6466MC Block: 18B Lot: 8 / Plan: 6466MC Block: 18B Lot: 6 / Plan: 6466MC Block: 18B Lot: 7 / Plan: 6466MC Block: 18B	\$3,623,000	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.*

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cc: CANADIAN CAPITAL REALTY CORPORATION

## Edmonton Composite Assessment Review Board

**Citation: Altus Group v The City of Edmonton, 2012 ECARB 000855**

**Assessment Roll Number:** 3508140  
**Municipal Address:** 20 Airport Road NW  
**Assessment Year:** 2012  
**Assessment Type:** Annual New

Between:

**Altus Group**

Complainant

and

**The City of Edmonton, Assessment and Taxation Branch**

Respondent

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### DECISION OF

**Robert Mowbrey, Presiding Officer**

**Howard Worrell, Board Member**

**George Zaharia, Board Member**

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### 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 in the matter before them.

[2] The parties presenting evidence in the hearing were either sworn in or affirmed, the choice being up to the individual.

[3] The Respondent confirmed that his disclosure to the Board had been filed late. Per *Matters Relating to Assessment Complaints Regulation*, Alta. Reg. 310/2009,

s 8(2) If a complaint is to be heard by a composite assessment review board, the following rules apply with respect to the disclosure of evidence ...

(b) the respondent must, at least 14 days before the hearing date,

disclose to the complainant and the composite assessment review board the documentary evidence, a summary of the testimonial evidence, including a signed witness report for each witness, and any written argument that the respondent intends to present at the hearing in sufficient detail to allow the complainant to respond to or rebut the evidence at the hearing.

s 9(2) A composite assessment review board must not hear any evidence that has not been disclosed in accordance with section 8.

[4] The Respondent advised that he was prepared to proceed with the merit hearing and acknowledged that disclosure had been provided to the Board only by the Complainant. As such, the Respondent was not permitted to present his disclosure to the Board, but was permitted to question the Complainant on the Complainant's disclosure.

## **Background**

[5] The subject property is a medium warehouse of 47,209 square feet (sq ft) that was constructed in 1975. It is located at 20 Airport Road NW in the Edmonton Municipal Airport subdivision of the City of Edmonton. The 2012 assessment amount was done by the direct sales approach and is \$3,623,000.

## **Issue**

[6] Is the market value of the subject property correct?

## **Legislation**

[7] 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**

[8] The Complainant's position is that the subject property assessment of \$3,623,000 is in excess of market value. In support of this, the Complainant stated that, based on a City of Edmonton time-adjusted factor of 0.9248 and on the April 2008 sale of the subject property, the assessment of the subject property should be \$3,236,500. The Complainant provided a 37-page brief (C-1) in support of his position.

[9] Four comparable sales (Exhibit C-1, page 9) were provided by the Complainant, including the subject's sale of April 2008. These sales ranged from January 2008 to February

2011, with site areas that ranged from 86,975 to 130,674 sq ft and site coverage from 38% to 46%. The time adjusted sales prices ranged from \$60.63 to \$79.40/sq ft for the leased building area, with an average time adjusted sale price of \$71.45/sq ft and a median of \$72.88/sq ft.

[10] The Complainant stated that a downward adjustment from the average time adjusted sale price would be required to take into account the age of the subject and its higher site coverage. In view of this, the Complainant requested a value of \$68.56/sq ft for the subject.

[11] In his summary and argument, the Complainant said that the time adjusted sale of the subject property is the best indicator of market value, and requested an assessed value of \$3,236,500.

### **Position of the Respondent**

[12] As outlined in the preliminary matters of this hearing, the Respondent presented no disclosure and questioned the Complainant only on his disclosure package and presentation to the Board.

[13] The Respondent raised the question of a 2010 sale of a 50% partial interest in the subject property. The Respondent stated that the Complainant was withholding information from the Board on this issue.

[14] The Respondent stated that the median value of \$72.88 per square foot presented by the Complainant in his Direct Sales Comparable Approach (Exhibit C-1, page 9) was within the 5% +/- range as required by the legislation and asked the Board confirm the 2012 assessment at \$3,623,000.

### **Decision**

[15] The decision of the Board is to reduce the 2012 assessment of the subject property from \$3,623,000 to \$3,236,500.

### **Reasons for the Decision**

[16] The Board placed the greatest weight on the sale of the subject property. By applying the City of Edmonton time adjustment factor of 0.9248 to the \$3,500,000 sale, the 2012 assessment of the subject is reduced from \$3,623,000 to \$3,236,500.

[17] Regarding the alleged sale of a partial interest in the subject property, the Board placed little weight on this oral evidence as it was not supported by any documentary proof.

[18] The Board placed some weight on the sales comparables provided by the Complainant that showed an average time adjusted sale price of \$71.45/sq ft and a median of \$72.88/sq ft.

[19] The adjustment provided by the Complainant to the size and age of the subject property in relationship to the three comparables provided was accepted by the Board at \$68.56/sq ft.

### **Dissenting Opinion**

[20] There was no dissenting opinion.

Heard commencing July 23, 2012.

Dated this 25<sup>th</sup> day of July, 2012, at the City of Edmonton, Alberta.

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Robert Mowbrey, Presiding Officer

### **Appearances:**

Walid Melhem, Altus Group  
for the Complainant

Luis Delgado, Assessor, City of Edmonton  
for the Respondent