

## **Edmonton Composite Assessment Review Board**

**Citation: Altus Group v The City of Edmonton, 2013 ECARB 01667**

**Assessment Roll Number:** 9956619

**Municipal Address:** 17308 118 AVENUE NW

**Assessment Year:** 2013

**Assessment Type:** Annual New

Between:

**Altus Group**

Complainant

and

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

Respondent

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**DECISION OF**  
**John Noonan, Presiding Officer**  
**John Braim, Board Member**  
**Pam Gill, Board Member**

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### **Procedural Matters**

[1] This hearing was one of four held November 14, 2013 dealing with industrial properties. Where applicable, the parties requested the Board to carry forward evidence and argument relating to properties advanced as comparables, and differing views about the valuation of single-building versus multiple-building properties.

### **Background**

[2] The subject property comprises two buildings, one of 12,800 square feet (sf.), all main floor with no office finish built in 2003, the second having a total area of 39,458 sf. including 6464 sf of upper level finish and 2160 sf. of main floor finish built in 2008. The newer building has a 19,000 sf. underground parkade which is not assessed. Together, the buildings cover 15% of a 312,692 sf. lot at 17308 118 Avenue. The lot is adjacent but has no access to the Yellowhead. The 2013 assessment was prepared by the direct sales comparison method in the amount of \$9,439,500. The complaint requests a reduction in assessment to \$8,779,500.

### **Issue(s)**

[3] The sole issue before the Board was assessment equity:

Is the subject equitably assessed in comparison to comparable properties?

## **Legislation**

### **[4] The *Municipal Government Act*, RSA 2000, c M-26, reads:**

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**

[5] The Complainant presented seven comparables, all newer warehouses in close proximity to the subject and also having low site coverage, in the range of 9-21%. The comparables were built from 1998-2005 and had building sizes from 29,495-67,069 sf. The assessments of these comparables ranged from \$128-\$198 per sf. of total building area, and produced average and median values of \$163 and \$156.56 per sf. The Complainant submitted that a value for the subject of \$168 per sf. would be equitable, rather than the current assessment which equates to \$181 per sf.

## **Position of the Respondent**

[6] The Respondent agreed that the comparables presented by the Complainant were all close to the subject, but took the view that on closer inspection they supported the assessment of the subject. Though all of the comparables were single building properties, the Respondent found that three of them were the best comparables in that they required fewer adjustments to consider. The comparable at 15205 131 Ave was built in 2005, had 44,559 sf. of building area, but was superior to the subject in that it had a low site coverage of 9%. That property carried a valuation of \$198 per sf. Two others were somewhat older than the subject, built in 2000 and 1999, had slightly better site coverage's of 12 and 13%, and had building sizes just under 35,000 and 30,000 sf. These properties at 11403 174 Street and 18353 118 Avenue were respectively assessed at \$174 and \$172 per sf. These properties were somewhat inferior to the subject, and should set a low limit in comparison to the subject.

## **Decision**

[7] The Board confirms the assessment of \$9,439,500.

### **Reasons for the Decision**

[8] In this case, the Board did not have to consider the traditional argument regarding the valuation of single building versus multiple building properties in that both parties relied upon the same seven single building comparables.

[9] In dealing with properties with 15 % site coverage like the subject, the Board observes that per sf. values are altered, substantially altered by the compression of land value into a value of building per sf. In the case of the subject, the Board found merit in the argument of the Respondent that the \$198 value of the comparable at 131 Avenue represented the high limit, and the two comparables valued at \$172 and \$174 per sf. were inferior to the subject, especially in age, and therefore defined the lower limit. As the subject is valued at \$181 per sf., the Board found insufficient reason to alter the assessment on the basis of equity.

Heard November 14, 2013.

Dated this 10<sup>th</sup> day of December, 2013, at the City of Edmonton, Alberta.



John Noonan, Presiding Officer

### **Appearances:**

Adam Greenough  
for the Complainant

Amy Cheuk, City of Edmonton Law Branch  
Marcia Barker  
for the Respondent

*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.*