



## **ASSESSMENT REVIEW BOARD**

MAIN FLOOR CITY HALL  
1 SIR WINSTON CHURCHILL SQUARE  
EDMONTON ALBERTA T5J 2R7  
(780) 496-5026 FAX (780) 496-8199

### **NOTICE OF DECISION      NO. 0098 202/10**

Mark D Bochinski Professional Corporation  
10051 117 STREET NW  
Edmonton AB  
T5K 1W7

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 August 5, 2010, respecting a complaint for:

<b>Roll Number</b> 1043355	<b>Municipal Address</b> 10051 117 STREET NW	<b>Legal Description</b> Plan: 8121550 Unit: 2
<b>Assessed Value</b> \$598,000	<b>Assessment Type</b> Annual New	<b>Assessment Notice For:</b> 2010

#### **Before:**

**Board Officer:** Kyle MacLeod

Lynn Patrick, Presiding Officer  
George Zaharia, Board Member  
Judy Shewchuk, Board Member

**Persons Appearing: Complainant**  
Mark Bochinski

**Persons Appearing: Respondent**  
Allison Cossey

### **PRELIMINARY MATTERS**

The Respondent objected to the inclusion of the Complainant's evidence which the Complainant had failed to exchange with the Respondent. However, the Respondent, after reviewing the material to be submitted by the Complainant, withdrew the objection.

### **BACKGROUND**

The subject property is a commercial condominium located in a high rise residential tower on 117<sup>th</sup> Street off Jasper Avenue in the Oliver district of Edmonton. The Complainant owns and operates a dentistry practice in the building on the subject property. The building was constructed in 1969 and is residential with the exception of three commercial units on the main floor. The Complainant is requesting a reduction in the assessment to \$432,900. The assessment was made on the direct sales approach.

## **ISSUES**

1. Is the assessment fair and equitable when compared to sales and assessments of other commercial condominiums in the central area of the City of Edmonton.
2. Did the assessor improperly applied a major traffic influence to the subject.?

## **LEGISLATION**

### ***The Municipal Government Act, R.S.A. 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**

The Complainant submitted that several influences had not been taken into account when the subject property was assessed; condition of the structure, lack of exposure to traffic and neighborhood influences including unsavory businesses and market decline. The Complainant submitted six comparables, including the other two commercial condominiums on the same location as the subject. Comments respecting the neighboring units related to attempted sale and assessments. The four remaining comparables included a residential sale in June 2009 and two commercial condos in a one storey development on 107 Avenue and 105 Street which sold in 2008 but had been time adjusted downward to June 2009. This indicated a market decline of approximately 8.5%. This was in contrast to the increase in assessment of the subject property from 2009 to 2010 of 46%.

The Complainant also submitted that recent improvements to the interior finishes of the subject were, given that a dental practice is carried on, more in the nature of maintenance of the standard expected in such offices as opposed to improvements intended to increase value.

It was further submitted that the location is off Jasper Avenue and therefore is not exposed to high volumes of traffic, particularly walk-in type of traffic, and thus should not receive a major influence factor.

## **POSITION OF THE RESPONDENT**

The Respondent noted that a major traffic influence is a positive influence but advised that, although the subject assessment detail contained a notation of major traffic it had not been applied to the subject in this assessment.

The Respondent further noted the large increase in the assessment resulted from the assessor having established a category for commercial condominiums, conducting a re-examination of the market information received by the Respondent and applying that data to the current assessment. The sales comparables presented by the Respondent included two central locations (105 Street and Jasper Avenue and at 108 Street and Jasper Avenue), which respectively received time adjusted sales values of \$388/ sq. ft. and \$303/ sq. ft. and assessments of \$365/ sq. ft. and \$372/ sq. ft. in support of the assessment of the subject at \$309.53 per square foot.

The Respondent also noted that the subject exhibited a high grade of fit and finish customarily found in doctors' offices which leads to higher market value reflected in the assessment.

## **DECISION**

The assessment is confirmed.

## **REASONS FOR THE DECISION**

The Board accepted that the traffic influence had not been applied to the subject. With respect to the consideration of the comparables offered by the parties, the Board notes that those offered by the Complainant were not of a similar nature, nor were they close enough in proximity to be comparable to the subject. Of the comparables put forward by the Respondent, the Board found that the two located adjacent to Jasper Avenue, although nearer to the centre of the City, were closer in many aspects to the subject and supported the assessment. The Board also accepted the Respondent typically assesses' doctors' offices at a higher value because of fit and finish.

## **DISSENTING OPINION AND REASONS**

There was no dissenting opinion.

Dated this 4<sup>th</sup> day of September, 2010, at the City of Edmonton, in the Province of Alberta.

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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, R.S.A. 2000, c.M-26.*

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CC: Municipal Government Board  
Mark D Bochinski Professional Corporation