



**ASSESSMENT REVIEW
BOARD**

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

NOTICE OF DECISION NO. 0098 363/11

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 14, 2011, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
10164346	14702 - 137 Avenue NW	Plan: 0925647 Block: 1 Lot: 1	\$13,211,500	Annual New	2011

Before:

Tom Robert, Presiding Officer
Judy Shewchuk, Board Member
Ron Funnell, Board Member

Board Officer: Segun Kaffo

Persons Appearing on behalf of Complainant:

John Trelford
Jordan Thachuk

Persons Appearing on behalf of Respondent:

Chris Rumsey

BACKGROUND

The subject property is vacant land zoned CB2. The site consists of 1,311,250 square feet and is unserved except for storm sewers and street lighting. The property is situated in the Mistatim area on the northwest corner of 137 Avenue and St. Albert Trail.

ISSUE(S)

What is the market value of the subject property as of July 1, 2010?

LEGISLATION

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

The Complainant presented three direct sales comparables, time adjusted using the City of Edmonton's time adjustment chart. Comparable #1 at 14125 – 156 Street at 4,841,178 square feet and zoned IB sold May 2, 2008 for \$4.46 per square foot (unserved). Comparable #2 at 16410 – 137 Avenue at 5,192,836 square feet and zoned AGI sold October 5, 2007 for \$4.97 per square foot (unserved). Comparable #3 at 14510 – 156 Street at 2,597,763 square feet and zoned AGI sold March 21, 2007 for \$4.65 per square foot (sewer available). The average of these three sales was \$4.70 per square foot, the median was \$4.65, and the requested value for the subject was \$5.00 per square foot.

The Complainant put forward a memorandum from Sherrick Management dated May 10, 2010 with details of servicing the property. The Complainant advised that the cost to service the property was estimated to be \$9,338,000 (Exhibit C-1, page 23).

The Complainant further argued that the IB and AGI zoning of the three comparables presented (Exhibit C-1, page 10) was not significant in that these comparable parcels, all within the same area as the subject, were future development sites with similar end uses as the subject.

In rebuttal the Complainant argued that the comparables properties presented by the Respondent were not valid comparisons as their locations were not relevant to the subject.

POSITION OF THE RESPONDENT

The Respondent argued that the zoning of any comparable property must be similar to the subject when determining value. The Respondent put forward two sales comparables. Comparable #1 at 1107 Windermere at 1,134,785 square feet and zoned CSC sold in February

2007 for a time adjusted price of \$18.51 per square foot. Comparable #2 at 5003 – 55 Avenue at 746,094 square feet and zoned CSC sold in July 29008 for a time adjusted price of \$16.52 per square foot. The average of these sales comparables was \$17.51 per square foot.

The Respondent advised that the subject property has received a negative adjustment of 20% as a portion of the property will be used as industrial. The subject also receives negative adjustments for sanitary sewer and water service. The value arrived at for the subject is \$10.08 per square foot and represents unserviced CB2 zoned land.

DECISION

Confirm.

REASONS FOR THE DECISION

The Board has determined that ideally comparable properties should be of similar zoning to the subject property and within the same area. The Board acknowledges that the subject property is somewhat unique in that it is a very large, unserviced parcel situated on a busy intersection in the northwest area of the city.

The Board is persuaded by the Respondent's sales comparables in that they are large parcels of similarly zoned properties, although some distance from the subject and, therefore, somewhat inferior to the subject.

In determining comparability to the subject the Board looked to the evidence presented by the Complainant in regard to the estimated cost to service, that being \$9,338,000. This equates to approximately \$7.12 per square foot. Taking into consideration the 2011 assessment of \$10.08 and adding the estimated cost to service, the value indicated is \$17.20 per square foot. The average value of the Respondent's is \$17.51. Therefore, the Board concludes that the subject property valued at \$10.08 per square foot for unserviced land falls within a range in value of similar sized and zoned parcels when estimated servicing costs are included.

DISSENTING OPINION AND REASONS

There were no dissenting opinions.

Dated this 23rd day of November, 2011, at the City of Edmonton, in the Province of Alberta.

Tom Robert, 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: LAURING GP LTD