



## **ASSESSMENT REVIEW BOARD**

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

### **NOTICE OF DECISION NO. 0098 379/10**

Altus Group Ltd  
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 between August 23 and October 21, 2010 respecting a complaint for:

<b>Roll Number</b> 3131638	<b>Municipal Address</b> 3737 73 Avenue NW	<b>Legal Description</b> Plan: 7821234 Block: 8 Lot: 8
<b>Assessed Value</b> \$2,159,000	<b>Assessment Type</b> Annual – New	<b>Assessment Notice for:</b> 2010

#### **Before:**

Tom Robert, Presiding Officer  
Dale Doan, Board Member  
Mary Sheldon, Board Member

#### **Board Officer:**

Segun Kaffo

#### **Persons Appearing: Complainant**

Chris Buchanan

#### **Persons Appearing: Respondent**

Suzanne Magdiak, Assessor  
Cherie Skolney, Assessor  
Tanya Smith, Law Branch

### **PROCEDURAL MATTERS**

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 the file.

All parties giving evidence during the proceedings were sworn by the Board Officer.

## **PRELIMINARY MATTERS**

The parties agreed that all evidence, submissions and argument on Roll # 8480097 would be carried forward to this file to the extent that matters were relevant to this file. In particular, the Complainant chose not to pursue arguments with respect to the evidence he had provided regarding the income approach to value.

The Complainant and the Respondent presented to the Board differing time adjustment figures for industrial warehouses based on the Complainant's submission that some data used in the preparation of the Respondent's time adjustment model was faulty. The Board reviewed the data from the Complainant used in the preparation of his time adjustment figures and was of the opinion that the data used was somewhat questionable (Exhibit C-2). In any event, the differences between the time adjustment charts used by the parties for industrial warehouses were small and in many cases of little significance. Therefore, the Board has accepted the time adjustment figures used by the Respondent.

## **BACKGROUND**

The subject property is a medium warehouse built in 1979 and located in the WEIR Industrial subdivision of the City of Edmonton. The property has a building area of 21,494 square feet with 38% site coverage.

## **ISSUES**

The Complainant had attached a schedule listing numerous issues to the complaint form. However, most of those issues had been abandoned and the issues left to be decided were as follows:

- What is the typical market value of the subject property?
- Is the assessment of the subject fair and equitable when compared to the assessments of comparable properties?

## **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 subject property is next to a previously heard property at 3703 – 73 Avenue. The Complainant put forward the same three comparable sales indicating an average of \$83.62 per sq. ft. (C-3pp, page 10). The best comparable sale at 5704 – 92 Street indicates a time adjusted value of \$94.02 per sq. ft.

The Complainant argued that the subject is considered by the City as being in fair condition, and therefore, the comparable which is considered as being in average condition would require a downward adjustment. The subject also receives a 10% industrial adjustment for perpendicular configuration, requiring a further downward adjustment to the comparable.

The Complainant requested a reduction of the assessment to \$1,797,000 based on a per sq. ft. value of \$83.60.

## **POSITION OF THE RESPONDENT**

The Respondent presented seven direct sales comparables in average condition and ranging in time adjusted value from \$94.79 to \$144.88 per sq. ft. (R-300, page 17). The Respondent argued that the assessment of the subject at \$100.45 per sq. ft. falls to the bottom of this range.

In addition, the Respondent submitted eight equity comparables in average condition, ranging in value from \$102.12 to \$109.66 per sq. ft. (R-300, page 26).

The Respondent submitted that the subject already receives a 10% industrial adjustment for site configuration ((R-300, page 13), and requested confirmation of the assessment.

## **DECISION**

The decision of the Board is to reduce the assessment of the subject property to \$1,827,000.

## **REASONS FOR THE DECISION**

The Board is of the opinion that the Complainant put forward the best direct sales comparables in terms of comparability to the subject. The best comparable sale at 5704 – 92 Street indicates a value of approximately \$85 per sq. ft. when adjusted for condition.

The Respondent's best direct sales comparables required downward adjustment due to location on major arterial routes and condition. The Board is of the opinion that the Respondent's equity comparables would also require similar adjustments.

## **DISSENTING OPINION AND REASONS**

There was no dissenting opinion.

Dated this 25th day of October, 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  
York Realty Inc.