



ASSESSMENT REVIEW BOARD

MAIN FLOOR CITY HALL
1 SIR WINSTON CHURCHILL SQUARE
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NOTICE OF DECISION NO. 0098 453/10

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:

Roll Number 9940064	Municipal Address 1912 66 Avenue NW	Legal Description Plan: 9621416 Block: 1 Lot: 2A
Assessed Value \$5,122,000	Assessment Type Annual – New	Assessment Notice for: 2010

Before:

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

Board Officer:

Segun Kaffo

Persons Appearing: Complainant

Walid Melhem

Persons Appearing: Respondent

Joel Schmaus, Assessor
Steve Lutes, 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 large warehouse built in 1979 and located in the Southeast (Annexed) Industrial subdivision of the City of Edmonton. The property has a total building area of 62,052 square feet and site coverage of 42%.

ISSUES

The Complainant had attached a schedule listing numerous issues to the complaint form. However, most of those issues were abandoned and only the following issue remained for the Board to decide:

- Is the assessment of the subject property fair and equitable in comparison with similar 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 Complainant submitted five equity comparables ranging from \$68.20 to \$76.36 per sq. ft. The main floor space only average of these comparables was \$76.81 per sq. ft. while the average for total floor space was \$72.65 per sq. ft.

The Complainant argued that based on the comparables provided the indicated value of the subject is \$72.65 per sq. ft. and therefore requested a reduction of the assessment to \$4,507,500.

POSITION OF THE RESPONDENT

The Respondent submitted four direct sales comparables ranging in value from \$74 to \$97 per sq. ft. indicating that the subject assessment of \$82.54 per sq. ft. falls within the range of the sales comparables.

The Respondent further provided seven equity comparables ranging in value from \$67 to \$115 per sq. ft.

The Respondent argued that the assessment of the subject falls within the range of both the sales and equity comparables presented and therefore should be confirmed at \$5,122,000.

DECISION

The decision of the Board is to confirm the assessment at \$5,122,000.

REASONS FOR THE DECISION

The Board is of the opinion that when determining a question of fairness and equity alone, the assessment equity comparables must meet a high standard of comparability.

The Board is of the opinion that the best indicator of value is the Complainant's equity comparable at 9324 -49 Street, similar in lot size, main floor space and site coverage. The main floor only value of this comparable is \$81.89 per sq. ft. while the subject is assessed at \$82.54 per sq. ft.

The Board is of the opinion that when the main floor space only of the equity comparables presented by the Complainant is taken into consideration, these comparables support the assessment of the subject.

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.

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.

CC: Municipal Government Board
Great Western Containers Inc.