



ASSESSMENT REVIEW BOARD

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

NOTICE OF DECISION NO. 0098 513/11

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 22, 2011, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
9986817	101 AIRPORT ROAD NW	Plan: 9220135 Block: 6A Lot: 2	\$27,653,500	Annual	2011

Before:

Warren Garten, Presiding Officer
Brian Carbol, Board Member
Mary Sheldon, Board Member

Board Officer: Segun Kaffo

Persons Appearing on behalf of Complainant:

Walid Melhem, Altus Group

Persons Appearing on behalf of Respondent:

Doug McLennan, Assessor, City of Edmonton
Shelly Milligan, Assessor, City of Edmonton

PRELIMINARY 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 this file.

No other preliminary matters were brought forward before the Board

BACKGROUND

The subject property is a “medical and health service - other” located in the Edmonton Municipal Airport subdivision of the City of Edmonton with a municipal address at 14811 114 Avenue. The property has a building area of 127,768 square feet on a site area of 348,762 square feet. The land is currently zoned MA and has full municipal servicing.

ISSUE(S)

The main merit issue before the board is the classification of the Improvements of the Subject. A determination is requested as to whether the improvements should be considered “Good” or “Average” for assessment purposes.

The second issue is whether or not a reclassification from Medical to Office Building is appropriate.

LEGISLATION

Municipal Government Act, RSA 2000, c M-26

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

- The Complainant argued that the subject property should be classified as an office building rather than a medical office building. This was agreed to by the Respondent.

- The Complainant further argued that the subject property should be classified as “average” rather than “good” construction and offered in evidence the Marshall and Swift Calculator Method for Offices, Medical and Public Buildings (C-1, pages 17-20).
- The Complainant applied the Marshall and Swift Method for average office buildings to the improvements and arrived at a recommended assessment for the improvements of \$16,438,860 with a total assessment of \$20,624,000 (C-1, page 14).

COMPLAINANT’S REBUTTAL

- The Complainant further argued that the interior and exterior of the subject property building is not over and above average and gave the example of the flooring not being “upper class” for its era (circa 2001). In support, the Complainant included 3 photographs, one each of the interior, exterior and the flooring to illustrate this position (C-2, pages 2-4).

POSITION OF THE RESPONDENT

- The Respondent requested that the current assessment of the subject be amended to \$26,120,000 based on an agreement with the Complainant that the subject should be classified as an “office” building rather than a “medical office” building.
- The Respondent submitted to the Board that the subject be classified as an office building Class “C” in “good” condition and quality. In support of this the Respondent provided photographs of the subject (R-1, pages 14-26).
- The Respondent directed the Board to pages of the Marshall and Swift document which outlined the items and finishes of a Class “C” “good” building.
- The Respondent submitted to the Board that its recommended assessment of the subject was fair and equitable and requested that the Board accept the recommended amended assessment of \$26,120,000.

DECISION

It is the Board’s decision to reduce the current assessment to \$26,120,000 based on the recommendation of the City of Edmonton. This change reflects the adjustment from a “Medical Office” Building to an “Office” Building.

REASONS FOR THE DECISION

In reaching its decision, the Board considered all argument and evidence.

The Complainant provided a list of Comparables to the Board’s attention (C-1, pg 14). However, the Board could not consider these as there was an absence of adequate comparable information provided to the Board. Three photographs of the subject without strong comparable information of other “Office” building types was dismissed by the Board as being inadequate for consideration.

The Board placed the most weight on the Respondent's agreement and request to change the classification of the subject from a "Medical-Office" to an "Office" building.

DISSENTING OPINION AND REASONS

There were no dissenting opinions regarding this decision.

Dated this 14th day of December, 2011, at the City of Edmonton, in the Province of Alberta.

Warren Garten, 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: CITY OF EDMONTON ASSET MANAGEMENT & PUBLIC WORKS
WORKER'S COMPENSATION BOARD