



## ASSESSMENT REVIEW BOARD

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

### NOTICE OF DECISION NO. 0098 613/11

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 December 13, 2011, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
8956740	9804 33 Avenue NW	Plan: 7920813 Block: 13 Lot: 9	\$810,000	Annual New	2011
8956716	9826 33 Avenue NW	Plan: 7920813 Block 13 Lot:8	\$794,500	Annual New	2011

#### Before:

Don Marchand, Presiding Officer  
Brian Hetherington, Board Member  
Howard Worrell, Board Member

**Board Officer:** Karin Lauderdale

#### Persons Appearing on behalf of Complainant:

Jordan Thachuk, Altus Group

#### Persons Appearing on behalf of Respondent:

Darren Nagy, Assessor, City of Edmonton  
Deanne Bannerman, Assessor, City of Edmonton, observing

## **PRELIMINARY MATTERS**

These roll numbers were part of a series of roll numbers heard by the CARB over three days starting December 12, 2011 and concluding December 14, 2011. Both Parties at the outset of the hearings made an oath to tell the truth. This was subsequently confirmed at each day's hearing by each party. Further, no objection was raised as to the composition of the CARB panel. In addition, the Board members indicated no bias with respect to this file.

No preliminary matters were raised by the Parties. At the outset of the hearing the CARB was advised by the Complainant that the only common issue that applies to the subject complaint is the one itemized as:

*4. the assessment of the subject property is in excess of its market value for assessment purposes*

and that the remaining common issues itemized as numbers 1-3 and 5- 8 shown on the SCHEDULE OF ISSUES (C-1, pg 3) page will not be argued.

## **BACKGROUND**

- The subject properties are “undeveloped land” located in the Parsons Industrial subdivision of the City of Edmonton and located at 9826 33 Avenue and 9804 33 Avenue respectively.
- The site at 9826 33 Avenue contains 43,841 square feet, or 1.006 acres, of land with an IM industrial zoning
- The site at 9804 33 avenue contains 44,823 square feet, or 1.029 acres, of land with an IM industrial zoning.
- A revised 2011 assessment was presented on both properties by the Respondent but subsequently refused by the Complainant.
- At the hearing the Complainant revised his request on both roll numbers to \$14.00 from \$13.00 due to an error in calculations.
- The City of Edmonton time adjustment sales chart was used by both parties to establish a TASP and there was no dispute on this issue from either party.
- The Direct Sales Comparison Approach is the valuation approach used by the Parties to argue against and support of the assessment.

The above background and property description facts were all agreed to by the Parties.

## **ISSUE(S)**

Is the 2011 assessment of \$794,500 for the subject property at 9826 - 33 Avenue correct?

Is the 2011 assessment of \$810,000 for the subject property at 9804 - 33 Avenue correct?

## **LEGISLATION**

The CARB in its deliberations gave consideration to the:

### ***Municipal Government Act, RSA 2000, c M-26***

**1(1)** *In this Act,*

- (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;*

**289(2)** *Each assessment must reflect*

- (a) *the characteristics and physical condition of the property on December 31 of the year prior to the year in which a tax is imposed under Part 10 in respect of the property, and*  
(b) *the valuation and other standards set out in the regulations for that property.*

**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.*

### **Matters Relating to Assessment and Taxation Regulation (AR 220/2004)**

**2.** *An assessment of property based on market value*

- (a) *must be prepared using mass appraisal,*  
(b) *must be an estimate of the value of the fee simple estate in the property, and*  
(c) *must reflect typical market conditions for properties similar to that property*

## **POSITION OF THE COMPLAINANT**

The Complainant presented the Board with a 35-page brief (C-1) on each file in support of his complaint that the subject properties had been assessed in excess of market value.

To support the applications, he included in each brief a chart of four comparable properties, which are presented in detail in the chart below:

Comp	Address	Sale Date	Sale Price	Price/s q. ft.	Site Area	TASP	TASP per SF
1	9704 32 Avenue	Feb 2008	\$1,260,000	\$20.30	62,078	\$1,116,738	\$16.19
2	3603 93 Street	Mar 2006	\$880,000	\$6.65	132,289	\$1,880,208	\$14.21
3	4551 55 Avenue	Oct 2010	\$541,500	\$13.66	39,640	\$541,500	\$13.66
4	4503 55 Avenue	Nov 2010	\$547,400	\$13.71	39,938	\$547,400	\$13.69
<b>Averages</b>			\$807,225	\$13.58	68,486	\$1,021,462	\$14.44
Subj.	9804 33 Avenue				44,804	\$627,256	
Subj.	9826 33 Avenue				43,841	\$613,494	
					<b>Requested Rate</b>		<b>\$14.00</b>

At the hearing the Complainant revised his request on both roll numbers to reflect a unit of comparison rate of \$14.00 per square foot. This was done to correct an error in calculations.

As a result the Complainant requested an assessment of **\$627,256** for Roll Number 8956740 and **\$613,494** for Roll Number 8956716.

### **POSITION OF THE RESPONDENT**

The Respondent presented the Board with a 66-page brief (R-1), including a 43-page City of Edmonton Law and Legislation document. At the outset of his presentation, the Complainant informed the Board that the City was recommending a reduction in the assessment of the subject properties from **\$794,500 to \$668,000** on Roll Number 8956716 and **from \$810,000 to \$680,000** on Roll Number 8956740.

The Respondent presented the Board with the following chart of his four sales comparables:

Comp	Address	Sale Date	Sale Price	Price/sq. ft.	Site Area	TASP	TASP /SF
1	6408 72A Avenue	Jul 2007			71,874	\$1,117,953	\$15.55
2	4420 94 Street	Mar 2006			44,475	\$694,395	\$15.61
3	42 <sup>nd</sup> and 69 Ave.	Dec 2009			74,270	\$1,143,480	\$15.40
4	4804 55 Avenue	Jan 2010			82,982	\$1,250,569	\$15.07
<b>Averages</b>					68,400	\$1,051,599	\$15.41
Subj.	9826 33 Avenue				43,821	\$668,000	<b>\$15.24</b>
Subj.	9004 33 Avenue				44,823	\$680,000	<b>\$15.17</b>
<b>Recommended Assessment Rates \$15.24 and \$15.17</b>							

Questioned by the Board, the Respondent said that his comparable # 2 would be the most appropriate.

### **FINDINGS**

- The subject adjoining lots are 43,821 (lot 8) and 44,823 (lot 9) square feet respectively, and are considered to be similar, one to the other, except for the slight difference in size.
- Each of the parties provided a comparable chart for each roll under complaint.
- The Respondent has revised the subject's assessment's rate of \$18.12 per square foot to a recommended revised rate of \$15.24 per square foot for Lot 8.
- The Respondent has revised the subject's assessment's rate of \$18.08 per square foot to a recommended revised rate of \$15.17 per square foot for Lot 9.
- The Complainant revised the requested rate to \$14.00 per square foot at the hearing.
- The CARB gives most weight to the Respondent's sales comparable #2 with an indicated rate of \$15.61.
- Two of the sales comparables provided by the Complainant are beyond the effective date of the assessment.
- All the remaining comparables provided have parcel sizes two to three times the subject's size, and as such place upward pressure to their indicated rates.

## **REASONS FOR THE DECISION**

The CARB gave consideration to both parties' comparables and gave most weight to those comparables that both parties have identified as having the most similar significant factors; being location, size, and land use.

The CARB is not persuaded to reduce the assessment to the requested \$14.00 per square foot when the most comparable property sold at \$15.61 per square foot. The CARB accepts the recommended revised assessment rate of \$15.24 per square foot for Lot 8 and \$15.17 per square foot for Lot 9 as being reasonable, based on the comparables provided to the CARB.

## **DECISION**

The assessment of roll number is 8956716 **revised to \$668,000** and roll number is 8956740 **revised to \$680,000.**

Dated this 13<sup>th</sup> day of January, 2012, at the City of Edmonton, in the Province of Alberta.

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D. H. Marchand, Presiding Officer

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*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.*

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cc: PACEMAKER HOLDINGS LTD