



ASSESSMENT REVIEW BOARD

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

NOTICE OF DECISION NO. 0098 915/11

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 April 25, 2012, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
2173201	14310 111 AVENUE NW	Plan: 7820954 Block: 1 Lot: 4A	\$22,828,000	Annual New	2011

Before:

Patricia Mowbrey, Presiding Officer
Dale Doan, Board Member
Mary Sheldon, Board Member

Board Officer: Jason Morris

Persons Appearing on behalf of Complainant:

Chris Buchanan, Altus Group

Persons Appearing on behalf of Respondent:

James Cumming, Assessor, City of Edmonton
Moreen Skarsen, Assessor, City of Edmonton
Vasily Kim, Assessor, City of Edmonton
Veronika Ferenc-Berry, Law Branch, City of Edmonton

PRELIMINARY MATTERS

At the commencement of the hearing the parties indicated that they had reached an agreement on the assessment of the subject property, that it should be revised to \$22,466,070 due to the inadvertent inclusion of an associated parking lot in the assessment of the subject property. The parties indicated that the remaining issue was the portion of the subject property that was exempt from taxation.

BACKGROUND

The subject property is a multi-storey office building known as Coronation Plaza of approximately 111,000 square feet on a lot of approximately 90,000 square feet and located at municipal address 14310 111 Avenue NW. Its 2011 assessment is \$22,828,000 and it is assessed at 71.76% taxable.

ISSUE(S)

Is the assessment of the subject property fair and equitable?

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's position was that the exemption of the subject property should be calculated on a "value over value" basis rather than an "area over area" basis. The Complainant suggested that this was necessary in order to take into account the different lease rates that could be applicable to different areas of the same subject property. The Complainant provided a pro-forma valuation for the exempt portion of the subject property, and suggested that this amount should be used as the numerator and the assessment of the subject property used as the denominator in order to arrive at the exempt percentage. In the alternative, the Complainant suggested that the Respondent should not be using gross building area as the denominator in determining the exempt percentage.

POSITION OF THE RESPONDENT

The Respondent did not provide evidence, but asked to proceed immediately to argument, as it said it was concurring with the Complainant in outcome. The Respondent suggested that in accordance with a prior decision of the Edmonton Composite Assessment Review Board in the

2011 assessment of Roll #7221963, the City of Edmonton had revised its instructions to its assessors on how to calculate exempt percentages, and that when using this new method the result of the calculation was that 33.78% of the subject property should be tax exempt. This new calculation was not a value over value calculation, but did take into account net leased space and common area.

This recommendation was put to the Complainant, who consented to it.

DECISION

The subject property's assessment is revised to \$22,466,000, and the tax exempt status of the property is revised to 33.78%.

REASONS FOR THE DECISION

Considering the recommendation of the Respondent and the consent of the Complainant, the Board has decided to implement the agreement of the Parties.

Dated this 25th day of April, 2012, at the City of Edmonton, in the Province of Alberta.

Patricia Mowbrey, 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: SHAMROCK PROPERTY MANAGEMENT LIMITED