

IN THE MATTER OF A COMPLAINT filed with the Regional Municipality of Wood Buffalo Local Assessment Review Board (LARB) pursuant to Part 11 of the *Municipal Government Act* being chapter M-26 of the revised statutes of Alberta 2000.

BETWEEN:

Alvarez & Marsal Canada Inc. – Complainant

- and -

Regional Municipality of Wood Buffalo (RMWB) – Respondent

BEFORE:

K. Haxton, Presiding Officer

D. Gorman, Member

Staff:

A. Hawkins, Clerk

BACKGROUND AND DESCRIPTION OF PROPERTY UNDER COMPLAINT

[1] A hearing was convened on September 4, 2019 in the Regional Municipality of Wood Buffalo in the Province of Alberta to consider a complaint about the assessment of the following property:

Assessment Roll Number	40578280
Civic Address	23-230 Wilson Drive Fort McMurray, AB
Owner	LREIT Holdings 34 Corporation (c/o Alvarez & Marsal Canada Inc. as Receiver)
File Number	ARB 19-074

[2] The subject property is a two storey townhouse unit with just over 1,300 square feet of living space, with a 400 square foot attached double garage and an unfinished basement.

PROCEDURAL MATTERS

[3] The LARB derives its authority to make decision under Part 11 of the *Municipal Government Act*, R.S.A. 2000, c. M-26.

[4] The party present confirmed that it had no objections to the composition of the Board.

[5] The Board confirmed it had no bias in relation to the matters.

PRELIMINARY MATTERS

[6] There were no preliminary matters raised.

ISSUES

Issue identified on the complaint form	Assessment Amount	Requested Value
An Assessment Amount	\$315,590.00	\$252,960.00

MERIT MATTERS

Position of the Complainant

[7] There was no one present on behalf of the Complainant.

[8] The Board acknowledged the Complaint Form submitted by the Complainant and entered this as Exhibit C1.

Position of the Respondent

[9] The Respondent introduced Exhibit R1. Speaking to the valuation models for residential condominium inventories the Respondent indicated that the direct sales approach is used for determining value of condominium properties.

[10] Although residential condominiums are typically part of a larger building site or complex, the units are registered as separate titles and therefore can be bought and sold separately. In this instance, the direct sales approach is the most appropriate method of valuation as it mirrors the actions of buyers and sellers in the marketplace, creating sufficient residential sales data to derive reliable market estimates.

[11] The Respondent presented that the subject property is located in the Woodland Park complex of the Wood Buffalo neighbourhood in Fort McMurray. This two storey townhouse unit is an inside a three bedroom unit, with one full bathroom and one three quarter bathroom located upstairs and one half bathroom located on the main floor. The townhouse and apartment style condo complex which was built in 2006 is considered of average condition as compared to other townhouse condo complexes within the Municipality.

[12] The Respondent provided a table of four comparable property sales that occurred between February 2018 and June 2018 which fall within the valuation date deadline of July 1, 2018. The Respondent noted that these properties are similar in location, condition, age, size, number of bedrooms and number of bathrooms in comparison to the subject property in addition to all including attached garages and unfinished basements.

[13] The Respondent further submitted that the subject property is being assessed at a value of \$235 per square foot which is within the \$221 to \$256 range of time adjusted sales price per square foot of the comparable properties.

[14] The Respondent noted that subsequent to the original notice of assessment being mailed out on February 20, 2019, a computer error was discovered in relation to townhouse inventory valuations. The error was corrected, and revised notices were sent out on February 22, 2019. The subject property was missed from the revised notices, therefore the revised notice for the subject property was mailed out on April 29, 2019 which provided the property owner a later deadline for filing a complaint.

[15] The Respondent reiterated that regardless of the fact that an error was made in the initial notice of assessment, the revised notice does reflect the correct value as at July 1, 2018 and the chart of comparable properties (Exhibit R1) confirms that valuation.

[16] The Respondent requested that the Board confirm the assessed value of \$315,590 for the subject property.

DECISION

[17] It is the Decision of the LARB to confirm the assessment for Roll No. 40578280 in the amount of \$315,590.00.

REASON FOR DECISION

[18] The Notice of Hearing was mailed to both parties and the disclosure deadline dates are clearly identified. By outlining disclosure timelines, the intention of the legislation is to ensure a fair hearing and allow all the parties a reasonable opportunity to review the documentary and/or testimonial evidence.

[19] Section 6 of *Matters Relating to Assessment Regulation, AR 201/2017* states that a local assessment review board panel must not hear any matter in support of an issue that is not identified on the complaint form, or any evidence that has not been disclosed in accordance with section 5. The Complainant did not provide any evidence to support the statement written on the complaint form.

[20] Furthermore, due to the lack of representation on behalf of the Complainant, neither the Board nor the Respondent were able to ask clarifying questions. Although attendance is not required, when there is a lack of evidence to demonstrate that the assessment on the property is not a fair estimate of the market value in comparison to other similar properties in the neighbourhood, it makes it challenging for the Board to understand why the information is incorrect, what information is incorrect and what the correct information should be.

[21] The Board accepted the Respondent's comparable sales data (Exhibit R1), which utilized sales of comparable properties within the same neighbourhood of the subject property that were similar in location, age, size, condition, number of bedrooms and number of bathrooms and for which sales occurred close to the valuation date of July 1, 2018.

[22] In coming to its conclusion, the Board has carefully reviewed the provisions of the *Municipal Government Act* ("MGA"), the *Matters Relating to Assessment Complaints Regulation* ("MRAC") and the *Matters Relating to Assessment and Taxation Regulation* ("MRAT").

[23] It is so ordered.

DISSENTING OPINION

[24] There was no dissenting opinion.

[25] The decision of the Local Assessment Review Boards is final and binding on all parties. This decision may be judicially reviewed by the Court of Queen's Bench pursuant to Section 470(1) of the *Municipal Government Act, RSA 2000, c M-26*.

Dated at the Regional Municipality of Wood Buffalo in the Province of Alberta, this
2nd day of *October* 2019.

FOIP ACT s. 17(1)



Keith Haxton, Presiding Officer

APPENDIX A

DOCUMENTS RECEIVED AND CONSIDERED BY THE LARB

Exhibit Number	Description
C1	Complaint Form (45 pages)
R1	Respondent's Disclosure (33 pages)
R2	RMWB Law & Legislation Brief (57 pages)

APPENDIX B

REPRESENTATIONS

Person Appearing	Capacity
Julie Peyton	Assessor, Regional Municipality of Wood Buffalo

APPENDIX C

LEGISLATION

Decisions of assessment review Board (*Municipal Government Act*)

467(2) An assessment review board must dismiss a complaint that was not made within the proper time or does not comply with section 460(9).

460(9) A complaint under subsection (5) must

- (a) indicate what information shown on an assessment notice or tax notice is incorrect;
- (b) explain in what respect that information is incorrect;
- (c) indicated what the correct information is, and
- (d) identify the requested assessed value, if the complaint relates to an assessment.