

NOTICE OF DECISION NO. 0098 114/12

1075119 ALBERTA INC
782 - WHISTON COURT NW
EDMONTON, AB T6M 2R2

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 July 24, 2012, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
1005883	18104 100 Avenue NW	Plan: 4077KS Block: 1 Lot: 9	\$2,584,000	Annual New	2012

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:

Edmonton Composite Assessment Review Board

Citation: 1075119 ALBERTA INC v The City of Edmonton, ECARB 2012-001866

Assessment Roll Number: 1005883

Municipal Address: 18104 100 AVENUE NW

Assessment Year: 2012

Assessment Type: Annual New

Between:

1075119 ALBERTA INC

Complainant

and

The City of Edmonton, Assessment and Taxation Branch

Respondent

DECISION OF
Hatem Naboulsi, Presiding Officer
Jasbeer Singh, Board Member
Mary Sheldon, Board Member

Preliminary Matters

[1] The parties appearing before the Board did not raise any objection to the composition of the Board. In addition, the members of the Board indicated that they had no bias on this file.

Background

[2] The subject property is a parcel of vacant commercial land approximately 2.99 acres in size located in the west end of Edmonton. It is zoned DC 2 with an effective zoning of CHY. The 2012 assessment of the subject is \$2,584,000 or \$20.10 per square foot.

Issue(s)

[3] Is the assessment of the subject correct, fair and equitable?

Legislation

[4] The Municipal Government Act reads:

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

[5] The Complainant did not appear at the hearing but submitted evidence for the Board's consideration (C-1).

[6] The Complainant stated in the complaint form that the assessment for the subject had increased 74% over the previous year, that this increase was excessive and that neighboring properties had not experienced such a dramatic increase in assessments (R-1, page 7-8).

[7] In the disclosure presented, the Complainant stated that in 2008 an appraisal was done for a neighboring property which valued that property at \$500,093 per acre (C-1, page 1). The Complainant argued that, since that neighboring property was zoned CHY, it would have a higher value than the subject and that the assessment of the subject at \$861,333 per acre was overstated (C-1, page 1). The Complainant stated in the disclosure that the subject was not zoned CHY.

[8] The Complainant requested that the Board reduce the assessment of the subject to no more than \$1,000,000.

Position Of The Respondent

[9] The Respondent submitted to the Board that the 2012 assessment of the subject was correct, fair and equitable.

[10] The Respondent presented to the Board a copy of Bylaw 15661 which demonstrated that the subject had been rezoned in May, 2011 from rural residential to DC 2 (R-1, page 11). The effective zoning of the subject was CHY. The Respondent noted for the Board that this zoning was site specific for hotel and commercial development.

[11] The Respondent indicated to the Board that at the time of the sale of the subject in 2008 the subject was zoned rural residential and had a time adjusted sale price of \$18.74 per square foot (R-1, page 9). For the current assessment year, the subject was zoned DC 2 with effective zoning CHY and is assessed at \$20.10 per square foot. The Respondent advised the Board that typically properties zoned CHY would have a higher value than those zoned rural residential.

[12] In support of the subject's 2012 assessment of \$20.10 per square foot, the Respondent presented to the Board three equity comparables of properties similar to the subject. These comparables showed a range of value per square foot from \$19.75 to \$24.67. The Respondent argued that this range of values supported the assessment per square foot of the subject.

[13] The Respondent pointed out to the Board that the subject had the advantage of a prime location along 100 Avenue in the west end of Edmonton.

[14] The Respondent requested that the Board confirm the 2012 assessment of the subject at \$2,584,000.

Decision

[15] The decision of the Board is to confirm the 2012 assessment of the subject at \$2,584,000.

Reasons For The Decision

[16] The Board notes the comment of the Complainant in the complaint form that the percentage increase in assessment for the subject is excessive. The Board agrees with the Respondent that case law supports the position that each year's assessment is independent of previous assessments, and the mere fact of a large percentage increase without more evidence, is not enough information to draw the conclusion that an assessment is too high.

[17] The Board notes as well that it is the responsibility of the Complainant to provide sufficiently compelling evidence to cast doubt on the correctness of the assessment. In the opinion of the Board, the Complainant in this case did not discharge this responsibility. The appraisal referred to by the Complainant was not presented. There was no evidence provided by the Complainant to support the statement that land prices were higher in 2008 than the present, nor was there any evidence in the form of sales comparables to support a request for an assessment of \$1,000,000.

[18] The Board is persuaded by the evidence provided by the Respondent that the zoning for the subject was changed in May, 2011 from rural residential to DC2, effective zoning CHY. The Board heard evidence that properties zoned CHY are assessed at a higher value than those zoned rural residential. The Board is also of the opinion that the assessment comparables provided by the Respondent support the request for an assessment of \$20.10 for the subject.

[19] The Board also notes the submission of the Respondent that the subject is situated in a most advantageous, prime location alone 100 Avenue.

[20] The Board concludes that the 2012 assessment of the subject is correct, fair and equitable.

Dissenting Opinion

[21] There was no dissenting opinion.

Heard commencing July 24, 2012.

Dated this 8th day of August, 2012, at the City of Edmonton, Alberta.

Hatem Naboulsi, Presiding Officer

Appearances:

for the Complainant

Darren Nagy

Tanya Smith

for the Respondent