

NOTICE OF DECISION NO. 0098 115/12

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:
10136589	18004 100 Avenue NW	Plan: 0827777 Block: 1 Lot: 26	\$2,075,000	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 2012-001874

Assessment Roll Number: 10136589

Municipal Address: 18004 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 present indicated that they had no objection to the composition of the Board. In addition, the Board members indicated that they had no bias on this file.

[2] The Respondent submitted to the Board at the outset of the hearing that there was a recommendation on this file to reduce the 2012 assessment of the subject to \$1,867,500. The Respondent stated that this was a 10% reduction from the original assessment and was a downward adjustment based on the unusually long, rectangular shape of the subject. The Respondent stated that this recommendation to amend the assessment had been offered to the Complainant but that it had been rejected. Accordingly, the matter was to proceed to a hearing on the merits.

[3] Evidence, arguments and submissions are to be carried forward as relevant from file # 1005883 to this file.

Background

[4] The subject property is a parcel of vacant commercial land located in west Edmonton. The size of the subject is 101,075.68 square feet (2,319.23 acres) and is zoned CHY. The 2012 assessment of the subject is \$2,075,000 or \$20.53 per square foot.

Issue(s)

[5] Is the 2012 assessment of the subject correct, fair and equitable?

Legislation

[6] 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

[7] The Complainant through the Assessment Review Board office provided the Board with a written submission (C-1) as he did not attend the hearing. The Complainant indicated in that disclosure that this parcel was subdivided out of a 3.84 acre neighboring property, and an appraisal was done to allow the City of Edmonton to determine the value of some Municipal Reserve land. According to that appraisal, the value per square foot of the subject was indicated to be \$500.93

[8] The Complainant also indicated that the subject was a very large and narrow parcel and submitted that there should be a discount for the shape (C-1, page 1).

[9] The Complainant had submitted in the filed complaint form (R-1, page 7-8) that the yearly percentage increase in the assessment for the subject was excessive and that this increase was larger than the market value increase of neighboring properties.

[10] The Complainant requested that the Board reduce the assessment of the subject to not more than \$1,000,000.

Position Of The Respondent

[11] The Respondent presented the Board with submissions R-1 and R-2. Exhibit R-2 was carried forward from the previous file #1005883.

[12] In R-1, the Respondent provided the Board with a map and location of the subject as well as three equity comparables. These equity comparables ranged in value from \$19.75 to \$24.67 per square foot, with the assessment per square foot of the subject being \$20.53. The sizes of the

equity comparables ranged from 40,939.97 to 157,379.398 square feet, as compared with the size of the subject at 101,075.68 square feet.

[13] The Respondent also provided to the Board details of the sale of the neighboring property in February 2008 for \$2,500,000 time adjusted to \$2,409,600 or \$18.74 per square foot. At the time of sale this neighboring property was zoned rural residential.

[14] The Respondent put forward a recommendation to reduce the assessment to \$1,867,500. This represented a 10% downward adjustment for shape. The Respondent had indicated during the preliminary portion of the hearing that the Complainant had refused this offer.

[15] The Respondent reminded the Board that the onus is on the Complainant to provide sufficient evidence to cast doubt on the correctness of the assessment.

[16] The Respondent requested that the Board accept the 2012 recommended assessment of the subject at \$1,867,500.

Decision

[17] The Board accepts the recommendation of the assessor to reduce the 2012 assessment of the subject to \$1,867,500. In the opinion of the Board, this recommendation is correct, fair and equitable.

Reasons For The Decision

[18] The Board is persuaded by the recommendation of the assessor to reduce the assessment by 10% to \$1,867,500 due to the unusual shape of the subject parcel.

[19] The Board finds that the sale of the neighboring property in February, 2008, time adjusted to the valuation date of July 1, 2011 at \$18.74 per square foot, supports the recommendation of the assessor.

[20] The Board also finds that the three equity comparables presented by the Respondent also support the recommended assessment.

[21] The Board notes that the Complainant did not attend the hearing and had very limited information and evidence presented in his written submission provided to the Assessment Review Board office. The Board makes its decision based on evidence and arguments at the hearing.

[22] 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.

[23] For all of the above factors, the Board accepts the assessor's recommendation to reduce the 2012 assessment of the subject property by 10% from the original assessment to an amended assessment of \$1,867,500.

Dissenting Opinion

[24] 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