



ASSESSMENT REVIEW BOARD

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

NOTICE OF DECISION NO. 0098 121/11

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 August 23, 2011, 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	\$2,042,000	Annual New	2011

Before:

Dean Sanduga, Presiding Officer
Jack Jones, Board Member
Jasbeer Singh, Board Member

Board Officer: Kristen Hagg

Persons Appearing on behalf of Complainant:

Birpal Aulakh

Persons Appearing on behalf of Respondent:

Chris Rumsey, City of Edmonton, Assessor

PROCEDURAL MATTERS

Upon questioning by the Presiding Officer, the parties present indicated no objection to the composition of the Board. In addition, the Board members indicated no bias with respect to this file.

PRELIMINARY MATTERS

The Respondent advised that the Complainant's disclosure had not been received by the Respondent. Upon review of the Complainant's disclosure the Respondent expressed no objections to having the disclosure accepted as evidence.

As there was no objection by the Respondent and accepting the evidence would not prejudice the Respondent's position or presentation, the decision of the Board was to accept the evidence presented by the Complainant.

BACKGROUND

The subject property is a vacant lot located in the Place La Rue neighborhood with an area of 101,076 square feet (2.32 acres). The property is presently serviced and is zoned CHY.

ISSUE(S)

Is the 2011 assessment of the subject property at \$2,042,000 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 presented evidence (C-1) and argument for the Board's review and consideration.

The Complainant included a portion of an appraisal (C-1, page 4 & 5) effective July 26, 2007 for a property from which the subject was subdivided. The appraised value of the entire original

property was \$1,923,605, which is less than the 2011 assessment for the subdivided portion which now is the subject property.

The Complainant also included two equity comparables (C-1, pages 6 & 7) of residential properties immediately adjacent to the subject property. The equity comparables illustrated that the 2011 assessments had remained the same as the 2010 assessments. The Complainant indicated that the increase in the 2011 assessment of the subject property over the 2010 assessment (C-1, page 3) was 75% (\$1,164,500 to \$2,042,000).

The Complainant noted that the subject property is a long and narrow property, which impacts future development.

The Complainant indicated that upon appeal in 2010 the CARB had reduced the 2010 assessment and the Complainant requested the 2011 assessment be reduced from \$2,042,000 to \$1,000,000.

POSITION OF THE RESPONDENT

The Respondent presented evidence (R-1 & R2) and argument for the Board's review and consideration.

The Respondent presented three sales comparables of commercially zoned properties (R-1, page 15) to support the 2011 assessment of the subject property. The average time adjusted sale price of the comparables was \$22.75 per square foot compared to the 2011 assessment of the subject property at \$20.20 per square foot.

The Respondent also presented a portion of the Complainant's appraisal (R-1, page 20) effective July 26, 2007 which indicated that the author of the appraisal had applied a 50% negative adjustment to the value due to the irregular shape of the subject property. The Respondent advised that the City did not find the subject property's shape had any negative impact on value and there were no adjustments made for shape for the 2011 assessment.

The Respondent noted that commercial properties cannot be compared to residential zoned property as had been done with the Complainant's equity comparables. The Respondent included a portion of Bylaw 15661 (R-1, pages 21- 31) which indicated that a number of the properties adjacent to the subject property, which were zoned RR & RMH were going to be zoned DC2 effective May 18, 2011.

The Respondent requested the 2011 assessment be confirmed at \$2,042,000.

DECISION

The decision of the Board is to reduce the 2011 assessment of the subject property from \$2,042,000 to \$1,164,500.

REASONS FOR THE DECISION

- 1) Upon review and analysis of the evidence and argument presented by the parties the Board finds that the 2011 assessment of \$2,042,000 is not equitable for the subject property.
- 2) The Board placed greatest weight on the Complainant's equity comparables which indicated no change in assessment from 2010 to 2011. While these properties were zoned residential (changed to commercial in 2011) and the subject property is commercial, their proximity to the subject property and the fact that the City assessed no increase in value over 2010 was a strong indication that the market value of the subject property had also remained unchanged.
- 3) The Board found that the shape of the subject property had little impact on value as it was not sufficiently irregular to impact a variety of potential future development.
- 4) The Board finds that the revised 2011 assessment of \$1,164,500 for the subject property is fair and equitable.

DISSENTING OPINION AND REASONS

There were no dissenting opinions.

Dated this 1st day of September, 2011, at the City of Edmonton, in the Province of Alberta.

Dean Sanduga, 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: BIRPAL AULAKH
1172136 ALBERTA LTD