



**ASSESSMENT REVIEW
BOARD**

Churchill Building
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NOTICE OF DECISION NO. 0098 131/11

Sonya-Marie Jaeger, Imperial Oil Limited
237 - 4th Avenue SW
Calgary, AB T2P 0H6

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 24, 2011, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
5037692	3649 118 Avenue NW	Plan: 2528AR Block: 13 Lot: D	\$525,000	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:

Sonya-Marie Jaeger, Imperial Oil Limited

Persons Appearing on behalf of Respondent:

Chris Rumsey, City of Edmonton, Assessor

PROCEDURAL MATTERS

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

PRELIMINARY MATTERS

There were no preliminary issues.

BACKGROUND

The subject property is a 19,702 ft² (0.452 Ac) parcel of land. A former Esso Retail Service Station that was closed and demolished in 2001. An environmental 'clean site' release was issued in April 2003. The subject property is zoned CB1 and carries a Land Use Code (LUC) 900 that is applicable to "Undeveloped Land".

ISSUE(S)

Is the 2011 assessment of \$525,000 for the subject property, fair and equitable?

LEGISLATION

The Municipal Government Act, R.S.A. 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 attended the hearing, and in support of her position that the 2011 assessment of \$525,000 for the subject was not fair and equitable, 37 page brief (C-1) was presented that included area maps, tabulated information pertaining to the sales comparables and the transaction particulars in respect of the sales comparables.

The Complainant provided the following arguments for the Board's consideration;

- The subject property is located in a poor neighborhood, and several attempts to sell the subject since 2003 had been unsuccessful (C-1, page 2).

- The Complainant had commissioned a formal appraisal report in June 2010 that indicated the likely market value to be \$390,000 or \$19.80 per square foot (C-1, page 7). (The Board noted that the Complainant did not provide a complete appraisal report as a part of its evidence).
- The Complainant provided a set of 5 sales that would support a lower 2011 assessment. All of these sales, with the exception of #2, occurred in 2009 and 2010, prior to the valuation date. The average selling price was demonstrated to be \$14.67 per square foot. The subject is assessed at \$26.65 per square foot for the 2011 taxation year (C-1, page 12).

The Complainant emphasized that the analysis of the comparable sales (C-1, page 12) indicates that the fair and equitable assessment for 2011 should be no more than \$19.80 per square foot or \$390,000.

POSITION OF THE RESPONDENT

The Respondent attended the hearing and presented, as documentary evidence, an assessment brief and a law and legislation brief (R-1, 73 pages). The Respondent's position is summarized in the following points:

- The Respondent stated that in the case of vacant commercial land properties in the City of Edmonton, the direct sales comparison approach has been selected as the most appropriate approach. Additionally, mass appraisal requires that a uniform valuation method be applied to all properties within a group; therefore, the sales comparison approach was deemed to be the best method of establishing equitable valuation estimates for the subject property group (R-1, page 6).
- The Respondent provided a set of four sales comparables in support of the 2011 assessment of the subject (R-1, page 15). These comparables demonstrated an average time adjusted sale price of \$32.52 which supports the subject's 2011 assessment of \$26.65/ft².
- The Respondent pointed out that most of the sales comparables cited by the Complainant (C-1, page 12) were flawed. Comparable #1 (12015 Fort Road) is an odd triangular shaped parcel; comparable #2 (12515 – 56 Street) is zoned 'IB' and does not have direct access from Yellowhead trail; and comparable #3 (8935 – 127 Avenue) is abutting a railroad to its south. These negative attributes render these particular properties less desirable than the subject, which is a proportioned rectangular parcel, zoned 'CB1' and not abutting a railroad. The Complainant did not dispute the Respondent on these observations.
- The Respondent suggested to the Board that the Complainant's sales comparable #4 (12211 – 66 Street) was 'not an arm's length' sale, although no evidence was provided in support of this submission.

The Respondent requested that the 2011 assessment of \$525,000 be confirmed.

DECISION

The decision of the Board is to confirm the 2011 assessment of \$525,000 as fair and equitable.

REASONS FOR THE DECISION

1. The Board was persuaded by the Respondent's sales comparables (R-1, page 15) and the fact that three of the sales were on the same street (118 Avenue) and two of the comparables were within a few blocks of the subject property.
2. The Board noted that the time adjusted sale price (\$32.52 per square foot) in respect of the Respondent's sales comparables, supported the 2011 assessment for the subject at \$26.65 per square foot).
3. The Board placed little weight on the Complainant's appraisal report excerpts (C-1, pages 32 – 36), as the complete report was not provided and the Board was unable to examine and establish the validity of the comparable information utilized.
4. The Board accepted the Respondent's submission that three of the comparables (#1, #2 and #3) on the Complainant's list (C-1, page 12) were flawed in terms of shape, zoning, access and proximity to railroad, and thus not true comparables to the subject property.

DISSENTING OPINION AND REASONS

There was no dissenting opinion.

Dated this 2nd 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: 172965 CANADA LIMITED