



ASSESSMENT REVIEW BOARD

Churchill Building
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NOTICE OF DECISION NO. 0098 132/11

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:
9946298	4819 184 Street NW	Plan: 9722753 Block: 21 Lot: 1	\$1,930,500	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 58,855 ft² (1.35 Acre) piece of land at 4819 – 184 Street NW in Dechene neighbourhood. The subject property is zoned ‘DC2’ and carries a Land Use Code (LUC) 900 that is applicable to “Undeveloped Land”.

ISSUE(S)

Is the 2011 assessment of \$1,930,000 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 presented a 21 page brief (C-1) that included area maps, a string of e-mail communications with the Respondent, tabulated information pertaining to the sales comparables, the transaction particulars in respect of the sales comparables and aerial maps showing the location proximity of sales comparables in support of the Complainant’s position that the 2011 assessment of \$1,930,000 for the subject was not fair and equitable.

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

- The subject property was an irregular shaped vacant parcel of land and was not serviced. (C-1, page 2).

- The 2011 assessment for the subject property was 52% higher than in 2010. This increase was not supported by any direct sales comparables provided by the Respondent (C-1, page 2).
- When initially approached by the Complainant in February 2011, the Respondent offered to reduce the 2011 assessment to \$1,737,500 or \$29.52 per square foot. The Complainant was seeking a per square foot assessment of \$26 or \$1,530,000, for the subject property (C-1, page 6).
- Subsequent research by the Complainant revealed a comparable sale located at 5603 – 199 Street on the Respondent’s website (C-1, page 19) that occurred in June 2010 for \$2,730,000 or \$15.02 per square foot (C-1, page 13).
- The Complainant provided a set of three sales comparables that showed an average selling price of \$17.23 per square foot and supported the Complainant’s argument for a lower 2011 assessment (C-1, page 13).
- On the basis of this valid comparable sale close to the valuation date of July 01, 2010, the Complainant requested a reduced 2011 assessment of \$1,177,100 or \$20 per square foot.

POSITION OF THE RESPONDENT

The Respondent attended the hearing and presented as documentary evidence an assessment and law and legislation brief (R-1, 62 pages).

- The Respondent stated that in the case of vacant commercial land properties in the City of Edmonton, the direct sales comparison approach had been selected as the most appropriate approach. Additionally, the mass appraisal required 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 three sales comparables in support of the 2011 assessment of the subject (R-1, page 15). These comparables demonstrated a median time adjusted sale price of \$34.09 per square foot that supported the subject’s 2011 assessment of \$32.80 ft².
- The Respondent pointed out that the information posted on the Respondent’s website was for general public information and the accompanying cautionary note warned against its use as evidence. The Board was advised by the Respondent to place little weight on such unverified information presented by the Complainant.
- The Respondent pointed out that the sales comparable #1 (4615 – 199 Street), provided by the Complainant (C-1, page 13) was for a much larger parcel of land zoned ‘RA7’. This sale price of \$24.02 per square foot, when adjusted for the size and zoning difference, supported the subject’s 2011 assessment of \$32.80 per square foot.
- The Respondent stressed that the model used over 120 valid comparable sales for its analysis that produced a fair and equitable 2011 assessment for the subject property.

The Respondent requested that the previously offered reduced 2011 assessment of \$1,737,000 be confirmed.

DECISION

The decision of the Board is to reduce the 2011 assessment from \$1,930,000 to \$1,177,000 (based on \$20 per square foot) as fair and equitable.

REASONS FOR THE DECISION

1. The Board was persuaded by the Complainant's sales comparables (C-1, page 13) and the fact that the subject property was an irregular shaped parcel of vacant land that was not serviced.
2. It was pointed out by the Complainant and the Respondent agreed that the sales comparables offered by the Respondent were located at a considerable distance from the subject, were superior to the subject property and had occurred in 2007 and 2008.
3. The Board placed considerable weight on the Complainant's sales comparable marked as 'City Comparables' (C-1, page 13) that showed a price of \$15.02 per square foot for a sale in closer proximity to the subject and that completed close to the valuation date for the 2011 assessment.

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: IMPERIAL OIL LIMITED