



## ASSESSMENT REVIEW BOARD

MAIN FLOOR CITY HALL  
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EDMONTON AB T5J 2R7  
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### NOTICE OF DECISION NO. 0098 148/10

Canadian Valuation Group  
1200-10665 Jasper Avenue  
Edmonton AB T5J 3S9

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 3, 2010, respecting a complaint for:

<b>Roll Number</b> 7171101	<b>Municipal Address</b> 8708 109 Street NW	<b>Legal Description</b> Plan:782AT Block: 148 Lots: E, F, G, H
<b>Assessed Value</b> \$1,335,500	<b>Assessment Type</b> Annual New	<b>Assessment Notice for:</b> 2010

**Before:**

James Fleming, Presiding Officer  
Dale Doan, Board Member  
Jack Jones, Board Member

**Board Officer:** Alison Mazoff

**Persons Appearing: Complainant**

Tom Janzen, Canadian Valuation Group

**Persons Appearing: Respondent**

Richard Fraser, Assessor, City of Edmonton  
Yasaman Navidi, Assessment Assistant, City  
of Edmonton

### **PRELIMINARY MATTERS**

No preliminary issues were raised. The parties did not object to the composition of the Board. Neither the Board nor the parties raised any issues of bias.

### **BACKGROUND**

This is an appeal of a property assessed as Special Purpose and valued using the cost approach. The site contains approximately 13,867 square feet of land. The subject is known as the Garneau Theatre, and is located in the community of Garneau, just south of the High Level Bridge in the City of Edmonton. The value of the improvements (\$394,313) is not in dispute. The Complainant is contesting the value ascribed to the land.

## **ISSUES**

Is the assessment of the land portion of this 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 s.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 produced nine land sales comparables dated from September 2007 to September 2009. The parcel sizes varied from 3,300 square feet to 62,291 square feet. The prices varied from \$16.86 per square foot to \$49.40 per square foot.

The Complainant submitted that virtually no time adjustments to the sales prices were required. He indicated that all sites were located on “fairly” major roads with similar traffic to the subject, although the specific traffic volumes were not provided for all of the comparables or for the subject. He also indicated that the comparables had fairly similar zoning. His argument stressed that the best comparables were sales of properties of similar size and zoning to the subject and located on major roads with similar traffic volume to the subject. He indicated that his comparables met these criteria.

The Complainant asked that the greatest weight be placed on sales #3, 5, 6 and 7 which were the closest in size to the subject, noting these had values between \$38.53 per square foot and \$49.40 per square foot. Based on these sales, he requested a land rate of \$45.00 per square foot, for a total land value of \$624,015 and a resulting total assessment of \$1,018,000.

In response to questions, the Complainant acknowledged that several sales had caveats or right-of-way on title, but noted that there was no evidence that these encumbrances impacted the value.

## **POSITION OF THE RESPONDENT**

The Respondent produced eight vacant land sales comparables dated from May 2007 to August 2008. The parcel size ranged from 6,600 square feet to 34,000 square feet. The prices varied from \$49.80 per square foot to \$87.50 per square foot. The locations of six of the properties were in the east part of downtown Edmonton.

The Respondent argued that the subject property’s value was influenced by the downtown location. He noted that five of the comparables were relatively close in size to the subject. He

requested that the Board place greater weight on sales # 1, 7 and 8, which were the most comparable.

The Respondent also provided eight equity comparables with similar zoning and lot size to the subject. The values ranged from \$62.81 per square foot to \$74.51 per square foot, and locations were generally either downtown or in Old Strathcona. The Respondent suggested that these examples provided support for the assessment.

In response to questions, the Respondent acknowledged that a more thorough analysis could be warranted in supporting the assessment.

### **FINDINGS**

The best evidence of value will come from the properties with similar attributes such as parcel size, location on a major road, and traffic volume.

### **DECISION**

The assessment is reduced from \$1,335,500 to \$1,018,000.

### **REASONS FOR THE DECISION**

The Board agreed with the Complainant that the appeal centered on correctness, not equity, and so put little weight on the Respondent's equity comparables.

The Board reviewed the sales comparables of both parties. The Board accepted the Complainant's argument that similar sized parcels located on major roadways and with similar zoning were a significant influence in the value of the subject. The Board put little weight on the Respondent's argument that downtown properties should have some impact on the value of the subject, which was located in Garneau/Old Strathcona. The Respondent provided little evidence or argument to support that contention.

The Board noted that the Respondents' sale comparable #1 was in the same general area as the subject and had a lesser value than that requested by the Complainant. Little weight was placed on the Respondent's other preferred sales comparables. Sale comparable #8 was 2.5 times the size of the subject and therefore not really comparable. The remaining preferred sales comparable of the Respondent, #7, at \$49.83 per square foot, was much closer in value to the Complainant's request (\$45.00 per square foot) than to the Respondent's request (\$67.90 per square foot). Therefore, the Respondent's sales comparables supported the Complainant's argument.

The Board found the value of the land to be as requested by the Complainant, and so sets the value of the land at \$45.00 per square foot for a total land value of \$624,015. Adding to this the building value, one arrives at the revised assessment noted above.

### **DISSENTING DECISION AND REASONS**

There were no dissenting decisions or reasons.

Dated this 25<sup>th</sup> day of August, 2010, at the City of Edmonton, in the Province of Alberta.

James Fleming  
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, R.S.A. 2000, c.M-26.*

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CC: Municipal Government Board  
1282916 ALBERTA LTD.