



## ASSESSMENT REVIEW BOARD

MAIN FLOOR CITY HALL  
1 SIR WINSTON CHURCHILL SQUARE  
EDMONTON AB T5J 2R7  
(780) 496-5026 FAX (780) 496-8199

### NOTICE OF DECISION 0098 215/10

CVG 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 23, 2010, respecting a complaint for:

<b>Roll Number</b> 3135258	<b>Municipal Address</b> 10145 106 STREET NW	<b>Legal Description</b> Plan: B2 Block: 5 Lot: 137 etc.
<b>Assessed Value</b> \$4,770,500	<b>Assessment Type</b> Annual New	<b>Assessment Notice for:</b> 2010

**Before:**

**Board Officer:** Kyle MacLeod

Dean Sanduga, Presiding Officer  
John Braim, Board Member  
Thomas Eapen, Board Member

**Persons Appearing: Complainant**  
Tom Janzen, CVG

**Persons Appearing: Respondent**  
Chris Rumsey, Assessor, City of Edmonton  
Aleisha Bartier, Law Branch, City of Edmonton  
Julia Sproule, Law Branch, City of Edmonton  
Ingrid C. Johnson, Law Branch, City of Edmonton

### **PRELIMINARY MATTERS**

No preliminary matters were raised by the parties.

### **BACKGROUND**

The subject property comprises a paved inner lot in the downtown core located at 10145 – 106<sup>th</sup> Street. It comprises 29,953 sq. ft. of CB2 zoned land with a 2010 assessment of \$4,770,500.

## **ISSUES**

Is the subject property assessed equitably and at market value (using both the sales comparison and income approach)?

## **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**

1. The Complainant submits the subject land has been assessed higher than market value.
2. The subject is assessed higher than comparable lots in the same area.
3. As part of the issues attached to the complaint form, it was also stated the capitalized 2008 actual net operating income of the subject property is less than the assessment amount.
4. The Complainant stated that the four most appropriate sales summarized (C-1, pg. 2, lower table) had a time adjusted value of \$82.69/ sq. ft. Therefore, the Complainant requested that the subject property's value be reduced to \$75.00/ sq. ft. The Complainant requested a base year market value of \$75.00/ sq. ft. which equates to a total amount of \$2,246,475 plus site improvement valued at \$12,513. The total requested assessment is \$2,258,500.
5. The Complainant submitted title transfers between September 2006 and June 2009, which were obtained from the City Tax Assessment Collection System.
6. The Complainant selected 16 title transfers from a total of 362 title transfers and added four of his own sales comparables that were not listed on the City Tax Assessment Collection System. (C-1, pg. 2) According to the Complainant, the City indicated these title transfers were used to arrive at the assessment for the subject property.
7. The Complainant stated that sale comparables number 10 to number 14 were not time adjusted values and sales number 15 and number 16 were higher than the current assessment and were acquired by an adjoining property owner as part of a land assembly which has subsequently been redeveloped as Cecil Place. Sales number 15 and number 16 are not to be considered as a comparison to the subject property.
8. On C-1, pg. 24, sale 10044-105 Street, is in a middle block location, similar to the subject, which sold for \$46.67/ sq. ft., and which, when time adjusted, is \$80.81/ sq. ft. This sale did not appear in the City title transfer list.
9. The sale north of 104 Avenue between 101 Street and 104 Street which comprises 10.6 acres sold at \$63.41/ sq. ft. and no time adjustment was necessary as it was sold in March 2009.
10. On C-1, pg. 26, 10085 – 100<sup>th</sup> Street near the Hotel MacDonald was sold for \$81.86/ sq. ft. in March 2009. The property has a 'river valley' view, and the City Title Transfer List showed a zero value and the Respondent further stated this was a motivated sale.
11. On C-1, pg. 2 a resale of sale comparable number 1 (which was sold in August 2006 for \$46.67, which when time adjusted was \$80.81/ sq. ft.) was resold in December 2009 for \$104.66/ sq. ft.

## **POSITION OF THE RESPONDENT**

1. The Respondent submitted R-1, R-2, R-3, and R-4.
2. The Respondent indicated that the City follows a mass appraisal procedure which underwent model testing by the Province. (R-4, pp. 4-6)
3. The Respondent submitted four comparables (R-1, p. 16).
4. In argument the Respondent further advised the Board that the Complainant's sale number 3 had several restrictive covenants, impacting its value negatively.
5. In addition the Respondent indicated that the Complainant's sale number 1 and number 4 are the same property and are affected by contamination from a dry cleaning plant, and further submitted an e-mail from the owner indicating that there was contamination from the adjoining property.

## **DECISION**

The decision of the Board is to confirm the 2010 assessment at \$4,770,500.

## **REASONS FOR THE DECISION**

The Board reviewed the Respondent's (R-1, R-2, R-3, and R-4) and Complainant's (C-1) evidence.

The Board places less weight on the Complainant sales comparables (C-1 p. 2), wherein:

- Sales number 1 & number 4 are the same property and are contaminated
- Sale number 4 is a post facto sale
- Sale number 3 has several restrictive covenants attached to it.
- Sale number 2 is a much larger property (473,062 sq. ft., compared to 29,953 sq. ft.)

The Board is persuaded by the Respondent's sales comparables (R-1 p. 16) wherein these sales are similar in size, zoning and location to the subject property.

Dated this 17<sup>th</sup> day of September, 2010, at the City of Edmonton, in the Province of Alberta.

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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: Wigalo Holdings Ltd.  
Municipal Government Board