



ASSESSMENT REVIEW BOARD

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NOTICE OF DECISION NO. 0098 331/11

CVG
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 November 14, 2011, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
10066972	18544 STONY PLAIN ROAD NW	Plan: 0626825 Block: 1 Lot: 6	\$8,880,000	Annual Revised	2011

Before:

Larry Loven, Presiding Officer
Jack Jones, Board Member
Taras Luciw, Board Member

Board Officer: Karin Lauderdale

Persons Appearing on behalf of Complainant:

Tom Janzen, CVG

Persons Appearing on behalf of Respondent:

Jerry Sumka, Assessor, City of Edmonton

PRELIMINARY 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.

BACKGROUND

The subject property is an undeveloped parcel of land in the Sunwapta Industrial neighbourhood of west Edmonton. The site contains 10.852 acres and the 2011 assessment equates to \$18.79 per square foot.

ISSUE(S)

Is the 2011 assessment of the subject property at \$8,880,000 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 submitted written evidence in the form of an appeal brief containing 12 pages that was entered as exhibit C-1.

The Complainant noted that the 2011 assessment of the subject property increased by 10% while the city's commercial land time adjustment chart (C-1, page 12) shows a decrease of approximately 11.5% from July, 2009 to July, 2010. By applying the appropriate time adjustment factor of 0.8854 to the 2010 assessment, a value of \$15.10 per square foot (psf) is concluded as compared to the 2011 assessment of \$18.79 psf.

A reduced valuation was further supported by six sales comparables (C-1, page 1) whose time adjusted sale price ranged from \$14.06 psf to \$18.12 psf. The Complainant placed most weight on sale comparables #3 and #4 with additional support from sales #1 and #2. They range in size from 3.60 acres to 7.78 acres, and their time adjusted sales price ranges from \$14.64 psf to \$18.12 psf. From this, the Complainant concluded a value of \$15.50 psf, which, when applied to the subject, equates to \$7,327,269.

The Complainant also provided rebuttal evidence entered as exhibit C-2 and containing five pages, wherein the size differences are shown and locations of the Respondent's four sales comparables were shown to be in the southeast and southwest quadrants of the city while the subject is located in the northwest quadrant.

The Complainant requested a reduction of the 2011 assessment to \$7,327,000.

POSITION OF THE RESPONDENT

The Respondent presented evidence (R-1 & R-2) and argument for the Board's review and consideration.

The Respondent referenced the mass appraisal methodology (R-1, page 4) for valuing individual properties.

The Respondent presented four sales comparables (R-1, page 15) to support the 2011 assessment of the subject property at \$18.79 per square foot. The Respondent noted that the subject property was a large corner lot located on a major thoroughfare. The sales comparables presented by the Respondent shared the attributes of size and proximity to major thoroughfares with the subject property. The average time adjusted sales price of the four sales comparables presented was \$21.33 per square foot.

The Respondent also presented the supporting documentation (R-1, pages 17 to 24) for the sales comparables presented.

The Respondent requested the 2011 assessment of the subject property be confirmed at \$18.79 per square foot for a total assessment of \$8,880,000.

DECISION

Roll Number	Original Assessment	New Assessment
10066972	\$8,880,000	\$7,327,000

REASONS FOR THE DECISION

The Respondent accepted the City of Edmonton 2011 Commercial Land Time Adjustments table as presented by the Complainant did not disagree that the chart gives a decrease from July 2009 to July 2010 of approximately 11.5%, and confirmed that the chart is not used to determine value for assessment purposes. The Board finds that the chart supports that a decrease in market value of the subject property as argued by the Complainant.

The Board finds that even though three of the four sales comparables provided by the Respondent support a time adjusted sale price from over a \$1.00 to almost \$4.00 per square foot higher than the per square foot assessed value of the subject property, and the largest at over double the size of the subject property is assessed \$0.18 less per square foot. Moreover, these four comparables appear to differ from the subject property in that: all are located in the southern portion of the southeast commercial/industrial district, whereas the subject is located in

the west end; three are smaller than the subject property by approximately 50% and one is larger by over 100%.

The Board finds that the sale of the subject property, Lot 6, as part of a parcel including the adjoining Lot 7, at \$688,750 per acre (as calculated in the Comments section of the Network sales data sheet based on the prorated sale to list price ratio) or \$15.81 per square foot, although dated five months after the evaluation date, provides a strong indication of the value of the subject property.

Regarding the two of six sales comparables relied upon by the Complainant, the Board finds that they are most similar to the subject property in terms of size at 7.64 and 7.78 acres, versus the subject at 10.85 acres, have time adjusted sale prices of \$15.37 and \$14.65 per square foot respectively. Two other comparables located at 16003 Stony Plain Road and 18803 Stony Plain Road, although smaller than the subject property by over 50%, have time adjusted sales prices of \$18.12 and \$16.13 per square foot respectively.

In its consideration of the above reasons, the Board finds that the requested reduction is supported by the negative change in market value, the sale of the subject property, and the sales comparables relied upon by the Complainant; and therefore, reduces the 2011 assessment to the requested \$15.50 per square foot or \$7,327,000.

DISSENTING OPINION AND REASONS

There were no dissenting opinions.

Dated this 18th day of November, 2011, at the City of Edmonton, in the Province of Alberta.

Larry Loven, 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: 1563688 ALBERTA LTD