



## ASSESSMENT REVIEW BOARD

Churchill Building  
10019 103 Avenue  
Edmonton AB T5J 0G9  
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### NOTICE OF DECISION NO. 0098 334/11

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:
1283829	11736 78 STREET NW	Plan: 8321708 Block: 20A	\$2,955,500	Annual New	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 a gravel parking lot located in the Parkdale neighbourhood of east Edmonton. The site contains 131,306 square feet (3.01 acres) and the 2011 land assessment equates to \$22.51 per square foot.

## **ISSUE(S)**

Is the 2011 assessment of the subject property at \$2,955,500 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 14 pages that was entered as exhibit C-1.

The Complainant noted that the 2011 assessment of the subject property increased by 27% while the city's commercial land time adjustment chart (C-1, page 14) 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 \$15.72 per square foot (psf) is concluded as compared to the 2011 assessment of \$22.51 psf.

A reduced valuation was further supported by seven sales comparables (C-1, page 1) whose time adjusted sale price ranged from \$13.60 psf to \$15.37 psf. The Complainant placed most weight on sale comparables #1, #4 and #7. They range in size from 4.18 acres to 7.64 acres, and their time adjusted sales price ranges from \$15.00 psf to \$15.37 psf. From this, the Complainant concluded a value of \$15.50 psf, which, when applied to the subject, equates to \$2,035,243.

The Complainant also provided rebuttal evidence entered as exhibit C-2 and containing four pages, wherein the Respondent's three sales comparables were shown to be substantially smaller thereby being far less comparable than the Complainant's comparables.

The Complainant requested a reduction of the 2011 assessment to \$2,035,000.

### **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 three sales comparables (R-1, page 15) to support the 2011 assessment of the subject property at \$22.51 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 were in the same market area as the subject property. The average time adjusted sales price of the three sales comparables presented was \$30.14 per square foot.

The Respondent also presented the supporting documentation (R-1, pages 16 to 34) for the sales comparables presented.

The Respondent requested the 2011 assessment of the subject property be confirmed at \$22.51 per square foot for a total assessment of \$2,955,500.

### **DECISION**

Roll Number	Original Assessment	New Assessment
1283829	\$2,955,500	\$2,035,000

### **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 a decrease in market value of the subject property as argued by the Complainant.

The Board finds that even though all three of the sales comparables provided by the Respondent are located in or near the same study area, Commercial Area 132, as the subject property, they are from 3% to 12% the size of the subject property (or 3,715 to 16,316 square feet versus the 131,306 square feet respectively) and sold from a time adjusted sale price of \$6.41 to \$12.75 per square foot more than the assessed value of the subject property at \$22.51 per square foot.

Regarding the three of the seven sales comparables relied upon by the Complainant, the Board finds that they are more similar to the subject property in terms of size at 7.64, 4.62 and 4.18 acres versus the subject at 3.01 acres, have time adjusted sale prices of \$15.37, \$15.09 and \$15.00 per square foot respectively. The Board notes that the remaining sales comparables, three

of which vary in size from one to two acres, have a time adjusted sale price from \$14.68 to \$15.09 per square foot.

The Board notes that neither the Complainant nor the Respondent provided equity comparables.

In its consideration of the above reasons, the Board finds that the requested reduction is supported by the negative change in market value, and the sales comparables both relied upon and provided by the Complainant; and therefore, reduces the 2011 assessment to the requested \$15.50 per square foot or \$2,035,000.

### **DISSENTING OPINION AND REASONS**

There were no dissenting opinions.

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

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Larry Loven, Presiding Officer

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*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.*

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cc: PBX PROPERTIES LTD.