



ASSESSMENT REVIEW BOARD

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NOTICE OF DECISION NO. 0098 335/11

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:
1006063	18325 STONY PLAIN ROAD NW	Plan: 4077KS Block: 1 Lot: 14 / Lot: 15	\$3,785,500	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 an undeveloped parcel of land in the Place La Rue neighbourhood of west Edmonton. The site contains 2.99 acres and the 2011 assessment equates to \$28.99 per square foot.

ISSUE(S)

Is the 2011 assessment of the subject property at \$3,785,500 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 21 pages that was entered as exhibit C-1.

The Complainant noted that the 2011 assessment of the subject property increased by 54% while the city's commercial land time adjustment chart (C-1, page 17) 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 \$16.65 per square foot (psf) is concluded as compared to the 2011 assessment of \$28.99 psf.

A reduced valuation was further supported by ten sales comparables (C-1, page 1) whose time adjusted sale price ranged from \$13.60 psf to \$18.12 psf. Each of the comparables has exposure to a main roadway while the subject is located mid-block with no exposure to a major roadway.

The Complainant placed most weight on sale comparables #2, #6 and #9. They are closest in size to the subject, ranging from 3.61 acres to 4.62 acres, and their time adjusted sales price ranges from \$15.00 to \$16.13. From this, the Complainant concluded a value of \$16.00 psf, which, when applied to the subject, equates to \$2,089,536.

The Complainant included an Assessment Detail Report (C-1, pages 20 & 21) on an adjoining 3.59 acre property, the site of a major automotive dealership. This property fronts onto Stony Plain Road, a major roadway, and is assessed at \$21.18 psf while the subject property, an undeveloped parcel of land used for parking vehicles, is assessed at \$28.99 psf.

The Complainant also provided rebuttal evidence entered as exhibit C-2 and containing six pages, wherein the Respondent's three sales comparables were shown to be fronting on major roadways with one property also containing a restaurant. They were described as being less comparable than the Complainant's comparables. In addition, a City of Edmonton traffic flow map was attached that showed no traffic count for 184 Street. The Complainant believed the absence of a traffic count was because 184 Street is not a major roadway.

The Complainant requested a reduction of the 2011 assessment to \$2,089,500.

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 \$28.99 per square foot. The sales comparables presented shared the attributes of size and close proximity to major thoroughfares with the subject property. The average time adjusted sales price of the three sales comparables presented was \$37.38 per square foot.

The Respondent also presented the supporting documentation (R-1, pages 16 to 22) for the sales comparables presented.

The Respondent requested the 2011 assessment of the subject property be confirmed at \$28.99 per square foot for a total assessment of \$3,785,500.

DECISION

Roll Number	Original Assessment	New Assessment
1006063	\$3,785,500	\$2,089,500

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 the three sales comparables provided by the Respondent appear to be lacking in comparability in that: two front directly onto major arterial roadways, Ellerslie Road, Calgary Trail; the Calgary Trail comparable is 255,543 square feet versus the subject property at 130,596 square feet and is a development site for a Sobeys; and the third sales comparable located on Stony Plain road has a building on the property.

The Board finds that the assessment of the subject property, with no frontage onto Stony Plain Road at \$28.99 per square foot compared to the adjacent property, Plan 4077KS, Block 1, Lot 15 (having the same municipal address as the subject property, 18325 Stony Plain Road, fronting onto Stony Plain Road, and containing 156,281 Square feet) was assessed at \$3,311,807, land value only, or \$21.18 per square foot, appears to be lacking in equity.

The Board finds that the three of the ten sales comparables relied upon by the Complainant, located at 18803 Stony Plain Road, 5103 Windermere Boulevard and 5603 – 199 Street support a lower market value ranging from \$15.00 to \$16.13 per square foot. The remaining seven comparables varying in parcel size from 1.43 acres to 19.59 acres sold for a range of \$13.60 to \$18.12 per square foot.

In its consideration of the above reasons, the Board finds that the requested reduction is supported by the negative change in market value, the assessment of the adjoining property, and the sales comparables relied upon by the Complainant; and therefore, reduces the 2011 assessment to the requested \$16.00 per square foot or \$2,089,500.

DISSENTING OPINION AND REASONS

None noted.

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: G & J RENTALS LTD