



## ASSESSMENT REVIEW BOARD

Churchill Building  
10019 103 Avenue  
Edmonton AB T5J 0G9  
Phone: (780) 496-5026

### NOTICE OF DECISION NO. 0098 418/11

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 28, 2011, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
3195807	10752 JASPER AVE NW	Plan: NB Block: 7 Lot: 92	\$1,330,000	Annual New	2011

#### **Before:**

Robert Mowbrey, Presiding Officer  
Lillian Lundgren, Board Member  
Brian Frost, Board Member

**Board Officer:** Denis Beaudry

#### **Persons Appearing on behalf of Complainant:**

Peter Daniel Smith, CVG

#### **Persons Appearing on behalf of Respondent:**

John Ball, Assessor, City of Edmonton

#### **PRELIMINARY MATTERS**

There were no preliminary matters.

## **BACKGROUND**

The subject property is an 8,000 square foot (ft<sup>2</sup>) corner lot located at 10752 Jasper Avenue. The site is improved with a 3,390 ft<sup>2</sup> retail building that was originally built as a quality 04 structure in 1947 and now has an effective year built of 1975. The assessment was prepared using the cost approach to value. The land component value is \$1,329,360 (\$166/ft<sup>2</sup>), while the improvement is valued at \$500. The Respondent applied a land rate of \$154/ft<sup>2</sup> to all undeveloped parcels in the downtown neighbourhood, and applied a 7.7% premium to corner lots.

## **ISSUE**

Should the land component of the subject assessment be valued using \$166/ft<sup>2</sup>?

## **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 filed this complaint on the basis that the land component of the subject assessment is incorrect. The land portion of the assessment was calculated using \$166/ft<sup>2</sup>, which is not supported by property sales in this location. The subject property is located in the downtown core, on the corner of Jasper Avenue and 108 Street. The Complainant argued that properties west of 105 Street in the downtown core sell for less per square foot than similar properties east of 105 Street, in the heart of the city. In support of this position, the Complainant presented the following sales comparables that are time adjusted using the City of Edmonton time adjustment factors:

Address	Sale Date	Size (Ft. <sup>2</sup> )	Sale Price/Ft. <sup>2</sup>	TASP/Ft. <sup>2</sup>	Corner	Main Road	Assembly
1) 10120 108 Street	Jan, 06	7,750	\$ 82.58	\$130.14	Yes	Yes	Yes
2) 10163/69 - 108 Street	Mar, 06	15,000	\$ 83.00	\$130.80	No	No	No
3) 10350/64 - 105 Street	Apr, 06	22,188	\$ 90.14	\$142.05	Yes	Yes	No
4) 10160/68 - 106 Street	Apr, 06	22,200	\$ 70.00	\$110.31	No	No	No
5) 10204/30 - 105 Street	Apr, 07	37,500	\$ 89.33	\$113.24	Yes	Yes	No
6) 9901 - 108 Street	Jan, 07	15,000	\$233.33	\$315.74	Yes	No	Yes
7) 10428 Jasper Avenue	Jan, 06	3,000	\$113.33	\$178.60	No	Yes	Yes
8) 10178 - 103 Street	Sep, 06	15,000	\$133.33	\$196.84	Yes	No	No
9) 10233 - 105 Street	Aug, 07	7,491	\$133.49	\$154.95	No	Yes	No
10) 10416 - 102 Avenue	Dec, 07	37,500	\$175.00	\$186.41	Yes	No	No
11) 10025 - 102 Street	Jan, 09	15,000	\$288.33	\$252.49	Yes	No	Yes
Subject		8,000		\$166.17 (Assmt)	Yes	Yes	

Referencing the above sales chart, the Complainant stated that sales #1 to #6 (excluding #6, which appears to be an outlier) are located west of 105 Street and have an average time adjusted sale price (TASP) of \$125/ft<sup>2</sup>. Sales #7 to #11 are located east of 105 Street and have an average TASP of \$194/ft<sup>2</sup>. This represents 35% lower values west of 105 Street.

Based on an analysis and comparison of the sales information to the subject property, and with the most weight placed on sales #1 to #5 and #9, a land rate of \$140/ft<sup>2</sup> is reasonable for the subject property. Based on a land rate of \$140/ft<sup>2</sup>, the total land value is \$1,120,000. With the addition of \$500 for the site improvements, the total value is \$1,120,500. The Complainant requested the Board to reduce the property assessment to \$1,120,500.

Further support for the position that properties west of 105 Street are in a different market area was provided by the Complainant. The Complainant presented a document published by the City of Edmonton Planning and Development department that showed the various parking lot valuation areas: the value for the heart of the city is \$900 per stall, while the value for the area immediately to the west of 105 Street is \$550 per stall.

### **Rebuttal**

The Complainant commented on the Respondent's four sales comparables as follows. The Complainant noted that both parties used the sale at 10233 105 Street that has a TASP of \$155/ft<sup>2</sup>. The Complainant stated that two of the Respondent's sales comparables are in a superior location compared with the subject location because they are located east of 105 Street, in the heart of the city. These properties tend to sell for more per square foot than properties west of 105 Street, as previously shown in the Complainant's sales chart.

The Complainant also commented on the Respondent's equity comparables. Of the twenty equity comparables, at least six are located east of 105 Street in the heart of the city, which is a superior location to the subject location.

The Complainant presented a recent decision of the Assessment Review Board dated October 12, 2011, that reduced the property assessment of a property located at 10605 Jasper Avenue. The Complainant explained that this property is located east of the subject property, is a corner lot, and was originally assessed a land rate of \$166/ft<sup>2</sup>. The ARB reduced the land component of the assessment to \$140/ft<sup>2</sup>. (The Board notes that the Complainant used the same eleven sales in that hearing as in this one. However, the Respondent used eight sales comparables in that hearing, but only four sales comparables in this one.)

### **POSITION OF THE RESPONDENT**

The Respondent argued that the subject assessment is correct, and presented the following sales comparables in support of the land rate of \$166/ft<sup>2</sup> used to prepare the assessment:

Sales Comparable Chart 3195807									
Roll #	Address	Zoning	Lot Size	Sale Date	Sale Price	TASP*	\$ 2,011	Sale Price/ft2	TASP/ft2
Subject									
3195807	10752-Jasper avenue	EZ	8000				\$ 1,330,000		
							\$ 1,330,000	\$ 166.00	
1. 10014624/25	10025-102 Street	CB2	15047	Jan-09	\$ 4,325,000	\$ 4,325,000		\$ 287.43	\$ 251.70
2 3105681	10233-105 Street	CB2	7491	Aug-11	\$ 1,000,000	\$ 1,162,000		\$ 133.49	\$ 155.11
3. 10014611 etc	10416 102 AVENUE	CB2	37477	Dec-07	\$ 6,562,150	\$ 6,990,000		\$ 175.10	\$186.51
4. 10014626/7	9901 108 STREET	CB2	15028	Jan-07	\$ 3,500,000	\$ 4,736,200		\$ 232.90	\$ 315.16
									\$ 227.12
The subject is superior in terms of location,proximity to th the LRT Station .									
The area around the subject has undergone extensive redevelopment, starting with the Professional building									
and the redevelopment of the Mayfair Hotel site									
The Mayfair development is on the same corner as the subject.									

In addition, the Respondent argued that the subject property is equitably assessed with similar properties. In support of this position, the Respondent presented the following equity comparables:

CITY OF EDMONTON EQUITY COMPARABLES							
Roll #	Address	Zoning	Lot Size	2011 Land Assessment	2011 Improvement Value	2011 Assement	Land Assessment (Sq. Ft.)
<b>Subject</b>							
10014629	Plan B2 Blk:5 Lot: 156	CB2	7,496	1,156,458	13,594	1,170,000	154.28
3201910	10310 102 STREET	CB2	7,503	1,157,617	13,055	1,170,500	154.29
10014940	Plan: NB1 Block: 3 Lot: 20	CB2	7,501	1,157,000	0	1,157,000	154.25
3044617	10018 102 STREET	CB2	7,510	1,158,717	13,067	1,171,500	154.29
9942675	10030 103 AVENUE	CB2	10,934	1,686,928	19,023	1,705,500	154.28
3024247	10333 104 STREET	CB2	7,498	1,156,900	18,794	1,175,500	154.29
10014608	10416 102 AVENUE	CB2	7,493	1,156,000	0	1,156,000	154.28
3098605	10009 105 STREET	CB2	7,545	1,164,083	5,251	1,169,000	154.29
10014942	Plan: NB Block: 5 Lot: 78	CB2	11,277	1,739,500	0	1,739,500	154.25
1065762	10036 105 STREET	CB2	7,500	1,157,136	7,328	1,164,000	154.28
10014637	10124 108 STREET	CB2	7,518	1,159,985	5,232	1,165,000	154.29
3223906	10244 108 STREET	CB2	7,507	1,158,223	3,956	1,162,000	154.29
1229277	10323 109 STREET	CB2	6,999	1,079,784	4,870	1,084,500	154.28
10014609	10363 108 STREET	CB2	7,496	1,156,551	3,548	1,160,000	154.29
10014658	Plan: B2 Block: 7 Lot: 135	CB2	7,506	1,158,000	0	1,158,000	154.28
1210194	10135 107 STREET	CB2	22,376	3,452,301	35,927	3,488,000	154.29
1144385	10044 106 STREET	CB2	15,049	2,321,756	10,473	2,332,000	154.28
9966277	10160 106 STREET	CB2	7,205	1,111,671	12,536	1,124,000	154.29
9961244	10609 104 AVENUE	CB2	7,493	1,156,013	5,214	1,161,000	154.28
9979349	10302 107 STREET	CB2	7,499	1,157,000	0	1,157,000	154.29
3070166	10018 103 STREET	CB2	7,184	1,108,384	12,500	1,120,500	154.29
<b>AVG</b>			<b>8,930</b>				<b>154.28</b>

The Respondent also presented a decision of the ARB that confirmed the 2010 property assessment for the subject property. (The Board notes that the evidence presented in the previous hearing is not the same as presented in this hearing. For example, the 2010 ARB decision makes reference to the Respondent's seven sales comparables that average \$215/ft<sup>2</sup> and the Respondent used four sales comparables that average \$227/ft<sup>2</sup> in this hearing. Another example of different evidence is that the Complainant presented nine sales comparables dated between April 2007 and November 2009 during last year's hearing, whereas the Complainant relied on five sales comparables dated January 2006 to April 2007 in this hearing.)

In conclusion, the Respondent requested the Board to confirm the assessment based on the Respondent's sales and equity comparables as well as the previous year's decision on the subject property.

### **Rebuttal**

The Respondent stated that most of the Complainant's sales occurred prior to the changes in the vicinity of the subject property and, therefore, do not necessarily reflect the value of land in this area. The subject property is located in an area that is undergoing extensive redevelopment, starting with the Professional Building and the Mayfair Hotel sites. Additionally, the subject is in a superior location on a corner lot next to the LRT station.

### **DECISION**

The subject property assessment is reduced to \$1,120,500.

### **REASONS FOR THE DECISION**

The Board reviewed the sales evidence of both parties and finds that properties located in the downtown core west of 105 Street have sold for less per square foot than similar properties located east of 105 Street in the heart of the city. The Board appreciates that the Respondent takes the position that many of these sales do not reflect the condition of the area because of the increased interest in redevelopment activity. However, there is insufficient evidence to support the Respondent's contention that these earlier sales do not reflect the market value of the subject property on the valuation date of July 1<sup>st</sup>, 2010. In the absence of more recent sales evidence, the Board accepts the Complainant's sales evidence, which has been time adjusted using the City of Edmonton time adjustment factors. The sales of similar property west of 105 Street indicate a value for land of \$130/ft<sup>2</sup>. When the corner lot adjustment of 7.7% is applied to the base \$130/ft<sup>2</sup> land rate, the resulting land rate is \$140/ft<sup>2</sup>. Accordingly, the subject land assessment is reduced to \$1,120,000. The land assessment of \$1,120,000 plus the improvement value of \$500 results in a total assessment of \$1,120,500.

The Board placed little weight on the ARB decision presented by the Respondent to confirm the subject 2010 property assessment because the decision was based on different evidence. The Board also noted that the ARB decision presented by the Complainant was based on different evidence, in part. The Board is relying on the evidence and argument presented in this hearing to make this decision.

Dated this 15<sup>th</sup> day of December, 2011, at the City of Edmonton, in the Province of Alberta.

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Robert Mowbrey, 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: 717186 ALBERTA LTD  
NORCAN DEVELOPMENT CORPORATION