



## ASSESSMENT REVIEW BOARD

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

### NOTICE OF DECISION NO. 0098 447/11

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 November 21, 2011, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
1100197	15404 17 STREET NW	SE 33-53-23-4	\$2,676,500	Annual New	2011

#### **Before:**

James Fleming, Presiding Officer  
Francis Ng, Board Member  
John Braim, Board Member

**Board Officer:** Karin Lauderdale

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

Tom Janzen, Canadian Valuation Group

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

Don Strandberg, 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 consists of 133.627 acres of Metropolitan Recreation District (A) designated land in northeast Edmonton. It was farmland until 2010 and since then it has been developed as a golf course which is scheduled to be completed in the summer of 2012. Currently, the subject property's "effective" land use designation is AG (Agricultural District) and the City of Edmonton assessed the entire property at a "parkland" rate of \$20,000 per acre including the land covered by water.

## **ISSUE(S)**

Should the land covered by water be assessable, and, if so, at what rate?

## **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 position of the Complainant is that the areas covered with water within the subject property are over assessed. The Complainant accepts the \$20,000 per acre "parkland" rate that is applied to the golf course area; however the areas covered by water should either not be assessed or should be assessed at a rate that is lower than parkland rate of \$20,000 per acre, because these areas are undevelopable.

The Complainant estimated that 20% (25 acres) of the property is water covered. For the golf course areas and the areas covered by water, the Complainant requested a lower assessment value based on one of two methods:

1. Apply the City of Edmonton parkland rates (\$20,000 per acre) to the developable land areas (108 acres) only, which would result in an assessment value of \$2,160,000.
2. Apply a 20% discount to the City of Edmonton parkland rate to the entire golf course including the areas covered by water a total of 133.627 acres which would result in assessment of \$2,133,000.

The Complainant concluded that an assessment of \$2,130,000 would be fair.

### **POSITION OF THE RESPONDENT**

The Respondent provided an assessment brief (R-1) that stated the subject land had previously been used partly for farming activity and for aggregate removal. In 2010, an appeal was filed to have the Land Use Code (LUC) changed to show there was no gravel being extracted. The owner was advised that the LUC change would result in a significant value increase in 2010, but should be left until 2011 when the change would have to be made.

In 2011 the farmland status was removed and the City had to apply a market value assessment to the property. The lowest value the City had is a Parkland Rate that was \$20,000 per acre and had been applied to all of the subject property.

The Respondent provided a chart detailing 11 validated sales comparables that had transacted between January 2007 and June 2011. The parcels were all located close to the city boundaries but in varying locations around the city. The parcels ranged in size from 0.186 acre to 189.91 acres and sold at unit rates ranging from \$11,584 per acre to \$32,224 per acre. The average price from these sales is \$21,578 per acre and the Respondent considers this strongly supports the land rate of \$20,000 per acre that is currently in use. The aforementioned sales may have included bodies of water however the total land and water areas are being assessed.

Furthermore, the Respondent indicated that all lakes and storm water ponds are assessed at the same parkland rate throughout the city and that is the lowest value the City has, noting also that the Parkland Rate at \$20,000 per acre had been applied to all the golf course lands in the City.

In support of this argument the Respondent provided evidence in the form of photographs of 2 lake properties and 1 golf course property containing water bodies and said that they are assessed using the same parkland rates.

### **DECISION**

The complaint is denied and the assessment is confirmed at \$2,676,500.

### **REASONS FOR THE DECISION**

The Complainant's arguments centred on the value of the golf course lands

The Complainant argued that the areas covered by the water should not be valued for assessment purposes. They argued that common sense should dictate that land covered by water could not be

used and therefore had no value. The Respondent answered that this type of land was treated the same way throughout the City highlighting three parcels of land which contained bodies of water in the City and which were assessed in the same manner.

The CARB considered all the information and evidence. While the Complainant based their argument largely on common sense, there was insufficient evidence put forward to demonstrate that any other bodies of water within the City were assessed on a different basis. As well, the City provided evidence that three bodies of water were assessed in the same manner as the subject and they represented that all similar situations were assessed in the same manner.

The price per acre of the sales comparables was not disputed (although the Complainant did comment that perhaps the lower priced sales reflected land with water on the property).

Based on the insufficiency of evidence from the Complainant and the evidence supporting the assessment from the Respondent the CARB confirms the assessment of the Golf Course component of the land at \$2,676,500.

Dated this 7<sup>th</sup> day of December, 2011, at the City of Edmonton, in the Province of Alberta.

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James Fleming, 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: 1369265 ALBERTA LTD