



ASSESSMENT REVIEW BOARD

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

NOTICE OF DECISION 0098 464/11

Canadian Valuation Group (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 December 6, 2011, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
10196296	10141 13 AVENUE NW	Plan: 1024252 Block: 20 Lot: 3	\$20,106,000	Annual New	2011

Before:

Robert Mowbrey, Presiding Officer
Francis Ng, Board Member
Petra Hagemann, Board Member

Board Officer: Karin Lauderdale

Persons Appearing on behalf of Complainant:

Tom Janzen, CVG

Persons Appearing on behalf of Respondent:

Chris Rumsey, Assessor, City of Edmonton

PRELIMINARY MATTERS

Upon questioning by the Presiding Officer, the parties indicated no objection to the composition of the Board. In addition, the Board advised the parties that the Board had no bias on this file.

BACKGROUND

The subject property is 13.09 acres of developed land located at 10141-13 Avenue NW. The assessment of the subject property is \$20,106,000, with improvements of \$2,590,357 and the land component of \$17,515,813. The Complainant is not arguing the assessment of the improvements, indicating the building appears reasonable. The Complainant is challenging the land component of \$30.70 assessment per square foot.

ISSUE(S)

What is the land market value of the subject property?

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 subject property's land component of \$17,515,813 is in excess of market value. In support of this position, the Complainant presented 10 sales that have been time adjusted using the City of Edmonton's time adjusted schedule from the date of sale to the date of valuation. (July 1st, 2010).

The 10 sales comparables submitted by the Complainant as follow:

Comp.	Address	Sale Date	Size (Acr)	Sale Price/sq. ft	TASP/sq.ft
1	9204 Ellerslie Road SW	Apr 07	3.14	14.00	17.75
2	1311 101 Street SW	Aug 07	7.07	20.04	23.29
3	1235 101 Street SW	Aug 07	4.97	20.14	23.40
4	9107 Ellerslie Road SW	Oct 07	10.63	12.99	14.77
5	931 Parson Road SW	July 08	7.78	16.00	14.64
6	5103 Windermere Blvd	Sep 08	4.62	17.05	15.09
7	14339 50 St	Mar 10	3.93	17.78	16.27*
8	5603 199 St	Jun 10	4.18	15.00	15.00

9	5080 Windermere Blvd	Sep 10	6.97	22.40	22.40
10	18544 Stony Plain Road	Dec 10	19.59	14.06	14.06
10a	Commercial Portion of #7	Dec 10	10.82	15.81	15.81
Subject	10141 13 Ave NW		13.096	Assessment \$30.70 per square foot	

During cross examination, the Complainant testified that South Common neighborhood is slightly superior to the Windermere and Windermere is slightly superior to Ellerslie neighborhood.

Under rebuttal the Complainant presented C-2 challenging 3 of the Respondent sales comparables.

1. 11103 Ellerslie Road SW, the Complainant indicated that this is a gas bar site (1.78 Acres) with a corner location.
2. 2904-50 Calgary Trail, the Complainant indicated that it was a former theatre complex and a night club.
3. 10004 Ellerslie Road, the Complainant indicated that the comparable is unserviced. The comparable is a corner site with a car dealership.

The Complainant requested the Board to reduce the assessment of the land component to \$20.00 per square foot.

POSITION OF THE RESPONDENT

The Respondent submitted an assessment brief (Exhibits R-1 and R-2) defending the 2011 assessment of the subject property. This brief referred to the mass appraisal process used by the City in valuing their land inventory. Sales occurring from January 2006 through June 2010 were used in the model development and testing taking into account lot size, corner locations, study area and servicing amongst other adjustments to arrive at market value.

The 6 sales comparables submitted by the Respondent as follow:

Comp.	Address	Lot Size (sq.ft)	Sale Date	Sale Price (\$)	TASP	2011 Assmt on the land	Sale Price/sq.ft	TASP/sq.ft
Subject	10141 13 Ave NW	570,493				\$17,515,813 (\$30.70/sq.ft)		
2	5120 Windermere	5,120,274	Dec 07	90,567,500	94,482,501		17.69	18.84
3	170 St & Water Link	261,335	Dec 08	7,200,000	6,305,040		27.55	24.13
4	11103 Ellerslie Road	75,511	Feb 07	1,821,253	2,411,521		2.412	31.94
5	2904 Calgary Tr.	145,496	Sep 07	5,714,039	6,568,288		39.27	45.14
6	10004 Ellerslie Road	255,543	Apr 09	9,600,000	8,406,720		37.57	32.90

The Respondent provided the Board with 6 comparable sales (Exhibit R-1, p.15) to support the assessment of the subject property. These range in date of sale from Feb 2007 to Apr 2009 and

are similar to the subject in zoning. The time adjusted sales prices vary from \$18.51 per square foot to \$45.14 per square foot with an average of \$28.58 per square foot.

In summary, the Respondent emphasized that the subject property is located in the most desirable retail development; any other market areas would be inferior to the subject area, South Common. The Respondent requested the Board to confirm the 2011 assessment of the subject property at \$30.70 per square foot for a total value of \$17,515,813 for the land component.

DECISION

The decision of the Board is to confirm the 2011 assessment of \$20,106,000 as being fair and equitable.

REASONS FOR THE DECISION

The Board reviewed the Complainant's sales comparables and the Respondent's sales comparables and found the Respondent's sales comparables to be more compelling than the Complainant's sales comparables.

The Board agrees with the Complainant that the Respondent's sale number 1 could be non arms length (Exhibit R-1 page 15).

The Board notes that both parties agreed that there were no sales in the South Common market area. The Complainant's sales comparables are substantially smaller in size than the subject property.

The Complainant was requesting an assessed value on the subject property of \$20.00 per square foot. This was based on the economies of scale that the larger parcels of land can achieve. The Board believed the Complainant used judgment, experience and intuitiveness to arrive at the requested valuation, but there was little or no evidence to show the Board how the \$20.00 per square foot was arrived.

The Board was not persuaded by the Respondent's sales comparables; however the onus is on the Complainant to provide sufficient and compelling evidence to support his position. The Board found the Complainant failed to do so.

DISSENTING OPINION AND REASONS

There was no dissenting opinion.

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

Robert Mowbrey, 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: CAMERON CORPORATION