



ASSESSMENT REVIEW BOARD

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

NOTICE OF DECISION NO. 0098 612/11

Altus Group
17327 106A Avenue
Edmonton, AB T5S 1M7

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 13, 2011, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
9958210	7230 Argyll Rd NW	Plan: 4626NY Block: 4 Lot: 7U	\$91,500	Annual New	2011

Before:

Don Marchand, Presiding Officer
Brian Hetherington, Board Member
Howard Worrell, Board Member

Board Officer: Karin Lauderdale

Persons Appearing on behalf of Complainant:

Jordan Thachuk, Altus Group

Persons Appearing on behalf of Respondent:

Darren Nagy, Assessor, City of Edmonton
Deanne Bannerman, Assessor, City of Edmonton, observing

PRELIMINARY MATTERS

This roll number was part of a series of roll numbers heard by the CARB over three days starting December 12, 2011 and concluding December 14, 2011. Both Parties at the outset of the hearings made an oath to tell the truth. This was subsequently confirmed at each day's hearing

by each party. Further, no objection was raised as to the composition of the CARB panel. In addition, the Board members indicated no bias with respect to this file.

No preliminary matters were raised by the Parties. At the outset of the hearing the CARB was advised by the Complainant that the only common issue that applies to the subject complaint are the ones itemized as:

5. the assessment is not fair and equitable considering the value and assessment classification of comparable properties.

8. the municipality has failed to account for various elements of physical, economic and/or functional obsolescence.

and that the remaining common issues itemized as numbers 1-4, 6 & 7 shown on the SCHEDULE OF ISSUES (C-1, pg 3) page will not be argued.

BACKGROUND

- The subject property under appeal is a narrow strip of land dividing a larger parking area serving a hotel and a commercial business. The hotel has the municipal address of 7230 Argyll Road NW, in the Girard Industrial area of Edmonton.
- The strip of land has no building on it, and is used as an access to cross the site.
- Within the Complainant's disclosure, the Complainant suggested that the particular parcel of land should be heard in conjunction with the adjoining building located at 7230 Argyll Road – Roll #3023512 and should be assessed as part of that property.
- The CARB questioned whether the hotel was under appeal. Upon inquiry, it was found that the hotel assessment had not been appealed.
- The subject property measures 3,645 square feet and has a zoning of CB2.

ISSUE(S)

Is the 2011 assessment of the subject property at \$91,500 correct?

LEGISLATION

The CARB in its deliberations gave consideration to the:

Municipal Government Act, RSA 2000, c M-26

1(1) *In this Act,*

- (n) *“market value” means the amount that a property, as defined in section 284(1)(r), might be expected to realize if it is sold on the open market by a willing seller to a willing buyer;*

289(2) *Each assessment must reflect*

- (a) *the characteristics and physical condition of the property on December 31 of the year prior to the year in which a tax is imposed under Part 10 in respect of the property, and*
(b) *the valuation and other standards set out in the regulations for that property.*

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.*

(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.

Matters Relating to Assessment and Taxation Regulation (AR 220/2004)

2. *An assessment of property based on market value*

(a) must be prepared using mass appraisal,

(b) must be an estimate of the value of the fee simple estate in the property, and

(c) must reflect typical market conditions for properties similar to that property

POSITION OF THE COMPLAINANT

The Complainant told the Board that the assessment of the subject property was out of line with similar properties, and provided a chart of six properties for equity analysis by the Board.

Five of the equity comparables were public pathways between homes in the Bulyea Heights subdivision, while the sixth was land surrounding a commercial centre at 12222 -137 Avenue in North Edmonton. He also included details of two railway line properties not used in the chart. One of these was located at 1115 - 38 Avenue, in South East Edmonton, while the other was at 13703 - 142 Street in North West Edmonton.

He suggested to the Board that the subject property was a “sliver of land” and should be assessed at a nominal value of **\$500**.

POSITION OF THE RESPONDENT

At the outset of his submission to the Board, the Respondent explained that the City is recommending the assessment of the subject property be revised from \$91,500 to \$35,000, as the earlier assessment had been at full market value and did not have a utility adjustment.

The Respondent presented to the Board a 65-page submission (R-1), including a 43-page section outlining the City of Edmonton’s Law and Legislation document. Included in the submission was a chart of three equity comparables for the Board’s analysis, which were also used as part of the adjoining property of each of the comparables.

The comparables are three laneways between adjoining properties ranged which ranged in size from 2,265 square feet to 5,706 square feet and were zoned at either IB or IM and were assessed at an average of \$9.54 per square foot.

FINDINGS

- The subject lot is identified with a “U” (utility) designation.
- Neither Party was able to confirm whether or not the subject lot contained any service lines or if any encumbrances were placed on its title.

- Neither Party was able to confirm whether or not the subject lot was required in order to meet the development requirements of the adjoining hotel development.

REASONS FOR THE DECISION

The CARB is not persuaded to reduce the subject's assessment to a requested rate of \$0.41 per square foot or to a nominal value of \$500.00 as the subject is not similar to residential lands used for pedestrian walkways and/or utility lot purposes.

The subject exists as a paved area with a CB2 land use. There is no similarity between the actual use of the subject, and the requested RF1 rate used under the guise of equity.

Within the Complainant's submission reference was made that this parcel is required by, and its value is associated with, the adjoining hotel property under roll number 3023512. There was also a reference to the subject complaint being heard in conjunction with a hearing associated with roll number 3023512. It was established that there has been no complaint filed relating to roll number 3023512 the hotel.

The CARB is also not persuaded to accept the Respondent's revised and recommended assessment rate of \$9.57 per square foot on the basis that the subject is similar to three identified comparable parcels. One comparable has an address of 8026U Coronet Rd NW. The remaining two comparables have no identifier. The Respondent could not confirm whether or not these comparables contain any utility servicing or if they were encumbered in anyway.

In the absence of evidence to determine if there are any restrictions or utility services in the subject parcel or the comparables the CARB is not prepared to alter the assessment to a rate for parcels not shown to be similar to the subject.

DECISION

The assessment is **confirmed at \$91,500.**

Dated this 13th day of January, 2012, at the City of Edmonton, in the Province of Alberta.

Don Marchand, 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: EDSASK PROPERTIES LTD