



ASSESSMENT REVIEW BOARD

MAIN FLOOR CITY HALL
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NOTICE OF DECISION NO. 0098 619/10

Altus Group Ltd
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 hearings held November 29, 2010 respecting the 2010 annual new assessment complaints for:

Roll Number 3042827	Municipal Address 6614 – 127 Avenue NW	Legal Description Plan: 5435V Block: 1 Lot: 8
Assessed Value \$231,500	Assessment Type Annual New	Assessment Notice for: 2010

Before:

Tom Robert, Presiding Officer
Tom Eapen, Board Member
John Braim, Board Member

Board Officer:

J. Halicki

Persons Appearing: Complainant

Chris Buchanan, Agent
Altus Group Ltd.

Persons Appearing: Respondent

Steve Lutes, Solicitor
Chris Rumsey, Assessor
Peter Bubula, Assessor

PROCEDURAL MATTERS

The parties expressed no objection as to the composition of the CARB; Board Members expressed no bias toward this or any of the other accounts appearing on the agenda. The parties providing evidence were reminded they were either sworn-in/affirmed.

BACKGROUND

The subject property is located in the Balwin subdivision and comprises a paved parking lot (lot 8) containing 6,019 ft². It is one of several lots that are included under the same title. The subject parcel is zoned CB2 and is used for parking on the adjoining retail property known as Plaza 66.

ISSUES

1. Has the correct value been applied to the subject parcel, compared to other vacant parcels in the area?
2. Is the improvement value incorrect as no depreciation has been applied?
3. Has the market value of the subject property already been accounted for in the assessment of the adjoining property?

LEGISLATION

The *Municipal Government Act*, R.S.A. 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 maintains the value of the subject land had already been captured within the assessment of the adjoining property, which is an office building. The Complainant provided a chart of seven vacant land sales, all save one zoned CB2, that ranged in time adjusted value from \$9.56/ ft² to \$22.21/ft² with an average of \$13.94/ft² (C1, pg. 8). The subject property was assessed at \$35.95/ft².

The Complainant also provided a chart (C1, pg. 10) of five vacant land assessments all zoned CB2 to indicate the assessment is too high. The assessments ranged from \$11.35/ft² to \$13.65/ft² with an average of \$11.90/ft² which supports the average sales value per square foot.

The Complainant also supplied two charts (C1, pgs. 18-19) indicating the paving to the subject property had been provided in 1991 at an assessed amount of \$15,453 with no depreciation. The second chart provided the same detail but included the depreciation.

POSITION OF THE RESPONDENT

The position of the Respondent is that the subject property had been correctly assessed. The Respondent provided a brief with two charts (R1, pgs. 24-25). The first chart indicated three vacant land sales ranging in time adjusted value from \$27.07/ft² to \$56.71/ft², with an average of \$41.89/ft², which supports the assessment.

The second chart provided five equity assessments of vacant land ranging from \$29.76/ft² to \$38.09/ft² with an average of \$35.47/ft² that, again, supports the assessment.

DECISION

The decision of the Board is to reduce the 2010 assessment from \$231,500 to \$500.

REASONS FOR THE DECISION

1. The Board accepts the evidence of the Respondent that each parcel of the subject property has to be separately assessed to comply with the *Municipal Government Act* (Act) section 284(1)(r)(iii) which states: “*property*” means a parcel of land and the improvements to it; and also section 1(1)(v)(i) which states that a “*parcel of land*” means where there has been a subdivision, any lot or block shown on a plan of subdivision that has been registered in a land titles office;
2. The Board was persuaded by the evidence of the Complainant that the assessment value of the subject parcel is captured in the value of the adjoining retail building and assessing the subject at market value would be, in effect, double counting the value of the subject property. The Board was also persuaded the subject parcel is required as parking for the adjoining retail space, as it would not be feasible to operate the retail space effectively, without the subject parking lot or would result in a much lower rental rate for the adjoining retail space.
3. The Board accepts the argument the subject property could legally be separated from the single legal title containing five parcels, but considers it would be unwise to sell off this parcel as it is essential to operate the retail component on the adjoining parcel as there are no parking facilities within the curtilage of its lot.
4. With regard to the depreciation of the improvements, the Respondent agreed that depreciation should be applied but this issue is no longer applicable with the assessment being reduced to a nominal value.

DISSENTING OPINION AND REASONS

There were no dissenting opinions.

Dated this ninth day of December, 2010 A.D., at the City of Edmonton, in the Province of Alberta.

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, R.S.A. 2000, c.M-26.

CC: Municipal Government Board
City of Edmonton, Assessment and Taxation Branch
Mediplex Western Ltd.