

Edmonton Composite Assessment Review Board

Citation: CVG v The City of Edmonton, 2012 ECARB 1691

Assessment Roll Number: 1533306

Municipal Address: 15820 111 Avenue NW

Assessment Year: 2012

Assessment Type: Annual New

Between:

CVG for Glenview Investment Corporation Limited

Complainant

and

The City of Edmonton, Assessment and Taxation Branch

Respondent

DECISION OF

Robert Mowbrey, Presiding Officer

Jack Jones, Board Member

Pam Gill, Board Member

Preliminary Matters

[1] Each of the parties stated that they had no objection to the composition of the Board. Each Board Member indicated that they had no bias with respect to this matter.

[2] The parties indicated that they would be carrying forward evidence from roll number 1113133.

Background

[3] The subject is a two building industrial property located in the northwest Edmonton neighbourhood of Sheffield Industrial. Building 1, with an effective year built of 2006, contains a total area of 6,896 sq. ft. while building 2, effectively built in 1980, contains 8,682 sq. ft. Both are in average condition, and contain a portion of main floor office space. Site coverage for the subject is 42%. The subject property was assessed using the direct sales comparison approach.

Issue

[4] The original complaint form listed a number of issues, however at the hearing the Complainant noted the only remaining issue before the Board was as follows:

Is the 2012 assessment of the subject property at \$2,360,500 correct?

Legislation

[5] The Municipal Government Act reads:

Municipal Government Act, RSA 2000, c M-26

s 1(1)(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;

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

[6] The Complainant presented evidence (C-1) and argument for the Board’s review and consideration.

[7] In support of a requested valuation for the subject property at \$130.00 per square foot the Complainant presented 12 time adjusted sales comparables (C-1, page 1) which ranged in value from \$70.29 to \$131.33 per square foot and in site coverage from 12% to 50%. The subject property is assessed at \$115.52 per square foot, with site coverage of 42%. The Complainant noted that the time adjustments were made based on the factors utilized by the City of Edmonton (C-1, page 6).

[8] The Complainant indicated that the best comparables were #1, 2, 3, 7, 9, 11, & 12 with respect to size, site coverage and proximity to the subject property. The Complainant put the greatest weight on comparable #11.

[9] The Complainant noted that the subject property was zoned IM (Medium Industrial) which presented limitations with respect to potential future development.

[10] The Complainant critiqued the Respondent’s sales comparables as to comparability with the subject property. In particular, it was noted that sales comparables #2, 3 & 7 were located on the south side, which is a different market area than the subject property. Further, sales comparable #6 had a significant office component.

[11] In summary, the Complainant requested the 2012 assessment of the subject property be reduced from \$2,360,500 to \$2,025,000.

Position of the Respondent

[12] The Respondent presented evidence (R-1 & R-2) and argument for the Board's review and consideration.

[13] The Respondent presented seven time adjusted sales comparables (R-1, page 18) in support of the 2012 assessment of the subject property at \$151.59 per square foot, with site coverage of 42%. The value of the comparables presented ranged from \$146.07 to \$169.36 per square foot and the site coverage ranged from 34% to 66%.

[14] The Respondent further presented a critique of the Complainant's sales comparables (R-1, page 27) which questioned the validity of comparables # 3, 7, 8, 10 & 12.

[15] In summary the Respondent requested the 2012 assessment of the subject property be confirmed at \$2,360,500.

Decision

[16] The decision of the Board is to reduce the 2012 assessment of the subject property from \$2,360,500 to \$2,025,500.

Reasons for the Decision

[17] After reviewing the evidence and argument presented by both parties the Board determined the 2012 assessment of the subject property at \$2,360,500 was not appropriate.

[18] The Board placed greatest weight on sales comparables #4, 9 & 11 presented by the Complainant (C-1, page 1) as they were found to be the most similar to the subject property with respect to size, location and site coverage. The three comparables averaged \$95.41 psf of total area. These comparables supported the unit value of \$130.00 per square foot requested by the Complainant.

[19] The Board placed less weight on the sales comparables presented by the Respondent (R-1, page 18) as they were found to be generally dissimilar to the subject property with respect to market area, size and site coverage.

[20] The Board derived the revised 2012 assessment of the subject property by applying a unit value of \$130.00 per square foot to the building area of 15,579 square feet.

[21] The Board finds that the revised 2012 assessment of the subject property at \$2,025,500 is fair and equitable.

Dissenting Opinion

[22] There was no dissenting opinion.

Heard October 11, 2012.

Dated this 22 day of October, 2012, at the City of Edmonton, Alberta.

Robert Mowbrey, Presiding Officer

Appearances:

Peter Smith
for the Complainant

Suzanne Magdiak
for the Respondent

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.