

Edmonton Composite Assessment Review Board

Citation: CVG v The City of Edmonton, 2012 ECARB 1798

Assessment Roll Number: 4115325

Municipal Address: 15310 112 Avenue NW

Assessment Year: 2012

Assessment Type: Annual New

Between:

CVG

Complainant

and

The City of Edmonton, Assessment and Taxation Branch

Respondent

DECISION OF
Warren Garten, Presiding Officer
Brian Hetherington, Board Member
James Wall, Board Member

Preliminary Matters

[1] Upon questioning by the Presiding Officer, the parties did not object to the composition of the Board. In addition, the Board Members expressed no bias with regards to the subject.

Background

[2] The subject property is a 20,772 square foot (sq. ft.) multi-tenant office/warehouse building, which was constructed in 1989 at 15310 112 Avenue in the City's High Park Industrial sub division. The building occupies 26.6% of the 80,947 sq. ft. site. The subject property has been assessed for 2012 utilizing the direct sales comparison approach to valuation, based on sales occurring between January 2008 and June 2011.

Issue(s)

[3] Is the Market Value, based on the Direct Comparison Approach to Value, correct?

[4] Is the assessment of the subject property fair and equitable, compared to similar properties?

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] The Complainant argued that the subject is over assessed based on the Direct Comparison Approach, supported by the sales comparisons.

[8] The Complainant provided four sales comparables from the same Northwest quadrant of the city as the subject property (C-1, page 1, supported by detailed sheets of the four properties on pages 8-15). These had time adjusted sales prices (TASPs) of \$56.09 to \$117.48 per sq. ft. and Assessments ranging from \$93.18 - \$128.47 per sq. ft. These compared to the assessment of the subject property at \$121.49 per sq. ft.

[9] The Complainant asked the Board to consider his sales comparables 1 and 4 as the most similar in location to the subject, adding that the other two were located on a main road, making them less comparable to the subject.

[10] The Complainant also asked the Board to consider a decision made by a Composite Assessment Review Board in 2011 on the subject property (C-1, pp 17-20), which had reduced the assessment from \$2,624,000 to \$2,326,500.

[11] In summary and closing, the Complainant asked the Board to reduce the assessment of the subject to \$100 per sq. ft., creating as assessment of \$2,077,000.

Position of the Respondent

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

[13] The Respondent presented the Board with a chart of five sales comparables (R-1, p 18, with details on pp 19-23) of which four were in the vicinity of the subject property, while the fifth was located on the east/central part of the Yellowhead Trail. The Respondent noted that one of the properties had also been presented by the Complainant (Complainant’s sale # 3 and

Respondent's sale # 2: 10439 176 Street sold on November 18, 2009 for \$3,880,000. The two parties presented marginally different per sq. ft. prices of \$119.98 and \$119.92 respectively).

[14] The Respondent told the Board that his comparables # 2, 3 and 4 were his most appropriate for consideration.

[15] The Respondent also presented the Board with a chart of six Equity Comparables, which were all located in the west of the City, similar to the Complainant's property. The per sq. ft. assessments of these properties ranged from \$120.09 to \$135.97. The subject property is assessed at \$121.49 per sq. ft (R-1, p. 24).

[16] The Respondent also presented the Board with information indicating that the Complainant's sales comparable #1 was completed under duress and should be accorded little weight (R-1, p. 25).

Rebuttal by the Complainant

[17] The Complainant presented to the Board a six-page document (C-2), in which he included the City of Edmonton's 2012 assessment of each of the Respondent's six comparables. These assessments ranged from \$105.64 - \$121.54 per sq. ft.

Decision

[17] The decision of the Board is to confirm the assessment of the subject property at **\$2,523,500.**

Reasons

[18] In reaching its decision, the Board considered all argument and evidence.

[19] The Board noted that all the sales comparables presented by both parties, with the exception of one in the east/central part of Yellowhead Trail, were in the same geographic region of the city, which made them more comparable.

[20] The Board noted the Complainant's submission of a decision of a CARB from 2011, which had resulted in a reduction of the assessment of the subject property. However, the Board is guided by the mandate that each year's assessment is determined on its own merits, with no relationship to prior assessments.

[21] While the Complainant had told the Board that his comparables # 1 and 4 were his best comparables, the Board felt that most consideration should be given to the one property which both had listed in their charts. This was the November, 2009 sale of a facility at 10439 176 Street, at a TASP of \$117.48.

[22] The Board also noted that, based on the evidence presented by the Complainant in his Rebuttal document (C-2, page 1) the one property which both had listed as a suitable comparable, as outlined above, had a per sq. ft. assessment for 2012 of \$120.09, which supports the City's assessment of the subject property.

Dissenting Opinion

[23] There was no dissenting opinion.

Heard commencing October 15, 2012.

Dated this 9 day of November, 2012, at the City of Edmonton, Alberta.

Warren Garten, Presiding Officer

Appearances:

Tom Janzen
for the Complainant

Marty Carpentier
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.