

Edmonton Composite Assessment Review Board

Citation: CVG v The City of Edmonton, 2012 ECARB 1803

Assessment Roll Number: 1545409
Municipal Address: 16719 110 Avenue NW
Assessment Year: 2012
Assessment Type: Annual New

Between:

CVG

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.

Background

[2] The subject is a 1971 industrial property located in Edmonton's West Sheffield Industrial neighborhood. The subject property consists of multi tenant office/warehouse with a total of 7,800 sq.ft., which amounts to a 15% site coverage. The 2012 assessment is for \$1,236,500.

Issue

[3] Is the subject property assessed correctly?

Legislation

[4] 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

[5] The Complainant presented evidence in a 12-page brief (C-1) and a 4-page rebuttal (C-2) and argument for the Board’s review and consideration.

[6] The 2012 assessment of the subject is \$158.53/sq.ft. The Complainant presented four sales comparables (C-1, page 1) that averaged \$118.80/sq.ft in support of a lower assessment. More weight was placed on the first two sales, at \$122.21/sq.ft and \$99.52/sq.ft, as these properties were similar in age and site coverage to the subject.

[7] The Complainant argued that based on his sales comparables, a market value of \$120.00/sq.ft. would be reasonable.

[8] In his rebuttal, the Complainant produced the 2012 assessment amounts (C-2, page 1) for three of the seven sales comparables produced by the Respondent (R-1, page 18). They ranged from \$136.06/sq.ft to \$221.59/sq.ft. The purpose of the rebuttal was to show that there was a discrepancy between the Respondent’s sales prices and assessment amounts.

[9] In summary, the Complainant requested the 2012 assessment be reduced from \$1,236,500 to \$936,000.

Position of the Respondent

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

[11] The Respondent provided seven sales comparables (R-1, page 18) that ranged from \$142.77/sq.ft. to \$196.97/sq.ft. in support of the subject's assessment at \$158.53/sq.ft.

[12] Six equity comparables were also provided (R-1, page 26) that ranged from \$154.35/sq.ft. to \$164.77/sq.ft. in support of the subject's assessment.

[13] The Respondent criticized the Complainant's comparables as follows:

- a. The first one was a non-arm's length transaction;
- b. The purchaser in the third sale was planning upgrades to the building; and
- c. The fourth sale was a condominium, which may not be the best indicator of value.

[14] Upon questioning by the Complainant, the Respondent indicated that four of the sales comparables were located on major roadway as were three of the equity comparables. The Respondent also indicated that the properties remained highly comparable.

[15] In summary, the Respondent requested that the 2012 assessment of the subject property at \$1,236,500 be confirmed.

Decision

[16] The Board confirms the 2012 assessment of the subject property at \$1,236,500.

Reasons for the Decision

[17] After review and consideration of the evidence and argument presented by both parties, the Board determined that the 2012 assessment of the subject property at \$1,236,500 is appropriate.

[18] The Board placed greatest weight on the sales comparables presented by the Respondent (R-1, page 18), they averaged out to \$170.30/sq.ft and the median was \$165.65/sq.ft. They were most similar to the subject property with respect to age, size, location and site coverage and supported the 2012 assessment at \$158.53/sq.ft.

[19] The equity comparables presented by the Respondent (R-1, page 26) provided further support for the 2012 assessment as the comparables were similar to the subject property with respect to age, size, location and site coverage and averaged to \$157.66/sq.ft.

[20] The Complainant's comparables (C-1, page 1) were given less weight as two of them were newer and had higher site coverages and one appeared to be a non-arm's length transaction.

[21] The Board finds that the 2012 assessment of the subject property at \$1,236,500 is correct.

Dissenting Opinion

[22] There was no dissenting opinion.

Heard commencing October 9, 2012.

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

Robert Mowbrey, Presiding Officer

Appearances:

Tom Janzen

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.