

## **Edmonton Composite Assessment Review Board**

**Citation: CVG v The City of Edmonton, 2013 ECARB 00636**

**Assessment Roll Number:** 3165271

**Municipal Address:** 7320 - 72A Street NW

**Assessment Year:** 2013

**Assessment Type:** Annual New

Between:

**CVG**

Complainant

and

**The City of Edmonton, Assessment and Taxation Branch**

Respondent

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### **DECISION OF**

**Steven Kashuba, Presiding Officer**

**Taras Luciw, Board Member**

**Brian Hetherington, Board Member**

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### **Procedural Matters**

[1] Upon questioning by the Presiding Officer the parties before the Board indicated no objection to the Board's composition. In addition, the Board Members indicated no bias with respect to this file.

### **Preliminary Matters**

[2] There were no preliminary matters.

### **Background**

[3] The subject property consists of a lot size of 60,041.7381 square feet (1.378 acres) of industrial land. Located in the Girard Industrial Neighborhood and zoned as IB, the improvements are not at issue, however, the assessment of the land is at issue. The 2013 assessment consists of \$1,127,373 for the land and \$169,766 for improvements, for a total assessment of \$1,297,000.

### **Issue**

[4] Is the land assessed fairly and accurately based upon the sales of similar pieces of industrial land?

## **Legislation**

### **[5] The *Municipal Government Act*, RSA 2000, c M-26, reads:**

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] In support of their request for a lower assessment, the Complainant presented Exhibit C-1, consisting of 14 pages.

[7] The eight sales comparables (Exhibit C-1, page 1) presented by the Complainant took place in the same quadrant of the City as is the subject property.

[8] The sales occurred between February of 2010 and June of 2012, and range in size from 1.23 acres and 2.74 acres in comparison to the subject of 1.378 acres..

[9] All sales comparables occurred in the southeast quadrant of the City, within industrial subdivisions zoned as IEB, IL, and IB.

[10] When time-adjusted by utilizing the City’s time-adjustment table (Exhibit C-1, page 14), the sales values per acre ranged from \$591,696 to \$754,098 in comparison to the assessment of the subject property set at \$818,123 per acre.

[11] In the opinion of the Complainant, the subject land should be valued at \$700,000 per acre, for a total of \$964,600. This would, in the opinion of the Complainant, result in the requested assessment value of \$1,134,000.

[12] In response to a question of the Board, the Complainant indicated that their sales comparables occurred south of the subject property, in less desirable locations.

[13] By way of summary and argument, the Complainant argued that the Respondent’s sales comparables were weak because one of them was comparatively small in area at 0.25 acres, and four of them were twice as large as the subject property (Exhibit R-1, page 11).

### **Position of the Respondent**

[14] In support of the current assessment the Respondent presented Exhibit R-1, consisting of 49 pages.

[15] In the opinion of the Respondent, their eight sales comparables (Exhibit R-1, page 11), support the current assessment.

[16] All sales comparables occurred in the southeast quadrant of the City, relatively close to the subject property.

[17] Zoned as IB, IM, or EIB, the lot sizes ranged from 0.25 acres to 2.99 acres, while the subject consists of 1.378 acres.

[18] The time-adjusted sales values per square foot range from \$19.75 per square foot to \$28.04 per square foot, while the subject is assessed at \$18.78 per square foot.

[19] Each sales comparable presented by the Respondent was supported by information from the Network (Exhibit R-1, pages 12-20).

[20] In further support of their sales comparables, the Respondent presented the location of their sales comparables (Exhibit R-1, page 22) in contrast to the location of the Complainant's sales comparables (Exhibit R-1, page 23).

[21] The Respondent concluded that their sales comparables were better than those submitted by the Complainant because they occurred in various subdivisions in the southeast quadrant of the City, while the sales comparables presented by the Complainant were located in only two subdivisions (Roper Road and Summerside). These subdivisions were, in the opinion of the Respondent, inferior to the subdivision in which the subject is located.

[22] Further to this, the Respondent argued that all sales comparables presented by the Complainant were located within the interior of a subdivision. They lacked exposure to vehicular traffic.

[23] For these reasons, in the opinion of the Respondent, the Board should not rely upon the sales comparables presented by the Complainant. They do not represent the market value of the land in the subject property.

### **Decision**

[24] It is the decision of the Board to confirm the assessment of the subject property for 2013 at \$1,297,000.

### **Reasons for the Decision**

[25] During the presentation by the Respondent, the Board noted that the Respondent's sales comparable #1 (Exhibit R-1, page 11), erroneously stated that the time-adjusted price per square foot was \$42.90. However, the land size is 1.32 acres. This translates to 57,499 square feet and not the 29,001 square feet as listed by the Respondent. With this correction, the actual time-adjusted value per square foot is computed to be \$21.64 per square foot and not \$42.90 per square foot as listed by the Respondent.

[26] This correction lent additional support to the Respondent's request for confirmation of the assessment.

[27] Aside from this one error in the submission of the Respondent, the Board notes that all other sales comparables presented by the Respondent exceed the assessment of the subject property which is set at \$18.78 per square foot.

[28] The Board accepts the Respondent's argument that their sales comparables, taken from the same quadrant of the City as is the subject property, do reflect the attributes of the subject property in terms of size and time-adjusted sales values per square foot.

[29] The Board places less weight upon the sales comparables presented by the Complainant because these occurred in less desirable industrial subdivisions.

[30] In particular, the Board accepts that the subject property has the advantage of being situated on the corner of 75<sup>th</sup> and 72A streets, near the main arterial Argyll Road, as opposed to the Complainant's sales comparables which are generally located within the interior of a block and on less busy streets.

[31] For these reasons, the Board concludes that the assessment of the subject property is fair and just and should not be disturbed.

#### **Dissenting Opinion**

[32] There is no dissenting opinion.

Heard on July 2, 2013.

Dated this 30<sup>th</sup> day of July, 2013, at the City of Edmonton, Alberta.

  
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Presiding Officer

#### **Appearances:**

Tom Janzen  
for the Complainant

Collin Hindman  
Scott Hyde  
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.*