

Edmonton Composite Assessment Review Board

Citation: Altus Group v The City of Edmonton, 2013 ECARB 00907

Assessment Roll Number: 1151372

Municipal Address: 16333 137 AVENUE NW

Assessment Year: 2013

Assessment Type: Annual New

Between:

Altus Group

Complainant

and

The City of Edmonton, Assessment and Taxation Branch

Respondent

DECISION OF
Robert Mowbrey, Presiding Officer
Jack Jones, Board Member
Robert Kallir, Board Member

Procedural Matters

[1] Upon questioning by the Presiding Officer, the parties stated that they had no objection to the composition of the Board. In addition, the Board members stated that they had no bias on this file.

Background

[2] The subject property is a 4,554,664 square foot parcel of land with a medium manufacturing plant, located at 16333 -137 Avenue NW, in the Mistatim Industrial subdivision. It is zoned as IB/IM. The 2013 assessment is \$19,363,500.

Issue

[3] What is the market value of the subject property?

Legislation

[4] ***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

[5] The Complainant filed this complaint on the basis that the subject property assessment of \$19,363,500 is inequitable and in excess of market value. In support of this position, the Complainant submitted a 34 page disclosure document and a 32 page rebuttal document that were entered as evidence and marked as exhibits C-1 and C-2, respectively.

[6] The Complainant advised the Board that the Complainant had no issue with the valuation of the improvements on the subject property (\$966,449 as set out on Exhibit C-1, page 8), and the issue before the Board was limited to the value of the land assessment at \$18,397,273.

[7] The Complainant referred the Board to three sales comparables that were of similar size to the subject property, but differently zoned [Exhibit C-1 page 9]. The three comparables ranged in time adjustment selling price of \$2.40 per square foot (p.s.f.) to \$4.61p.s.f. The 2013 assessment for the subject property amounts to \$4.04 p.s.f. The Complainant used the City's time adjustment factors [Exhibit C-1 pages 14-16]. The Complainant referred the Board to the sales comparables set out in Exhibit C-2 page 8 and noted the addition of the comparable in the NE quadrant of the City and the adjustment to the comparable located at 20303 Stony Plain Road, taking into account a peat moss removal issue.

[8] The Complainant noted that the City had made an adjustment of 10% for access and egress to the subject property as well as 20% for the topography of the subject property resulting in an assessed value that is 30% less than the market value. [Exhibit C-1 page 8].

[9] The Complainant noted that 2 of the sales comparables set out on page 8 of Exhibit C-2 were the same as 2 of the sales comparables utilized by the Respondent [Exhibit R-1 page 14].

[10] The Complainant stated that the correct value of the subject property on which the 30% adjustment is applied should be based on the comparable time adjusted sale prices as set out on page 9 of Exhibit C-1.

[11] The Complainant asked the Respondent whether the assessments for the comparables [Exhibit R-1, page 14] had been adjusted in the same manner as the subject property [Exhibit R-1, page 18]. The Respondent stated that there was no information on that issue before this hearing.

[12] The Complainant requested the Board to reduce the 2013 assessment of the land portion of the subject property to \$13,664,440 and the total assessment of the subject property to \$14,630,500.

Position of the Respondent

[13] In defending the current year's assessment, the Respondent presented a 44 page document that was entered as evidence and marked as Exhibit R-1.

[14] The Respondent provided the Board with three sales comparables to the subject property ranging in time adjustment selling price of \$4.20 p.s.f. to \$5.47 p.s.f. compared to the 2013 assessment for the subject property of \$4.04 p.s.f. [Exhibit R-1 page 14].

[15] The Respondent referred to the adjustments concerning the comparable located at 20303 Stony Plain Road [Exhibit R-1 page 13] and stated that the adjustments had been made using data from page 21 of Exhibit C-1.

[16] The Respondent referred to page 18 of Exhibit R-1 and noted that the adjustments to the assessment of the subject property land value was 35% and not 30% as stated by the Complainant [Exhibit C-1 page 8].

[17] The Respondent stated that a zoning of IB is more valuable than a zoning of IM (the subject zoning) AG or AP.

[18] The Respondent stated that without the 35% adjustment referred to in paragraph 19 above, the land assessment amount for the subject property would have been $\$18,397,273 \times 1.35 = \$24,836,319$.

[19] The Respondent requested the Board to confirm the 2013 assessment of \$19,363,500.

Decision

[20] The decision of the Board is to confirm the 2013 assessment of \$19,363,500.

Reasons for the Decision

[21] Neither the Complainant nor the Respondent provided any evidence of the assessments for the comparable sales set out in pages 13 and 14 of Exhibit R-1. The only information provided was an assertion by the Complainant as to assessments of similar properties [Exhibit C-1, page 3, point 9].

[22] The assessment base for the subject property, as it related to land value, utilized by the Respondent before adjustments was $\$18,397,273 \times 1.35 = \$24,836,319$.

[23] The Complainant did not provide any data relating to adjustment factors that should be taken into account relating to the comparable sales set out on page 9 of Exhibit C-1.

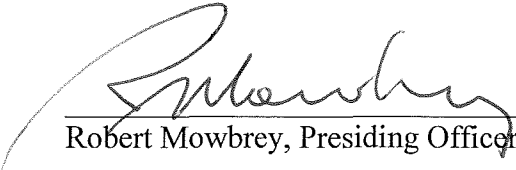
[24] Jurisprudence has established that the onus of showing an assessment is incorrect rests with the Complainant. The Board finds that the Complainant's evidence that the assessment adjustment of 35% should be based on comparable sales prices set out on page 9 of Exhibit C-1 was neither compelling nor sufficient to enable the Board to form an opinion as to the correctness of the assessment.

Dissenting Opinion

[25] There was no dissenting opinion.

Heard on July 16, 2013.

Dated this 1st day of August, 2013, at the City of Edmonton, Alberta.



Robert Mowbrey, Presiding Officer

Appearances:

Brett Flesher, Altus Group
for the Complainant

Doug McLennan, City of Edmonton
Michael Johnson, City of Edmonton
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.