

## **Edmonton Composite Assessment Review Board**

**Citation: Colliers International Realty Advisors Inc v The City of Edmonton, 2013  
ECARB 00919**

**Assessment Roll Number:** 9982055  
**Municipal Address:** 2423 111 STREET NW  
**Assessment Year:** 2013  
**Assessment Type:** Annual New

Between:

**Colliers International Realty Advisors Inc**

Complainant

and

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

Respondent

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### **DECISION OF**

**Harold Williams, Presiding Officer  
Brian Hetherington, Board Member  
Dale Doan, 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 the file.

#### **Preliminary Matters**

[2] There were no preliminary matters relative to this file.

#### **Background**

[3] The subject property is a 29.021 acre parcel of vacant land located in the Ermineskin neighbourhood of south Edmonton. It is a part of the area assembled for the Century Park subdivision, but remains vacant. A portion of the land to the east of the subject property is presently used as a parking lot for users of the LRT.

#### **Issue**

[4] Is the 2013 assessment of the subject property fair and equitable when considering sales of similar properties?

## **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] The Complainant presented the Board with a 17-page document (C-1) in support of a request for a reduction. The 2013 assessment is \$661,814 per acre for a total assessment of \$19,206,500, which had been prepared by the City using a Direct Sales Approach to value. The document contained details of the sales of five comparable properties of vacant land in different parts of the city.

[7] The Complainant told the Board that the land had been assembled for the planned development of Century Park, but the international economic recession had delayed the planned development beyond a limited range of commercial operations.

[8] The Complainant informed the Board that the subject property was unique in its size, and it was difficult to find comparable properties of vacant land considered for residential development.

[9] The comparables presented by the Complainant (C-1, p 6) ranged in size from 2.35 acres to 19.59 acres, compared to the subject property’s 29.021 acres; the sales dates ranged from November, 2009 to March, 2012, while the sales price per acre ranged from \$509,941 to \$650,000, averaging \$593,309 per acre. This compared to the assessment of the subject property at \$661,814 per acre.

[10] The Complainant stated that the comparable properties were located in either the South or West of the city, as these were the areas where development is taking place at a more rapid rate. The Complainant added that all these comparables were located more on the outskirts of the city than is the subject property.

[11] The Complainant presented the Board with Network sales documents (C-1, pp 11-15) on each of the five sales, which indicated that four of the five had been purchased for multi-family residential developments, while the largest of the comparables, located on Stony Plain Road, near the city’s western edge, was partially zoned CB2 and partially IB.

[12] The Complainant requested the Board reduce the 2013 assessment of the subject property to \$600,000 per acre for a total assessment of \$17,412,500. This request was based on the Complaint's comparables (C-1, p6). The average of these comparables was \$593,309 per acre, but the Complainant made adjustments to compensate for the larger lots size and superior location of the subject. With these adjustments, the Complainant believes the comparables support an assessment of \$600,000 per acre.

### **Position of the Respondent**

[13] The Respondent presented the Board with a 66-page brief (R-1) which included aerial views and maps of the subject property; the City's assessment detail report; a chart of four comparable properties to support the assessment, together with a location map and Anderson Data sales information; a 17-page DC2 Site Specific Development Control Provision for the subject property dated February, 2009; site plans, arguments and City documents on multi-residential land assessments and Law and Legislation.

[14] The Respondent agreed with the Complainant that the subject property was unique in Edmonton in its size and residential zoning, and that it was difficult to find comparable properties.

[15] The Respondent presented the Board with a chart of 4 land sales made between September and December, 2011 (R-1, p 17). The lots ranged in size from 10.03 to 34.91 acres, compared to the subject property's size of 29.021 acres; the sales prices per acre ranged from \$646,792 to \$827,119, with an average of \$716,304, compared to the assessment of the subject property at \$661,814.

[16] The Anderson sales data sheets (R-1, pp 16-19) indicated that the four comparable sales had been purchased for the development of a Lowe's Home Improvement outlet; a Costco Wholesale outlet; a Save-on-Foods outlet; and the largest lot for industrial development in the Mistatim Industrial area of Northwest Edmonton.

[17] Under cross examination, the Respondent acknowledged that his four comparable properties were all commercial or industrial, whereas the subject property was zoned for residential development, adding that the properties had been presented as comparables for their size, rather than their usage.

### **Decision**

[18] The decision of the Board is to reduce the 2013 assessment of the subject property to \$17,412,500.

### **Reasons for the Decision**

[19] To begin, the Board's view is that a decision on fairness and equity cannot be made solely on the comparable size of the property, but must also consider all other factors including zoning, usage and location.

[20] The Board agreed with the Complainant, who stated that the Respondent's sales comparables # 3 at 7255 Winterburn Road and # 4 at 1260 Webber Greens Drive were less than

half the size of the subject and that, in general terms, the larger properties generated lower per acre sales.

[21] The Board considered the Respondent's sale at 14903 137 Avenue to be not comparable at all, in that it was in an industrial area and zoned accordingly, while the subject was zoned for residential. development.

[22] The Board was unanimous in its decision that sales comparables should be capable of direct comparability, and that presenting commercial or industrial property sales as comparables to residential land sales was inappropriate and required adjustments.

[23] The Board placed the most weight on the Complainant's comparables (C-1, p 6). The Complainant's comparables were of residential land, and are therefore more suitable for comparison notwithstanding some discrepancies in size and location. The Board accepts the use of these comparables and adjustments made by the Complainant (described in paragraph 12) to arrive at a revised assessment of \$600,000 per acre or \$17,412,500.

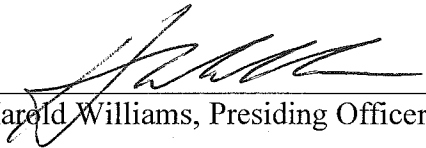
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### **Dissenting Opinion**

[24] There was no dissenting opinion.

Heard commencing August 8, 2013.

Dated this 26<sup>th</sup> day of August, 2013, at the City of Edmonton, Alberta.

  
Harold Williams, Presiding Officer

### **Appearances:**

Stephen Cook, Colliers International  
for the Complainant

Ning Zheng  
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.*