

## **Edmonton Composite Assessment Review Board**

**Citation: CVG v The City of Edmonton, 2013 ECARB 01280**

**Assessment Roll Number:** 1106145  
**Municipal Address:** 15535 128 Avenue NW  
**Assessment Year:** 2013  
**Assessment Type:** Annual New

Between:

**CVG**

Complainant

and

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

Respondent

---

### **DECISION OF**

**George Zaharia, Presiding Officer**  
**Judy Shewchuk, Board Member**  
**Randy Townsend, Board Member**

---

#### **Procedural Matters**

[1] When asked by the Presiding Officer, the parties did not object to the composition of the Board. In addition, the Board Members indicated no bias in the matter before them.

#### **Preliminary Matters**

[2] There were no preliminary matters.

#### **Background**

[3] The subject property is a vacant 0.995 acre parcel of undeveloped land located at 15535 128 Avenue NW in the Mistatim Industrial neighbourhood of northwest Edmonton. The land is fully serviced and is zoned IB (industrial business).

[4] The subject property was valued on the cost approach resulting in a 2013 assessment of \$629,000 (\$632,161 per acre).

#### **Issue(s)**

[5] Is the 2013 assessment of the subject property too high based on sales of similar properties?

## **Legislation**

### **[6] 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**

[7] In support of his position that the 2013 assessment of the subject property is excessive, the Complainant presented a 13-page brief (Exhibit C-1). The Complainant argued that based on an analysis of sales of similar properties, the assessment of the subject property is too high.

[8] The Complainant presented sales of six comparable properties that sold between September 2010 and May 2011 for time-adjusted sales prices ranging from \$506,464 to \$610,692 per acre, compared to the assessment of the subject at \$632,161 per acre. The sizes of the comparables ranged from 0.76 to 2.66 acres, compared to the size of the subject at 0.995 acres. (Exhibit C-1, page 1)

[9] Based on an analysis of the six sales comparables, with most weight placed on those sales with more similar physical and locational characteristics to the subject, those being sale nos. 1, 4 and 6, the Complainant calculated an assessment of \$575,000 per acre as being more reasonable (Exhibit C-1, page 2).

[10] The Complainant submitted a rebuttal, providing the assessment of the Respondent’s sales comparable no. 1, located in the same industrial neighbourhood as the subject. This comparable is 6.59 acres in size, larger than the 0.995 acre size of the subject, but is assessed at \$565,933 per acre compared to the subject’s assessment at \$632,161 per acre, arguing that this supported his requested \$575,000 per acre assessment (Exhibit C-2, page 2).

[11] In conclusion, the Complainant requested that the 2013 assessment of the subject property be reduced from \$629,000 to \$570,000, based on a value of \$575,000 per acre.

## **Position of the Respondent**

[12] The Respondent stated that the 2013 assessment of the subject is fair and equitable. In support of this position, the Respondent presented a 43-page assessment brief (Exhibit R-1) that included law and legislation.

[13] The Respondent submitted six sales comparables, all located in the Mistatim Industrial neighbourhood, as is the subject. The sales occurred between July 30, 2010 and August 30, 2012 (post facto) for time-adjusted sales prices ranging from \$506,527 to \$767,547 per acre resulting in an average of \$652,576 per acre, and a median of \$648,548 per acre, greater than the \$632,161 per acre assessment of the subject. The comparables ranged in size from 1.34 to 6.59 acres and were all zoned industrial (Exhibit R-1, page 8).

[14] The Respondent argued that his sales comparable no. 3, that sold for a time-adjusted sale price of \$736,995 per acre within eighteen months of the valuation date and is located across the street from the subject, was the best comparable and supported the \$632,161 per acre assessment of the subject property.

[15] The Respondent submitted six equity comparables of industrial zoned land located in northwest Edmonton, ranging in size from 0.977 to 1.012 acres. These equity comparables were assessed for values ranging from \$630,874 to \$633,464 per acre, resulting in an average of \$631,690 and a median of \$631,593 per acre, slightly less than the \$632,161 per acre assessment of the subject (Exhibit R-1, page 8).

[16] In summation, the Respondent argued that the six sales comparables, all located in the Mistatim Industrial neighbourhood, and the six equity comparables, all located in northwest Edmonton, supported the assessment of the subject. In argument, the Respondent questioned the comparability of some of the Complainant's six sales comparables due to partial or un-serviced land, and possible contamination issues.

[17] In conclusion the Respondent asked that the CARB to confirm the 2013 assessment of the subject at \$629,000.

### **Decision**

[18] The decision of the CARB is to confirm the 2013 assessment of the subject property at \$629,000.

### **Reasons for the Decision**

[19] The CARB placed less weight on the Complainant's sales comparables due to different levels of servicing, a question of contamination on one of the sites, and improvements on another property, deemed to be of minor value, but would have to be demolished for any new development.

[20] The CARB found that the three sales comparables which the Complainant relied on most heavily (nos. 1, 4, and 6) would lend support to the assessment of the subject. While these three comparables were assessed at a lower rate per acre than the subject, the CARB found that since they were all somewhat larger in size, economies of scale would generate higher values if they were the same size as the subject, which is a smaller property.

[21] The CARB placed greater weight on the Respondent's sales comparables. Even though the Respondent included sales no. 4 which was common to the Complainant's sales no. 3 that had rural standard servicing compared to the full municipal standard servicing on the Respondent's other sales comparables, the average and median values of these comparables exceeded the assessment of the subject property.

[22] The CARB found the Respondent's sale comparables no. 3 at 15504-128 Avenue and no. 6 at 15550-128 Avenue (although post facto) with time adjusted sales prices of \$736,995 and \$767,547 per acre respectively, to be very persuasive since they were situated across the road from the subject.

[23] The CARB found that the Respondent's six equity comparables, which were very close in size to the subject, provided strong support for the assessment of the subject.

[24] The Board was persuaded that the 2013 assessment of the subject property at \$629,000 was fair and equitable.

**Dissenting Opinion**

[25] There was no dissenting opinion.

Heard September 9, 2013.

Dated this 23<sup>rd</sup> day of September, 2013, at the City of Edmonton, Alberta.



George Zaharia, Presiding Officer

**Appearances:**

Peter Smith  
for the Complainant

Aaron Steblyk  
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.*