

Edmonton Composite Assessment Review Board

Citation: CVG v The City of Edmonton, 2013 ECARB 01768

Assessment Roll Number: 1541002

Municipal Address: 16805 113 Avenue NW

Assessment Year: 2013

Assessment Type: Annual New

Between:

CVG

Complainant

and

The City of Edmonton, Assessment and Taxation Branch

Respondent

DECISION OF

Robert Mowbrey, Presiding Officer

Howard Worrell, Board Member

Judy Shewchuk, Board Member

Procedural Matters

[1] Upon questioning by the Presiding Officer, the parties indicated they had no objection to the composition of the Board. In addition, the members of the Board stated they had no bias in respect of this matter.

Preliminary Matters

[2] There were no preliminary matters.

Background

[3] The subject is a 28,778 square foot multi-tenant office/warehouse built in 1976. It includes 5,378 square feet of finished mezzanine space. The subject is situated on a 1.184 acre site in the West Sheffield Industrial neighbourhood with site coverage of 45%. It is assessed on the direct sales comparison approach at \$2,425,000 or \$84.27 per square foot.

Issue

[4] Does the assessment reflect the market value of the subject?

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 submitted an evidence package (Exhibit C-1, 15 pages) which presented seven sales comparables. The comparables ranged in age from 1956/69 (on a multi-building parcel) to 1975. The sizes ranged from 14,319 to 32,240 square feet and the site coverages from 16% to 63%. The time adjusted sale prices (TASP) ranged from \$61.57 to \$103.56 per square foot.

[7] The Complainant stated that the best comparables were #1 at 14308-118 Avenue, #5 at 15635-112 Avenue, and #7 at 14620-112 Avenue. These comparables had TASPs of \$63.95, \$61.57, and \$66.99 per square foot respectively.

[8] The Complainant asked that the Board reduce the assessment to \$70 per square foot for a total of \$2,014,000.

Position of the Respondent

[9] The Respondent submitted an assessment brief (Exhibit R-1, 51 pages) which presented nine sales comparables. The effective ages ranged from 1961 to 1989 and the total building square footage ranged from 16,797 to 32,695 square feet. Site coverages ranged from 19% to 53%. The TASPs ranged from \$75 to \$162 per square foot (R-1, page 11).

[10] The Respondent stated that the best comparables were #1 at 12245 Fort Road, #3 at 13005-149 Street, #7 at 14730-115A Avenue, and #9 at 10646-178 Street. These comparables had TASPs of \$82, \$80, \$75, and \$127 per square foot respectively. Comparables #1 and #3 required upward adjustments for site coverage. Comparable #7 required an upward adjustment for age and size. Comparable #9 required a downward adjustment for age.

[11] The Respondent argued that the Complainant's comparable #1 at 14308-118 Avenue was a duress sale; #2 at 14640-115 Avenue was an industrial condominium; and #7 at 14620-112 Avenue was a non-arm's length sale. Therefore these sales were invalid for comparison purposes.

[12] The Respondent asked that the Board confirm the 2013 assessment at \$2,425,000.

Decision

[13] The decision of the Board is to confirm the 2013 assessment at \$2,425,000.

Reasons for the Decision

[14] The Board found that the Complainant's comparable #1 at 14308-118 Avenue was a duress sale; #2 at 14640-115 Avenue was an industrial condominium; and #7 at 14620-112 Avenue was a non-arm's length sale. The Board did not consider these properties valid sales for comparison purposes.

[15] The Complainant's comparable #5 was significantly older than the subject, had a lower site coverage, and was smaller. Comparable 3 was much smaller and had a higher site coverage than the subject, while #6 was smaller and had a lower site coverage. The Board placed little weight on these comparables.

[16] The Board notes the common sale of the Complainant and the Respondent at 15845-112 Avenue was most similar to the subject in age, size, and site coverage with a TASP of \$91.50 per square foot. The Board finds this comparable supports the assessment of the subject at \$85 per square foot.

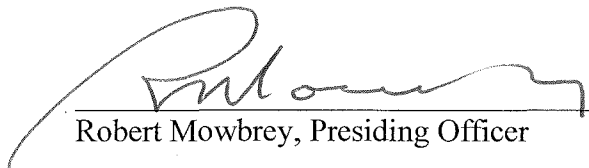
[17] The onus is on the Complainant to provide sufficient and compelling evidence to show the incorrectness of an assessment. The Board is not satisfied that the Complainant provided sufficient or compelling evidence for the Board to conclude the assessment was incorrect.

Dissenting Opinion

[18] There was no dissenting opinion.

Heard October 8, 2013.

Dated this 31st day of October, 2013, at the City of Edmonton, Alberta.


Robert Mowbrey, Presiding Officer

Appearances:

Tom Janzen
for the Complainant

Luis Delgado
Nancy Zong
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.