

Edmonton Composite Assessment Review Board

Citation: 624008 Alberta Ltd. v The City of Edmonton, 2013 ECARB 01859

Assessment Roll Number: 4043089

Municipal Address: 3603 93 Street NW

Assessment Year: 2013

Assessment Type: Annual New

Between:

624008 Alberta Ltd. represented by CVG

Complainant

and

The City of Edmonton, Assessment and Taxation Branch

Respondent

DECISION OF

John Noonan, Presiding Officer

Mary Sheldon, Board Member

Darryl Menzak, Board Member

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.

Background

[2] The subject property is a 3.038 acre industrial property in SE Edmonton. The property is used for container storage by Canadian Pacific Railway. There is a relocatable building and steel fence which are assessed separately from the land and not at issue in this complaint. The 2013 assessment was prepared by the cost approach in the amount \$1,823,000.

Issue(s)

[3] What is the market value of the land portion 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 brought forward sales of 5 vacant industrial properties for the Board's consideration. The sales comparables were the same as those presented in the complaint associated with roll number 9533175 and the Complainant requested the Board to carry forward all comments regarding those sales to this file. The Complainant was not pursuing an equity issue and based the argument solely on the sales presented.

[6] The Complainant's comparable sales ranged in size from 0.92 acres to 13.10 acres and the time adjusted sale prices ranged from \$358,659 to \$618,681 per acre. The sales were time adjusted using factors prepared by the City of Edmonton. The assessment of the subject is \$600,098 per acre based on the assessment less the improvements divided by the area. The Complainant placed most weight on 4 sales: Sale #1, 13.10 acres at \$401,874 per acre; Sale #3, .92 acres at \$618,681 per acre; Sale #4, 1.91 acres at \$591,696 per acre and Sale #5, 6.97 acres at \$571,696 per acre, discounting the sale with the lowest per acre rate of \$358,659 as it was serviced to a rural standard.

[7] The Complainant considered the 4 sales to be similar to the subject with respect to the physical and locational characteristics and best represent market value. The Complainant considered sales #4 and #5 would define the upper limit of value as they were located in more commercial areas.

[8] The Complainant requested that the land assessment of the subject property should be \$550,000 per acre. Adding the improvement value to the total requested land value results in a requested assessment of \$1,685,000.

Position of the Respondent

[9] The Respondent presented land sales of 5 properties similar to the subject property. The comparables ranged in size from 3.11 acres to 4.37 acres. The zoning for the comparables was similar to the subject property. The time adjusted sale prices ranged from \$637,484 to \$717,711 per acre. The average sale price was \$670,024 and the median sale price was \$661,146 per acre. On a per square foot (sf) basis, the comparables produced an average sale price of \$15.38 compared to the subject's assessment of \$13.67 per sf.

[10] The Respondent did not consider the Complainant's sales to be comparable as they were either smaller or larger than the subject. A well, one comparable was not serviced to a degree similar to the others or the subject and one comparable was a triangular shaped lot.

[11] The Respondent also presented a current listing for the property which the Complainant felt the Board should not consider as it was a post facto listing when considering the valuation date of July 1, 2012.

Decision

[12] The Board confirms the assessment at \$1,823,000.

Reasons for the Decision

[13] The Board reviewed and considered the evidence and argument provided by both parties and determined the 2013 assessment of the subject property at \$1,823,000 was appropriate.

[14] The Board placed greater weight on the comparables provided by the Respondent as they were more similar in size and located in the same area as the subject. The median and average of the sale price were also very similar.

[15] The Board placed less weight on the sales comparables provided by the Complainant which varied in size. No adjustments were made for either the size variation, servicing or shape as suggested by the Respondent.

Heard August 26, 2013.

Dated this 4th day of September, 2013, at the City of Edmonton, Alberta.

A handwritten signature in dark ink, appearing to read 'JPN Noonan', written over a horizontal line.

John Noonan, Presiding Officer

Appearances:

Peter Smith, CVG
for the Complainant

Aaron Steblyk 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.