

## **Edmonton Composite Assessment Review Board**

**Citation: Edmonton Motors Ltd., represented by CVG v The City of Edmonton, 2014  
ECARB 00709**

**Assessment Roll Number:** 3401650  
**Municipal Address:** 11525 Jasper Avenue NW  
**Assessment Year:** 2014  
**Assessment Type:** Annual New  
**Assessment Amount:** \$4,640,000

Between:

**Edmonton Motors Ltd.**

Complainant

and

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

Respondent

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**DECISION OF**  
**Patricia Mowbrey, Presiding Officer**  
**Brian Hetherington, Board Member**  
**Jasbeer Singh, Board Member**

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### **Procedural Matters**

[1] When questioned by the Presiding Officer, the parties indicated they had no objection to the composition of the Board. In addition, the Board members stated they had no bias with respect to this file.

[2] The Complainant informed the Board that the evidentiary package (C-1) was marked "Revised", as a correction had been made.

[3] With mutual agreement of the parties, the evidence, argument and submissions were carried forward from this file to roll number 10303571.

### **Preliminary Matters**

[4] The Complainant indicated to the Board that the only issue was the assessed value of the land and there was no concern with the assessment of the building on the property.

### **Background**

[5] The subject property is an auto dealership (Edmonton Motors) located at 11525 – Jasper Avenue, NW, on a 1.098 acre (47,854 sq. ft.) lot on a major downtown traffic artery in Oliver Neighbourhood. The subject property is zoned CB2 and the land assessment of \$4,194,660 (or \$87.66 per sq. ft.) and the total assessment of \$4,640,000 for 2014 has been contested by the Complainant.

## **Issues**

[6] Is the land assessment too high?

## **Position of the Complainant**

[7] The position of the Complainant is that the land assessment at \$87.66 per square foot, or \$4,194,660 is too high.

[8] The Complainant presented seven sales comparables, located in Edmonton's central area with sales having occurred between March 2008 and September 2012. The lot sizes of these comparables that ranged from 9,312 to 274,428 sq. ft. and the time-adjusted sales prices ranged from \$19.00 to \$59.07/ sq. ft.

[9] The Complainant stated that there were few sales in close proximity to the subject property in the downtown area, which is why the seven comparables are located in various areas.

[10] The Complainant told the Board that the comparables were all located on main roads and similar to where a car dealership might be located.

[11] The Complainant told the Board that Comparable #7 was the most recent sale and was the site of an automobile dealership, although it was considerably larger at 274,428 square feet and had a TASP per square foot of \$59.07. The Complainant indicated that a sales price for the larger site supported the requested \$70.00 per square foot for the smaller subject site of 47,854 square feet for a value of \$3,349,780.

[12] The Complainant requested a reduced 2014 assessment for the land and building of \$3,795,000.

## **Position of the Respondent**

[13] In support of the assessment, the Respondent presented the Board with a chart of six sales comparables located in close proximity to the subject property, with sales dated between July 2010 and July 2013, which the Respondent noted were much more recent than those presented by the Complainant.

[14] The lot sizes in the sales comparables ranged from 0.19 to 0.69 acres compared to the subject site at 1.098 acres, with time-adjusted sales prices that ranged from \$101 to \$147 per square foot. The assessment of the subject land is \$87.66 per square foot. The Respondent stated that the sales prices indicated a higher price for the smaller sized properties.

[15] The Respondent presented the Board with maps of the comparable sales presented by both parties, showing that the Respondent's sales were much closer in location to the subject property, creating increased validity.

[16] The Respondent suggested to the Board that it was impossible to find one-acre sites available for sale in the downtown area.

[17] The Respondent asked the Board to confirm the assessment of \$4,640,000, comprising a building assessment of \$445,526 and land assessment of \$4,194,660

## **Decision**

[18] The decision of the Board is to confirm the 2014 assessment at \$4,640,000.

## **Reasons for the Decision**

[19] The Board noted that none of the seven sale comparables presented by the Complainant share the location characteristics of the subject that is located on a major downtown traffic artery.

[20] The Board was persuaded by the Respondent's plotting of the sale comparables on maps to demonstrate the proximity or dispersion of the sale comparables presented by the parties and finds that the Respondent's sale comparables were located closer to the subject and better reflected the area characteristics enjoyed by the subject property.

[21] The Board noted that the sale comparable #7 (located at 11850 -104 Avenue), that was highlighted by the Complainant, was sufficiently dissimilar to the subject in terms of location and size to be a reliable indicator of the subject's market price as on the valuation date.

[22] The Board reviewed the sales comparables presented by the Complainant and noted that:

- a. Sales #1 and #2, having occurred in 2008, were relatively older to provide guidance to the Board.
- b. Sales #3 and #5 were in respect considerably smaller lot sizes located in parts of the city that were not representative of the market conditions of the subject's downtown location.
- c. Sale #4 (located at 13135 – St. Albert Trail) was not comparable to the subject as it was zoned IB and located in an industrial area, quite different from the subject's downtown location.
- d. The Complainant's sale comparable #6 (located at 12145 – 97 Street) is located in the midst of a residential neighborhood and not considered comparable to the subject.

[23] The Board finds the Complainant was unable to reconcile the difference between the comparable sale prices and the requested assessment value for the Board to consider.

[24] The Board was not persuaded by the evidence and the argument presented by the Complainant to conclude that the 2014 assessment \$4,640,000 was incorrect.

[25] The Board considered the Respondent's six sales comparables that were located in close proximity to the subject and agreed with the Respondent that the most important factor in the comparable was location.

[26] The Board finds the lot sizes of the Respondent's comparables to be considerably smaller than the subject's lot size. It did, however, note the Respondent's assertion that it was impossible to find larger, similar sized vacant lots in the downtown area.

[27] The Respondent explained to the Board that the smaller sized lots command a higher price per square foot and, because the subject site is larger than the comparables, it would reasonably receive a lower value per square foot.

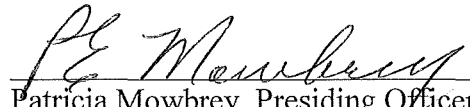
[28] Considering that the assessment is based on mass appraisal and typical values, the Board finds the subject's 2014 assessment of \$4,640,000 to be fair and equitable.

**Dissenting Opinion**

[29] There was no dissenting opinion.

Heard July 21, 2014.

Dated this 11<sup>th</sup> day of August, 2014, at the City of Edmonton, Alberta.

  
Patricia Mowbrey, Presiding Officer

**Appearances:**

Peter Smith, CVG  
for the Complainant

Scott Hyde, City Assessor  
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.*

## Appendix

### Legislation

**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.

### Exhibits

C-1 an 18-page brief presented by the Complainant

R-1 a 55-page brief presented by the Respondent.