

## **Edmonton Composite Assessment Review Board**

**Citation: G & J Rentals Ltd., represented by CVG v The City of Edmonton, 2014 ECARB 00712**

**Assessment Roll Number:** 1006030  
**Municipal Address:** 18325 Stony Plain Road NW  
**Assessment Year:** 2014  
**Assessment Type:** Annual New  
**Assessment Amount:** \$7,135,000

Between:

**G & J Rentals Ltd.**  
and

Complainant

**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 2014 assessment of \$3,926,528 in respect of the improvements was not in dispute and the only issue before the Board was the assessment of the land.

### **Preliminary Matters**

[3] There were no preliminary issues.

### **Background**

[4] The subject property is an auto dealership (Western GMC) located at 18325 Stony Plain Road NW on a 156,376 sq. ft. (3.59 acre) corner lot at the intersection of Stony Plain Road and 184 Street in Place La Rue neighbourhood. The subject property is zoned CHY and the land assessment of \$3,208,609 and the total assessment of \$7,135,000 for 2014 has been contested by the Complainant.

## **Issues**

[5] Is the land assessment of \$3,208,609 (\$20.52 per sq. ft) for a total assessment of \$7,135,000 too high?

## **Position of the Complainant**

[6] The Complainant filed this complaint on the grounds that the land assessment in the subject property is excessive and is not supported by the market prices on the valuation date of July 01, 2013. The Complainant presented a set of five sales comparables in support of his contention that the subject land was over assessed.

[7] The sales of five commercial zoned vacant land properties indicated a range of time adjusted selling prices between \$15.45 and \$20.20 per sq. ft. The subject property is assessed at \$20.52 per sq. ft.

[8] Each of the sale comparables is located on a main roadway as is the subject.

[9] Based on an analysis and comparison of the sales information to the subject property and with most weight placed on those sales with more similar physical, location and zoning characteristics to the subject property, the Complainant stated that an assessment of \$18 per sq. ft for a total land value of \$2,814,748 would be considered reasonable.

[10] The Complainant concluded by requesting the Board to reduce the land assessment of the subject property to \$18 per sq. ft. for a total 2014 assessment of \$6,740,000

## **Position of the Respondent**

[11] Defending the 2014 land assessment of \$3,208,609, the Respondent submitted a table of six comparable vacant land sales that occurred between February 2008 and October 2011.

[12] The time adjusted land sales prices in respect of these comparables ranged between \$17/ sq. ft. and \$25/ sq. ft. that, in the Respondent's opinion, supported the subject assessment at \$20.51/ sq. ft.

[13] All sales were in respect of vacant land parcels zoned commercial, ranging in size from 14,750 sq. ft. to 482,658 sq. ft. and were more comparable to the subject in terms of zoning, location and lot size than the Complainant's comparables.

[14] The Respondent pointed out to the Board:

- a. Three of the Complainant's sale comparables (located at 14339 – 50 Street, 5603 – 199 Street and 403 McConachie Way) had irregular shaped lots and were not comparable to the subject that was a regular shaped corner lot.
- b. The Complainant's sale comparable #5 (located at 15304/60 – 111 Avenue) was more than twice the size of the subject property and enjoyed economies of scale that lowered its sale price in per square foot terms.

- c. The time adjusted sale prices in respect of the Complainant's sale comparables #1, #3 and #5 (located at 14339 – 50 Street, 403 McConachie Way and 15304 – 111 Avenue) supported the subject assessment at \$20.51 per sq. ft.
- d. The Complainant's sale comparables were located all over the city and did not fully reflect the size, location and zoning factors as applicable to the subject property.

[15] The Respondent stated that the Complainant had overlooked the sales of comparable properties in the vicinity of the subject property to support a requested lower assessment. The Respondent's sale comparables, on the other hand, were located in close proximity of the subject and the sale prices supported the 2014 assessment.

[16] The Respondent concluded by requesting to confirm the 2014 land assessment of \$3,208,609 for the subject property.

### **Decision**

[17] The Board confirms the 2014 assessment of \$7,135,000.

### **Reasons for the Decision**

[18] The Board noted that none of the five sale comparables presented by the Complainant share the location characteristics of the subject which is located at the intersection of two busy roadways.

[19] The Board noted that in spite of relatively less prominent locations, three of the Complainant's sale comparables (#1, #3 and #5) supported the subject assessment.

[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 Complainant's preferred sale comparable #5 (located at 15304 – 111 Avenue) 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.

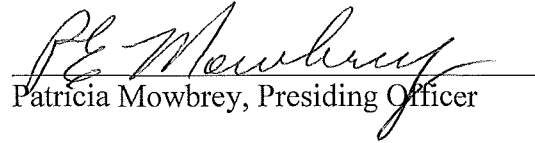
[22] The Board finds the 2014 land assessment of \$3,208,609 and the total assessment of \$7,135,000 to be fair and equitable.

### **Dissenting Opinion**

[23] There was no dissenting opinion.

Heard July 21, 2014.

Dated this 22<sup>nd</sup> day of July, 2014, at the City of Edmonton, Alberta.

  
Patricia Mowbrey, Presiding Officer

**Appearances:**

Peter Smith

for the Complainant

SCOTT HYDE

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

Complainant: C1      15 pages

Respondent: R1      71 pages