

Edmonton Composite Assessment Review Board

Citation: CVG v The City of Edmonton, ECARB 2012-001576

Assessment Roll Number: 9988236
Municipal Address: 9830 60 AVENUE NW
Assessment Year: 2012
Assessment Type: Annual New

Between:

CVG for 866291 Alberta Ltd.

Complainant

and

The City of Edmonton, Assessment and Taxation Branch

Respondent

DECISION OF
Hatem Naboulsi, Presiding Officer
George Zaharia, Board Member
Howard Worrell, Board Member

Preliminary Matters

[1] There were no preliminary matters. Upon questioning by the Presiding Officer, the parties present indicated no objection to the composition of the Board. In addition, the Board members indicated no bias with respect to this file.

Background

[2] The subject property is a multi-tenant office/warehouse complex consisting of two buildings built in 1962 and 1968, and is located at 9830 60 Avenue NW in the Coronet Industrial neighbourhood. The two buildings comprise a total of 23,417 square feet of space, including 1,890 square feet of finished mezzanine space. The buildings are situated on an interior lot zoned IM with effective zoning of IM, 39,377 square feet (0.9 acres) in size for a site coverage of 55%. It is not on a major roadway.

[3] The subject was assessed using the direct sales approach resulting in a 2012 assessment of \$2,105,000 (\$89.89 per square foot).

Issue(s)

[4] Is the subject property assessed in excess of its market value when compared to sales of similar properties?

Legislation

[5] The Municipal Government Act reads:

Municipal Government Act, RSA 2000, c M-26

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 into evidence a 13-page brief identified as C-1, arguing that the current assessment of \$2,105,000 is excessive compared to sales of similar properties. In support of this position, the Complainant submitted six sales comparables of similar properties. The sales occurred between May 2009 and September 2010, the properties selling for time-adjusted sales prices ranging from \$91.36 to \$121.94 per square foot (Exhibit C-1, page 1).

[7] The Complainant advised that the subject property is not on a major roadway whereas sales #'s 1, 2, and 4 are located in superior locations on main roadways (Exhibit C-1, page 2). As well, the Complainant added that consideration should be given to the inferior configuration of the subject in that with a site coverage of 55%, ingress and egress to and from the property is severely impacted (Exhibit C-1, page 1).

[8] Based upon his sales comparables, the Complainant placed most weight on sales #'s 2, 3 and 5 that were considered to have the most similar physical characteristics to the subject property (Exhibit C-1, page 2).

[9] The Complainant argued that the subject property does not have a rear building adjustment, and that one should be applied.

[10] In conclusion, based on a value of \$80.00 per square foot, the Complainant requested the Board to reduce the 2012 assessment of the subject property from the original \$2,105,000 to \$1,875,000.

Position of the Respondent

[11] The Respondent did not submit any brief, agreeing to apply a 10% rear building adjustment to the rear building.

[12] The Complainant accepted this recommendation.

Decision

[13] The Board accepted the Respondent's recommendation, which the Complainant agreed to, to reduce the 2012 assessment from \$2,105,000 to \$2,005,000.

Reasons for the Decision

[14] The Board acknowledged the Respondent's willingness to adjust the assessment to recognize the rear building placement of the second building. This addressed the concern of the Complainant who had accepted the recommendation.

[15] The Board was persuaded that the reduced 2012 assessment in the amount of \$2,005,000 is fair and equitable.

Dissenting Opinion

[16] There was no dissenting opinion.

Heard commencing September 18, 2012.

Dated this 9th day of October, 2012, at the City of Edmonton, Alberta.

Hatem Naboulsi, Presiding Officer

Appearances:

Peter Smith, CVG
for the Complainant

Joel Schmaus, Assessor
for the Respondent