ASSESSMENT REVIEW BOARD

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NOTICE OF DECISION NO. 0098 509/10

Canadian Valuation Group
1200 10665 Jasper Avenue
Edmonton AB T5J3S9

The City of Edmonton
Assessment and Taxation Branch
600 Chancery Hall
3 Sir Winston Churchill Square
Edmonton AB T5J 2C3

This is a decision of the Composite Assessment Review Board (CARB) from a hearing held on November 15, 2010 respecting a complaint for:

Roll Number	**Municipal Address**	**Legal Description**
3124906	10147 Jasper Avenue NW	Plan: NB Block: 1 Lot: 78 - 81
Assessed Value	**Assessment Type**	**Assessment Notice for:**
$1,333,000	Annual - New	2010

Before:

Robert Mowbrey, Presiding Officer
Petra Hagemann, Board Member
Howard Worrell, Board Member

Board Officer:

Segun Kaffo

Persons Appearing: Complainant
Peter Smith – CVG

Persons Appearing: Respondent
Chris Rumsey – Assessor, City of Edmonton
Aleisha Bartier – Law Branch, City of Edmonton

PROCEDURAL MATTERS

Upon questioning by the Presiding Officer, the parties indicated no objection to the composition of the Board.

In addition, the Board advised the parties that the Board was not aware of any circumstances that would raise an apprehension of bias with respect to this file.

Both the Complainant and Respondent were sworn.

PRELIMINARY MATTERS

Upon commencement of the hearing, both parties agreed that Roll number 3124898 would be considered as the master file and that the submissions and arguments are carried forward to the extent to which they are relevant to roll numbers 3124906 and 3124914. The parties requested separate decisions for the roll numbers.

BACKGROUND

The subject property consists of 8,023 square feet of vacant land zoned CB2 in the Core Commercial Arts District (CCA) and is located on the south east corner of Jasper Avenue and 102 Street in the downtown core of Edmonton. The property is classified as non-residential and is part of of a three lot parcel currently used as a public park.

ISSUES

Is the assessment of the subject property in excess of its market value?

LEGISLATION

The *Municipal Government Act*, R.S.A. 2000, c. M-26;

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

The Complainant argued that the classification of the subject property as non residential is punitive and does not reflect its current use as a public park.

The Complainant further argued that the subject property is part of a three lot parcel as evidenced by a caveat granting an easement to the City and accordingly should be adjusted for size.

The Complainant presented evidence to the Board showing four sales comparables to the subject property detailing time adjusted sale price per sq. ft. to the date of valuation. The comparables had a range of $80.81 to $113.03 per sq. ft. The average of these four sales was $95.09 per sq. ft. The Complainant advised the Board that the subject property was superior in location and considered a market value for the subject property should be $160 per sq. ft. or in total $1,284,000.

In addition, the Complainant submitted that the property should be exempt from taxation, or in the alternative have its land use code changed to residential (LUC 910) (Exhibit C-1, page 2).

POSITION OF THE RESPONDENT

The Respondent provided evidence to the Board detailing mass appraisal methodology, including vacant lot assessments (R-1, page 7-8).

The Respondent provided the Board with a chart detailing seven sales comparables to the subject property. All seven sales are in the downtown core. The first three sales ranged in size from 3,000 square feet to 7,771 square feet compared with the subject property at 8,023 square feet. These comparables ranged in value from $144.23 to $188.71 per sq. ft. with an average of $166.47 per sq. ft. compared to the subject at $180.36 per sq. ft.

The Respondent noted that the three properties when bound together as one parcel amount to 24,070 square feet. The Respondent compared this parcel to the last four sales which ranged from 15,000 to 37,477 square feet. The time adjusted selling price of these comparables ranged from $175.10 to $331.48 per sq. ft. with an average of $254.01 per sq. ft. (Exhibit R-1, page 17).

The Respondent advised the Board that the Complainant's sales comparables # 1 and # 4 is the same property and is contaminated and therefore made the comparability difficult. The Respondent further advised the Board that Complainant's sale comparable # 3 had several caveats including maintenance as a park, access to the Hotel Macdonald and access to LRT, thereby making comparability difficult.

The Respondent advised the Board that since the subject property was zoned commercially it had to be assessed commercially and therefore requested the Board to confirm the assessment at $1,333,000.

DECISION

The decision of the Board is to confirm the assessment at $1,333,000.

REASONS FOR THE DECISION

The Board was persuaded by the Respondent's chart detailing seven sales comparables which support the assessment (Exhibit R-1, page 17).

The Board put little weight on the sales comparables of the Complainant. Comparables # 1 and # 4 is the same property and is contaminated while # 3 had several caveats in place.

The Board was not in a position to adjudicate the issue of tax exemption for the subject property, but did note that the owner had not approached the City for a tax exempt status.

The Board notes that the Complainant failed to provide sufficient and compelling evidence to alter the assessment.

DISSENTING DECISION AND REASONS

There was no dissenting opinion.

Dated this 15th day of November, 2010, at the City of Edmonton, in the Province of Alberta.

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Robert Mowbrey
Presiding Officer

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, R.S.A. 2000, c.M-26.

CC: Municipal Government Board
Melcor Developments Ltd.