ASSESSMENT REVIEW BOARD

Churchill Building
10019 103 Avenue
Edmonton AB T5J 0G9
Phone: (780) 496-5026

NOTICE OF DECISION NO. 0098 587/11

ALTUS GROUP
17327 106A Avenue
EDMONTON, AB T5S 1M7

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 December 14, 2011, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
9947943	10827 82 Avenue NW	Plan: 4400R Block: 171 Lot: 7-9	$495,000	Annual New	2011

Before:

Dean Sanduga, Presiding Officer
Petra Hagemann, Board Member
Taras Luciw, Board Member

Board Officer: Jason Morris

Persons Appearing on behalf of Complainant:

Walid Melhem, Altus Group

Persons Appearing on behalf of Respondent:

Chris Rumsey, Assessor, City of Edmonton
Ryan Heit, Assessor, City of Edmonton

PROCEDURAL MATTERS

The Board Members indicated that they had no bias with regard to the matter before them. The parties indicated that they had no objection to the composition of the Board.

BACKGROUND

The subject property is a 4,365 sq ft paved parking lot located at 10827-82 Avenue in the Queen Alexandra subdivision in the City of Edmonton. It is zoned DC2 (EFF DC1) and is assessed at $495,000.

ISSUE(S)

Is the 2011 assessment of the subject property correct?

LEGISLATION

***Municipal Government Act,* RSA 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 submitted a 38 page brief (C-1) challenging the assessment of the subject property.

The Complainant advised that the subject property assessed at $111.85 per square foot is assessed higher than comparable vacant parcels of land (C-1, pg 10). Seven comparable land sales were provided ranging in time adjusted sales price from $71.67 per square foot to $112.04 per square foot. These properties are similar to the subject in site area, zoning and location. The average time adjusted sale price of these comparables is $91.90 and the median is $97.78 per square foot. The Complainant suggests that $93.00 per square foot or an assessment of $413,000 (including $7,041 for improvements) based on the direct sales comparison approach would be correct.

The Complainant directed the Board to C-1, pg 5, the Assessment Detail Report from the City of Edmonton which shows the legal description as Plan 4400R Block: 17 Lot 7, Plan 4400R, Block 171, Lot 8/Plan: 4400R Block 171 Lot 9, suggesting that Lot 7, the subject, is in fact part and parcel of the adjoining property under appeal with roll # 9947942. This evidence indicates that the subject should not be assessed at all and be incorporated in the assessment of the above mentioned roll number.

The Complainant suggests that the value of the subject property has been included in the assessment of the adjoining bank property with roll #9947942 and that the assessment be reduced to a nominal value of $500.00. This roll number and assessment should not exist.

POSITION OF THE RESPONDENT

The Respondent submitted a 24 page brief (R-1) defending the 2011 assessment of the subject property. The Board was advised that properties are assessed using a vacant commercial land model that adjusts for attributes that impact market value to arrive at a typical market value for properties in these classes.

The Land Detail Report (R-1, pg 11) shows the subject having a legal description as "Plan: 4400R Block: 171 Lot: 7 Only", with a lot size of 4,365.29 sq ft.

The Respondent disputed the Complainant's premise that 3.4 parking stalls per 100 m2 are a legislated requirement for the adjoining bank and therefore the subject is needed to fulfill this requirement and therefore should not be assessed separately but be part of the assessment of the bank property.

The Respondent directed the Board to Edmonton Zoning Bylaw 12800 Section 819.3 (R-1, pg 19).
Point 8. states that "*the minimum number of off-street parking spaces required shall be in accordance with the provisions of Sec 54, Schedule 1 of this Bylaw, except that:*

a. *for Professional, Financial and Office Support Services at grade, parking shall be provided on the basis of 1.1 parking spaces per 100 m2 of Floor Area and no parking spaces shall be required for this Use on upper floors"*

The Respondent referred to the previous hearing on roll #9947942 in which he noted that lot 7 has a separate title and can be sold and developed independently from the adjoining property. The adjoining bank requires 10 parking stalls as per bylaw and currently has 24 stalls available and therefore lot 7 is not needed to fulfill their parking requiems.

The Respondent submitted two comparable land sales in close proximity to the subject (R-1, pg 16). These sales are similar in size to the subject and have an average time adjusted sale price of $111.27/sq ft. This supports the assessment of the subject at $111.85/sq ft.

The Respondent requests the Board to confirm the 2011 assessment of the subject property at $495,000.

DECISION

The decision of the Board is to confirm the 2011 assessment at $495,000.

REASONS FOR THE DECISION

The Board, having heard the appeal of the adjoining bank property, roll #9947942, understands that according to the above mentioned City Bylaw, the subject property needs only 10 parking stalls and in fact has 24 parking stalls available. The Board agrees with the Respondent that the subject property (lot 7) is not needed to fulfill the parking requirements of the adjoining bank property and should be assessed independently.

The Board reviewed the seven comparable sales provided by the Complainant similar to the subject in size, zoning and are located in the general area of the subject. Comparable #1, #3 and #4 are located on 82nd Avenue, however #3 is located east of Gateway Blvd, a somewhat less desirable area than west of Gateway Blvd.

The Board was persuaded by the two land sales provided by the Respondent, which are the same as the Complainant's comparable #1 and #4. These average $111.27/sq ft and support the land assessment of the subject property at $488,245. When applying the improvement of $7,041 to the subject's land assessment, the 2011 assessment of $495,000 is fair and equitable.

DISSENTING OPINION AND REASONS

None.

Dated this 4th day of January, 2012, at the City of Edmonton, in the Province of Alberta.

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Dean Sanduga, 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, RSA 2000, c M-26.

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cc: LAURGIN HOLDINGS LTD.