

Edmonton Composite Assessment Review Board

Citation: CVG v The City of Edmonton, 2012 ECARB 1535

Assessment Roll Number: 1113133
Municipal Address: 16930 129 Avenue NW
Assessment Year: 2012
Assessment Type: Annual New

Between:

CVG

Complainant

and

The City of Edmonton, Assessment and Taxation Branch

Respondent

DECISION OF
Robert Mowbrey, Presiding Officer
Jack Jones, Board Member
Pam Gill, Board Member

Preliminary Matters

[1] Each of the parties stated that they had no objection to the composition of the Board. Each Board Member indicated that they had no bias with respect to this matter.

Background

[2] The subject property is a 15,021 square foot industrial property located in the Kinokamau Plains neighbourhood. The subject property is in average condition with an effective age of 1971 and site coverage of 7%.

Issue

[3] The original complaint form listed a number of issues, however at the hearing the Complainant noted the only remaining issue before the Board was as follows:

Is the 2012 assessment of the subject property at \$2,609,500 fair and equitable?

Legislation

[4] 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

[5] The Complainant presented evidence (C-1) and argument for the Board’s review and consideration.

[6] In support of a requested valuation for the subject property at \$120.00 per square foot, the Complainant presented 12 time adjusted sales comparables (C-1, page 1). These ranged in value from \$70.29 to \$131.33 per square foot and in site coverage from 12% to 50%. The subject property is assessed at \$173.72 per square foot, with site coverage of 7%. The Complainant noted that the time adjustments were made based on the factors utilized by the City of Edmonton (C-1, page 6).

[7] The Complainant indicated that the best comparables were #2, 3, 4, 8, 9, & 10, with respect to size, site coverage and proximity to the subject property.

[8] The Complainant noted that the subject property was zoned IM (Medium Industrial). This presented limitations with respect to potential future development. In addition, the subject site does not have storm sewer service. As a result, the site is impacted on the perimeter by drainage ditches.

[9] The Complainant critiqued the Respondent’s sales comparables #1 to #6 as to comparability with the subject property. Comparable #1 had a variance in building area (R-1,

page 19) and #2 had significant office space (R-1, page 20). Sales comparable #3 included two lots which could be sold separately (R-1, page 24). Located on a major roadway, #4 was not comparable, while #5 appeared to have a high level of office finishes (R-1, page 26) and #6 appeared to have a retail use.

[10] In summary, the Complainant requested the 2012 assessment of the subject property be reduced from \$2,609,500 to \$1,800,000.

Position of the Respondent

[11] The Respondent presented evidence (R-1 & R-2) and argument for the Board's review and consideration.

[12] The Respondent presented six time adjusted sales comparables (R-1, page 18) in support of the 2012 assessment of the subject property at \$173.72 per square foot, with site coverage of 7%. The value of the comparables presented ranged from \$159.55 to \$391.60 per square foot and the site coverage ranged from 5% to 24%. The Respondent noted that the value range of the comparables was impacted by the site coverage and the excess land value associated with the comparables.

[13] The Respondent also presented eight equity comparables (R-1, page 28) in support of the subject's 2012 assessment. The value of the comparables presented ranged from \$133.54 to \$261.51 per square foot with site coverage ranging from 5% to 11%.

[14] The Respondent further presented a critique of the Complainant's sales comparables (R-1, page 29) which questioned the validity of comparables # 3, 7, 8, 10 & 12.

[15] In summary, the Respondent requested the 2012 assessment of the subject property be confirmed at \$2,609,500.

Decision

[16] The decision of the Board is to confirm the 2012 assessment of the subject property at \$2,609,500 as fair and equitable.

Reasons for the Decision

[17] After reviewing the evidence and argument presented by both parties, the Board determined the 2012 assessment of the subject property at \$2,609,500 was appropriate.

[18] The Board placed greatest weight on the sales comparables presented by the Respondent (R-1, page 18) as they were most similar to the subject property with respect to age, size, location and site coverage. These comparables supported the 2012 assessment at \$173.72 per square foot.

[19] The equity comparables presented by the Respondent (R-1, page 28) provided further support for the 2012 assessment as the comparables were similar to the subject property with respect to age, size, location and site coverage. The average unit value of these equity

comparables was \$193.39 per square foot compared to the subject properties assessment at \$173.72 per square foot.

[20] The Complainant's comparables (C-1, page 1) were given less weight as they were generally found to be dissimilar to the subject property with respect to size and site coverage.

[21] The Board finds that the 2012 assessment of the subject property at \$2,609,500 is fair and equitable.

Dissenting Opinion

[22] There was no dissenting opinion.

Heard October 9, 2012.

Dated this 22 day of October, 2012, at the City of Edmonton, Alberta.

Robert Mowbrey, Presiding Officer

Appearances:

Peter Smith
for the Complainant

Suzanne Magdiak
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.