

Edmonton Composite Assessment Review Board

Citation: CVG v The City of Edmonton, 2012 ECARB 1759

Assessment Roll Number: 1118041
Municipal Address: 10611 201 Street 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 is a 1981 industrial property with a relocatable office structure built in 1960 located in Edmonton's Winterburn Industrial Area East neighborhood. The subject property consists of a single-tenant warehouse with a total of 2,891 sq.ft., in fair condition. The subject's site coverage is 1%. The 2012 assessment is for \$982,000.

Issue

[3] Is the subject property assessed correctly?

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 in a 15-page brief (C-1) and a 3-page rebuttal (C-2) and argument for the Board’s review and consideration.

[6] The 2012 assessment of the subject is \$339.67/sq.ft. This assessment is 25% greater than the previous year’s assessment. The Complainant pointed out that the Respondent’s time adjustment charts showed no change in value from June 2010 to June 2011.

[7] The Complainant also argued that access to the subject was restricted for northbound traffic due to the construction of Anthony Henday Drive.

[8] The Complainant stated that some consideration should be given to the fact that the subject property was located on an odd shaped site.

[9] The Complainant presented three sales comparables (C-1, page 2) that supported a lower assessment, they averaged to \$219.08/sq.ft. More weight was placed on the first sale, as at \$239.85/sq.ft, this property was similar in age and site coverage to the subject.

[10] The Complainant argued that based on his sales comparables, a market value of \$240.00/sq.ft. would be reasonable.

[11] In his rebuttal, the Complainant produced the 2012 assessment amounts (C-2, page 1) for two of the four sales comparables produced by the Respondent (R-1, page 11). The purpose of the rebuttal was to show that there was a discrepancy between the Respondent’s sales prices and assessment amounts.

[12] In summary, the Complainant requested the 2012 assessment be reduced from \$982,000 to \$693,500.

Position of the Respondent

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

[14] The Respondent provided four sales comparables (R-1, page 11) in support of the subject property's assessment at \$339.67/sq.ft. The median of the four sales was \$233.49/sq.ft.

[15] The subject property was given a 10% adjustment for its fair condition.

[16] The Respondent indicated that two of the Complainant's comparables were assessed using the cost approach and should not be used to support a reduction in the assessment of the subject.

[17] Upon questioning from the Board, the Respondent could not answer as to why there had been a 25% increase in the assessment over the previous year. The Respondent argued that each year's assessment is independent of previous years.

[18] The Respondent argued that access was not an issue.

[19] In summary, the Respondent requested that the 2012 assessment of the subject property at \$982,000 be confirmed.

Decision

[20] The decision of the Board is to reduce the 2012 assessment of the subject property from \$982,000 to \$693,500.

Reasons for the Decision

[21] After review and consideration of the evidence and argument presented by both parties, the Board determined that the 2012 assessment of the subject property at \$693,500 is appropriate.

[22] The Board placed greatest weight on the sales comparables presented by the Respondent (R-1, page 11). The median value of \$233.49/sq.ft of the sales comparables supported the Complainant's request of \$240.00/sq.ft. Little adjustment was necessary as the average condition of the properties offset the higher site coverages as compared to the subject.

[23] The Board also found that the irregular shape of the site and the access issues for the subject were problematic.

[24] The increase of 25% over the past year concerned the Board. While each year's assessment is independent of previous years, the amount of the increase could not be overlooked and raised questions for the Board which could not be answered by the Respondent.

[25] The Complainant's comparables (C-1, page 2) were given less weight as two (#1 and #3) of them were assessed using the cost approach. Comparable #2 was common to both parties.

[26] The Board finds that the 2012 assessment of the subject property at \$693,500 is correct.

Dissenting Opinion

[27] 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:

Tom Janzen
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.