

Edmonton Composite Assessment Review Board

**Citation: Dan Slaven, Central Land Developments Inc. v The City of Edmonton, 2013
ECARB 01090**

Assessment Roll Number: 10067189
Municipal Address: 4042 MACTAGGART DR
Assessment Year: 2013
Assessment Type: Annual New

Between:

Dan Slaven, Central Land Developments Inc.

Complainant

and

The City of Edmonton, Assessment and Taxation Branch

Respondent

DECISION OF
Robert Mowbrey, Presiding Officer
Jasbeer Singh, Board Member
Taras Luciw, Board Member

Procedural Matters

[1] During questioning by the Presiding Officer, the parties indicated they had no objection to the composition of the Board. In addition, the Board members stated they had no bias on this file.

Background

[2] The subject property is a 52,293 square foot (1.2 acres) undeveloped property zoned RA7 (Low Rise Apartment Zone). The subject property is abutting a lake and the 2013 assessment is for \$1,471,500 or \$1,226,250 per acre.

Issue(s)

[3] What is the market value of the subject property?

Legislation

[4] The *Municipal Government Act*, RSA 2000, c M-26, reads:

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 filed this complaint on the basis that the subject property assessment of \$1,471,500 was inequitable and in excess of market value. In support of this position, the Complainant presented the Board with a nine page evidence package marked as Exhibit C-1.

[6] The Complainant advised the Board regarding the 2011 assessment appeal for the subject property. The 2011 assessment was for \$1,584,000 and subsequently reduced to \$872,500 by the Composite Assessment Review Board (Exhibit C-1 pages 2-4).

[7] The Complainant presented four equity comparables to the Board. Three equity comparables were zoned RA7, the same as the subject property, and the fourth comparable was zoned RA9 (High Rise Apartment Zone). The average of the four equity comparables was \$860,304 per acre and that works out to a value of \$1,032,365 for the subject property (Exhibit C-1 page 5).

[8] During argument, the Complainant stated there should be no real difference in price per acre between one and three acre parcels. Required setbacks are the same for all RA7 properties so smaller properties are impacted more and are more restricted for development.

[9] The Complainant referred to the Respondent’s sales comparable #3, Exhibit R-1, page 11, and noted that the time adjusted sale price is \$4,669,815 but the 2013 assessment is \$3,477,000 or \$909,000 per acre which further supports a lower assessment for the subject (Exhibit C-1 page 9).

[10] The Complainant requested the Board to reduce the 2013 assessment from \$1,471,500 to \$1,032,500.

Position of the Respondent

[11] The Respondent defended the 2013 assessment by presenting the Board with a 36 page evidence package marked as Exhibit R-1.

[12] The Respondent presented three sales comparables to the Board which had an average price of \$1,090,257 per acre. All three were in the south west quadrant and two sales comparables were zoned RA7, the same as the subject property and the third comparable was zoned RF5 (Row Housing Zone) (Exhibit R-1 page 11).

[13] The Respondent advised the Board that there were no recent RA7 sales that abutted the lake found in the City boundary, therefore the City provided three sales comparables that were not abutting a lake in the sales comparables chart. The Respondent noted that property abutting the lake will get a value of 10% to 20% higher than the property without the lake abutting attribute. When adding 10 to 20% more for the non-abutting lake attribute, this makes the sales comparables fair and reasonable with the subject property (Exhibit R-1 page 13).

[14] The Respondent presented five equity assessment comparables to the subject property, which had a range from \$797,075 price per acre to \$1,160,418 price per acre. The Respondent noted that all five equity comparables were larger in size and two equity comparables were lake abutting and three equity comparables had no lake view. Four of the five equity comparables were zoned RA7, the same as the subject property, while the fifth equity comparable was zoned RA9 (Exhibit R-1 page 12).

[15] The Respondent further noted that the two properties with the lake abutting attribute indicate that bigger parcels have a lower assessment unit price which follows the economies of scale (Exhibit R-1, page 13).

[16] The Respondent advised the Board regarding mass appraisal and the zoning bylaw, regulation of use for the development of land. RA7 zoning is for a four storey low rise apartment zone, which is the subject property; whereas RA9 zoning is for a twelve storey high rise apartment zone (Exhibit R-1 page 22).

[17] The Respondent requested the Board to confirm the 2013 assessment of \$1,471,500.

Decision

[18] The decision of the Board is to confirm the 2013 assessment of \$1,471,500.

Reasons for the Decision

[19] The Board was persuaded by the Respondent's two equity comparables with the lake abutting attribute. The Board notes that comparable number one is 50% larger than the subject, is located nearest the subject property, and is assessed marginally lower than the subject.

[20] The Board notes that while the assessments per square foot are lower than the subject property's assessment per square foot, the Board accepts the Respondent's position that larger parcels are assessed lower due to economies of scale.

[21] The Board finds the Respondent's sales comparables lacking in comparability as they did not have a lake abutting attribute, one had inferior zoning and two were larger. The Board places little weight on them.

[22] The Board places little weight on the Complainant's four equity comparables as they were all substantially larger and three of the four did not have a lake abutting attribute.

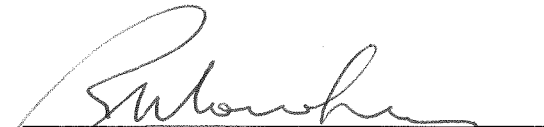
[23] Jurisprudence has established the onus of showing the incorrectness of an assessment rests with the Complainant. The Board is satisfied that the Complainant did not provide sufficient and compelling evidence to enable the Board to form an opinion as to the incorrectness of the assessment.

Dissenting Opinion

[24] There is no dissenting opinion.

Heard commencing June 26, 2013.

Dated this 8th day of July, 2013, at the City of Edmonton, Alberta.


Robert Mowbrey, Presiding Officer

Appearances:

Dan Slaven, Central Land Developments Inc.
for the Complainant

Ning Zheng, Assessor
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.