

2024

ASSESSMENT METHODOLOGY

COMMERCIAL LAND

A summary of the methods used by the City of Edmonton in determining the value of commercial land properties in Edmonton for assessment purposes.

edmonton.ca/assessment

Updated March 22, 2024: See change log on page 30 for details.

Edmonton



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Scope

This guide explains how commercial land properties are valued for assessment purposes. The guide is intended as a tool and complements the assessor's judgment in the valuation process. **Valuation Date** refers to the legislated date of July 1, 2023.

Introduction

Property assessments in the City of Edmonton are prepared in accordance with the requirements of the Municipal Government Act, R.S.A. 2000, c. M-26, (hereinafter "MGA") and the *Matters Relating to Assessment and Taxation Regulation, 2018*, Alta Reg 203/17, (hereinafter "MRAT"). The MRAT regulation establishes the valuation standard to be used, defines the procedures to be applied, and proposes objectives for the quality to be achieved in the preparation of assessments. The legislation requires the municipality to prepare assessments that represent market value by application of the mass appraisal process. All assessments are expected to meet quality standards prescribed by the province in the MRAT regulation.

Property assessments represent:

- an estimate of the value;
- of the fee simple estate in the property;
- as the property existed on December 31, 2023;
- reflecting typical market conditions;
- as if the property had been sold on July 1, 2023;
- on the open market;
- from a willing seller to a willing buyer.

The assessment is a prediction of the value that would result when those specific, defined conditions are met.

The legislation requires the City of Edmonton to assess the fee simple estate.

"Fee simple interest [is] absolute ownership unencumbered by any other interest or estate... leased fee interest [is] the ownership interest held by the lessor, which includes the right to the contract rent specified in the lease plus the reversionary right when the lease expires... leasehold interest [is] the interest held by the lessee (the tenant or renter) through a lease conveying the rights of use and occupancy for a stated term under certain conditions."

*Appraisal Institute of Canada, **The Appraisal of Real Estate Third Canadian Edition**,
Vancouver, Canada, 2010, page 6.4*

Both *market value* and *property* along with additional terms are defined in the *MGA* and *MRAT* :

s.284(1)(r) "**property**" means

- (i) a parcel of land
- (ii) an improvement, or
- (iii) a parcel of land and the improvements to it

MGA .s.284(1)(r)

s.1(k) "**regulated property**" means

- (i) land in respect of which the valuation standard is agricultural use value,
- (ii) designated industrial property, or
- (iii) machinery and equipment

MRAT s.1(k)

s.9(1) the **valuation standard** for the land and improvements is market value unless subsection (2)... applies

MRAT s.9(1)

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

MGA s.1(1)(n)

s.5 An assessment of property based on **market value**

- (a) must be prepared using mass appraisal,
- (b) must be an estimate of the value of the fee simple estate in the property, and
- (c) must reflect typical market conditions for properties similar to that property

MRAT s.5

s.289(2) Each assessment must reflect

- (a) the characteristics and physical condition of the property on **December 31** of the year prior to the year in which a tax is imposed

MGA s.289(2)(a)

s.6 Any assessment prepared in accordance with the Act must be an estimate of the value of a property on **July 1** of the assessment year

MRAT s.6

s.1(g) "**mass appraisal**" means the process of preparing assessments for a group of properties using standard methods and common data and allowing for statistical testing

MRAT s.1(g)

Mass Appraisal

Mass appraisal is the legislated methodology used by the City of Edmonton for valuing individual properties, and involves the following process:

- properties are stratified into groups of comparable property
- common property characteristics are identified for the properties in each group
- a uniform valuation model is created for each property group

31(c) **“valuation model”** means the representation of the relationship between property characteristics and their value in the real estate marketplace using a mass appraisal process

MRAT s.31(c)

The following two quotations indicate how the International Association of Assessing Officers distinguishes between mass appraisal and single-property appraisal:

“... single-property appraisal is the valuation of a particular property as of a given date: mass appraisal is the valuation of many properties as of a given date, using standard procedures and statistical testing.”

“Also, mass appraisal requires standardized procedures across many properties. Thus, valuation models developed for mass appraisal purposes must represent supply and demand patterns for groups of properties rather than a single property.”

Property Appraisal and Assessment Administration, pg. 88-89

For both mass appraisal and single-property appraisal, the process consists of the following stages:

	Mass Appraisal	Single Appraisal
Definition and Purpose	Mass appraisal is used to determine the assessment base for property taxation in accordance with legislative requirements	The client specifies the nature of the value to be estimated, this includes: rights to be valued, effective date of valuation, and any limiting conditions.
Data Collection	Mass appraisal requires a database of property characteristics and market information.	The extent of data collection is specific to each assignment and depends on the nature of the client's requirements.
Market Analysis	Mass appraisal is predicated on highest and best use.	Market analysis includes the analysis of highest and best use
Valuation Model	Valuation procedures are predicated on groups of comparable properties.	Subject property is the focus of the valuation. The analysis of comparable properties is generally six or less
Validation	The testing of acceptable analysis and objective criteria	The reliability of the value estimate is more subjective. Acceptability can be judged by the depth of research and analysis of comparable sales

Assessment Classification

Section 297 of the MGA requires that a property must be assigned one or more of the following assessment classes:

- (a) class 1 - residential;
- (b) class 2 - non-residential;
- (c) class 3 - farm land;
- (d) class 4 - machinery and equipment.

The different assessment classes are defined in section 297(4) of the MGA. The *City of Edmonton Charter, 2018 Regulation*, Alta Reg 39/2018 (Charter), except for the purposes of section 359 and Division 5 of Part 9 of the MGA, modifies the section 297(4) definitions for the different assessment classes.

Pursuant to section 297(2) of the MGA and Bylaw 19519, the residential class has been divided into the Mature Area Derelict Residential and Other Residential subclasses.

Assigning assessment classes requires a consideration of the class and subclass definitions and related sections in section 297 of the MGA, the Charter, Bylaw 19519, and the Edmonton Zoning Bylaw No. 12800, including Overlays.

Valuation Model

A valuation model creates an equation of variables, factors and coefficients that explains the relationship between estimated market value and property characteristics. An assessed value is then calculated by applying the appropriate valuation model to individual properties within a property type.

- s31 (a) **“coefficient”** means a number that represents the quantified relationship of each variable to the assessed value of a property when derived through a mass appraisal process
- (b) **“factor”** means a property characteristic that contributes to a value of a property;
- (d) **“variable”** means a quantitative or qualitative representation of a property characteristic used in a valuation model

MRAT, s.31 (a), (b) and (d)

s.33 Information prescribed ... does not include coefficients

MRAT, s.33(3)

Valuation Model

- variables are identified from property characteristics
- statistical analysis determines how variables affect market value
- factors and coefficients are determined
- the resulting valuation models are applied to property characteristics

Depending on the property type multiple regression analysis or other mass appraisal techniques are used to determine variables, factors and coefficients.

“Multiple Regression Analysis (MRA): a statistical technique used to analyze data to predict market value (dependent variable) from known values of property characteristics (independent variables)”

Property Appraisal and Assessment Administration, p.653

Property Groups

Commercial

Commercial properties are designed for general commercial occupancy and used for business activities. This class of property includes government and corporate offices, retail properties (for example, shopping centres, stores and restaurants) and accommodation properties (hotels and motels).

Sub-Group

Some property groups have sub-groups. This guide is for the commercial land sub-group.

Commercial Land is a vacant parcel of land with commercial zoning in accordance with the City of Edmonton Zoning Bylaw 12800. Some parcels may have minor improvements such as paving or fencing.

Approaches to Value

The approaches to determine market value are the direct comparison, income, and cost approaches.

Direct Comparison Approach	Typical market value (or some other characteristic) is determined by referencing comparable sales and other market data. It is often used when sufficient sales or market data is available. It may also be referred to as the Sales Comparison Approach.
Income Approach	This approach considers the typical actions of renters, buyers and sellers when purchasing income-producing properties. This approach estimates the typical market value of a property by determining the present value of the projected income stream. Often used to value rental or leased property.
Cost Approach	Typical market value is calculated by adding the depreciated replacement cost of the improvements to the estimated value of land. It is often used for properties under construction or when there is limited market data available.

Direct Comparison Approach

For this property group, the assessment is determined using the direct comparison approach. It is the most appropriate method of valuation for commercial land in the City of Edmonton. It mirrors the actions of buyers and sellers in the marketplace. Sufficient sales data exists in order to derive reliable market estimates.

Support for the direct comparison approach comes from several reputable sources, for example:

This approach is usually the preferred approach for estimating values for residential and other property types with adequate sales.

(IAAO, 2013, sec. 4.3)

The Direct Comparison approach provides the most credible indication of value for owner-occupied commercial and industrial properties, i.e., properties that are not purchased primarily for their income-producing characteristics. These types of properties are amenable to direct comparison because similar properties are commonly bought and sold in the same market.

Appraisal Institute of Canada [AIC], 2010, p. 13.4

Sales

The City of Edmonton validates all land title transactions (sales). The validation process can include site inspections, interviews with parties involved, a review of land title documents, corporate searches, third party information, and sale validation questionnaires.

The City of Edmonton reviews sales occurring from July 1, 2018 to June 30, 2023 for the 2024 valuation of commercial land properties. Time adjustments are applied to sale prices to account for any market fluctuations occurring between the sale date and the July 1, 2023 legislated valuation date.

Sale price reflects the condition of a property on the sale date and may not be equal to the assessment.

Time Adjustment Factors

2024 TIME ADJUSTMENT FACTORS FOR COMMERCIAL LAND MODEL

YEAR	MONTH	ADJUSTMENT	YEAR	MONTH	ADJUSTMENT
2018	Jul	1.0000	2021	Jan	1.0000
2018	Aug	1.0000	2021	Feb	1.0000
2018	Sep	1.0000	2021	Mar	1.0000
2018	Oct	1.0000	2021	Apr	1.0000
2018	Nov	1.0000	2021	May	1.0000
2018	Dec	1.0000	2021	Jun	1.0000
2019	Jan	1.0000	2021	Jul	1.0000
2019	Feb	1.0000	2021	Aug	1.0000
2019	Mar	1.0000	2021	Sep	1.0000
2019	Apr	1.0000	2021	Oct	1.0000
2019	May	1.0000	2021	Nov	1.0000
2019	Jun	1.0000	2021	Dec	1.0000
2019	Jul	1.0000	2022	Jan	1.0000
2019	Aug	1.0000	2022	Feb	1.0000
2019	Sep	1.0000	2022	Mar	1.0000
2019	Oct	1.0000	2022	Apr	1.0000
2019	Nov	1.0000	2022	May	1.0000
2019	Dec	1.0000	2022	Jun	1.0000
2020	Jan	1.0000	2022	Jul	1.0000
2020	Feb	1.0000	2022	Aug	1.0000
2020	Mar	1.0000	2022	Sep	1.0000
2020	Apr	1.0000	2022	Oct	1.0000
2020	May	1.0000	2022	Nov	1.0000
2020	Jun	1.0000	2022	Dec	1.0000
2020	Jul	1.0000	2023	Jan	1.0000
2020	Aug	1.0000	2023	Feb	1.0000
2020	Sep	1.0000	2023	Mar	1.0000
2020	Oct	1.0000	2023	Apr	1.0000
2020	Nov	1.0000	2023	May	1.0000
2020	Dec	1.0000	2023	Jun	1.0000

Zoning

The rules and regulations for land development within Edmonton are contained in the Zoning Bylaw, No. 12800.

s.6.123 **zone:** a specific group of listed Uses and Development Regulations which regulate the Use and Development of land within specific geographic areas of the City...

Zoning Bylaw No. 12800, 2017, s. 6.123

Commercial land use zones vary in part with regard to allowable Density, Height, and Floor Area Ratio (FAR).

Density

s.6.24 **density:** when used in reference to Residential and Residential-Related development, the number of Dwellings on a Site expressed as Dwelling per hectare.

Zoning Bylaw No. 12800, 2017, s. 6.24

Height

s.6.53 **height:** means a vertical distance between 2 points.

Zoning Bylaw No. 12800, 2017, s. 6.53

The actual and effective zoning as of December 31, 2023 applies to the assessment for the 2024 tax year. The new Zoning Bylaw (Charter Bylaw 20001) and city-wide rezoning (Charter Bylaw 21001) will come into effect on January 1, 2024 and will be reflected in the assessment for the 2025 tax year.

Floor Area Ratio

Floor area ratio (FAR) is the factor used to determine the total area that is allowed to be built. The FAR is calculated as follows:

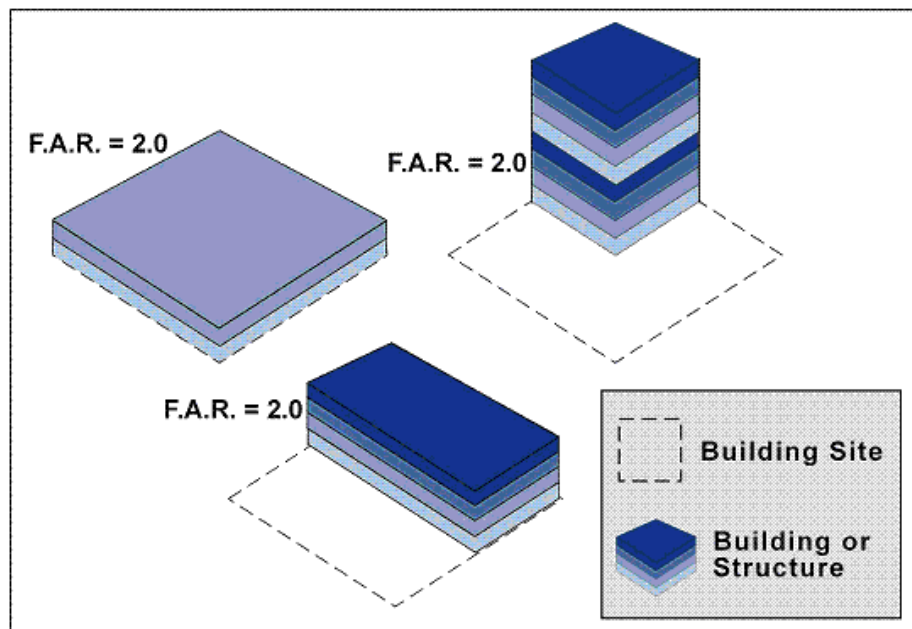
Floor Area Ratio (FAR) multiplied by total site area = **total buildable area**

*s.6.39 **floor area ratio:** means the numerical value of the Floor Area of the building or structure relative to the Site upon which it is located, excluding:*

- A. Basement areas used exclusively for storage or service to the building, or as a Secondary Suite;*
- B. Parking Areas below ground level;*
- C. Walkways required by the Development Officer;*
- D. Floor Areas devoted exclusively to mechanical or electrical equipment servicing the development, divided by the area of the Site; and*
- E. Indoor Common Amenity Area, divided by the area of the Site*

Zoning Bylaw No. 12800, 2017, s. 6.39

*Bylaw 15414
May 25, 2010*



Effective Zoning

Not all property conforms to the zoning use set out in the Zoning Bylaw. In these cases an effective zoning is applied to reflect the current legal use and/or development potential of the property. The effective zoning is an internal coding and may differ from the actual zoning. The two most common scenarios where effective zoning may be applied are:

- **Actual zoning is Direct Control (DC) or other specialized zoning.** In these cases the most comparable commercial zoning will be applied as the effective zoning. For example, if a DC1 zoning provision allows for development most similar to those with an CB2 zoning, that property will have an effective zoning of CB2 even though the actual zoning is DC1.
- **Legal non-conforming use:** A legal non-conforming use is one that was lawfully in existence before a new zoning bylaw came into effect. Since the lawful use existed before the zoning was changed its legal non-conforming use may continue and an effective zone reflecting current use is applied.

643(1) If a development permit has been issued on or before the day on which a land use bylaw or a land use amendment bylaw comes into force in a municipality and the bylaw would make the development in respect of which the permit was issued a nonconforming use or nonconforming building, the development permit continues in effect in spite of the coming into force of the bylaw.

MGA, s.643(1)

In cases where a legal non-conforming use is discontinued for six (6) or more months, any future use must conform to the current Zoning Bylaw.

643(2) A non-conforming use of land or a building may be continued but if that use is discontinued for a period of 6 consecutive months or more, any future use of the land or building must conform with the land use bylaw then in effect.

MGA, s.643(2)

Variables

Below is the list of variables that affect the assessment value for 2024.

Lot size
Market Area
Traffic

Lot size: Lot size is the area of a specific parcel determined through a Geographic Information System (GIS). Survey plans are validated with geometric-based mathematical calculations to each lot corner, registering these locations back to the survey control network established by the province. More information on the survey control network can be found on the Government of Alberta's website (<https://www.alberta.ca/geodetic-control-unit.aspx>).

Market Area: Market areas are geographic areas defined using location boundaries. There are 20 market areas. See enclosed maps titled 2024 Commercial Land Market Areas.

Traffic: This attribute is only applied to properties that have exposure to a traffic influence. Exposure does not require direct access to the traffic source. Service roads are usually narrow roads that run parallel to a main road and provide direct access and are considered to be part of the traffic source.

The level of influence is based upon the annual weekday traffic volume counts as reported by the City of Edmonton Transportation Planning Branch. The 2019 Average Annual Weekday Traffic Volumes Report is accessible on the City website, www.edmonton.ca, under "Driving, Cycling & Walking > Transportation Data > Maps & Reports > Average Annual Weekday Traffic (AAWDT) Volume Data. The 2019 column of data was used for the 2024 assessments.

Definitions for each individual traffic attribute are as follows:

- **None**
Property is not adjacent to any road with the recorded traffic flow of above 1,500 vehicles per day
- **Minor**
Property is adjacent to a road with the recorded traffic flow of 1,500-5,000 vehicles per day
- **Moderate**
Property is adjacent to a road with the recorded traffic flow of 5,001-15,000 vehicles per day
- **Major**
Property is adjacent to a road with the recorded traffic flow of 15,001-50,000 vehicles per day (for example, 50th Street, 170th Street or 97th Street)
- **Extreme**
Property is adjacent to a road with the recorded traffic flow of more than 50,000 vehicles per day (for example, Whitemud Drive or Yellowhead Trail)

- **Anthony Henday Drive**

Property is adjacent to the Anthony Henday Drive ring road

For 2024, the following traffic attributes were grouped together:

- Major, Extreme, and Anthony Henday Drive

For the 2024 assessment year only properties with a Moderate, Major, Extreme, or Anthony Henday Drive traffic influence were found to affect value.

Adjustments

Adjustments may be applied to properties with atypical influences, on a site specific basis, to recognize their effect on value. Adjustments, listed in alphabetical order, include but are not limited to:

Adverse topography	Contamination
Easement	Irregular shape adjustment
Lack of access	Land market adjustment (LMA)
Neighbourhood	Remnant lot
Restrictive covenant	Servicing

Adverse topography: Adverse topography indicates a property has certain topographical constraints that are not typical for the area and negatively affects the overall suitability of the land for development. These constraints may include, but are not limited to, significant slopes or wetland subsoil conditions resulting from sloughs, ponds and natural drainage onto the property. Portions of property that are designated to be stormwater management facilities or natural areas in the applicable area structure plan will be assessed at the parkland rate.

- **Minor**- 5% negative adjustment
- **Moderate**- 10% negative adjustment
- **Major**- 15% negative adjustment
- **Extreme**- 20% negative adjustment

Contamination: Contamination refers to property that has been affected by environmental contamination which includes adverse conditions resulting from the release of hazardous substances into surface water, groundwater, or soil. As per our contamination procedure the cost to cure amount would need to be provided to determine the appropriate adjustment amount.

Easement: An easement is a legal encumbrance registered against the title of land allowing the right to use and/or enter onto the real property of another without possessing it. Easements may include easements for access, locating utilities, or otherwise limiting or precluding the use of the area subject to the easement. An adjustment for an easement will only be applied where the easement may impair (or "can be demonstrated to impair") the development potential of the land.

- **Minor-** 5% negative adjustment
- **Moderate-** 10% negative adjustment
- **Major-** 15% negative adjustment
- **Extreme-** 20% negative adjustment

Irregular shape adjustment: A -5% adjustment is only applied if the shape of a property hinders the developability of the property to a site coverage of 33%. A "Yes" on the detail report indicates that this adjustment has been applied.

Lack of access : A -10% adjustment is only applied if a property does not have reasonable future accessibility to a city roadway or an abutting lane. A "Yes" on the detail report indicates that this adjustment has been applied.

Land market adjustment (LMA): An LMA is applied after all other adjustments to account for characteristics not common to many properties but can be demonstrated to impact market value. This adjustment is used in rare circumstances where the influence on the property cannot be accounted for or described by the usual attributes such as topography or shape, etc. The reason for the LMA will be provided in response to requests for information made pursuant to Section 299 or 300 of the MGA.

A Land Market Adjustment is a negative adjustment, and changes in increments of 5%. An LMA may be indicated as follows:

- **Land market adjustment applied (Yes)**

Neighbourhood: Each property is located in a neighbourhood according to boundaries set by the City of Edmonton. Maps identifying these neighbourhood boundaries are accessible on the City website, <http://maps.edmonton.ca/map.aspx> (click on "Areas" in the Legend and select "Neighbourhood" in the "I'm looking for" drop-down menu). For 2024, the following areas receives adjustments based on market value analysis:

- **Calder**
- **Clareview Town Centre**
- **Edmonton South Central**
- **Montrose**
- **The Orchards at Ellerslie**
- **Terrace Heights**
- **West Jasper Place**

Remnant lot: A -75% adjustment is applied to properties classified as remnant lots. A remnant lot is a vacant lot that is severely restricted due to a small lot size or atypical configuration. A “Yes” on the detail report indicates that this adjustment has been applied.

Restrictive covenant: An agreement that restricts the use or occupancy of all or part of a property and that may be registered on the title to a property and runs with the land. An adjustment for a Restrictive Covenant will only be applied where the covenant may impair the development potential of the land.

- **Minor-** 5% negative adjustment
- **Moderate-** 10% negative adjustment
- **Major-** 15% negative adjustment
- **Extreme-** 20% negative adjustment

Servicing: The following services have been analyzed for 2024 valuation purposes: street lighting, sanitary sewer service, storm sewer service, water supply service, access to paved public roads, access to sidewalks, curbs or gutters. A property is considered serviced if it is, or can be, serviced by infrastructure located adjacent to the parcel.

All properties are valued as fully serviced. If a property lacks a specific service, it is adjusted based on the values presented in the table below. If a property is entirely unserviced a total of -30% adjustment is applied to the account:

Servicing	Servicing Adjustment
Street lighting	-0.60%
Sanitary sewer service	-6.30%
Storm sewer service	-11.40%
Water supply service	-6.30%
Access to paved public road	-3.60%
Access to sidewalks, curbs or gutters	-1.80%

The individual servicing adjustments are defined as follows:

Street lighting adjacent: Street lighting is considered as part of the public road and walkway access infrastructure for a property.

- **Yes** - Our records show that street lighting exists as part of the public road and walkway access for the property.
- **No** - Our records show that street lighting does not exist as part of the public road and walkway access for the property.

Sanitary sewer service adjacent: Sanitary sewers refer to the public infrastructure (either separate or combined with storm sewers) provided for a property to collect sanitary waste water.

- **Yes** - Our records show that sanitary sewers are adjacent to the property.
- **No** - Our records show that sanitary sewers are not adjacent to the property.

Storm sewer service adjacent: Storm sewers refer to the public infrastructure (either separate or combined with sanitary sewers) provided for a property to collect storm water.

- **Yes** - Our records show that storm sewers are adjacent to the property.
- **No** - Our records show that storm sewers are not adjacent to the property.

Water supply service adjacent: Water supply service refers to the public water supply infrastructure available to a property.

- **Yes** - Our records show that the property is adjacent to a water supply service.
- **No** - Our records show the property is not adjacent to a water supply service.

Paved public roads adjacent: Paved public roads are part of the public road access infrastructure and must be adjacent to the property.

- **Yes** - A paved public road is adjacent to the property.
- **No** - A paved public road is not adjacent to the property.

Sidewalk, curb or gutters adjacent: Sidewalks, curbs or gutters are part of the City's public road and sidewalk access infrastructure and must be adjacent to the property.

- **Yes** - Our records show that sidewalks, curbs or gutters exist as part of the public road and walkway access for the property.
- **No** - Our records show that sidewalks, curbs or gutters do not exist as part of the public road and walkway access for the property.

Site Improvements

Some parcels may have site improvements such as paving or fencing. Typical market value is calculated by adding the depreciated replacement cost of the improvements to the estimated value of land. For more information please refer to the City of Edmonton's Non-Residential Properties Cost Methodology found on the City website, www.edmonton.ca, under "Home & Neighbourhood > Assessment of Properties > Reference Materials > 2024 Cost

Fencing: An industrial land property may be improved with fencing. Fencing on industrial land properties is valued using the Marshall & Swift Costing Manual.

Pavement: An industrial land property may be improved with hard surfacing, such as asphalt. Pavement on industrial land properties is valued using the Marshall & Swift Costing Manual.

Definitions

Property Use (Land Use Code)- defines the use of a property. Property Use also includes a percentage representing the assessed value of the area for each use relative to the total assessed value of the property. Commercial land may have the following LUCs:

Description	Description
Derelict building on non-residential land	Paved/fenced parking lot/structure for multi-residential use
Fenced storage	Unpaved/unfenced parking lot for multi-residential use
Paved/fenced parking lot for non-residential use	Undeveloped non-residential land
Unpaved/unfenced parking lot for non-residential use	Transitional land: non-residential to residential

Type: Type specifies whether the variable applies to the account, unit, site, or building.

- Account - An adjustment that is applied to a property account. A property account includes all of the improvements and site.
- Unit - An adjustment that is applied to a condo unit.
- Site - An adjustment that is applied to the site.
- Building - An adjustment that is applied to the building.

Order In Council 359/2018

This order approved the annexation of land from Leduc County and the Town of Beaumont to the City of Edmonton. The annexed area includes neighbourhoods 8885 - Edmonton South Central East, 8886 - Edmonton South East, 8887 - Edmonton South Central, and 8888 - Edmonton South West. Only Neighbourhood 8887 - Edmonton South Central (Discovery Lands) has property in the Commercial Land inventory. (see market area map on page 25)



In assessing property in the annexation area, O.C. 359/2018 states the following:

4(1) In 2019 and in each subsequent year up to and including 2068, the annexed land and assessable improvements to it, excluding linear property, must be assessed by The City of Edmonton on the same basis as if they were in Leduc County and taxed using

- (a) the municipal property tax rate established by Leduc County, or
- (b) the municipal property tax rate established by The City of Edmonton, whichever is lower, for property of the same assessment class.

(2) In 2020 and subsequent years, the assessor for The City of Edmonton must assess and tax the annexed land and the assessable improvements to it.

5(3) Despite subsections (1) and (2), in 2019 and in each subsequent year up to and including 2043, Discovery Lands, other than linear property, must be assessed by The City of Edmonton on the same basis as if the land had remained in Leduc County and must be taxed by The City of Edmonton using the municipal property tax rate established by Leduc County for property of the same assessment class.

To comply with O.C. 359/2018, a Neighbourhood adjustment (see definition on page 17) has been applied to Neighbourhood 8887 to account for its unique nature. For the purpose of the 2024 valuation, the determination of market value took into consideration the following:

- recent sales of similar properties that occurred within Leduc County, including Nisku;
- recent sales of similar properties that occurred within the Edmonton South Central neighbourhood;
- recent listings of properties within the Edmonton South Central neighbourhood.

Sample Assessment Detail Report

2024 Property Assessment Detail Report Assessment and Taxation



Account **9999999**

Report Date	January 1, 2024
2023 Assessed Value	\$1,000,000
Date of Issue	January 1, 2024
Property Address	123 SAMPLE STREET NW
Legal Description	Plan: 5555555 Block: 5 Lot: 55
Zoning	DC2 - Comprehensively Planned Development District
Effective Zoning	CB2 - General Business District
Neighbourhood	Central Mcdougall
Lot Size	15001.888
Assessment Class	NON-RESIDENTIAL
Property Use	100% Unpaved/unfenced parking lot for non-residential use
Taxable Status	January 1 - December 31, 2023; FULLY TAXABLE
Unit of Measurement	IMPERIAL (feet, square feet)

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Factors Used to Calculate Your 2024 Assessed Value

	MARKET VALUE APPROACH	DIRECT COMPARISON
LAND		
Variable	Factor	Type
Lot size	15,002	Site
Market area	6	Site
Market area description	NORTH CENTRAL CORE	Site
Effective zoning	CB2	Site
Traffic influence	MAJOR	Site
Paved public roads adjacent	YES	Site
Sanitary sewer service adjacent	YES	Site
Storm sewer service adjacent	YES	Site
Water supply service adjacent	YES	Site
Street lighting adjacent	YES	Site
Sidewalks, curbs or gutters adjacent	YES	Site
	Land Value	1,000,000

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Methods to Adjust Comparables

There are two types of techniques for reconciliation: **quantitative** and **qualitative**.

Quantitative Adjustments

Each characteristic of a property can be measured or quantified by a mathematical expression and adjusted for.

Several techniques are available to quantify adjustments to the sale prices of comparable properties: data analysis techniques such as paired data analysis, grouped data analysis, and secondary data analysis, statistical analysis, including graphic analysis...

(AIC, 2010, p. 14.2)

*In the direct comparison approach, the best comparables are those sales that require the least **absolute** adjustment.*

(AIC, 1995, p. 245).

Quantitative adjustments involve adjusting a known value (sale price for example) by adding or subtracting an amount that a given characteristic adds to or subtracts from that value. A quantitative adjustment should be made for each characteristic that differs between the subject property and the comparable property.

Due to the legislative requirement to use mass appraisal, the City has used statistical analysis to determine annual assessments.

"coefficient" means a number that represents the quantified relationship of each variable to the assessed value of a property when derived through a mass appraisal process.

MRAT s.31(a)

The City is not required to disclose the coefficients. In the absence of quantitative adjustments, an alternative technique is qualitative analysis.

Qualitative Analysis

Each comparable property is compared with the subject property on an overall basis. In a qualitative analysis, comparable properties are identified as inferior, similar, or superior overall to the subject property in order to bracket the probable value range of the subject property.

When a sale property is considered to offer important market evidence but finding the means to make quantitative adjustments is lacking, the appraiser may turn to other major direct comparison techniques, qualitative analysis.

(AIC, 2005, p. 19.10)

Qualitative analysis recognizes ... the difficulty in expressing adjustments with mathematical precision.

(AIC, 2010, p. 14.6)

...reliable results can usually be obtained by bracketing the subject between comparables that are superior and inferior to it.

(AIC, 2010, p. 14.7)

If one or two comparable properties require fewer total adjustments than the other comparable transactions, an appraiser may attribute greater accuracy and give more weight to the value indications obtained from these transactions, particularly if the magnitude of the adjustments is approximately the same.

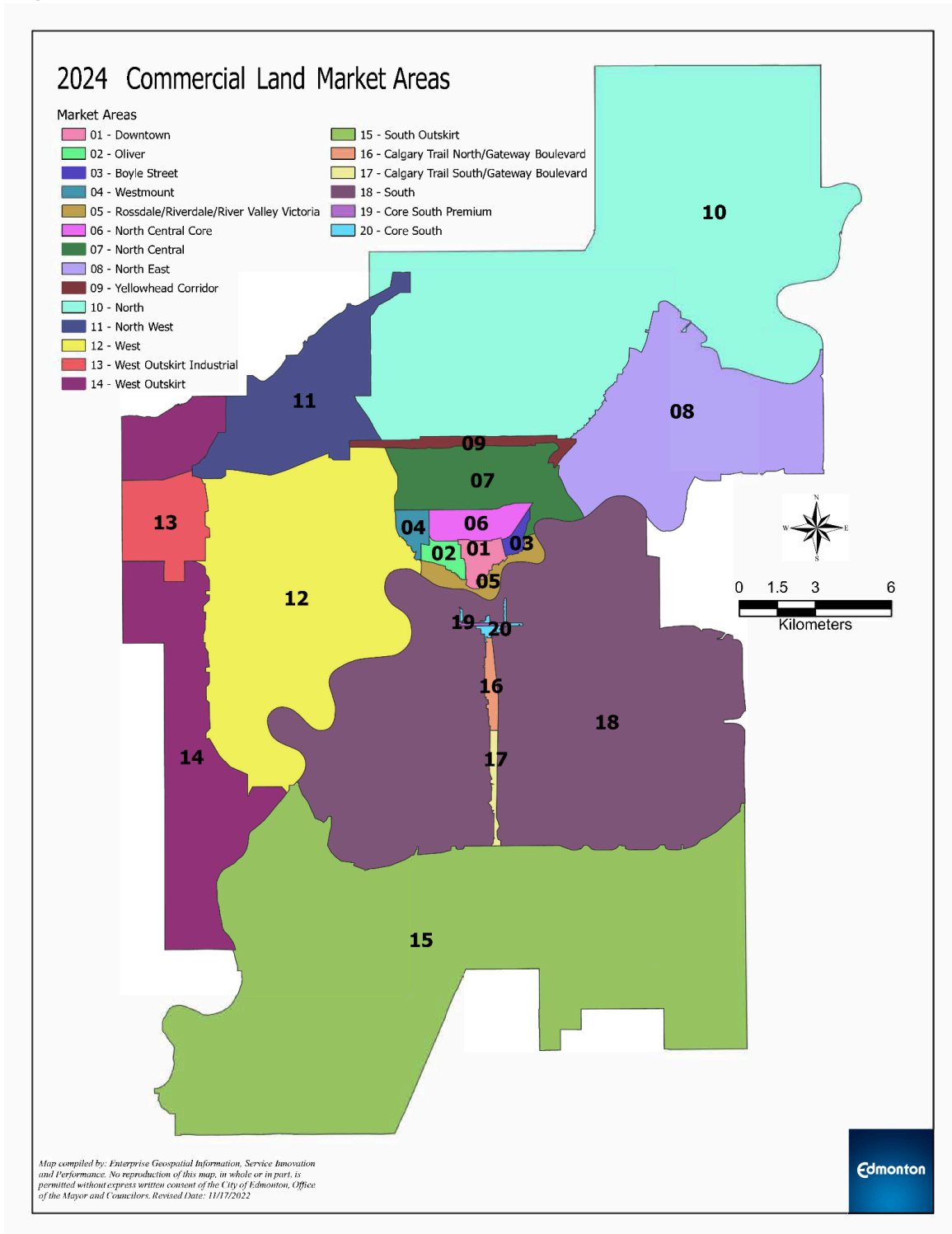
(AIC, 2010, p. 13.16)

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Appendix




Maps

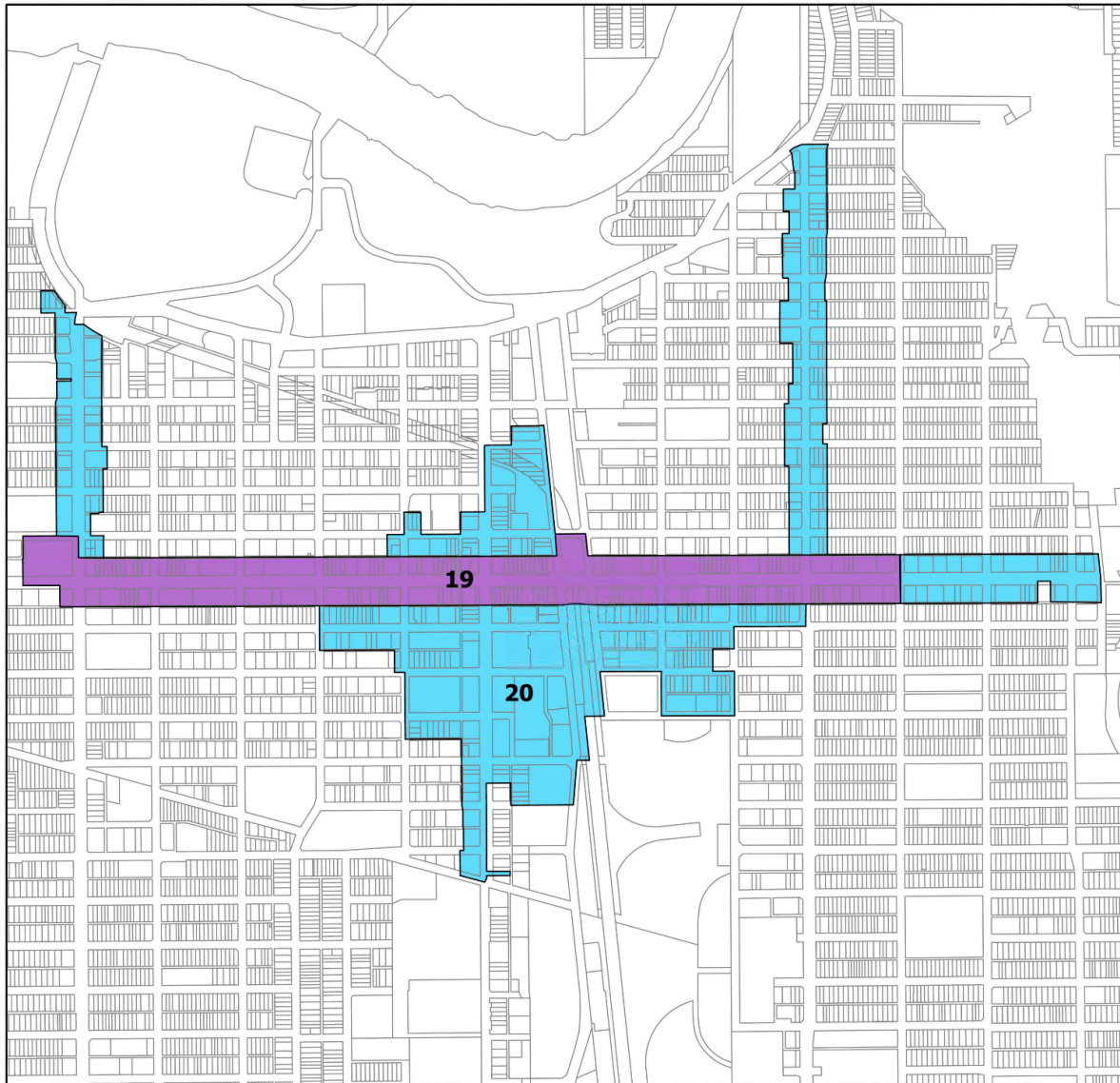


2024 Commercial Land Market Areas Market Areas 19 & 20



Market Areas

-  19 - Core South Premium
-  20 - Core South
-  Assessment Parcels



0 0.17 0.35 0.7
Kilometers

Map compiled by: Enterprise Geospatial Information, Service Innovation and Performance. No reproduction of this map, in whole or in part, is permitted without express written consent of the City of Edmonton, Office of the Mayor and Councilors. Revised Date: 10/24/2022



Measure Conversion Chart

Imperial to Metric – Length	Imperial to Metric – Area
1 inch (in) = 2.54 centimetres (cm)	1 square foot (sqft) = 0.09290 square metre (m ²)
1 foot (ft) = 0.3048 metres (m)	1 acre (ac) = 4,046.86 square metre (m ²)
Imperial Conversions	1 acre (ac) = 0.40469 hectares (ha)
1 acre (ac) = 43,560 square feet (sqft)	Metric Conversions
1 square mile = 640 acres (ac)	1 square kilometer (sq km) = 100 hectares (ha)
1 section = 640 acres (ac)	1 hectare (ha) = 10,000 square metres (m ²)

Zone Summary

Commercial (s.300)	
CNC	Neighbourhood Convenience Commercial Zone (s.310) the purpose of this Zone is to provide for convenience commercial and personal service uses, which are intended to serve the day-to-day needs of residents within residential neighbourhoods.
CSC	Shopping Centre Zone (s.320) The purpose of this Zone is to provide for larger shopping centre developments intended to serve a community or regional trade area. Residential, office, entertainment and cultural uses may also be included within such shopping complexes.
CB1	Low Intensity Business Zone (s.330) the purpose of this Zone is to provide for low intensity commercial, office and service uses located along arterial roadways that border residential areas. Development shall be sensitive and in scale with existing development along the commercial street and any surrounding residential neighbourhood.
CB2	General Business Zone (s.340) the purpose of this Zone is to provide for businesses that require large Sites and a location with good visibility and accessibility along, or adjacent to, major public roadways.

CHY	Highway Corridor Zone (s.350) The purpose of this Zone is to provide for high quality commercial development along those public roadways, which serve as entrance routes to the City or along limited access public roadways intended to provide a connection to entrance routes.
CO	Commercial Office Zone (s.360) the purpose of this Zone is to provide for medium intensity office, commercial and residential development in the inner city, around Light Rail Transit station areas or other locations offering good accessibility by both private automobile and transit.
CB3	Commercial Mixed Business Zone (s.370) the purpose of this Zone is to create a mixed-use zone to provide for a range of medium intensity Commercial Uses as well as enhance opportunities for residential development in locations near high capacity transportation nodes, including Transit Avenues or other locations offering good accessibility. This Zone is not intended to accommodate "big box" style commercial development that utilizes significant amounts of surface parking, nor is it intended to be located abutting any Zone that allows Single Detached Housing as a Permitted Use, without appropriate site interface provisions.
Direct Control Provisions (s.700)	
DC1	Direct Development Control (s.710) the purpose of this Provision is to provide for detailed, sensitive control of the Use, development, siting and design of buildings and disturbance of land where this is necessary to establish, preserve or enhance: <ul style="list-style-type: none"> A. areas of unique character or special environmental concern, as identified and specified in an Area Structure Plan or Area Redevelopment Plan; or B. areas or Sites of special historical, cultural, paleontological, archaeological, prehistorical, natural, scientific or aesthetic interest, as designated under the Historical Resources Act.
DC2	Site Specific Development Control (s.720) is to provide for direct control over a specific proposed development where any other Zone would be inappropriate or inadequate.
Special Area Downtown (s.910)	
CCA	Core Commercial Arts Zone (910.5) the purpose of this Zone is to provide a Zone for a variety of high density and quality development that accommodates office, retail, service, institutional, residential, arts and entertainment Uses and meet the Use objectives for the Commercial Cultural Core. The intent is to further strengthen the Downtown's central area by providing continuous retail at ground level, enhancing arts and entertainment activities, accommodating Residential Uses and making the Core more pedestrian friendly.
CMU	Commercial Mixed Use Zone (910.6) the purpose of this Zone is to provide a Zone for medium intensity development that accommodates a mix of predominantly commercial, office, institutional and business Uses as a secondary office commercial area while emphasizing retail activities, entertainment and service Uses at ground level. The intent is to

	accommodate the existing commercial development west of 109 Street; and to allow Conversion to residential and related Uses.
HA	Heritage Area Zone (s.910.7) The purpose of this Zone is to establish a special heritage character Zone, in which the existing concentration of historical resources shall be preserved, rehabilitated and reused, and to ensure new developments are pedestrian friendly and compatible in scale, function, built form and design continuity with the historical, architectural and urban village character of the area.
JAMSC	Jasper Avenue Main Street Commercial Zone (s.910.9) The purpose of this Zone is to provide a Zone that accommodates at ground level, predominantly retail commercial, office and service Uses suitable for the Downtown's Main Street, Jasper Avenue, and to ensure that infill developments and the retrofitting and preservation of historical and older buildings incorporate human scale design characteristics to enhance a revitalized, dynamic Main Street atmosphere.
UW	Urban Warehouse Zone (s.910.11) the purpose of this zone is to develop a unique mixed-use business commercial, educational and residential neighbourhood, accommodating a diversity of Uses, including residential, commercial, institutional, light manufacturing and assembly in a safe, walkable, human-scaled built environment that builds on the existing land use pattern and respects the architectural characteristics and functions of the area.
AED	Arena & Entertainment District Zone (s.910.12) the purpose of this Zone is to provide for a vibrant mixed-use district that will accommodate a multi-purpose sports and entertainment complex complemented by a variety of entertainment, retail, service, office, institutional and residential uses that will strengthen the Downtown Core as a regional destination point. The area will be characterized by an accessible, pedestrian-friendly street environment, innovative signage, iconic architecture and exceptional urban design to create a strong sense of place in the Downtown Core and an exciting new image for Edmonton.
Special Area Edmonton South (s.1000)	
UC3ES	Urban Commercial 3 Edmonton South Zone (1000.15) The purpose of this Zone is to provide for Development of large scale, commercial shopping centres, entertainment and cultural uses in comprehensively planned developments. This district is intended to provide opportunities for a wide range of goods and services to be available in locations with high visibility and accessibility. Developments in the Urban Commercial 3 Edmonton South Zone will promote a pedestrian-friendly environment, and Shall be subject to a high standard of architectural design and Landscaping.

*For zonings not listed above, please see zoning bylaw 12800.

Change Log

March 22, 2024:

Page 15 - removed "Moderate" from the list of traffic attributes that were grouped together.