**MINUTES**

**CITY OF SASKATOON**

**BOARD OF REVISION**

 Date: July 24 and 25, 2017

 Location: Council Chambers

 Session: 9:00 a.m.

**PRESENT:** Mr. Adrian Deschamps, Panel Chair

 Ms. June Bold, Board Member

 Mr. Marvin Dutton, Board Member

Ms. Debby Sackman, Board of Revision Panel Clerk

 Ms. Penny Walter, Board of Revision Panel Clerk

The appellants were advised that the proceedings were being recorded for the purposes of the Board and the Secretary. The Chair introduced the Board members and the Secretary and briefly outlined the procedures that would be followed during the course of the hearing. Those present were also informed that all witnesses, including appellants and the Assessor, would be sworn under oath, or affirm that their statements are true, before their testimony would begin.

1. **Respecting the assessment of 10 properties, described in the table below:**

|  |  |  |  |
| --- | --- | --- | --- |
| **Appeal Number** | **Roll No.** | **Civic Address** | **Legal Description** |
| 329-2017 | 505012700 | 249 2nd Ave S | 120164554 & 120164565 |
| 283-2017 | 505017500 | 240 22nd St E | 120283444 |
| 284-2017 | 505023400 | 255 3rd Ave S | 12028789 & 120287909 |
| 285-2017 | 505030900 | 240 3rd Ave S | 120278145, 120278156, 120278167, 120278178 & 120278325 |
| 330-2017 | 505012450 | 233 2nd Avenue South | 120164509, 120164510, 120164521 & 120164532 |
| 331-2017 | 505016000 | 122 2nd Avenue North | 120328073 |
| 332-2017 | 505016150 | 128 2nd Avenue North | 120283275 |
| 333-2017 | 505009650 | 129 2nd Avenue North | 120283208 |
| 334-2017 | 505030750 | 248 3rd Avenue South | 120278190 & 120278336 |
| 337-2017 | 505012800 | 257 2nd Avenue South | 136261166 |

## Appearing for the Appellant

Ms. Grace Muzyka, Brunsdon, Lawrek & Associates

Appearing for the Respondent

Mr. Travis Horne, (Advocate), Assessment Manager, Assessment & Taxation

Mr. Kevin Tooley (Advocate), Senior Assessment Appraiser, Assessment & Taxation

Ms. Michelle McKenzie, Assessment Manager, Assessment & Taxation

Ms. Sabrina Succucci, Assessment Appraiser, Assessment & Taxation

Grounds and Issues

The grounds for the ten appeals as identified in the Notices of Appeal (Exhibit A.1) are as follows:

329-2017, 333-2017, 332-217, 331-2017

The Market Valuation Standard has not been met in the subject’s case as the assessed value assigned to this property exceeds the value at which similar properties are assessed as at the valuation base date of January 1, 2015.

The overstated value estimate results from the assessor’s market rents being too high for properties in this location and for this age, condition and configuration of building; from there being an insufficient discount in market rents for the second floor rental units; and, from there being an error in the development of the capitalization rate.

283-2017

The Market Valuation Standard has not been met in the subject’s case as the assessed value assigned to this property exceeds the value at which similar properties are assessed as at the valuation base date of January 1, 2015.

The overstated value estimate results from the Assessor’s market rental rates for retail properties in this part of the downtown core (i.e. facing 3rd Avenue) being overstated; and from there being an error in the development of the capitalization rate.

284-2017

The Market Valuation Standard has not been met in the subject’s case as the assessed value assigned to this property exceeds the value at which similar properties are assessed as at the valuation base date of January 1, 2015.

The overstated value estimate results from the assessor’s market rents being too high for retail properties of this age/condition and in this part of the downtown core; from the rentable area being overstated; from part of the area being incorrectly classified; from there being an error in the development of the capitalization rate.

285-2017

The Market Valuation Standard has not been met in the subject’s case as the assessed value assigned to this property e xceeds the value at which similar properties are assessed as at the valuation base date of January 1, 2015.

The overstated value estimate results from the assessor’s market rental rate being too high for retail properties in this part of the downtown core; from there being an error in the development of the commercial capitalization rate; and from the MAF used in calculating the assessed value for the multi-residential portion of the property being overstated.

330-2017

The Market Valuation Standard has not been met in the subject’s case as the assessed value assigned to this property exceeds the value at which similar properties are assessed as at the valuation base date of January 1, 2015.

The overstated value estimate results from the Assessor’s market rents being too high for properties in this location but particularly one of this type, age and configuration; and, from there being an error in the development of capitalization rate.

334-2017, 337-2017

The Market Valuation Standard has not been met in the subject’s case as the assessed value assigned to this property exceeds the value at which similar properties are assessed as at the valuation base date of January 1, 2015.

The overstated value estimate results from the assessor’s market rents being too high for properties in this part of the downtown core; and, from there being an error in the development of the capitalization rate.

## Exhibits

A.1 Notice of Appeal from Grace Muzyka of Brunsdon Lawrek & Associates to the Board of Revision, received March 10, 2017.

A.2 **COMMON DOCUMENT –** Appellant’s submission to the Board of Revision, received July 5, 2017 (use for 282, 283, 284, 285, 296, 329, 330, 331, 332, 333, 334)

A.3 Appellant’s submission to the Board of Revision titled “Regarding the Mixed Use Property located at 255 3rd Avenue South, Saskatoon, SK Assessment #505023400”, received July 5, 2017. (for 284-2017)

A.4 **COMMON DOCUMENT** (for files 283, 284, 285, 329, 330, 331, 332, 333, 334, & 337) – Appellant’s submission to the Board of Revision, received July 5, 2017.

A.5 **COMMON DOCUMENT –** Appellant’s submission to the Board of Revision, received July 5, 2017 (use for 282, 329, 331, 332, 333, 296)

A.6 **COMMON DOCUMENT –** Appellant’s submission of downtown map

A.7 **COMMON DOCUMENT -** Appellant’s submission ofCourt of Appeal A.7

A.8 **COMMON DOCUMENT –** Appellant’s submission -Excerpt from Market Value Assessment in Saskatchewan Handbook

A.9 Request to Amend Grounds letter from Grace Muzyka of Brundson Lawrek & Associates to the Board of Revision (for 284-2017)

A.10 **COMMON DOCUMENT -** Request to Amend Grounds letter from Grace Muzyka of Brundson Lawrek & Associates to the Board of Revision (for files 331,332, 333)

C(A).1 **CONFIDENTIAL COMMON DOCUMENT** (for files 283, 284, 285, 329, 330, 331, 332, 333, 334, & 337) – Appellant’s submission to the Board of Revision, received July 5, 2017.

C(A).2 **CONFIDENTIAL COMMON DOCUMENT –** Appellant’s submission to the Board of Revision, received July 5, 2017 (use for 329, 331, 332, 333, 282, 296)

C(A).3 **CONFIDENTIAL COMMON DOCUMENT** – Appellant’s Rebuttal submission to the Board of Revision, received July 19, 2017.

C(A).4 **CONFIDENTIAL COMMON DOCUMENT** (for files 282, 296, 329, 331, 332, & 333) – Appellant’s Rebuttal submission to the Board of Revision, received July 20, 2017.

R.1 **COMMON DOCUMENT** – 2017 Assessment submitted by the City Assessor titled “Retail Response”, received July 17, 2017.

R.2 **COMMON DOCUMENT** – 2017 Assessment submitted by the City Assessor titled “Written Argument”, received July 17, 2017.

R.3 **COMMON DOCUMENT** – 2017 Notice of Appeal Law and Legislation Brief submitted by the City Assessor titled “Property Assessment”, received July 17, 2017.

R.4 **COMMON DOCUMENT** – 2017 Response Evidence Law and Legislation Brief submitted by the City Assessor titled “Property Assessment”, received July 17, 2017.

R.5 **COMMON DOCUMENT** – 2017 General Law and Legislation Brief submitted by the City Assessor titled “Property Assessment”, received July 17, 2017.

C(R).1 **CONFIDENTIAL COMMON DOCUMENT** (for files 283, 284, 285, 329, 330, 331, 332, 333, 334, & 337) – 2017 Assessment submitted by the City Assessor titled “Confidential Appeal Response (Downtown Lease Indicators)”, received July 17, 2017.

C(R).2 **CONFIDENTIAL COMMON DOCUMENT** (for files 282, 296, 329, 331, 332, & 333) – 2017 Assessment submitted by the City Assessor titled “Confidential Appeal Response (2nd Floor Indicators)”, received July 17, 2017.

Supplementary Notations

Confidentiality Orders with respect to Exhibits C(A).1, C(A).2, C(A).3, and C(A).4 (inclusively), and with respect to Exhibits C(R).1 and C(R).2 (inclusively) were read into the record.

The Agent for the Appellant applied to amend the Notices of Appeal relative to appeals 284-2017, 285-2017, 331-2017, 332-2017, 333-2017 and 334-2017 by adding an additional ground. The Panel made the following determinations:

284-2017:

The request was dismissed.

285-2017:

It was commonly agreed that the appeal would be left open pending advice from the Board’s and City’s respective solicitors.

331/332/333-2017:

The Panel determined that the omission of the word “location” in the grounds was an oversight and that to consider it would neither add to nor expand the intent of the original grounds. The request was allowed.

334-2017:

The Panel determined that no new evidence would be required to hear this issue. The request was allowed.

The Respondent, with the agreement of the Agent, requested that the following appeals be opened simultaneously with appeal #329-2017 to be heard as the lead appeal:

283-2017 331-2017

284-2017 332-2017

285-2017 333-2017

**329-2017** 334-2017

330-2017 337-2017

Conclusion

For the reasons given in the Record of Decision dated September 18, 2017 the appeal is adjusted and the filing fee is to be returned.

1. **Appeal No. 282-2017 296-2017**

**Roll No.: 515008905 515009800**

**Property Address: 704 Broadway Avenue 824 Broadway Avenue**

**Legal Description: Parcel(s) 120289147 120155824**

## Appearing for the Appellant

Ms. Grace Muzyka, Brunsdon, Lawrek & Associates

Appearing for the Respondent

Mr. Travis Horne, (Advocate), Assessment Manager, Assessment & Taxation

Mr. Kevin Tooley (Advocate), Senior Assessment Appraiser, Assessment & Taxation

Ms. Michelle McKenzie, Assessment Manager, Assessment & Taxation

Ms. Sabrina Succucci, Assessment Appraiser, Assessment & Taxation

Grounds and Issues

The grounds and issues for the two (2) appeals as identified in the Notices of Appeal (Exhibit A.1) are as follows:

The Market Valuation Standard has not been met in the subject’s case as the assessed value assigned to this property exceeds the value at which similar properties are assessed as at the valuation base date of January 1, 2015.

The overstated value estimate results from there being an insufficient discount in market rents for the second floor rental units and from there being an error in the development of the capitalization rate.

## Exhibits

A.1 Notice of Appeal from Grace Muzyka of Brunsdon Lawrek & Associates to the Board of Revision, received March 10, 2017.

A.2 **COMMON DOCUMENT –** Appellant’s submission to the Board of Revision, received July 5, 2017 (use for 282, 283, 284, 285, 296, 329, 330, 331, 332, 333, 334)

A.3 Document A.3 is not applicable for appeals 282-2017 and 296-2017

A.4 Document A.4 is not applicable for appeals 282-2017 and 296-2017

A.5 **COMMON DOCUMENT –** Appellant’s submission to the Board of Revision, received July 5, 2017 (use for 282, 329, 331, 332, 333, 296)

A.6 **COMMON DOCUMENT –** Appellant’s submission of downtown map

A.7 **COMMON DOCUMENT -** Appellant’s submission ofCourt of Appeal A.7

A.8 **COMMON DOCUMENT –** Appellant’s submission -Excerpt from Market Value Assessment in Saskatchewan Handbook

A.9 Document A.9 is not applicable for appeals 282-2017 and 296-2017

A.10 Document A.10 is not applicable for appeals 282-2017 and 296-2017

C(A).1 Document C(A).1 is not applicable for appeals 282-2017 and 296-2017

C(A).2 **CONFIDENTIAL COMMON DOCUMENT –** Appellant’s submission to the Board of Revision, received July 5, 2017 (use for 282, 296)

C(A).3 **CONFIDENTIAL COMMON DOCUMENT** – Appellant’s Rebuttal submission to the Board of Revision, received July 19, 2017.

C(A).4 **CONFIDENTIAL COMMON DOCUMENT** (for files 282, 296) Appellant’s Rebuttal submission to the Board of Revision, received July 20, 2017.

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R.4 **COMMON DOCUMENT** – 2017 Response Evidence Law and Legislation Brief submitted by the City Assessor titled “Property Assessment”, received July 17, 2017.

R.5 **COMMON DOCUMENT** – 2017 General Law and Legislation Brief submitted by the City Assessor titled “Property Assessment”, received July 17, 2017.

C(R).1 Document C(R).1 is not applicable for appeals 282-2017 and 296-2017

C(R).2 **CONFIDENTIAL COMMON DOCUMENT** (for files 282, 296, 329, 331, 332, & 333) – 2017 Assessment submitted by the City Assessor titled “Confidential Appeal Response (2nd Floor Indicators)”, received July 17, 2017.

Supplementary Notations

Confidentiality Orders with respect to Exhibits C(A).2 and C(A).3(inclusively), and with respect to Exhibits C(R).2 (inclusively) were read into the record.

The parties agreed that Appeal 296-2017 would be opened concurrently.

The parties further agreed that relevant testimony from Appeal 329-2017 would be carried forward into these appeals.

Conclusion

For the reasons given in the Record of Decision dated September 18, 2017 the appeal is adjusted and the filing fee is to be returned.

The hearings concluded at 1:54 p.m.

As Secretary to the above Board of Revision Panel, I certify that these are accurate minutes of the hearings held on July 24 and 25, 2017.

 Penny Walter, Panel Clerk

Board of Revision