

MINUTES

CITY OF SASKATOON

BOARD OF REVISION

Date: Tuesday, April 28, 2014
Location: Council Chambers, City Hall
Session: 9:00 a.m.

PRESENT: Adrian Deschamps, Panel Chair
Dave Gabruch, Board Chair
Asit Sarkar, Board Member
Joyce Fast, 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. **Appeal No.** 33-2014
Civic Address: 210 103rd Street
Legal Description: Parcel(s) 120059951
Roll No. 495604440

Appearing for the Appellant

Mr. Garry Coleman, Altus Group
Mr. Jesse Faith, Altus Group

Appearing for the Respondent

Mr. Travis Horne, Manager, Market Monitoring & Appeals Coordination
Ms. Michelle McKenzie, Senior Assessment Appraiser, Real Property Valuation
Ms. Laurie Pilkey, Assessment Appraiser, Real Property Valuation

Grounds and Issues

The market value is too high due to a low cap rate. The following facts were stated in support of the ground.

- a) The following sales indicate a cap rate >than 4.57% should be applied to warehouses in the Sutherland Industrial neighbourhood:

135 & 137 105th St E;
218 103rd St E;
406 Jessop Ave;
605 Gray Ave; and
141 105th St E.

- b) The subject property has a number of storage sheds and garages as well as a self-supporting tower that are also on this site. The assessor has not taken these structures into account when determining site coverage. Taking these into account would change the site coverage to the 18%-47% range which would receive the 6.48% cap rate.

Exhibits

- Exhibit A.1: Notice of Appeal from Altus Group Limited, received February 7, 2014
Exhibit A.2: Written Submission from Altus Group Limited (pertaining to Appeals 33-2014, 26-2014, and 27-2014 only), received April 8, 2014
Exhibit R.1: Assessment Report, Warehouse & Automotive Response 2014 Assessment (from Appeal 33-2014 for use in Appeals 25, 26, 27, 29, 30, 31, 32, and 34-2014 only), submitted by the City Assessor, received April 22, 2014
Exhibit R.2: Assessment Report, Property Assessment, 2014 General Law and Legislation Brief, (from Appeal 29-2014 for use in Appeals 25, 26, 27, 30, 31, 32, 33, and 34-2014 only), submitted by the City Assessor, received April 22, 2014

Supplementary Notations

All giving testimony affirmed to tell the truth at the commencement of the hearings.

Conclusion

For the reasons given in the Record of Decision dated July 7, 2014, the appeal was dismissed and the filing fee retained.

2. Appeal No. 26-2014
Civic Address: Parcels: 120315541, 135682353
Legal Description: 325 Jessop Avenue
Roll No. 495602940

Appearing for the Appellant

Mr. Garry Coleman, Altus Group
Mr. Jesse Faith, Altus Group

Appearing for the Respondent

Mr. Travis Horne, Manager, Market Monitoring & Appeals Coordination
Ms. Michelle McKenzie, Senior Assessment Appraiser, Real Property Valuation
Ms. Laurie Pilkey, Assessment Appraiser, Real Property Valuation

Grounds and Issues

The market value is too high due to a low cap rate. The following facts were stated in support of the ground.

- a) The subject property receives a 4.57% cap rate which was calculated from warehouse sales with site coverage of less than 18%. The subject property has site coverage in excess of 18% and should receive a cap rate of 6.48%.
- b) The following sales indicate a cap rate >than 4.57% should be applied to warehouses in the Sutherland Industrial neighbourhood:

135 & 137 105th St E;
218 103rd St E;
406 Jessop Ave;
605 Gray Ave; and
141 105th St E.

Exhibits

- Exhibit A.1: Notice of Appeal from Altus Group Limited, received February 7, 2014
Exhibit A.2: Written Submission from Altus Group Limited (for use in Appeal 33-2014, 26-2014, and 27-2014 only), received April 8, 2014
Exhibit R.1: Assessment Report, Warehouse & Automotive Response 2014 Assessment (from Appeal 33-2014 for use in Appeals 25, 26, 27, 29, 30, 31, 32, and 34-2014 only), submitted by the City Assessor, received April 22, 2014
Exhibit R.2: Property Assessment, 2014 General Law and Legislation Brief, (from Appeal 29-2014 for use in Appeals 25, 26, 27, 30, 31, 32, 33, and 34-2014 only), submitted by the City Assessor, received April 22, 2014

Supplementary Notations

All giving testimony affirmed to tell the truth at the commencement of the hearings.

Both the Appellant and Respondent requested that relevant testimony from Appeal 33-2014 be carried forward into this appeal.

Conclusion

For the reasons given in the Record of Decision dated July 7, 2014, the appeal was dismissed and the filing fee retained.

- 3. Appeal No. 27-2014**
Civic Address: 136 107th Street East
Legal Description: Parcel: 119837021
Roll No. 495600670
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Appearing for the Appellant

Mr. Garry Coleman, Altus Group
Mr. Jesse Faith, Altus Group

Appearing for the Respondent

Mr. Travis Horne, Manager, Market Monitoring & Appeals Coordination
Ms. Michelle McKenzie, Senior Assessment Appraiser, Real Property Valuation
Ms. Laurie Pilkey, Assessment Appraiser, Real Property Valuation

Grounds and Issues

The market value is too high due to a low cap rate. The following fact was stated in support of the ground.

- a) The following sales indicate a cap rate >than 4.57% should be applied to warehouses in the Sutherland Industrial neighbourhood:

135 & 137 105th St E;
218 103rd St E;
406 Jessop Ave;
605 Gray Ave; and
141 105th St E.

Exhibits

- Exhibit A.1: Notice of Appeal from Altus Group Limited, received February 7, 2014
Exhibit A.2: Written Submission from Altus Group Limited (for use in Appeal 33-2014, 26-2014, and 27-2014 only), received April 8, 2014
Exhibit R.1: Assessment Report, Warehouse & Automotive Response 2014 Assessment (from Appeal 33-2014 for use in Appeals 25, 26, 27, 29, 30, 31, 32, and 34-2014 only), submitted by the City Assessor, received April 22, 2014

Exhibit R.2: Property Assessment, 2014 General Law and Legislation Brief, (from Appeal 29-2014 for use in Appeals 25, 26, 27, 30, 31, 32, 33, and 34-2014 only), submitted by the City Assessor, received April 22, 2014

Supplementary Notations

All giving testimony affirmed to tell the truth at the commencement of the hearings.

Both the Appellant and Respondent requested that relevant testimony from Appeal 33-2014 be carried forward into this appeal.

Conclusion

For the reasons given in the Record of Decision dated July 7, 2014, the appeal was dismissed and the filing fee retained.

4.	Appeal No.	29-2014
	Civic Address:	3250 Idylwyld Drive North
	Legal Description:	Parcel 118981367, Plan 84S41976, Block 872, Lot A
	Roll No.	425000700

Appearing for the Appellant

Mr. Garry Coleman, Altus Group
Mr. Jesse Faith, Altus Group

Appearing for the Respondent

Mr. Travis Horne, Manager, Market Monitoring & Appeals Coordination
Ms. Laurie Pilkey, Assessment Appraiser, Real Property Valuation
Ms. Amy Huang, Research Officer

Grounds and Issues

The market value is too high due to a low capitalization (CAP) rate. The following facts were stated in support of the ground.

- a. The subject property receives a 4.57% CAP rate which was calculated from warehouse sales with site coverage of less than 18%.
- b. The following sales that are comparable in size indicate a CAP rate of 7.27% and should be applied to a 27,600 square foot warehouse in the North Industrial neighborhoods; 3027 Millar Ave, 2345 Millar Ave, 406 Jessop Ave, 2215 Faithfull Ave, 2314 Northridge Drive, 803 46th Street E, 2612 Jasper Ave, 2720 Millar Ave.

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- c. The following sales are comparable in location and indicate a CAP rate of 6.65%. They are: 3330 Wells Ave, 3206 Wells Ave, 815 60th St. E., 831 60th St E, 847 60th St E, 846 59th St E, 3135 Miners Ave, 3135 & 3150 Faithfull Ave, 2901 Miners Ave, 3017 Faithfull Ave, 3110 Millar Ave, 3027 Millar Ave, 10 Molaro Pl, 858 57th St E, 823 50th St E, 510 45th St E, 818 47th St E, 511 45th St E, 518 44th St E, 611 50th St E, 418 44th St E, 219 47th St E, 509 44th St E, 510 44th St E, 806 43rd St E, 2270 Northridge Dr, 825 48th St E, 2345 Millar Ave, 701 45th St E.
- d. The net operating income is excessive due to too high of a rental rate. The assessor has not accounted for tenant space greater than 20,000 square feet.
- e. The additional land that is associated with this property suffers from lack of services and would not increase the value of the parcel.
- f. The following two sales would indicate that the stratification based on site coverage is not warranted: 2314 Northridge Drive and 2215 Faithfull Ave.

Exhibits

- A.1 – Notice of Appeal from Altus Group, received February 7, 2014
- A.2 – Written Submission from Altus Group, received April 8, 2014
- R.1 – Assessment Report, Warehouse & Automotive Response (common for use with Appeals 33, 25, 26, 27, 29, 30, 31, 32 and 34) received April 22, 2014
- R.2 – 2014 General Law and Legislation Brief, (common for use with appeals 25, 26, 27, 29, 30, 31, 32, 33 and 34) received April 22, 2014

Supplementary Notations

All giving testimony affirmed to tell the truth at the commencement of the hearings.

Mr. Horne indicated that the Assessor did not have complete information on how the Appellant interpreted the results of the Kruskal-Wallis test, and wanted this noted in case the results of the test became a determining factor in the Board's decision.

Conclusion

For the reasons given in the Record of Decision dated July 7, 2014, the appeal was dismissed and the filing fee retained.

5. **Appeal No. 25-2014
 Civic Address: 3445 Miners Avenue
 Legal Description: Plan 84S41976, Block 868, Lot 3-8
 Roll No. 425025600**

Appearing for the Appellant

Mr. Garry Coleman, Altus Group
Mr. Jesse Faith, Altus Group

Appearing for the Respondent

Mr. Travis Horne, Manager, Market Monitoring & Appeals Coordination
Ms. Laurie Pilkey, Assessment Appraiser, Real Property Valuation
Ms. Amy Huang, Research Officer

Grounds and Issues

The market value is too high due to a low capitalization (CAP) rate. The following facts were stated in support of the ground.

- a. The subject property receives a 4.57% CAP rate which was calculated from warehouse sales with site coverage of less than 18%.
- b. The following sales that are comparable in size indicate a CAP rate of 7.27% and should be applied to a 27,600 square foot warehouse in the North Industrial neighborhoods; 3027 Millar Ave, 2345 Millar Ave, 406 Jessop Ave, 2215 Faithfull Ave, 2314 Northridge Drive, 803 46th Street E, 2612 Jasper Ave, 2720 Millar Ave.
- c. The following sales are comparable in location and indicate a CAP rate of 6.65%. They are: 3330 Wells Ave, 3206 Wells Ave, 815 60th St E, 831 60th St E, 847 60th St E, 846 59th St E, 3135 Miners Ave, 3135 & 3150 Faithfull Ave, 2901 Miners Ave, 3017 Faithfull Ave, 3110 Millar Ave, 3027 Millar Ave, 10 Molaro Pl, 858 57th St E, 823 50th St E, 510 45th St E, 818 47th St E, 511 45th St E, 518 44th St E, 611 50th St E, 418 44th St E, 219 47th St E, 509 44th St E, 510 44th St E, 806 43rd St E, 2270 Northridge Dr, 825 48th St E, 2345 Millar Ave, 701 45th St E.
- d. The following two sales would indicate that the stratification based on site coverage is not warranted: 2314 Northridge Drive and 2215 Faithfull Ave.

Exhibits

- A.1 – Notice of Appeal from Altus Group, received February 7, 2014
- A.2 – Written Submission from Altus Group, received April 8, 2014
- R.1 – Assessment Report, Warehouse & Automotive Response (common for use with Appeals 33, 25, 26, 27, 29, 30, 31, 32 and 34) received April 22, 2014
- R.2 – 2014 General Law and Legislation Brief, (common for use with appeals 25, 26, 27, 29, 30, 31, 32, 33 and 34) received April 22, 2014

Supplementary Notations

All giving testimony affirmed to tell the truth at the commencement of the hearings.

Mr. Horne indicated that the Assessor did not have complete information on how the Appellant interpreted the results of the Kruskal-Wallis test, and wanted this noted in case the results of the test became a determining factor in the Board's decision.

It was agreed by both the Appellant and the Respondent to carry forward the evidence and arguments from Appeal 29-2014 into this appeal.

Conclusion

For the reasons given in the Record of Decision dated July 7, 2014, the appeal was dismissed and the filing fee retained.

The hearings concluded at 3:40 p.m.

As Secretary to the above Board of Revision Panel, I certify that these are accurate minutes of the hearings held on April 28, 2014.

Joyce Fast, Panel Clerk
Board of Revision