

MINUTES

CITY OF SASKATOON

BOARD OF REVISION

Date: Monday, June 2 and
Tuesday, June 4, 2014
Location: Council Chambers, City Hall
Session: 9:00 a.m.

PRESENT: Raymond Lepage, Panel Chair
Adrian Deschamps, Board Member
Asit Sarkar, Board Member
Elaine Long, 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.** 89-2014
Civic Address: 900 Central Avenue
Legal Description: 119844861, 131708055, 101327015
Roll No. 485520740

Appearing for the Appellant

Mr. Garry Coleman, Altus Group

Appearing for the Respondent

Mr. Travis Horne, Market Monitoring & Appeals Coordinator

Grounds and Issues

Ground 1: The cap rate is too low and in error.

Facts: The current 7.26% cap rate is calculated using non comparable sales that are not located on Central Avenue and are not comparable in terms of location, building type, zoning and NOI. A cap rate based on sales of retail properties located on Central Avenue indicates a cap rate of 10.76% is warranted. There were two sales available to the Assessor (1204-1212 Central Avenue and 906 Central Avenue) that have cap rates of 11.75%

and 9.76% respectively. The ASRs for these two sales are 1.34 and 1.62, which indicate that the Assessor's model is over assessing retail properties on Central Avenue.

Exhibits

- A.1 Notice of Appeal from Altus Group to the Board of Revision, received February 7, 2014.
- A.2 **COMMON DOCUMENT** submitted by Altus Group titled "The Lussier Real Estate Group Inc. et all AND the City of Saskatoon," received May 13, 2014, for use in appeals 89, 91, and 92 only.
- R.1 **COMMON DOCUMENT** titled "Property Assessment 2014 General Law and Legislation Brief," prepared by the City Assessor, received May 23, 2014 – for use with all appeals in this session.
- R.2 **COMMON DOCUMENT** titled "Retail Response 2014 Assessment," prepared by the City Assessor, received May 23, 2014. For use in appeals 89, 91, and 92 only.

Supplementary Notations

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

The parties were advised that the proceedings were being recorded for the purposes of the Board and the Panel Clerk. The Chair introduced the Board members and the Panel Clerk and briefly outlined the procedures that would be followed during the course of the hearing.

The parties to the appeal acknowledged that in 2013 the subject property's 2013 assessment had been appealed, on the same grounds, to the Board of Revision under Appeal #308-2013, at which time the Board sustained the assessment. Subsequently, the Appellant appealed the Board's decision to the Saskatchewan Municipal Board's Assessment Appeals Committee (AAC), but as of the date of the Hearing, the AAC has not yet rendered a decision. In light of this, both parties elected to provide no further testimony pending a decision from the AAC.

Conclusion

The grounds in this appeal, as previously put forward in Appeal #308-2013 and denied in their entirety by the Board of Revision, are currently before the AAC. It is the expectation of the parties to this appeal that this Board will concur with the previous decision.

For the reasons given in the Record of Decision dated June 20, 2014, the appeal was dismissed and the filing fee retained.

2. **Appeal No. 91-2014**
Civic Address: 705 Central Avenue
Legal Description: Parcel 119837043
Roll No. 485601280

Appearing for the Appellant

Mr. Garry Coleman, Altus Group

Appearing for the Respondent

Mr. Travis Horne, Market Monitoring & Appeals Coordinator

Grounds and Issues

Ground 1: The cap rate is too low and in error.

Facts: The current 7.26% cap rate is calculated using non comparable sales that are not located on Central Avenue and are not comparable in terms of location, building type, zoning and NOI. A cap rate based on sales of retail properties located on Central Avenue indicates a cap rate of 10.76% is warranted. There were two sales available to the Assessor (1204-1212 Central Avenue and 906 Central Avenue) that have cap rates of 11.75% and 9.76% respectively. The ASRs for these two sales are 1.34 and 1.62, which indicate that the Assessor's model is over assessing retail properties on Central Avenue.

Exhibits

- A.1 Notice of Appeal from Altus Group to the Board of Revision, received February 7, 2014.
- A.2 **COMMON DOCUMENT** submitted by Altus Group titled "The Lussier Real Estate Group Inc. et al AND the City of Saskatoon," received May 13, 2014, from appeal 89, for use in appeals 89, 91, and 92 only.
- R.1 **COMMON DOCUMENT** titled "Property Assessment 2014 General Law and Legislation Brief," prepared by the City Assessor, received May 23, 2014 – for use with all appeals in this session.

R.2 **COMMON DOCUMENT** from file 89-2014 titled "Retail Response 2014 Assessment," prepared by the City Assessor, received May 23, 2014. For use in appeals 89, 91, and 92 only.

Supplementary Notations

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

The grounds in this appeal are substantially the same as those found in Ground 1(a) of Appeal #89-2014. As a consequence, the parties mutually requested that the following, as found in the "Preliminary Issues" portion of that appeal, be observed:

The parties to the appeal acknowledged that in 2013 the subject property's 2013 assessment had been appealed, on the same grounds, to the Board of Revision under Appeal #308-2013, at which time the Board sustained the assessment. Subsequently, the Appellant appealed the Board's decision to the Saskatchewan Municipal Board's Assessment Appeals Committee (AAC), but as of this date, the AAC has not yet rendered a decision. In light of this, both parties have elected to provide no further testimony pending a decision from the AAC.

Conclusion

The grounds in this appeal, as previously put forward in Appeal #308-2013 and denied in their entirety by the Board of Revision, are currently before the AAC. It is the expectation of the parties to this appeal that this Board will concur with the previous decision.

For the reasons given in the Record of Decision dated June 20, 2014, the appeal was dismissed and the filing fee retained.

3. Appeal No. 92-2014
Civic Address: 800 Central Avenue
Legal Description: Parcel 119843006
Roll No. 485521040

Appearing for the Appellant

Mr. Garry Coleman, Altus Group

Appearing for the Respondent

Mr. Travis Horne, Market Monitoring & Appeals Coordinator

Grounds and Issues

Ground 1: The cap rate is too low and in error.

Facts: The current 7.26% cap rate is calculated using non comparable sales that are not located on Central Avenue and are not comparable in terms of location, building type, zoning and NOI. A cap rate based on sales of retail properties located on Central Avenue indicates a cap rate of 10.76% is warranted. There were two sales available to the Assessor (1204-1212 Central Avenue and 906 Central Avenue) that have cap rates of 11.75% and 9.76% respectively. The ASRs for these two sales are 1.34 and 1.62 which indicate that the Assessor's model is over assessing retail properties on Central Avenue.

Exhibits

- A.1 Notice of Appeal from Altus Group to the Board of Revision, received February 7, 2014.
- A.2 **COMMON DOCUMENT** submitted by Altus Group titled "The Lussier Real Estate Group Inc. et all AND the City of Saskatoon," received May 13, 2014, from appeal 89, for use in appeals 89, 91, and 92 only.
- R.1 **COMMON DOCUMENT** titled "Property Assessment 2014 General Law and Legislation Brief," prepared by the City Assessor, received May 23, 2014 – for use with all appeals in this session.
- R.2 **COMMON DOCUMENT** from file 89-2014 titled "Retail Response 2014 Assessment," prepared by the City Assessor, received May 23, 2014. For use in appeals 89, 91, and 92 only.

Supplementary Notations

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

The grounds in this appeal are substantially the same as those found in Ground 1(a) of Appeal #89-2014. As a consequence, the parties mutually requested that the following, as found in the "Preliminary Issues" portion of that appeal, be observed:

The parties to the appeal acknowledged that in 2013 the subject property's 2013 assessment had been appealed, on the same grounds, to the Board of Revision under Appeal #308-2013 at which time the Board sustained the assessment. Subsequently, the Appellant appealed the Board's decision to the Saskatchewan Municipal Board's Assessment Appeals Committee AAC), but as of this date the AAC has

not yet rendered a decision. In light of this, both parties have elected to provide no further testimony pending a decision from the AAC.

Conclusion

The grounds in this appeal, as previously put forward in Appeal #308-2013 and denied in their entirety by the Board of Revision, are currently before the AAC. It is the expectation of the parties to this appeal that this Board will concur with the previous decision.

For the reasons given in the Record of Decision dated June 20, 2014, the appeal was dismissed and the filing fee retained.

4. Appeal No. 94-2014
Civic Address: 810 Circle Drive
Legal Description: Parcel 11899758
Roll No. 455102780

Appearing for the Appellant

Mr. Garry Coleman, Altus Group

Appearing for the Respondent

Mr. Travis Horne, Market Monitoring & Appeals Coordinator

Grounds and Issues

Ground 1: The cap rate is too low and in error.

Facts: The current 7.26% cap rate is calculated using non comparable sales that are not located on Circle Drive. They are also not comparable in terms of location, building type, zoning, traffic count and NOI. A cap rate based on sales of Circle Drive retail sales would indicate a cap rate of 8.74%. Sales larger than 12,000 square feet indicate a cap rate of 8.26% should be applied.

Ground 2: The Net operating income is excessive.

Facts: The rental rate of \$14.88 is excessive for the retail areas that are 5,000 square feet to 10,000 square feet. The current rental rates that are being achieved by the subject property and that were reported to the Assessor are substantially lower than this rate.

Ground 3: Equity has not been achieved as the assessment does not reflect a fair value in comparison to similar properties.

Facts: Equity has not been achieved as comparable properties such as Stonebridge Centre, Preston Crossing, Lawson Height's Mall, The Centre Mall, Midtown Mall, Market Mall, and Market Place Plaza on Attridge Drive all receive a cap rate of 7.49% while the subject receives a cap rate of 7.26%. With the exception of the enclosed malls, the Assessor has historically assessed these properties with the same cap rate.

Exhibits

- A.1 Notice of Appeal from Altus Group to the Board of Revision, received April 1, 2014, 2014.
- A.2 Letter from Altus Group to the Secretary, Board of Revision received March 13, 2014 providing clarification of Ground 1a) as requested in the Secretary's February 20, 2014 letter.
- A.3 **COMMON DOCUMENT** submitted by Altus Group titled "Crombie Property Holdings Limited et al AND the City of Saskatoon," received May 13, 2014, for use in appeals 94, 93, 95, & 97 only.
- C(A)1 **CONFIDENTIAL DOCUMENT** titled Crombie Property Holdings Limited And The City of Saskatoon," received May 13, 2014, exclusive to appeal 94.
- B.1 Letter from the Secretary, Board of Revision, to Altus Group dated February 20, 2014 requesting clarification of Ground 1a) (non-comparable sales) in the appellant's April 1, 2014 Notice of Appeal.
- R.1 **COMMON DOCUMENT** titled "Property Assessment 2014 General Law and Legislation Brief," prepared by the City Assessor, received May 23, 2014 – for use with all appeals in this session.
- R.2 **COMMON DOCUMENT** titled "Retail Response 2014 Assessment," prepared by the City Assessor, received May 23, 2014. For use in appeals 94, 93, 95, and 97 only.

Supplementary Notations

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

At the request of the Appellant, and pursuant to Section 202 of *The Cities Act*, a Confidentiality Order with respect to Exhibit C(A)1 was read into the record.

The parties to the appeal acknowledged that in 2013 the subject property's 2013 assessment had been appealed, on the same grounds, to the Board of Revision under Appeal #343-2013 at which time the Board sustained the assessment. Subsequently, the Appellant appealed the Board's decision to the Saskatchewan Municipal Board's Assessment Appeals Committee (AAC), but as of the date of the Hearing, the AAC had not yet rendered a decision. In light of this, both parties elected to provide no further testimony pending a decision from the AAC.

Conclusion

The grounds in this appeal, as previously put forward in Appeal #343-2013 and denied in their entirety by the Board of Revision, are currently before the AAC. It is the expectation of the parties to this appeal that this Board will concur with the previous decision.

For the reasons given in the Record of Decision dated June 20, 2014, the appeal was dismissed and the filing fee retained.

**5. Appeal No. 93-2014
Civic Address: 703 Circle Drive East
Legal Description: Parcel 152940674
Roll No. 465121550**

Appearing for the Appellant

Mr. Garry Coleman, Altus Group

Appearing for the Respondent

Mr. Travis Horne, Market Monitoring & Appeals Coordinator

Grounds and Issues

Ground 1: The cap rate is too low and in error.

Facts: The current 7.26% cap rate is calculated using non comparable sales that are located (*sic*) not located on Circle Drive and are not comparable in terms of location, building type, zoning and traffic counts. A cap rate based on sales of Circle Drive retail sales would indicate a cap rate of 8.74%.

Exhibits

- A.1 Notice of Appeal from Altus Group to the Board of Revision, received February 7, 2014.
- A.2 Letter from Altus Group to the Secretary, Board of Revision received March 13, 2014 providing clarification of Ground 1a) as requested in the Secretary's February 20, 2014 letter.
- A.3 **COMMON DOCUMENT** submitted by Altus Group titled "Crombie Property Holdings Limited et al AND the City of Saskatoon," received May 13, 2014, from appeal 94, for use in appeals 94, 93, 95, & 97 only.
- B.1 Letter from the Secretary, Board of Revision, to Altus Group dated February 20, 2014 requesting clarification of Ground 1a) (non-comparable sales and location of the sales) in the appellant's April 1, 2014 Notice of Appeal.
- R.1 **COMMON DOCUMENT** titled "Property Assessment 2014 General Law and Legislation Brief," prepared by the City Assessor, received May 23, 2014 – for use with all appeals in this session.
- R.2 **COMMON DOCUMENT** from file 94-2014 titled "Retail Response 2014 Assessment," prepared by the City Assessor, received May 23, 2014. For use in appeals 94, 93, 95, and 97 only.

Supplementary Notations

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

The grounds in this appeal are substantially the same as those found in Ground 1(a) of Appeal #94-2014. As a consequence, the parties mutually requested that the following, as found in the "Preliminary Issues" portion of that appeal, be observed.

The parties to the appeal acknowledged that in 2013 the subject property's 2013 assessment had been appealed, on the same grounds, to the Board of Revision under Appeal #343-2013 at which time the Board sustained the assessment. Subsequently, the Appellant appealed the Board's decision to the Saskatchewan Municipal Board's Assessment Appeals Committee (AAC), but as of this date, the AAC has not yet rendered a decision. In light of this, both parties have elected to provide no further testimony pending a decision from the AAC.

Conclusion

The grounds in this appeal, as previously put forward in Appeal #343-2013 and denied in their entirety by the Board of Revision, are currently before the AAC. It is the

expectation of the parties to this appeal that this Board will concur with the previous decision.

For the reasons given in the Record of Decision dated June 20, 2014, the appeal was dismissed and the filing fee retained.

6. **Appeal No. 97-2014**
Civic Address: 714 Circle Drive East
Legal Description: Parcel 118999647
Roll No. 455104330

Appearing for the Appellant

Mr. Garry Coleman, Altus Group

Appearing for the Respondent

Mr. Travis Horne, Market Monitoring & Appeals Coordinator

Grounds and Issues

Ground 1: The Cap Rate is too low and in error.

Facts: The current 7.26% cap rate is calculated using non comparable sales that are not located on Circle Drive (*sic*). They are not comparable in terms of location, traffic counts, building type, and zoning . A cap rate based on sales of Circle Drive retail sales would indicate a cap rate of 8.74%.

Exhibits

- A.1 Notice of Appeal from Altus Group to the Board of Revision, received February 7, 2014.
- A.2 Letter from Altus Group to the Secretary, Board of Revision received March 13, 2014 providing clarification of Ground 1a) as requested in the Secretary's February 20, 2014 letter.
- A.3 **COMMON DOCUMENT** submitted by Altus Group titled "Crombie Property Holdings Limited et al AND the City of Saskatoon," received May 13, 2014, from appeal 94, for use in appeals 94, 93, 95, & 97 only.
- B.1 Letter from the Secretary, Board of Revision, to Altus Group dated February 20, 2014 requesting clarification of Ground 1a) (non-comparable sales and

identification of Circle Drive sales in the 8.74 cap rate) in the appellant's April 1, 2014 Notice of Appeal.

- R.1 **COMMON DOCUMENT** titled "Property Assessment 2014 General Law and Legislation Brief," prepared by the City Assessor, received May 23, 2014 – for use with all appeals in this session.
- R.2 **COMMON DOCUMENT** from file 94-2014 titled "Retail Response 2014 Assessment," prepared by the City Assessor, received May 23, 2014. For use in appeals 94, 93, 95, and 97 only.

Supplementary Notations

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

The grounds in this appeal are substantially the same as those found in Ground 1(a) of Appeal #94-2014. As a consequence, the parties mutually requested that the following, as found in the "Preliminary Issues" portion of that appeal, be observed.

The parties to the appeal acknowledged that in 2013 the subject property's 2013 assessment had been appealed, on the same grounds, to the Board of Revision under Appeal #343-2013 at which time the Board sustained the assessment. Subsequently, the Appellant appealed the Board's decision to the Saskatchewan Municipal Board's Assessment Appeals Committee (AAC), but as of this date, the AAC has not yet rendered a decision. In light of this, both parties have elected to provide no further testimony pending a decision from the AAC.

Conclusion

The grounds in this appeal, as previously put forward in Appeal #343-2013 and denied in their entirety by the Board of Revision, are currently before the AAC. It is the expectation of the parties to this appeal that this Board will concur with the previous decision.

For the reasons given in the Record of Decision dated June 20, 2014, the appeal was dismissed and the filing fee retained.

7. **Appeal No. 80-2014**
Civic Address: 311 3rd Avenue North
Legal Description: Parcel 120282410; Lot 23; Block 175; Plan 99SA32572
Roll No. 495019700
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Appearing for the Appellant

Mr. Garry Coleman, Altus Group

Appearing for the Respondent

Mr. Travis Horne, Market Monitoring & Appeals Coordinator

Grounds and Issues

Ground 1: The Assessor has contravened Section 227(1) of the Cities Act.

- Facts:
- a) In 2013, the property was valued using a market adjustment factor of 0.99.
 - b) The Board ruled to have the sale of the property located at 902 7th Avenue North included in the assessor's MAF analysis, resulting in a median MAF of 0.74. For 2014, the assessor has changed the MAF back to 0.99.

Ground 2: The MAF of 0.99 is excessive.

- Facts: The assessor has not used the arm's length purchase of 902 7th Avenue North in his analysis. Using this sale would lower the MAF from 0.99 to 0.74.

Exhibits

- Exhibit A.1: Notice of Appeal from the Altus Group to the Board of Revision, received February 7, 2014.
- Exhibit A.2: Common document submitted by Altus Group titled "Arbor Memorial Services Ltd *et al* and the City of Saskatoon," received May 13, 2014, for use in appeals 80, 81, 82, and 83 only.
- Exhibit R.1: Common document titled "Property Assessment 2014 General Law and Legislation Brief," prepared by the City Assessor, received May 23, 2014, for use with all appeals in this session.

Exhibit R.2: Common document from file 83-2014 titled "Market Adjustment Factor Response 2014 Assessment," prepared by the City Assessor. For use in appeals 83, 82, 81 and 80 only.

Supplementary Notations

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

The parties to the appeal acknowledged that in 2013, the subject property's 2013 assessment had been appealed, on the same grounds, to the Board of Revision under Appeal 280-2013, at which time the Board concluded that the Assessor erred with respect to MAF (although the Board sustained the Assessor on other grounds). Specifically, this issue is addressed in this appeal. This decision of the Board regarding the MAF has been appealed to the Saskatchewan Municipal Board's Assessment Appeals Committee (AAC), but as of this date, the AAC has not yet rendered a decision. In light of this, both parties have elected to provide no further testimony pending a decision from the AAC.

Conclusion

The grounds in this appeal, as previously put forward in Appeal 280-2013, accepted with regard to the grounds relevant to this appeal (MAF) but denied with regard to the remainder of the grounds by the Board of Revision, are currently before the AAC. It is the expectation of the parties to this appeal that this Board will concur with the previous decision.

In accordance with Section 210(1)(a) of *The Cities Act*, the Panel concluded that the assessment of the subject property should be recalculated by using a MAF of 0.74 instead of 0.99, the reason being that in the absence of new evidence, the decision of the panel in Appeal 280-2013 should stand.

The filing fee was refunded.

8. Appeal No. 81-2014
Civic Address: Hillcrest Cemetery
Legal Description: Parcel 144883053; Block A; Plan FD4196
Roll No. 536001000

Appearing for the Appellant

Mr. Garry Coleman, Altus Group

Appearing for the Respondent

Mr. Travis Horne, Market Monitoring & Appeals Coordinator

Grounds and Issues

Ground 1: The Assessor has contravened Section 227(1) of the Cities Act.

- Facts:
- a) In 2013, the property was valued using a market adjustment factor of 0.99.
 - b) The Board ruled to have the sale of the property located at 902 7th Avenue North included in the assessor's MAF analysis, resulting in a median MAF of 0.74. For 2014, the assessor has changed the MAF back to 0.99.

Ground 2: The MAF of 0.99 is excessive.

- Facts: The assessor has not used the arm's length purchase of 902 7th Avenue North in his analysis. Using this sale would lower the MAF from 0.99 to 0.74.

Exhibits

Exhibit A.1: Notice of Appeal from the Altus Group to the Board of Revision, received February 7, 2014.

Exhibit A.2: Common document submitted by Altus Group titled "Arbor Memorial Services Ltd *et al* and the City of Saskatoon," received May 13, 2014, for use in appeals 80, 81, 82, and 83 only.

Exhibit R.1: Common document titled "Property Assessment 2014 General Law and Legislation Brief," prepared by the City Assessor, received May 23, 2014, for use with all appeals in this session.

Exhibit R.2: Common document from file 83-2014 titled "Market Adjustment Factor Response 2014 Assessment," prepared by the City Assessor. For use in appeals 83, 82, 81 and 80 only.

Supplementary Notations

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

The parties to the appeal acknowledged that in 2013 the subject property's 2013 assessment had been appealed, on the same grounds, to the Board of Revision under

Appeal 281-2013 at which time the Board concluded that the Assessor erred with respect to MAF (although the Board sustained the Assessor on other grounds). Specifically, this issue is addressed in this appeal. This decision of the Board regarding the MAF has been appealed to the Saskatchewan Municipal Board's Assessment Appeals Committee (AAC), but as of the date of the Hearing the AAC had not yet rendered a decision. In light of this, both parties elected to provide no further testimony pending a decision from the AAC, and asked that evidence and arguments from Appeal 80-2014 be carried forward.

Conclusion

The grounds in this appeal, as previously put forward in Appeal 281-2013, accepted with regard to the grounds relevant to this appeal (MAF) but denied with regard to the remainder of the grounds by the Board of Revision, are currently before the AAC. It is the expectation of the parties to this appeal that this Board will concur with the previous decision.

In accordance with Section 210(1) (a) of *The Cities Act*, the Panel concluded that the assessment of the subject property should be recalculated by using a MAF of 0.74 instead of 0.99, the reason being that in the absence of new evidence, the decision of the Panel in Appeal 281-2013 should stand. In addition, this conclusion by the Panel is similar to what has been reached in Appeal 80-2014.

The filing fee was refunded.

9. **Appeal No. 82-2014
 Civic Address: 915 Acadia Drive
 Legal Description: Parcel X, Plan 87S51936
 Roll No. 515605100**

Appearing for the Appellant

Mr. Garry Coleman, Altus Group

Appearing for the Respondent

Mr. Travis Horne, Market Monitoring & Appeals Coordinator

Grounds and Issues

Ground 1: The Assessor has contravened Section 227(1) of the Cities Act.

- Facts:
- a) In 2013, the property was valued using a market adjustment factor of 0.99.
 - b) The Board ruled to have the sale of the property located at 902 7th Avenue North included in the assessor's MAF analysis, resulting in a median MAF of 0.74. For 2014, the assessor has changed the MAF back to 0.99.

Ground 2: The MAF of 0.99 is excessive.

Facts: The assessor has not used the arm's length purchase of 902 7th Avenue North in his analysis. Using this sale would lower the MAF from 0.99 to 0.74.

Exhibits

Exhibit A.1: Notice of Appeal from the Altus Group to the Board of Revision, received February 7, 2014.

Exhibit A.2: Common document submitted by Altus Group titled "Arbor Memorial Services Ltd *et al* and the City of Saskatoon," received May 13, 2014, for use in appeals 80, 81, 82, and 83 only.

Exhibit R.1: Common document titled "Property Assessment 2014 General Law and Legislation Brief," prepared by the City Assessor, received May 23, 2014, for use with all appeals in this session.

Exhibit R.2: Common document from file 83-2014 titled "Market Adjustment Factor Response 2014 Assessment," prepared by the City Assessor. For use in appeals 83, 82, 81 and 80 only.

Supplementary Notations

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

The parties to the appeal acknowledged that in 2013, the subject property's 2013 assessment had been appealed, on the same grounds, to the Board of Revision under Appeal 281-2013, at which time the Board concluded that the Assessor erred with respect to MAF (although the Board sustained the Assessor on other grounds). Specifically, this issue is addressed in this appeal. This decision of the Board regarding the MAF has been appealed to the Saskatchewan Municipal Board's Assessment Appeals Committee (AAC), but as of the date of the Hearing the AAC had not yet rendered a decision. In light of this, both parties elected to provide no further testimony pending a decision from the AAC, and asked that evidence and arguments from Appeal 80-2014 be carried forward.

Conclusion

The grounds in this appeal, as previously put forward in Appeal 281-2013, accepted with regard to the grounds relevant to this appeal (MAF) but denied with regard to the remainder of the grounds by the Board of Revision, are currently before the AAC. It is the expectation of the parties to this appeal that this Board will concur with the previous decision.

In accordance with Section 210(1) (a) of *The Cities Act*, the Panel concludes that the assessment of the subject property should be recalculated by using a MAF of 0.74 instead of 0.99, the reason being that in the absence of new evidence, the decision of the Panel in Appeal 281-2013 should stand. In addition, this conclusion by the Panel is similar to what has been reached in Appeal 80-2014.

The filing fee was refunded.

10. Appeal No. 149-2014
Civic Address: 375 2nd Avenue South
Legal Description: Parcel 161819781; Block 146; Lot 3; Plan 101902137
Roll No. 505005660

Appearing for the Appellant

Mr. Garry Coleman, Altus Group

Appearing for the Respondent

Mr. Travis Horne, Market Monitoring & Appeals Coordinator

Grounds and Issues

Ground 1: The land rate of \$206.90 per square foot is excessive..

- Facts:
- a) The subject property is assessed at \$206.90 per square foot. A comparable lot located at 475 2nd Avenue is assessed at \$95.00 per square foot.
 - b) The assessor used the following three sales to develop the \$206.90 rate: 263 2nd Avenue South; 265 2nd Avenue South; 271 2nd Avenue South.
 - c) The sales used by the assessor indicate that a 125% LSM should be applied as there is evidence of a larger parcel selling for less per

square foot than the smaller parcels. This occurs after 3,507 square feet.

Exhibits

Exhibit A.1: Notice of Appeal from the Altus Group to the Board of Revision, received February 7, 2014.

Exhibit A.2: There is no Exhibit A.2 for this appeal.

Exhibit A.3: Common document submitted by Altus Group titled "Triocest Realty Advisors Inc. *et al* and the City of Saskatoon," received May 13, 2014, for use in appeals 149, 145, 146, 147, 148 and 83.

Exhibit R.1: Common document titled "Property Assessment 2014 General Law and Legislation Brief," prepared by the City Assessor, received May 23, 2014, for use with all appeals in this session.

Exhibit R.2: Assessment document titled "Commercial Land Response 2014 Assessment," prepared by the City Assessor, received May 23, 2014

Supplementary Notations

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

The parties to the appeal acknowledged that in 2013, the subject property's 2013 assessment had been appealed, on the same grounds, to the Board of Revision under Appeal 367-2013 at which time the Board concluded that the Assessor did not err and sustained the assessment. This decision of the Board has been appealed to the Saskatchewan Municipal Board's Assessment Appeals Committee (AAC), but as of the date of the Hearing, the AAC had not yet rendered a decision. In light of this, both parties elected to provide no further testimony pending a decision from the AAC.

Conclusion

The grounds in this appeal, as previously put forward in Appeal #367-2013 and denied in their entirety by the Board of Revision, are currently before the AAC. It is the expectation of the parties to this appeal that this Board will concur with the previous decision.

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

11. **Appeal No.** 145-2014
Civic Address: 265 2nd Avenue South
Legal Description: Parcel 161819781; Block 146; Lot 3; Plan 101902137
Roll No. 505014000

Appearing for the Appellant

Mr. Garry Coleman, Altus Group

Appearing for the Respondent

Mr. Travis Horne, Market Monitoring & Appeals Coordinator

Grounds and Issues

Ground 1: The land rate of \$206.90 per square foot is excessive..

- Facts:
- a) The subject property is assessed at \$206.90 per square foot. A comparable lot located at 475 2nd Avenue is assessed at \$95.00 per square foot.
 - b) The assessor used the following three sales to develop the \$206.90 rate: 263 2nd Avenue South; 265 2nd Avenue South; 271 2nd Avenue South.
 - c) The sales used by the assessor indicate that a 125% LSM should be applied as there is evidence of a larger parcel selling for less per square foot than the smaller parcels. This occurs after 3,507 square feet.

Exhibits

Exhibit A.1: Notice of Appeal from the Altus Group to the Board of Revision, received February 7, 2014.

Exhibit A.2: There is no Exhibit A.2 for this appeal.

Exhibit A.3: Common document submitted by Altus Group titled "Triovert Realty Advisors Inc. *et al* and the City of Saskatoon," received May 13, 2014, for use in appeals 149, 145, 146, 147, 148 and 83.

Exhibit R.1: Common document titled "Property Assessment 2014 General Law and Legislation Brief," prepared by the City Assessor, received May 23, 2014, for use with all appeals in this session.

Exhibit R.2: Assessment document titled "Commercial Land Response 2014 Assessment," prepared by the City Assessor, received May 23, 2014

Supplementary Notations

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

The parties to the appeal acknowledged that in 2013, the subject property's 2013 assessment had been appealed, on the same grounds, to the Board of Revision under Appeal 357-2013 at which time the Board concluded that the Assessor did not err and sustained the assessment. This decision of the Board has been appealed to the Saskatchewan Municipal Board's Assessment Appeals Committee (AAC), but as of the date of the Hearing, the AAC had not yet rendered a decision. In light of this, both parties elected to provide no further testimony pending a decision from the AAC.

Conclusion

The parties to the appeal acknowledged that in 2013, the subject property's 2013 assessment had been appealed, on the same grounds, to the Board of Revision under Appeal 357-2013 at which time the Board concluded that the Assessor did not err and sustained the assessment. This decision of the Board has been appealed to the Saskatchewan Municipal Board's Assessment Appeals Committee (AAC), but as of the date of the Hearing, the AAC had not yet rendered a decision. In light of this, both parties have elected to provide no further testimony pending a decision from the AAC.

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

12. Appeal No. 148-2014
Civic Address: 355 2nd Avenue South
Legal Description: Parcel 161819769; Block 146; Lot 2; Plan 101902137
Roll No. 505005710

Appearing for the Appellant

Mr. Garry Coleman, Altus Group

Appearing for the Respondent

Mr. Travis Horne, Market Monitoring & Appeals Coordinator

Grounds and Issues

Ground 1: The land rate of \$206.90 per square foot is excessive..

- Facts:
- a) The subject property is assessed at \$206.90 per square foot. A comparable lot located at 475 2nd Avenue is assessed at \$95.00 per square foot.
 - b) The assessor used the following three sales to develop the \$206.90 rate: 263 2nd Avenue South; 265 2nd Avenue South; 271 2nd Avenue South.
 - c) The sales used by the assessor indicate that a 125% LSM should be applied as there is evidence of a larger parcel selling for less per square foot than the smaller parcels. This occurs after 3,507 square feet.

Exhibits

Exhibit A.1: Notice of Appeal from the Altus Group to the Board of Revision, received February 7, 2014.

Exhibit A.2: There is no Exhibit A.2 for this appeal.

Exhibit A.3: Common document submitted by Altus Group titled "Trioest Realty Advisors Inc. *et al* and the City of Saskatoon," received May 13, 2014, for use in appeals 149, 145, 146, 147, 148 and 83.

Exhibit R.1: Common document titled "Property Assessment 2014 General Law and Legislation Brief," prepared by the City Assessor, received May 23, 2014, for use with all appeals in this session.

Exhibit R.2: Assessment document titled "Commercial Land Response 2014 Assessment," prepared by the City Assessor, received May 23, 2014

Supplementary Notations

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

The parties to the appeal acknowledged that in 2013 the subject property's 2013 assessment had been appealed, on the same grounds, to the Board of Revision under Appeal 364-2013, at which time the Board concluded that the Assessor did not err and sustained the assessment. This decision of the Board has been appealed to the Saskatchewan Municipal Board's Assessment Appeals Committee (AAC), but as of the date of the Hearing, the AAC had not yet rendered a decision. In light of this, both parties elected to provide no further testimony pending a decision from the AAC.

Conclusion

The grounds in this appeal, as previously put forward in Appeal #364-2013 and denied in their entirety by the Board of Revision, are currently before the AAC. It is the expectation of the parties to this appeal that this Board will concur with the previous decision.

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

13. Appeal No. 146-2014
Civic Address: 206 20th Street East
Legal Description: Parcels 120287998, 120287943, 120287932, 120287921;
Block 152; Lot 1-4; Plan C195
Roll No. 505024300

Appearing for the Appellant

Mr. Garry Coleman, Altus Group

Appearing for the Respondent

Mr. Travis Horne, Market Monitoring & Appeals Coordinator
Mr. Kirby Fesser, Senior Appraiser

Grounds and Issues

Ground 1: The land rate of \$206.90 per square foot is excessive..

- Facts:
- a) The subject property is assessed at \$206.90 per square foot. A comparable lot located at 475 2nd Avenue is assessed at \$95.00 per square foot.
 - b) The assessor used the following three sales to develop the \$206.90 rate: 263 2nd Avenue South; 265 2nd Avenue South; 271 2nd Avenue South.
 - c) The sales used by the assessor indicate that a 125% LSM should be applied as there is evidence of a larger parcel selling for less per square foot than the smaller parcels. This occurs after 3,507 square feet.
 - d) Based on the income approach for 40 stalls, the value is substantially lower.

Exhibits

Exhibit A.1: Notice of Appeal from the Altus Group to the Board of Revision, received February 7, 2014.

Exhibit A.2: There is no Exhibit A.2 for this appeal.

Exhibit A.3: Common document submitted by Altus Group titled "Trioest Realty Advisors Inc. *et al* and the City of Saskatoon," received May 13, 2014, for use in appeals 149, 145, 146, 147, 148 and 83.

Exhibit R.1: Common document titled "Property Assessment 2014 General Law and Legislation Brief," prepared by the City Assessor, received May 23, 2014, for use with all appeals in this session.

Exhibit R.2: Assessment document titled "Commercial Land Response 2014 Assessment," prepared by the City Assessor, received May 23, 2014

Supplementary Notations

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

The parties to the appeal acknowledged that in 2013, the Board of Revision heard Appeal 357-2013 that covered similar grounds as that of the subject property. In that decision, the Board found that the Assessor did not err and sustained the assessment. The decision has been appealed to the Saskatchewan Municipal Board's Assessment Appeals Committee (AAC), but as of the date of the Hearing, the AAC had not yet rendered a decision.

Both parties also noted that Grounds 1(a), 1(b) and 1(c) are similar to those in Appeal 149-2014. It was, therefore, agreed by both parties that evidence and arguments from Appeal 149-2014 are to be carried forward to the current appeal.

Conclusion

Three of the grounds in this appeal were previously put forward in Appeal 357-2013. This appeal was denied in its entirety by the Board of Revision, and is currently before the AAC. It is the expectation of the parties to this appeal that this Board will concur with the previous decision.

The Board was thus faced with determining if Ground 1(d) should be accepted or denied. In arriving at its decision, the Board considered the following points:

- 1) The Appellant's arguments were based on imputed income potential of the subject property. But it has also been shown to the Panel that the subject

property's income-earning potential does not have similarities with parkades that are stand-alone or that are part of the tenancy agreements of adjacent office properties.

- 2) The Assessor presented evidence that the subject property does not earn direct revenue from parking although the Appellant indicated the property's parking revenue earning potential via the owner's contract with IMPARK.
- 3) The Assessor argued that the subject property's use as a parking lot is transitional and not it's highest and best use.
- 4) The Assessor presented evidence on sales of comparable properties as vacant land and argued that since all of these properties have been assessed on land rate, equity in assessment has been maintained.

Considering the above points, the Panel found that the Appellant's arguments for assessing the subject property on income approach are tenuous at best. In the absence of specific evidence on income earning capacity of the property on an ongoing basis, the Panel found justification in the Assessor's position that treating the subject property as vacant land is equitable and an income approach to assessment is unwarranted.

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

**14. Appeal No. 147-2014
Civic Address: 330 2nd Avenue South
Legal Description: Parcels 144927401, 144927412, 120287280, 120287291,
120287370; Block 153; Lot 33-40; Plan C195
Roll No. 505014200**

Appearing for the Appellant

Mr. Garry Coleman, Altus Group

Appearing for the Respondent

Mr. Travis Horne, Market Monitoring & Appeals Coordinator
Mr. Kirby Fesser, Senior Appraiser

Grounds and Issues

Ground 1: The land rate of \$206.90 per square foot is excessive..

- Facts:
- a) The subject property is assessed at \$206.90 per square foot. A comparable lot located at 475 2nd Avenue is assessed at \$95.00 per square foot.
 - b) The assessor used the following three sales to develop the \$206.90 rate: 263 2nd Avenue South; 265 2nd Avenue South; 271 2nd Avenue South.
 - c) The sales used by the assessor indicate that a 125% LSM should be applied as there is evidence of a larger parcel selling for less per square foot than the smaller parcels. This occurs after 3,507 square feet.
 - d) Based on the income approach for approximately 100 nonelectrified stalls, the value would be substantially lower.

Exhibits

Exhibit A.1: Notice of Appeal from the Altus Group to the Board of Revision, received February 7, 2014.

Exhibit A.2: There is no Exhibit A.2 for this appeal.

Exhibit A.3: Common document submitted by Altus Group titled "Triocest Realty Advisors Inc. *et al* and the City of Saskatoon," received May 13, 2014, for use in appeals 149, 145, 146, 147, 148 and 83.

Exhibit R.1: Common document titled "Property Assessment 2014 General Law and Legislation Brief," prepared by the City Assessor, received May 23, 2014, for use with all appeals in this session.

Exhibit R.2: Assessment document titled "Commercial Land Response 2014 Assessment," prepared by the City Assessor, received May 23, 2014

Supplementary Notations

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

The parties to the appeal acknowledged that in 2013, the Board of Revision heard Appeal 357-2013 that covered similar grounds as that of the subject property. In that decision, the Board found that the Assessor did not err and sustained the assessment. The decision has been appealed to the Saskatchewan Municipal Board's Assessment Appeals Committee (AAC), but as of the date of the Hearing, the AAC had not yet rendered a decision.

Both the parties also noted that Grounds 1(a), 1(b) and 1(c) are similar to those in Appeal 149-2014. It was, therefore, agreed by both parties that evidence and arguments from Appeal 149-2014 are to be carried forward to the current appeal.

In addition, it was agreed by both parties that evidence and arguments presented in Appeal 146-2014 be carried forward to this appeal, and no new evidence would be presented.

Conclusion

Three of the grounds in this appeal were previously put forward in Appeal 357-2013. This appeal was denied in its entirety by the Board of Revision, and is currently before the AAC. It is the expectation of the parties to this appeal that this Board will concur with the previous decision.

The Board was thus faced with determining if Ground 1(d) should be accepted or denied. In arriving at its decision, the Board considered the following points:

- 1) The Appellant's arguments were based on imputed income potential of the subject property. But it has also been shown to the Panel that the subject property's income-earning potential does not have similarities with parkades that are stand-alone or that are part of the tenancy agreements of adjacent office properties.
- 2) The Assessor presented evidence that the subject property does not earn direct revenue from parking although the Appellant has indicated the property's parking revenue earning potential via the owner's contract with IMPARK.
- 3) The Assessor argued that the subject property's use as a parking lot is transitional and not it's highest and best use.
- 4) The Assessor presented evidence on sales of comparable properties as vacant land and argued that since all of these properties have been assessed on land rate, equity in assessment has been maintained.

Considering the above points, the Panel found that the Appellant's arguments for assessing the subject property on income approach are tenuous at best. In the absence of specific evidence on income earning capacity of the property on an ongoing basis, the Panel found justification in the Assessor's position that treating the subject property as vacant land is equitable and an income approach to assessment is unwarranted.

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

15. Appeal No. 83-2014
Civic Address: 347 2nd Avenue South
Legal Description: Plan 101902137, Block 146, Lot 1
Roll No. 505005760

Appearing for the Appellant

Mr. Garry Coleman, Altus Group, on June 2, only
Mr. Jesse Faith, Altus Group

Appearing for the Respondent

Mr. Travis Horne, Market Monitoring & Appeals Coordinator

Grounds and Issues

Ground 1. Equity has not been achieved.

- Facts:
- a) The subject property is a theatre that is being assessed using the cost approach with an assessment per square foot of \$509.60 for a total of \$25,639,000. The Assessor has used ten sales of churches as “comparable” properties to develop a market adjustment factor. These sales are not comparable to the subject property for the following reasons:
 - 1) Different property use (institutional v. commercial).
 - 2) Location – none of these churches are located in the CBD.
 - 3) Size – the largest sale is 13,328 sq. ft. with 8 of the 10 sales being less than 5,000 sq. ft. The subject is 50,312 sq. ft.
 - 4) The largest land value of the 10 sales is \$772,779 with 8 of the 10 sales having land values less than \$500,000. The subject property is assessed with a land value of \$16,210,200.
 - 5) The RCNLD of the building sales are all under \$818,557. In contrast the subject property has a RCNLD of \$9,524,040.
 - 6) The church sales are zoned residential (R2), while the subject is commercial.
 - b) The subject should be assessed using retail modeled rates in order to create equity with comparable retail properties located in the CBD. The sales used to develop the cap rate for retail properties range in sale price from \$1,300,000 to \$113,512,100 for the 7.49 cap rate and from \$245,000 to \$28,500,000 for the 7.26 cap rate. Fully enclosed malls (Confederation Mall) and full retail developments (River City

Centre) have sold for \$28,500,000 and \$27,250,000 respectively. Having one building that is only 50,312 sq. ft. assessed at \$25,639,000 is an injustice.

- c) The theatre located in the Centre Mall is assessed based on the income approach. Assessing the subject with the retail model would lower the assessment to \$8,162,900
- d) Similar theatre properties elsewhere are valued using the income approach.
- e) Recent lease agreements of other similar theatres support the application of the CBD retail model rates to determine an estimate of market value.

Ground 2. The market value standard has not been maintained and thus the assessment does not represent market value.

- Facts:
- a) The subject property should be assessed using an income model like all other properties found in the CBD.
 - b) The property is retail in nature.
 - c) All other leased retail properties are valued using an income model.
 - d) Other properties located in the CBD are valued with a 7.49% cap rate.
 - e) Two of the sales used to develop the 7.49% cap are located in the CBD at 136 2nd Ave N & 325 3rd Ave N.

Ground 3. In contrast to the property being valued using the income approach, the land rate of \$206.90 per sq. ft. is excessive.

- Facts:
- a) The subject property is assessed at \$206.90 per sq. ft. A comparable lot located at 475 2nd Ave is assessed \$95.00 per sq. ft.
 - b) The Assessor used the following three sales to develop the \$206.90 rate:
 - 263 2nd Ave South
 - 265 2nd Ave South
 - 271nd Ave South

- c) This was a land assembly and does not reflect the true market value for vacant land. 263 and 265 2nd Ave South included buildings (Star Restaurant and Arlington Gallery). 271 2nd Ave South was a vacant lot which indicates a land rate of \$181.11.
- d) The sales used by the Assessor indicate that a 125% LSM should be applied as there is evidence of a larger parcel selling for less per sq. ft. than the smaller parcels. This occurs after 3,507 sq. ft.

Ground 4. The Assessor has contravened Section 227 (1) of *The Cities Act*.

- Facts:
- a) In 2013 the property was valued using a market adjustment factor of 0.99.
 - b) The Board ruled to have the sale of the property located at 902 7th Ave North included in the Assessor MAF analysis, resulting in a median MAF of 0.74. For 2014 the Assessor has changed the MAF back to 0.99.

Ground 5. The MAF of 0.99 is excessive.

- Facts:
- a) The Assessor has not used the arm's length purchase of 902 7th Ave North in his analysis. Using this sale would lower the MAF from 0.99 to 0.74.

Exhibits

- A.1 Notice of Appeal to the Board of Revision, received February 7, 2014, from Altus Group Limited.
- A.2 **COMMON DOCUMENT** submitted by Altus Group Limited titled "Arbor Memorial Services Ltd. et al AND the City of Saskatoon" received May 13, 2014, from appeal 80, for use in 80, 81, 82, and 83 only.
- A.3 **COMMON DOCUMENT** submitted by Altus Group Limited titled "Trioest Realty Advisors Inc. et al AND the City of Saskatoon", received May 13, 2014, from appeal 149, for use in appeals 149, 145, 146, 147, 148 and 83.
- A.4 Document submitted by Altus Group Limited titled "Trioest Realty Advisors Inc. AND the City of Saskatoon", exclusive to this appeal, received May 13, 2014.
- A.5 **REBUTTAL DOCUMENT**, (for file 83-2014 only) titled "Trioest Realty Advisors Inc. and The City of Saskatoon", submitted by Altus Group Limited, received May 28, 2014.

- C(A)1 **CONFIDENTIAL DOCUMENT** * exclusive to appeal 83-2014, submitted by Altus Group Limited, received May 13, 2014.
- R.1 **COMMON DOCUMENT** titled "Property Assessment 2014 General Law and Legislation Brief", prepared by the City Assessor, received May 23, 2014.
- R.2 **COMMON DOCUMENT** from file 83-2014 titled "Market Adjustment Factor Response 2014 Assessment", prepared by the City Assessor, received May 23, 2014.
- R.3 Assessment document titled "Freestanding Theatre Response 2014 Assessment", prepared by the City Assessor, received May 23, 2014.
- R.4 Assessment document titled "Commercial Land Response 2014 Assessment", prepared by the City Assessor, received May 23, 2014.
- R.5 Assessment document titled "Property Assessment, 2014 Response Evidence Law and Legislation Brief" *, received and formalized at the time of the hearing, June 4, 2014.

* See discussion in "Preliminary Issues"

Supplementary Notations

All giving testimony affirmed to tell the truth at the commencement of the hearings. At the request of the of the Appellant and pursuant to Section 202 of *The Cities Act*, a Confidentiality Order with respect to Exhibits C(A)1 was read into the record.

In formalizing the Exhibits it was discovered that Exhibit A.5, **REBUTTAL DOCUMENT**, titled "Triovest Realty Advisors Inc. and The City of Saskatoon", was not forwarded to the Assessor's office by Altus Group. Although received by email in the BOR office on May 28, 2014 the email did not include the Assessor's office as a recipient.

Without an opportunity to review the document the Respondent objected to its inclusion as a formalized exhibit. The Respondent especially objected to the Appellant's failure to observe the timelines for submission of documents as spelled out in *The Cities Act*. A concern expressed by the Respondent was that any relaxation of these timelines would weaken their importance and that of the legislation.

The Respondent also objected to the contents of Exhibit C(A)1 and the "Power Centre Valuation Summary" page 194, Exhibit A.4. The Appellant handed out a replacement page for Appendix W, Exhibit C(A)1, that is the same as the original except a lot of the information is blacked out. The Respondent had two objections, specifically that Exhibit C(A)1 contained confidential information that was not directly pertinent to the appeal

and were not Altus' client and secondly that the information on Page 194, Exhibit A.4 was copyrighted by the City of Edmonton.

After deliberating the two objections raised by the Respondent, the Panel ruled as follows:

1. The Respondent has two concerns regarding the admissibility of written evidence or portions thereof that may or may not have been obtained with the specific authorization of the parties involved. The solution expressed by the Respondent was that the rental information contained in Exhibit C(A)1 regarding the Rainbow Cinema and the "Power Centre Valuation Summary", Page 194, Exhibit A.4, from the City of Edmonton, should be removed as Exhibit material.

It is the Board's position that the hearing is not the proper forum to make the argument of improper authorization or lack thereof as that concern is between the parties involved. The Board cannot assume to represent the interests of the City of Edmonton or the owner of the Rainbow Cinemas for information that the Appellant may in fact have obtained via proper channels and agreements. It is not the Board's mandate to question how the information presented at hearings is obtained.

2. With regards to the late filing of Exhibit A.5, the Board noted the following considerations:
 - The Board is under specific time constraints to render its decision.
 - The Appellant did have the documents sent to the BOR office within the allotted time but neglected to verify that it was forwarded to the appropriate parties to the appeal.
 - Section 200 (3) a) and b) of *The Cities Act* is definitive in that it provides that the Board may either accept or refuse the documentation.

The Board has therefore decided to allow the document, Exhibit A.5, to be formalized as an exhibit.

While *The Cities Act* goes no further it is obvious that each choice has its consequences and potential options. The options available to the Board and the parties to the appeal are that:

- The hearing continues immediately, or
- The hearing is adjourned to a later date allowing the Respondent time to review the material.

The Board agreed that the second option was the most fair and keeping in mind the time constraints faced by the BOR, the Board ruled that the hearing will reconvene on

Wednesday, June 4, 2014, in two days' time. It should be noted that, as the time had been reserved, the Board was prepared to sit on Thursday allowing extra time for the Respondent; however the Respondent noted that he was unavailable on either Thursday or Friday of the week.

When the hearing reconvened on June 4, 2014, the exhibits were officially formalized and the Board again noted the Respondent's objections as previously stated.

The Appellant and the Respondent both agreed to carry forward the testimony and decisions from the following appeals that apply to this appeal, namely:

- Appeal 283-2013 for Ground 1. a) and all of Ground 2.
- Appeal 149-2014 for all of Ground 3. that deals with the land issue.
- Appeal 80-2014 for all of Ground 4. and Ground 5. that deal with the market adjustment factor.
- Note that Appeal 149-2014 is carried forward from 367-2013 and appeal **80-2014 is carried forward from 280-2013 with components from 283-2013.**

The Appellant noted that the new evidence for this appeal and specifically for the remaining portions of Ground 1 is contained in Paragraphs 42 to 48, Exhibit A.4.

Conclusion

Three of the grounds in this appeal were previously put forward in Appeal 357-2013. This appeal was denied in its entirety by the Board of Revision, and is currently before the AAC. It is the expectation of the parties to this appeal that this Board will concur with the previous decision.

The Board is thus faced with determining if Ground 1(d) should be accepted or denied. In arriving at its decision, the Board has considered the following points:

- 5) The Appellant's arguments are based on imputed income potential of the subject property. But it has also been shown to the Panel that the subject property's income-earning potential does not have similarities with parkades that are stand-alone or that are part of the tenancy agreements of adjacent office properties.
- 6) The Assessor has presented evidence that the subject property does not earn direct revenue from parking although the Appellant has indicated the property's parking revenue earning potential via the owner's contract with IMPARK.
- 7) The Assessor has argued that the subject property's use as a parking lot is transitional and not it's highest and best use.

- 8) The Assessor has presented evidence on sales of comparable properties as vacant land and argued that since all of these properties have been assessed on land rate, equity in assessment has been maintained.

Considering the above points, the Panel found that the Appellant's arguments for assessing the subject property on income approach are tenuous at best. In the absence of specific evidence on income earning capacity of the property on an ongoing basis, the Panel found justification in the Assessor's position that treating the subject property as vacant land is equitable and an income approach to assessment is unwarranted.

For the reasons given in the Record of Decision dated July 16, 2014, the subject property's assessment was recalculated using a MAF of .74 as follows.

	Current Assessed Value	Current Taxable Assessment	Revised Assessed Value	Revised Taxable Assessment	Change in Assessed Value	Change in Taxable Assessment
Commercial	\$25,639,000	\$25,639,000	\$23,258,000	\$23,258,000	\$2,381,000	\$2,381,000

All other aspects of the appeal were denied

The filing fee was refunded.

The hearings concluded.

As Secretary to the above Board of Revision Panel, I certify that these are accurate minutes of the hearings held on June 2 and 4, 2014.

Elaine Long, Panel Clerk
Board of Revision