

MINUTES

CITY OF SASKATOON

BOARD OF REVISION

Date: May 10, 2016
Location: Council Chamber, City Hall
Session: 9:04 a.m.

PRESENT: Adrian Deschamps, Board Chair
Marvin Dutton, Board Member
David Putz, Board Member
Debby Sackmann, Board of Revision Panel Clerk

The Appellant was 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. 19-2016**
Civic Address: 603 3rd Avenue North
Legal Description: 120294514
Roll No. 485007850
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Appearing for the Appellant

Ms. Grace Muzyka, Brunsdon Lawrek & Associates

Appearing for the Respondent

Mr. Randy McKay, Senior Assessment Appraiser, Assessment & Taxation
Ms. JoAnn Baraniecki, Assessment Appraiser, Assessment & Taxation

Grounds and Issues

The assessment valuation is in excess and should be lower to reflect market value. I make this appeal on the following grounds (nature of alleged error):

Grounds: 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, 2011.

The excessive value estimate results from there being no recognition of the subject's lower level residence in the selection of the market adjustment factor MAF used in calculating this mixed use property's assessed value. Yet, if it weren't for the lower level residence, the property would not even be in the mixed use property category to start with.

Facts: The subject is a two-storey office building with a residential suite on its lower level. The above grade area is 2,965 sq. ft. and the lower level residence is 1,233 sq. ft. If not for the lower level residence, the subject property would be assessed as an office building, using the income approach to value. Because the lower level residence does exist, the subject property is classified as a mixed use residential/commercial property and it is assessed using the cost approach to value and a MAF.

Mixed used properties are assessed using one of two MAFs; a 2.33 MAF that applies to properties with a gross floor area of greater than 3,300 sq. ft. and a 1.07 MAF that applies to properties with a gross floor area of less than 3,300 sq. ft. In applying a 2.33 MAF in calculating the subject's assessment, the Assessor has ignored the floor area attributable to the lower level residence and determined the subject's area, based on the above grade space only, to be 2,965 sq. ft.; smaller than 3,300 sq. ft. The Assessor should have included the residence in the floor area calculation and determined that this property is 4,198 sq. ft. in size; larger than 3,300 sq. ft.

The Assessor's approach is inconsistent and the result of which is an overassessment of the subject property.

Request: That the 1.07 MAF be used in calculating the subject property's assessment as opposed to the 2.33 MAF presently in use.

I discussed my appeal with Tim Ritchie, of the City Assessor's office, on February 5, 2016 and the following is a summary of that discussion:

The assessment department is of the view that the assessment is correct as it is and that only above grade floor area should be used in determining the appropriate MAF for use in assessing this property.

Exhibits

Exhibit A.1: Notice of Appeal from Brunsdon Junor Johnson Appraisals Ltd. (now Brunsdon Lawrek & Associates) to the Board of Revision, received February 5, 2016.

Exhibit A.2: Document titled, "Written submission of the Appellant", received April 13, 2016.

Exhibit R.1: Report submitted by the City Assessor titled "Mixed Use with Residential 2016 Assessment", received May 2, 2016.

Supplementary Notations

Both the Appellant and Respondents affirmed that the evidence given during the hearing would be the truth.

The Respondents advised the Board that corrections were required to Exhibit R.1, page 18, Comparable #2, the basement sq. ft. should be listed as 2,184 and Comparable #3's basement sq. ft. should be listed as 1,506 sq. ft. and not as stated.

The grounds of appeal in Exhibit A.1 were clarified and the Appellant stated that the only ground of appeal was the MAF.

All Exhibits were formalized and entered into the record.

The hearing concluded at 10:38 a.m.

Conclusion

For the reasons given in the Record of Decision dated June 7, 2016, the appeal was dismissed and the filing fee retained.

As Secretary to the above Board of Revision Panel, I certify that these are accurate minutes of the hearing held on May 10, 2016.

Debby Sackmann, Panel Clerk
Board of Revision