

**MINUTES**

**CITY OF SASKATOON**

**BOARD OF REVISION**

Date: February 17, 2016  
Location: Council Chambers  
Session: 10:28 a.m.

**PRESENT:** Dave Gabruch, Panel Chair  
Randy Pangborn, Board Member  
June Bold, Board Member  
Lois Lamon, Board Member (observing)  
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.** 201-2015  
**Civic Address:** 131 105<sup>th</sup> Street East  
**Legal Description:** 164882481  
**Roll No.** 495603330

Appearing for the Appellant

Mr. Adam Palmer, AEC Property Tax.

Appearing for the Respondent

Mr. Travis Horne, Assessment Manager, 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):

*Appendix A*

- The market value of \$3,510,600 is too high.
- The assessment fails to achieve the market valuation standard on the grounds that:

- the assessment is not an accurate estimate of market value of the subject property;
- the assessment does not reflect typical market conditions for similar properties as required by The Cities Act;
- The assessor failed to consider the Cost Approach to value. This is an error for various reasons which include:
  - Using the Cost Approach as a "red flag" is a Standard Assessment Practice.
  - The Cost Approach is significantly lower than the assessment which violates the Principle of Substitution.
- The assessment fails to achieve equity as it does not bear a fair and just proportion to the market value of similar properties.
- The Assessor has applied an "age break" to their assessment model which results in severe inequities.
- The Assessor has applied a "size break" to their assessment model which results in severe inequities.
- The Assessor has applied a "break" to site coverages in their assessment model which results in severe inequities.
- The Assessor has improperly considered the impact of excess land.
- The Assessor erred in their calculation of the Effective Age for the subject property.

*Appendix B*

In support of these grounds, I hereby state the following material facts to be true and accurate:

- According to the Assessor, the subject property has 16,435 sq. ft. of building area on 119,963.78 sq. ft. (or approximately 2.75 acres) of land.
- The Assessor has applied a rental rate of \$10.76 per sq. ft. to the entire building area.
- The Assessor has applied a capitalization rate of 4.57% to the subject property.
- A neighbouring property located at 126 105th St. E. has a larger building on a significantly larger lot (10.96 acres versus the subject's 2.75 acres) yet is assessed for approximately 35% LESS than the subject property.
- There are various examples throughout the Assessor's model of superior properties being assessed for less.
- If the effective age for the subject property were 2007 instead of 2008 the assessment would drop from \$3,510,600 to approximately \$2,519,900.
- If the Assessor properly accounted for the impact of excess land on the income approach it would result in a significantly lower assessment.
- The Assessor's determination of the Effective Age is incorrect.

Exhibits

- Exhibit A.1: Notice of Appeal from AEC International, to the Board of Revision, received November 12, 2015.
- Exhibit A.2: Document dated January 28, 2016 from AEC International titled, **“Assessment Review and Analysis for Lafarge Canada Inc.”**
- Exhibit A.3: Document package (property inventory cards) dated January 28, 2016 from AEC International referred to as, “Assessor Property Request Response”
- Exhibit A.4: 5-DAY REBUTTAL DOCUMENT, submitted by the Appellant, received February 12, 2016.
- Exhibit R.1: Document submitted by the Assessor titled **“Warehouse & Automotive Response”**, received February 8, 2016.
- Exhibit R.2: Document submitted by the Assessor titled **“Property Assessment 2015 General Law and Legislation Brief”**, received February 8, 2016.
- Exhibit R.3: Document submitted by the Assessor titled **“Property Assessment 2015 Response Evidence Law and Legislation Brief”**, received February 8, 2016
- Exhibit R.4: Document submitted by the Assessor titled **“Property Assessment 2015 Notice of Appeal Law and Legislation Brief”** received February 8, 2016
- Exhibit R.5: Document submitted by the Assessor titled **“Property Assessment 2015 Expert Witness Law and Legislation Brief”** received February 8, 2016

Supplementary Notations

The Appellant and Respondent affirmed that the evidence given during the hearing would be the truth.

All Exhibits were formalized and entered into the record.

A lunch break was taken at 11:39 a.m. and the appeal reconvened at 12:33 p.m.

The hearing concluded at 3:40 p.m.

Conclusion

For the reasons given in the Record of Decision dated March 31, 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 February 17, 2016.

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Debby Sackmann, Panel Clerk  
Board of Revision