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## RECORD OF DECISION

### CITY OF PRINCE ALBERT – BOARD OF REVISION

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**Appeal No.:** 2022-15  
**Roll No.:** 122-005-400  
**Hearing Date:** April 27, 2022, at 1:00 p.m.  
**Location:** 3<sup>rd</sup> Floor Conference Room, City Hall  
1084 Central Avenue, Prince Albert, SK

**Appellant** Mark and Rita Geiger

**Respondent** City of Prince Albert

**Board of Revision** Jackie Packet, Chair  
Ralph Boychuk, Member  
Dan Christakos, Member  
  
Terri Mercier, Secretary

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#### Representation

**Appellant** Mark Geiger

**Respondent** Vanessa Vaughan (City Assessor)  
Darcy Lees (Observer, Assessment Department)  
Roxanne Belzevick (Observer, Assessment Department)

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#### Property Appealed

**Civic Address** 801 – 30<sup>th</sup> Street West  
Prince Albert, Saskatchewan

**Legal Description** Block CC, Plan No. 66PA11404, Extension 0  
Block AA, Plan No. 62PA10512, Extension 1  
Block AA, Plan No. 62PA10512, Extension 2

**Assessed Value** \$872,100

**Tax Class** Non-Arable Land-Vacant (45% of value)

**Taxable Assessment** \$392,400

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## Role of the Board of Revision

[1] The Board of Revision (Board) is an appeal board that rules on the assessment valuations for both land and buildings that are under appeal. The basic principle to be applied by the Board in all cases is set out in *The Cities Act*, which states the dominant and controlling factor in the assessment of property is equity. The Board's priority is to ensure that all parties to an appeal receive a fair hearing and that the rules of natural justice come into play.

[2] The Board may also hear appeals pertaining to the tax classification of property or the tax status of property (exempt or taxable). This does not mean the Board can hear issues relating to the taxes owed on property.

[3] Upon hearing an appeal the Board is empowered to:

- (a) confirm the assessment; or,
- (b) change the assessment and direct a revision of the assessment roll by:
  - a. increasing or decreasing the assessment;
  - b. changing the liability to taxation or the classification of the subject; or,
  - c. changing both the assessment and the liability to taxation and the classification of the subject.

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## Legislation

[4] Property assessments in Saskatchewan are governed by *The Cities Act*, *The Cities Act Regulations* and/or by board order of the Saskatchewan Assessment Management Agency (SAMA).

[5] The dominant and controlling factor in assessment is equity. (*The Cities Act*, 165(3))

[6] Equity is achieved by applying the market valuation standard. (*The Cities Act*, 165(5))

[7] The market valuation standard is achieved when the assessed value of property:

- (a) is prepared using mass appraisal;
- (b) is an estimate of the market value of the estate in fee simple in the property;
- (c) reflects typical market conditions for similar properties; and,
- (d) meets quality assurance standards established by order of the agency.

(*The Cities Act*, 163(f.1))

[8] Mass appraisal means preparing assessments for a group of properties as of the base date using standard appraisal methods, employing common data and allowing for statistical testing. (*The Cities Act*, 163(f.3))

## **Preliminary Matters**

[9] With respect to the Board's internal process, this hearing will be recorded for use of the Board only in rendering its decision.

[10] The Appellant requested that appeal 2022-15 be considered a lead appeal and all evidence and testimony from both parties for this appeal be carried forward and applied to appeal 2022-15. The Respondent agreed.

[11] The Board ruled appeal 2022-15 to be the lead appeal and all evidence and testimony from the Agent and Respondent will be carried forward and applied to appeal 2022-16.

[12] In light of there being a lead appeal, the Board will render a decision on the lead appeal (2022-15) and apply that decision to appeal 2022-16.

[13] The Appellant requested that he be able to provide a typed-written copy of his presentation. Request granted and copies were provided to Assessor, Board members and Board Secretary.

[14] The Respondent requested that all information provided in Appendix K of her submission remain confidential to this hearing. Agreed upon by the Appellant and the Board. The Board ordered Appendix K as confidential in accordance with Section 202 of *The Cities Act*.

## **Exhibits**

[15] The following material was filed with the Secretary of the Board of Revision:

- a) Exhibit A-1 – Notice of Appeal received February 11, 2022
- b) Exhibit A-2 – Email dated February 28, 2022, clarifying representation
- c) Exhibit A-3 – Appellant's 20 day written submission received March 24, 2022
- d) Exhibit A-4 – Appellant's 5 day written rebuttal received April 21, 2022
- e) Exhibit B-1 – Acknowledgement and Amendment Letter dated February 25, 2022, requesting clarification on Agent's Information
- f) Exhibit B-2 – Notice of Hearing Letter dated March 18, 2022
- g) Exhibit R-1 – Respondent's 10 day written submission received April 19, 2022

## **Appeal**

[16] Pursuant to *The Cities Act*, section 197(1), an appeal has been filed against the property valuation of the subject property. This property is in the West Hill neighbourhood, Future Urban Development (FUD) area, of Prince Albert and contains 47.58 acres of service land.

[17] The Appellant's ground states:

An error was made whereby the subject land was not assessed using the "regulated property assessment valuation standard."

### **Appellant**

[18] In the Appellant's written submission and testimony to the Board, the Appellant states:

- Upon careful reading of *The Cities Act*, particularly 163 of the Act, and in consultation with an advisor of the Saskatchewan Municipal Board the correct assessment for non-arable agricultural land is a regulated property assessment.
- *The Cities Act* 163(h.1), 164.1(1) and *Cities Regulations* 12 all confirm that land classified as agricultural has a regulated property assessment and regulated property assessments shall be determined to the regulated property assessment valuation standard.
- The Respondent refers to 168 of *The Cities Act*, but nowhere in 168 is non-arable agricultural land discussed or mentioned. *The Cities Act* 168 does not contravene *The Cities Act* 163(h.1), 164.1(1) and *Cities Regulations* 12.
- An increase in assessed land value has been attributed to the change from unserviced land to serviced land, but no sewer or water services enter the subject property. All existing sewer and water services are entirely on city-owned property and it would be illegal for the landowner to connect to such without City approval of various plans and fees paid.
- These lands have always been, and remain, agricultural non-arable (range) land in its unserviced, undeveloped native state.
- *The Cities Act* 163(3) emphasizes that the dominant and controlling factor in assessment is equity. Neighbouring land to the subject property is arable agricultural land and has a much lower assessment than that of the subject property.

[19] Questions presented to the Appellant and subsequent answers:

- The City Assessor questioned the Appellant's formal education on mass appraisals in Saskatchewan to which he responded that he did his own reading and received advice from experienced Municipal Board advisors.
- A Board member questioned if the Appellant has shown an error made by the City Assessor or if it is a question of understanding regulated assessed land and non-regulated assessed land. The Appellant referred to section 163(h.1) and 164.1(1) of *The Cities Act* to support that his property should be classified as regulated property.

## Assessor

[20] In the Assessor's written submission and testimony to the Board, the Assessor states:

- In the 2018 assessment year the Appellant appealed to the Board of Revision to have the subject property classification changed from commercial to non-arable. The classification change was granted, and it was understood that it would remain as a non-arable classification until development occurs or there is a zoning change.
- The Appellant argues that *The Municipalities Act* supports his case of regulated property classification and 168 of *The Cities Act* should not hold influencing weight for a non-regulated classification. It is important to note that 168 of *The Cities Act* does not exist in *The Municipalities Act*. Because the subject property is not actively being used as farmland, it cannot be classified as regulated property. In fact, very little land within City boundaries is classified as regulated.
- In mass appraisal, the highest and best use of property is determined as one of the first steps in the valuation process. In the summer of 2022, the City extended the paved street of 36<sup>th</sup> Street West north to the corner of 10<sup>th</sup> Avenue West and 28<sup>th</sup> Street West. When this was done water and sewer services were installed and are now available by the subject property. This has changed the highest and best of this property from unserviced land to serviced land ready for development.
- Zoning is also important in determining land valuation. The subject property is zoned as Future Urban Development (FUD) according to the City Zoning Bylaw 1 of 2019.
- Following the Cost Guide, the sales comparison method was used to develop the rates that determined the land value of the subject property. Five unserviced land sales were used to develop the base land rate. Two of the five sales used are properties that the Appellant purchased and he is now appealing their assessed value.
- The purchase price of the property on August 4, 2016, was \$750,000 and is a good indicator that the estimated value of \$872,000 as reflected in the base date of January 1, 2019, is correct.
- Non-arable waste land would not have services installed; nor would it be zoned as FUD.
- Concerning classifying the neighbouring lands in the FUD zone as arable agricultural (regulated) lands, these lands are being actively farmed. The subject property is not being actively farm and is non-arable (unregulated) land. To classify all these properties as the same would cause inequity.

[21] Questions presented to the Assessor and subsequent answers:

- The Appellant asked if 163(h.1) of *The Cities Act* provided a concrete definition of regulated property in relation to farmland? City Assessor responded that assessment within city boundaries was further guided by 168 of *The Cities Act*. And reminded the Appellant that 168 is not part of *The Municipalities Act*.
- A Board member asked how the land was classified when it was purchased by the Appellant and discovered that when purchased in 2016 it was classified as agricultural but changed to a commercial classification in 2017 and subsequently was reclassified as non-arable after a classification appeal in 2018.

### **Board Analysis**

[22] After careful deliberation and reviewing *The Cities Act* and other referenced material, the Board considered:

- The subject property is not being actively farmed; non-regulated market valuation is the standard for such properties within city boundaries.
- The West Hill master plan shows that this property is in the FUD zoning district and as such will be used as future residential development. The city's extension of pavement and services running parallel to the subject property is an indicator that the land is ready for development. The property has moved from unserviced land to serviced land, ready for development.
- The City used five unserviced land sales in this assessment cycle; two of these properties are owned by the Appellant and both are under appeal. Purchase prices directly impact land rates which are in turn applied to comparable land parcels within the City. The Appellant's purchase price of \$750,000 is a good indicator of estimated assessment values.
- The argument that neighbouring parcels of land have a regulated classification does not come into play as those lands are cultivated fields (farmed) which makes them not comparable to the subject property.

**Decision**

[23] The Board dismisses the appeal on all grounds.

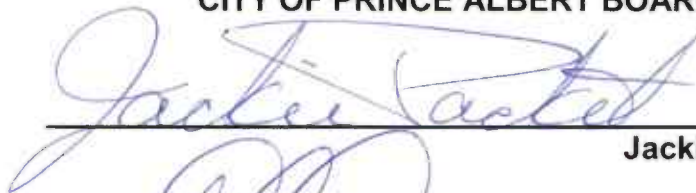
[24] The total assessed value will remain at \$872,100.

[25] The taxable assessment will remain at \$392,400.

[26] The filing fee shall be retained.

DATED AT PRINCE ALBERT, SASKATCHEWAN THIS 4<sup>th</sup> DAY OF MAY, 2022.

**CITY OF PRINCE ALBERT BOARD OF REVISION**



Jackie Packet, Chair

I concur:



Ralph Boychuk, Member

I concur:



Dan Christakos, Member