

Appeal No. VA04/3/017

AN BINSE LUACHÁLA
VALUATION TRIBUNAL
AN tACHT LUACHÁLA, 2001
VALUATION ACT, 2001

Comhar Conradh Na Boirne Teo.

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Heritage Centre, Shop, Restaurant/Café at Lot No. 45.46.47, Kilfenora,
Ennistymon, County Clare

B E F O R E

Fred Devlin - FSCS.FRICS

Deputy Chairperson

Michael F. Lyng - Valuer

Member

Michael McWey - Valuer

Member

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 20TH DAY OF JANUARY, 2005

By Notice of Appeal dated the 13th day of July, 2004 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of €18.00 on the above described relevant property.

The grounds of Appeal as set out in the Notice of Appeal are:

"(a) no account has been taken of the location of the property i.e. a small community village with poor infrastructure (b) it is not comparing like with like to use the Wexford Heritage Trust as a comparison when setting valuation. There is no property in the village of Kilfenora paying such a high valuation or even in a similar situation."

The Appeal proceeded by way of an oral hearing held on the 3rd November 2004 at the offices of the Tribunal, Ormond House, Ormond Quay Upper, Dublin 7. At the hearing, the appellant was represented by Mr. Brian Mc Mahon, Solicitor, with Mr. Paddy Maher, Manager, the Burren Display Centre and Mr. John Vaughan, Auctioneer appearing as witnesses. The respondent was represented by Ms. Orlaith Ryan, MIAVI, B.Sc(Surveying), Dip.in Prop. Ec., Valuer with the Valuation Office. Both parties, having taken the oath, adopted their respective précis as being their evidence-in-chief. From the evidence so tendered, the following emerged as being the facts relevant and material to the appeal.

At Issue

Quantum

The Property:

The subject property, the Burren Display Centre, consists of a single storey visitors centre, incorporating a reception area, an audio-visual theatre, a craft shop, a café/restaurant and an exhibition area.

The Burren Display Centre has been redeveloped to provide a modern visitors centre at a cost of €52,303.55. The Centre was originally valued in two lots with a combined area of 244.67 sq. metres. It has been extended to 706.71 sq. metres to include the additional facilities it currently offers.

Location

The Centre is located in the village of Kilfenora, a small village located approximately 5.5 miles north of Ennistymon and 5.3 miles south of Lisdoonvarna in Co. Clare. Kilfenora is known as the 'Gateway to the Burren'. The village is approximately 30 miles from Shannon International Airport. It also has the attraction of an 11th century Cathedral and seven Celtic Crosses.

Valuation History

The original Burren Display Centre was opened in 1975 in a reconstructed former National School incorporating a display room and craft shop. This was most recently revised in the 1990/01 revision at a rateable valuation of €25.39.

A further tearoom and shop were added and revised separately in the 1991/04 revision at a rateable valuation of €25.39. No change was made at first appeal.

Following a revision request in 2003, the two lots were amalgamated and the redeveloped Display Centre was assessed at a rateable valuation of €18.

An appeal was lodged with the Commissioner of Valuation on the 6th of January, 2004. No change was made at first appeal and on the 21st July 2004 an Appeal was lodged to the Valuation Tribunal.

The Notice of Appeal to the Tribunal contended for an RV of €70.

Appellant's case:

Mr. Brian Mc Mahon stated that he did not intend cross-examining Ms. Orlaith Ryan for the Valuation Office regarding her précis. Mr. Mc Mahon called on Mr. Paddy Maher, Manager of the Burren Display Centre, to outline to the Tribunal the philosophy of the Centre. Mr. Maher stated that the Centre was run by a management committee of voluntary local people. Their objective was to try and keep their village alive and to train and employ young people from the area. He stated that they run a visitors centre, craft shop and tea-room. He also stated that the business was seasonal and that they fully depend on three months' cash flow from 32,500 paying customers.

The Centre has 2 Fás full time and 2 Fás part time workers and during the summer months employs 25 people. Mr. McMahon stated that the Co-Operative, which was state-of-the-art in the early seventies, was never modernised due to a lack of foresight. Due to circumstances beyond their control, it was threatened with closure. However, because of the intervention of Minister De Valera, a grant was given for a new Centre, which cost over €1 million and, together with the help from Fás, the future of the Centre was secured.

Under cross examination by Ms. Orlaith Ryan for the Valuation Office, Mr. Maher agreed that, in the event of the Burren Display Centre being disposed of, any monies left over after paying the debtors would go back to the shareholders.

Mr. John Vaughan, Auctioneer from Kilfenora, was called as a witness by Mr. McMahon. Mr. Vaughan stated that he had no complaint about the report prepared by Ms. Ryan and that his main concern was that if the Display Centre could be allowed a few more years before any rates increases took place, it would be very helpful in getting the project established. He said that he felt that the Burren Display Centre was at a disadvantage from a location point of view in relation to other comparisons used by the Valuation Office i.e. the Cliffs of Moher and the Wexford Heritage Centre, as both would have a much larger passing trade and are open all year round. He also stated that the present Centre could not have been constructed without state funding.

Under cross examination by Ms. Ryan, Mr. Vaughan said that he was familiar with the procedure by which properties were valued for valuation purposes and he agreed that a request for a deferment from paying rates would not be a valid ground of appeal. He also agreed that while monies were advanced by the State to redevelop the Centre, this could have no bearing on the calculation of rateable valuation for the property concerned.

The Respondent's Evidence

Ms. Ryan outlined to the Tribunal the valuation history of the Burren Display Centre, as set out above and in her précis. She contended for a rateable valuation of €18.07 calculated as set out below:

Visitors Centre/Café	628.98 sq. metres @ €34.17 per sq. metre =	€21,492.25
Offices/Kitchen/Canteen/Store	77.73 sq. metres @ €27.30 per sq. metre =	€2,122.03

Total NAV €23,614.28

Rateable Valuation @ 0.5% = €18.07 say **€18**

Under cross-examination by Mr. Mc Mahon, Ms. Ryan stated that a direct comparison had not been used when carrying out her valuation on the subject property. She also stated that the property was measured on a nett internal basis. In reply to the Tribunal Chairperson, Ms. Ryan stated that there were a number of other small cafés in Kilfenora but that none had been valued in recent times. In regard to her comparison, the Cliffs of Moher Visitors Centre, which is a shop and café, Ms. Ryan agreed that the properties were not the same but that she had taken the most similar property available and then adjusted the valuation level downwards to what she considered reasonable for the subject property

Determination

The Tribunal, having carefully considered all the evidence, including that in relation to comparisons, both in the written submissions and given orally at the hearing, finds that the valuation assessed by the Commissioner of Valuation is fair and reasonable and therefore affirms the RV of €118.

And the Tribunal so determines.