

Appeal No. VA92/6/073

AN BINSE LUACHÁLA
VALUATION TRIBUNAL
AN tACHT LUACHÁLA, 1988
VALUATION ACT, 1988

Aer Lingus

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Offices, Stores and Land at Map Ref: 21 ABCDEFG, Townland of Corballis (Dublin Airport), D.E.D. Airport, R.D. Dublin - Fingal, Co. Dublin
Quantum - Rebus sic stantibus

B E F O R E
Henry Abbott

S.C. Chairman

Paddy Farry

Solicitor

Patrick Riney

Valuer

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 3RD DAY OF JUNE, 1994

By Notice of Appeal dated the 30th day of October, 1992 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £5,000 on the above described hereditament.

The grounds of appeal as set out in the Notice of Appeal are that "the rateable valuation is excessive, inequitable and bad in law".

The Property

The property consists of the Aer Lingus Head Office Complex in Dublin Airport. There is c. 137,043 square feet of offices and stores. The buildings have been constructed on an ongoing basis since 1966. The various lot numbers maybe described as follows:-

- 21A - The main head office building was built in 1965 - 1966, is 6 floors high with a small basement. It holds circa 79,570 square feet of the 137,043 square feet. 440 car spaces attached.
- 21B - Service annex and stores. Built 1965/66. Semi industrial style offices. In good condition. Stores at rere. 2 storey building. Offices 12,340 square feet. Stores 13,545 square feet.
- 21C - Sales training centre. 2 portacabin offices in good condition. 1,817 square feet.
- 21D - Old stores and generator building. 2,964 square feet. Single storey.
- 21E - Information systems building. Built 1989 cost £500,000. Purpose built for computer operations. 30 car spaces attached. 2 storey building 10,536 square feet.
- 21F - Revenue accounts office. Built 1980. Plain offices. 11,682 square feet. Single storey.
- 21G - Cabin Crew Training Centre. Formerly a gym. 4,589 square feet. Single storey.
- | | | | |
|-------------|-------------------------|---------|-------------------------|
| Total Size: | 137,043 ft ² | Offices | 118,047 ft ² |
| Car Spaces: | 470 | Stores | 18,996 ft ² |

Tenure

The site is held on a site rent from The State. The rent at 1st April, 1989 was £5,403, this does not reflect the value of the site. The buildings have been constructed by Aer Lingus.

Valuation History

Prior to 1990 Revision the rateable valuation on this lot was £3,250 assessed on 1973 First Appeal.

On 1990 Revision the rateable valuation increased to £7,135 and was reduced on First Appeal to £5,000.

Written Submissions

Both parties delivered a précis of evidence which is annexed hereto in which the valuations and comparative evidence are set out.

Mr. Frank O'Donnell in his written submission set out his calculation of the R.V. as follows:-

21A Head Office

	<u>Area</u> <u>(Sq.Ft.)</u>	<u>Rate/Sq.Ft.</u>	<u>N.A.V.</u>	<u>R.V.</u>
Offices	56,110	£5.00	£280,550.00	
Computer Store Rooms (No Windows)	11,499	£3.50	£40,246.50	
Canteen	9,472	£4.00	£37,888.00	
Pre-Basement	773	£2.00	£ 1,546.00	
Basement	1,714	£1.50	£ 2,571.00	
			£362,801.50	
R.V. @ 0.63%				£2,285.65
440 Car Spaces		£0.35/Car		£ 154.00

21B Services Annexe

Offices (Gr.)	2,508	£3.50	£ 8,778.00	
(1st)	6,766	£3.50	£23,681.00	
Mail Room	2,813	£3.00	£ 8,439.00	
Safe Room	560	£3.00	£ 1,680.00	
Stores (Gr.)	9,973	£2.00	£19,946.00	
(1st)	2,330	£1.00	£ 2,330.00	
Canopy	915	£0.25	£ 228.75	
			£65,082.75	
R.V. @ 0.63%				£ 410.00

21C Portacabins

Offices	1,817	£2.00	£ 3,634.00	
R.V. @ 0.63%				£ 22.89

21D Old Stores

Stores (dilapidated)	2,964	£1.00	£ 2,964.00	
R.V. @ 0.63%				£ 18.67

<u>21E Imbus</u>				
Offices	10,536	£5.75	£60,582.00	
R.V. @ 0.63%				£ 381.67
36 Car Spaces		£0.35/Car		£ 12.60
<u>21F Revenue Offices</u>				
Offices (poor cond.)	11,682	£3.00	£35,046.00	
R.V. @ 0.63%				£ 220.79
<u>21G Training Centre</u>				
Training Centre	4,589	£2.00	£ 9,178.00	
R.V. @ 0.63%				<u>£ 57.82</u>
				£3,564.09
Less Aer Lingus Quantum allowance	-	15%		<u>£ 534.61</u>
				£3,029.48
 Add Site Rent			£ 5,402.00	
R.V. @ 0.63%				<u>£ 34.03</u>
<hr/> Total R.V.				£3,063.51
				<u>SAY £3,063.00</u>

Details of his comparisons are attached as Appendix A to this judgement.

In his written submission Mr. Frank O'Connor of the Valuation Office set out his calculation of the R.V. as follows:-

<u>21A Head Office</u>				
Offices & Canteen	73446ft ²	77083ft ²	@ £6/ft ² =	£462,498
Kitchens	3637ft ²			
*Basement	<u>2487ft²</u>		@ £1 =	£ 2,487
	79570ft ²			
440 Car Spaces		@ £200/each	=	£ 88,000

<u>21B Service Annex</u>					
Offices	12340ft ²		@	£5.50 =	£ 67,870
*Stores (2 storey)	13545ft ²		@	£1.00 =	£ 13,545
<u>21C Sales Training Centre</u>					
Portacabin Offices	1817ft ²		@	£3 =	£ 5,451
<u>21D *Stores</u>	2006ft ²]	2964ft ²	@	£1 =	£ 2,964
Generator Bldg.	958ft ²]				
<u>21E Information Systems Building</u>					
Offices	10536ft ²		@	£7.50 =	£ 79,020
30 Car Spaces			@	£200/each =	£ 6,000
<u>21F Revenue Office</u>					
Offices	11682ft ²		@	£5 =	£ 58,410
<u>21G Training Centre</u>	4589ft ²		@	£2.50 =	<u>£ 11,473</u>
				N.A.V.	<u>£797,718</u>
					<u>@ .63%</u>
					<u>£5026.00</u>
<hr/>					
Say £5000.00 R.V.					

Total Offices:	118047ft ²	@	£5.75/ft ² average	=	£678,770
Total Stores* (* in calculation)	18996	@	£1.00/ft ² average	=	£ 18,996
Car Spaces	470 @ £200			=	<u>£ 94,000</u>
			N.A.V.	=	<u>£791,766</u>
					<u>@ .63%</u>
					<u>£4988 R.V.</u>

Say £5000.00

Details of his comparisons are attached as Appendix B to this judgement.

Oral Hearing

The oral hearing took place here in Dublin on the 13th day of May, 1994. Liam McKechnie, S.C. instructed by Ms. Sheila Geaney, Solicitor for Aer Lingus appeared for the appellant and

Aindrias O'Caoimh, Barrister-at-Law instructed by the Chief State Solicitor appeared for the respondent.

Mr. Peter Reynolds, Facilities Engineer (Aer Lingus) and Mr. Frank O'Donnell, Valuer, gave evidence on behalf of the appellant and Mr. Frank O'Connor, Appeal Valuer, gave evidence on behalf of the respondent.

From the outset counsel for the appellant indicated that the same arguments would be advanced in respect of the subject as were advanced in respect of VA92/4/029 - Rainbow Bookshops -V- Commissioner of Valuation case and requested that the findings of the Tribunal would be delivered in the same terms as in the Rainbow Bookshops case in relation to the question of law therein. This request was acceded to by the Tribunal (and this judgement is made on the basis of the incorporation therein of the Rainbow Bookshops case decision on the point of law). Accordingly the Tribunal finds for the respondent in the same manner as was decided by the Tribunal in the Rainbow Bookshops case.

Mr. Frank O'Donnell gave evidence along the lines of his précis and laid great emphasis on the fact that the buildings (apart from the Imbus building) were old. He asserted that the Head Office building (21A) was obsolete and referred to the high cost of bringing same up-to-date. The parties advanced comparable evidence in relation to car parks and offices. Mr. Frank O'Donnell suggested that the office comparisons put forward by the respondent all related to more prime property located closer to the main terminal than the subject properties. Mr. O'Donnell also argued strongly for the valuation of car parking to be determined in accordance with the series of car parks valued by the Tribunal or agreed in recent times.

The Tribunal finds that the Head Office building is at this stage somewhat dour and uninviting with design difficulties that certainly do not leave it in the top rank of office space. However, this building should be valued in its present state without regard to high cost of refurbishment. Similarly, the portacabins are not up to par. The training centre also merits some reduction. In summary, the Tribunal takes the following approach to Mr. O'Connor's table as set out in the respondent's précis:-

21A	-	Main Office at £5.00 per square foot	=	£385,415
		Basement at £1.00 per square foot	=	£ 2,487
		Car Parks at £106 each	=	£ 46,640

21B	-	Offices at £5.50 per square foot	=	£ 67,870
		Stores at £1.00 per square foot	=	£ 13,545
21C	-	Sales Training Centre		
		Portacabin Offices at £2.00 per square foot	=	£ 3,634
21D	-	Stores and Generator Building at £1.00	=	£ 2,964
21E	-	Information Systems Building:		
		Offices at £7.50 per square foot	=	£ 79,020
		Car Parking at £106 each	=	£ 3,180
21F	-	Revenue Office:		
		Offices at £5.00 per square foot	=	£ 58,410
21G	-	Cabin Crew Training Centre at £2.00 per square foot	=	£ 9,178
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Total			=	£672,343

On the basis of an agreed fraction of 0.63% the rateable valuation is £4,235 and the Tribunal so determines.