

Appeal No. VA04/3/019

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

Limerick Gaelic Grounds Ltd.

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Stadium at Lot No. 3B, Coolraine, Castle, Coolraine, Farranshone, County Borough of Limerick.

B E F O R E

Fred Devlin - FSCS.FRICS

Deputy Chairperson

Frank O'Donnell - B.Agr.Sc. FIAVI.

Member

Mairéad Hughes - Hotelier

Member

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 24TH DAY OF JANUARY, 2005

By Notice of Appeal dated the 24th day of July, 2004 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of €790.00 on the above described relevant property.

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

"On the basis that the RV is excessive, inequitable and bad in law."

The appeal proceeded by way of an oral hearing which took place at the Valuation Tribunal Offices, Ormond House, Ormond Quay Upper, Dublin 7 on 5th November, 2004. Mr. Eamonn Halpin B.Sc. (Surveying), A.S.C.S., A.R.I.C.S., M.I.A.V.I., of Eamonn Halpin and Company, appeared on behalf of the appellant. Mr. Paschal Conboy, B.Ag(Hons), Chartered Surveyor and Valuer Grade 1 in the Valuation Office appeared on behalf of the respondent. Mr. Paddy Quilligan, Treasurer, Limerick G.A.A. County Board also attended.

In accordance with the Rules of the Tribunal both valuers having taken the oath adopted their respective précis, which had previously been received by the Tribunal, as their evidence-in-chief. From the evidence so tendered the following emerged as being the facts relevant and material to the appeal.

LOCATION AND DESCRIPTION OF SUBJECT PROPERTY

The subject property comprises a remodelled GAA stadium and grounds situated approximately 2 kilometres from Limerick city centre on the Ennis Road. They comprise of the following accommodation:

Mackey Stand (Covered)	Capacity 9,100
Open Stand	Capacity 11,300
East Terrace	Capacity 14,000
West Terrace	Capacity 14,000
Total Capacity	48,400

Under the Mackey Stand there are dressing rooms, 2 referees rooms, kitchen, offices, press box, miscellaneous stores and three shops. The Mackey Stand was built in 1988. The capacity of the stadium was reduced in the late 1980s from 50,000 to 31,000, due to restrictions imposed by the fire officer. In 2003, the stadium was revamped with the addition of a new uncovered stand with seating capacity of 11,300, two new terraces one at either end with a capacity of 14,000 each. The total expenditure for this development was approximately €12 million.

VALUATION HISTORY

A valuation of €393.62 was agreed in 1989 First Appeal. This valuation took into account the valuation of the new Mackey Stand at the time. The property was again revised in 1992 and appealed in 1992. No change was made in either case. The property was again revised in 2000 and the valuation remained unchanged. In 2003, a revision took place to take account of the redevelopment to the stadium and a valuation of €800 was issued. This was appealed and the Commissioner issued a result in June 2004 with a valuation of €790. This valuation was appealed to the Valuation Tribunal by Eamonn Halpin & Company.

TENURE

It is understood that the property is held freehold.

APPELLANT'S CASE

- 1) The proposed increase is excessive in view of the historical evolution of the property.
- 2) A doubling of RV is excessive given that there is no increase in capacity since the earlier revisions and appeals were carried out in 1989 and 1992.
- 3) The improvements have not doubled the value of the property in NAV terms.
- 4) The earlier precedents both here and elsewhere do not support the proposed basis adopted by the Valuation Office particularly the levels applied to the uncovered stand and the terracing.
- 5) The value of the uncovered stand is less than the covered stand and it is also used less often.
- 6) The value of the terracing is also substantially less than the covered stand and the level suggested by the Valuation Office is grossly excessive in view of the levels applied elsewhere and when its relative value and usage is taken into account.

At the oral hearing Mr. Halpin made the following points:

The holding of Concerts or other functions other than hurling and football are precluded due to a Bord Pleanála restriction. The total capacity now is 48,400 patrons as against 52,000 as applied up to the late 1980s. Mr. Halpin stated that the total capacity of 48,400 has not been fully

utilized and that a crowd greater than 31,000 patrons has not yet been recorded. Regarding comparisons, there are no suitable comparisons within the rating area, hence Mr. Halpin gave a list of comparisons outside the rating area, details of which are in Appendix 1 attached to this judgment. The only other stadium in Limerick City is Thomond Park and Mr. Halpin stated that this is not a suitable comparison because it is a much smaller stadium and there are two licensed clubhouses on the grounds, which are utilized on match days. They also have hospitality tents with drinks served.

Having regard to the foregoing, Mr. Halpin contended for a rateable valuation of €25.00 which he calculated as set out below:

			<u>NAV</u>
Mackey Stand (capacity 9,100)	@ €3.3116/space	=	€30,135 (Agreed)
Uncovered Stand (capacity 11,300)	@ €2.207/space	=	€24,939
Terracing (capacity 28,000)	@ €0.551933/space	=	€15,454
Additional: Agreed Items			
Offices			€5,118
Advertising, Shops etc.			<u>€7,500</u>
		N.A.V.	<u>€83,146</u>
		R.V. @ 0.63%	= €23.82
		Say	€25

RESPONDENT'S CASE

Mr. Paschal Conboy for the respondent having taken the oath gave evidence as per his précis. He contended for a valuation of €800 calculated as set out below:

			<u>NAV</u>
Mackey Stand	9,100 @ €3.3116	=	€30,136 (agreed)
North Side Stand	11,300 @ €3.3116	=	€37,421
East Terrace	14,000 @ €1.6558	=	€23,181
West Terrace	14,000 @ €1.6558	=	€23,181
Offices			€5,118 (agreed)
Advertising and retail			<u>€7,500 (agreed)</u>

TOTAL**€126,537**

Devalues 48,400 “seats” at €2.6144 overall.

Valuation = €126,537 x 0.63% = €797.18

Say €800

N.B. On per seat basis (plus advertising) the Mackey Stand comprised €191.94 of the 1989 agreed valuation. This devalues 9,200 seats @ €3.116.

In his evidence Mr. Conboy quoted Mr. Paddy Quilligan, Treasurer, as saying that the two stands are of equal value. The Mackey Stand is covered while the North Stand is open. However, the North Stand offers better visibility due to the seats being set at a more favourable angle of 16 degrees compared with 11 degrees for the Mackey Stand. Seating in the new stand is of a higher quality and the terracing is worth half the rate of the stands. Mr. Conboy gave the valuation history of the property and agreed generally with Mr. Halpin’s description of the stadium and its capacity. There are three retail areas in the Mackey Stand let collectively for €3000 to €3500 per annum. There are also twelve unmodified alcoves under the new stand and terracing. It was intended that these be used as retail areas. There is one external advertising sign let to Allied Irish Bank on a ten year lease from 1995 at a rent of €10,000. The arrangements for the internal and sideline advertising were not finalised but it was expected that there would be 30, generating income of approximately €650 per sign. In his opinion, Mr. Conboy stated, that with the exception of Croke Park, Limerick Gaelic Grounds would now rate as one of the best stadia in the country. His valuation was made by reference to the values of comparable properties appearing in the Valuation List for Limerick City Council area. There are only two stadia of note in Limerick City namely Limerick Gaelic Grounds and Thomond Park. The valuation on Thomond Park of €55.53 was fixed in 2000. Spectator capacity was given as 11,394. There were 1,234 seats in the West Stand and the balance was standing on the terraces. Thomond Park is a legendary sporting stadium that serves as a home for Shannon Rugby Football Club and Munster Rugby. Two clubhouses in the environs of Thomond Park are separately valued to Shannon RFC and Bohemians RFC. Limerick Gaelic Grounds is a substantially bigger and better stadium than Thomond Park. Mr. Conboy quoted section 49 of the Valuation Act, 2001 which states:

“that determination shall be made by reference to the values, as appearing on the valuation list relating to the same rating authority area as that property is situate in, of other properties comparable to that property”.

Thomond Park Rugby Ground is the only comparison offered by Mr. Conboy and it was valued on the contractors’ method at revision stage in 2001. The basis of this agreement for Thomond Park was as follows:

Terracing	4092.8 sq. metres @ £120	=	£491,136
Stores etc under Terrace	48.2 sq. metres @ £54	=	£51,203
Stand, Seating Area	876 sq. metres @ £325	=	£284,700
Ground and First Floor of Stand	987.8 sq. metres @ £110	=	£108,658
Second Floor, TV & Control Room	65.2 sq. metres @ €10	=	£7,172
Flood Lighting	Say		<u>£300,000</u>
			£1,242,869
	Devalue @ 3%	=	£37,286
	Add for advertising		<u>£6,500</u> (est.)
			£43,786
	NAV		£44,000
	R.V. @ 0.63%		£277.20
	R.V.		£280 (€355.53)

Mr. Conboy made the point that Limerick Gaelic Grounds devalues @ €2.6144 per seat overall while Thomond Park devalues at a much higher figure namely €4.953 per seat.

In summary Mr. Conboy stated that Limerick Gaelic Grounds was valued by reference to the only other comparison available in Limerick City. He made the point that all the comparisons introduced by Mr. Halpin are outside the Limerick City Local Authority Area and that Mr. Halpin does not have regard to Section 49 of the Valuation Act, 2001. Regarding the subject property, Mr. Conboy contended that the Mackey Stand (which is covered) should be valued at the same rate as the North Side Stand (which is uncovered). He added that the seats on the North

Side Stand are of a different type and more comfortable and the seats on the Mackey Stand are outdated and in his view one balances the other hence the same rate per seat for both stands.

Findings

The Tribunal has carefully considered all the evidence and arguments adduced by the parties and makes the following findings:

- 1) The subject property is of modern design and construction and would rate as one of the top stadia in the country.
- 2) The Tribunal agrees with Mr. Halpin's contention that there should be a differential between the covered stand (Mackey Stand) and the uncovered stand with seating (North Side Stand).

DETERMINATION

Having regard to the foregoing, the Tribunal determines the rateable valuation of the subject property to be €737 calculated as set out below:

				NAV
Mackey Stand	9,100	Seats @ €3.3116	=	€30,136
North Side Terrace	11,300	Seats @ €2.50	=	€28,250
East & West Terrace	28,000	Places @ €1.65	=	€46,200
Offices (agreed)				€5,118
Advertising and retail (agreed)				<u>€7,500</u>
Total NAV			Say	€17,000
RV @ 0.63%				RV €737

And the Tribunal so determines.