



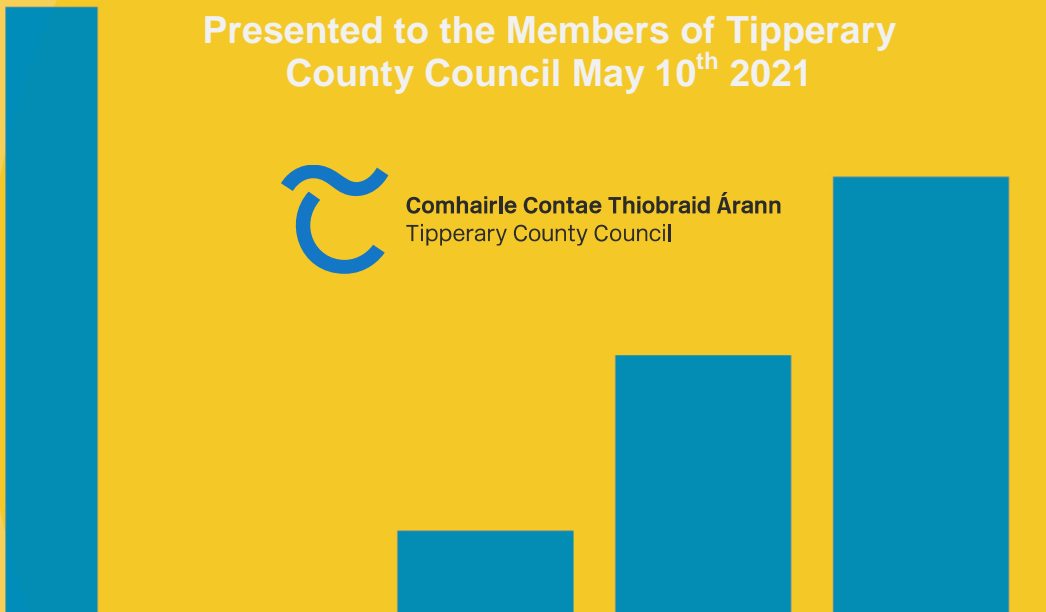
Commercial Vacancy Incentive Scheme 2021



Presented to the Members of Tipperary
County Council May 10th 2021



Comhairle Contae Thiobraid Árann
Tipperary County Council



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Introduction

Significant changes over the past year arising from the Covid 19 worldwide pandemic have added to an already challenged retail sector across Ireland. An additional range of issues are now facing the sector include seepage of revenue to established online businesses, the health and safety of staff and customers and the additional cost of protecting customers.

Along with this the pre-existing issues have not gone away such as the changing spending habits of the consumers, the exponential growth of online shopping and a lack of capacity of some members of the retail trade to react to changing customers' needs or circumstances. All of these factors have had a significant impact on the traditional retail centres in towns and villages. The resulting shop closures, reduced economic activity, reduced footfall and consequently vacant and derelict properties are evidenced in the towns and villages of County Tipperary.

An impaired attractiveness of these towns and villages as shopping destinations and perhaps even subsequently becoming a secondary shopping alternative for many consumers, provides the base for working to identifying ways to redress these challenges. It is recognised that support measures are required to assist in re-energising the vitality and vibrancy of the town/village centres. Tipperary County Council has worked with businesses, trade organisations and representatives to support them with a wide range of activities and initiatives, including the Painting and Enhancement Grant funding, the Christmas Retail Support grants, collaborating with local Tidy Town Committees, a dedicated Shop Local Tipperary online campaign, an online portal with details of Tipperary businesses selling on-line, construction/removal of festival crowd control and infrastructure provision of funding for festivals.

The Commercial Vacancy Incentive Scheme was developed to help restore vibrancy and vitality to town and villages. Tipperary County Council developed this mechanism to directly address the issue of vacant retail units. The scheme targets both a reduction in the number of vacant retail units and the stimulation of a differing and engaging retail mix and experience in towns and villages across the county. The scheme limits the financial risk associated with the establishment of a new business thus assisting in providing an entry point to entrepreneurs wishing to start-up.

This scheme adds significantly to the retail infrastructure in towns and villages by creating support to the provision of a more varied, vibrant and exciting offering. Subsequent increases in footfall will assist in the restoration of town and village vitality and provide positive economic impact.

Aims of the Scheme

The scheme has been established:

- To reduce the number of ground and first floor vacant properties in the town/village centres.
- To improve the commercial offering and diversity in our town/village centres.
- To encourage the provision of commercial ventures local to the population.
- To assist in job creation and ongoing employment.
- To increase the rates collection for Tipperary County Council, that would not otherwise be collected, in order to maintain local services.
- To support the economy by improving the attractiveness of the towns and village centres.
- To support new businesses by offering to off-set costs at initial start-up phase.

Qualifying Criteria

To achieve a balanced and fair scheme, a set of criteria regarding who can avail of the scheme has been established and falls into three categories.

- **Qualifying Occupier**
- **Qualifying Business/Use**
- **Qualifying Premises**

Qualifying Occupier

Qualifying Occupier means a person carrying on a new Qualifying Business/Use in the functional area and who has not, within a period of 2 years prior to the commencement of the relevant Qualifying Business/Use, carried out such a Qualifying Business/Use from a property situated in the functional area.

- A person or company occupying a Qualifying Use in a Qualifying Location can submit an application.
- The applicant must provide evidence that all ratesⁱ, contributions and local authority charges payable by them are fully paid on the

property under their tenure within the Tipperary County Council administrative area before the application will be finalised.

- The applicant must be the owner or leasee of the subject unit for a minimum of 12 months.
- The applicant must provide evidence of current Tax Clearance.
- The applicant may not avail from another scheme to incentivise its choice of location under the local authority.
- The applicant may not avail from another scheme that provides funding incentives for early payment such as the Early Payment Scheme.
- The applicant must provide evidence of the appropriate permissions and consents for the proposed use.
- An applicant for a grant shall make full and open disclosure of all relevant facts and details when making such application.
- Without prejudice to the generality of the foregoing, the applicant shall make full and open disclosure of details of all similar businesses carried on by the applicant or persons connected with the applicant in the functional area within the period of 2 years prior to the date of the application.
- An entitlement to a grant under this Scheme is personal to the Qualifying Occupier entitled thereto and shall not be capable of being assigned to any third party. Any provision in an Agreement or Lease for the assignment for such entitlements shall be void.
- If an applicant provides false or misleading information in connection with an application for a grant the application shall be refused and that person or business shall be disqualified from making any future application under this scheme.
- If a grant is paid on the basis of false or misleading information any monies paid by the Council must be refunded in full, the application will be considered void and that person or business shall be disqualified from making any future application under this scheme.
- Applications would be deemed non-qualifying if the applicant has traded in another location within the defined qualifying location in the 2 years period prior to the occupation of the unit subject to application for grant aid under this Scheme. Note this shall not prevent Tipperary County Council from allowing such a grant where the Council is satisfied that such businesses are each separate bona fides undertakings unconnected with each other.

For the purpose of this Scheme, a person is connected with an applicant for Grant Aid if he/she is: -

- a) a spouse, parent, grand-parent, brother, sister or child of such applicant; or
- b) a person acting in the capacity of a trustee of any trust, the principal beneficiaries of which are the applicant, his spouse or any of his children or any "body corporate"

- which he controls; or
- c) a partner of the applicant; or
 - d) acts under the control or direction of such person; or
 - e) a body corporate which is controlled by the applicant or any person listed at 4.a to 4.d above.

Qualifying Business/Use

Qualifying Business/Use shall consist of Retail or Office based business or services that are carried on in a Qualifying Premises, the use of which is, consistent with the requirements of the Development Plan for the functional area and in compliance with:

1. any planning permission relating to the Qualifying Premises in question; and
2. is in the area covered by the scheme

The property must have the appropriate planning permission/consent or be compatible with the exempted development classes of use set out in the Planning & Development Regulations, 2001ⁱⁱ, as amended and any amendment thereof.

The subject site for 'retail use' must be an existing ground or first floor unit located on lands zoned for prime retail area or town/village centre use.

The subject site for 'office based' businesses or services use must be either:

- An established and permitted ground floor office use in the Prime Retail Area on the date of the commencement of the scheme, or
- An existing first floor unit located on lands zoned Prime Retail Area or town/village centre use, or
- An established and permitted property in accordance with the zoning objectives of the County Development Plan/Local Area Plans or Town Development Plans

The property to which the application relates to **must be** an existing permitted development.

Production facilities are excluded from the Commercial Vacancy Incentive Scheme.

Non-Qualifying Business Use

Consideration has been given to a range of factors in regard to the categories of business that will qualify for the scheme. A list of non-qualifying business use was also identified and is set out in Table 1 below.

The property will not qualify for inclusion in the Commercial Vacancy Incentive Scheme if it has been subject to change of use from Residential to Retail in the two years previous to the application.

In addition, applications would be deemed non-qualifying if the proposed use has been open for trade by the applicant in another location in the functional area within the defined qualifying location in the 2 years period prior to the occupation of the unit subject to application for grant aid under this Scheme.

Note, this shall not prevent the Council from allowing such a grant where the Council is satisfied that such businesses are each separate bona fides undertakings unconnected with each other.

Ground Floor Units – Office based businesses and services unless existing permitted development ⁱⁱⁱ	Any premises where there is unauthorised development or which are subject to enforcement proceedings
Amusement arcades or Premises with gaming machines.	Cash for Gold or Cash for clothes shops
Adult shops	Pop-up Shops
Production facility	Betting offices
Nightclubs or Private member clubs	Moneylenders or Banks
End-of-lines or Closing-down Shops	Head shops

Table 1- List of Non qualifying use under the Commercial Vacancy Incentive Scheme.

Qualifying Premises

Qualifying Premises means a property in respect of which:

- a rate has been made or may be made; and
- which has been vacant and available for sale or letting for a period of no less than 3 months prior to the occupation thereof by a Qualifying Occupier commencing a new Qualifying Use Business; and

All Qualifying Premises are subject to the following criterion;

- The subject unit must have been vacant and offered on the open market for sale or lease for a minimum period of **three months** immediately prior to the occupation by the applicant for the qualifying use.
- The subject unit must be rated or rateable^{iv}. All rates, contributions and local authority charges must be fully paid up before grant approval will be authorised.
 - The applicant must provide evidence that all rates^v, contributions and local authority charges payable by them are fully paid on all property within the Tipperary County Council administrative area before the application will be finalised.
 - Where applicable, the applicant must provide evidence that the property has qualified for vacancy^{vi} in the prior financial year.
- The subject unit must have the appropriate permissions and consents for the proposed use.
- The subject unit must meet the other criteria identified in this scheme.

The subject premises for 'retail use' must be an established and permitted:

- Existing ground unit located on lands
 - zoned Prime Retail Area on the date of the commencement of the scheme; or
 - zoned Town Centre lands on the date of the commencement of the scheme; or
 - zoned village Centre on the date of the commencement of the scheme; or

- appropriately zoned for the proposed use outside of Town or Village Centres on the date of the commencement of the scheme; or
- Existing *first floor unit* located on lands
 - zoned Prime Retail Area on the date of the commencement of the scheme; or
 - zoned town centre lands on the date of the commencement of the scheme; or
 - zoned village Centre on the date of the commencement of the scheme; or
 - appropriately zoned for the proposed use outside of Town or Village Centres on the date of the commencement of the scheme.

The subject premises for 'office based business or services' must be an established and permitted

- Existing *ground unit* located on lands
 - zoned Prime Retail Area on the date of the commencement of the scheme; or
 - zoned town centre lands on the date of the commencement of the scheme; or
 - zoned village Centre on the date of the commencement of the scheme; or
 - appropriately zoned for the proposed use outside of Town or Village Centres on the date of the commencement of the scheme.
- Existing *first floor unit* located on lands
 - zoned Prime Retail Area on the date of the commencement of the scheme; or
 - zoned town centre lands on the date of the commencement of the scheme; or
 - zoned village Centre on the date of the commencement of the scheme; or
 - appropriately zoned for the proposed use outside of Town or Village Centres on the date of the commencement of the scheme.

Location Zones

The qualifying location are categorised under the following defined Zones:

- A. Prime Retail Area Zone [and Exceptional areas of development]
- B. Town Centre Zone and County Tipperary Villages Zone
- C. County-wide Zone

A. Prime Retail Area Zone.

To qualify for the Prime Retail Area Commercial Vacancy Incentive Scheme, the subject unit must:

- be located on lands zoned Prime Retail Area use [see Appendix i] within the administrative area of Tipperary County Council.

Exceptional Areas of Development.

From time to time each Municipal Districts can specify designated areas that fall outside of the Prime Retail Area but are under redevelopment within the town centre for inclusion in this grant scheme under the Prime Retail Area categorisation.

B. Town Centre Zone and County Tipperary Villages Zone.

To qualify for the Town Centre Zone and County Tipperary Villages Zone Commercial Vacancy Incentive Scheme, the subject unit must:

- be located on lands zoned for Town Centre within the administrative area of Tipperary County Council [See Appendix ii] Or
- be located in one of the 35 Service Centres as defined in the County Tipperary Settlement Hierarchy within the administrative area of Tipperary County Council [See appendix iii]

C. County-wide Zone.

To qualify for the Commercial Vacancy Incentive Scheme, the subject unit must:

- be located on lands appropriately zoned for the proposed use within the administrative area of Tipperary County Council^{vii} ^{viii} and **not** within the 9 Prime Retail Areas, the 9 Town Centre Zone, or one of the 35 Service Centres as defined in the County Tipperary

Settlement Hierarchy within the administrative area of Tipperary County Council.

Zoning Criteria

Adoption of a new County Development Plan by Tipperary County Council will supersede the zoning status of the date of commencement of the scheme and become the new base for consideration of compliance under PRA, Town Centre, Village, and County Wide.

Grant Financial Details

A. Prime Retail Area Zone Grant. [Also from time to time Exceptional Areas of Development]

To qualify for the Prime Retail Area Commercial Vacancy Incentive Scheme, the subject unit must be located on lands zoned Prime Retail Area use within the administrative area of Tipperary County Council. The following is a breakdown of the grant payable to the successful applicant over the course of three years.

- **Year 1** Grant payable equivalent to 90% of rate demand for subject year
- **Year 2** Grant payable equivalent to 40% of rate demand for subject year
- **Year 3** Grant payable equivalent to 20% of rate demand for subject year

The grant is subject to a maximum of €5,000 per grant in any year

The grant is subject to the proposed use having an active street frontage with clear glazing into the unit at ground floor level and internal activity visible from the street^{ix}.

In each case, payment of the grant will be subject to the ratepayer having discharged the residual Commercial Rates liability for the year in question (i.e. 10% in Year 1, 60% in Year 2, and 80% in Year 3). The Grant will then be applied retrospectively to the accounts of eligible ratepayers at year-end each year in order to discharge the Commercial Rates liability in full.

Each year a new application must be submitted and the required information must be attached in order to be appraised and a decision made on the specific year in question.

Grant Financial Details

B. Town Centre Zone or County Tipperary Villages Zone Grant.

- To qualify for the Town Centre Zone or County Tipperary Villages Commercial Vacancy Incentive Scheme, the subject unit must be located on lands zoned for Town Centre or be located in one of the 35 Service Centres as defined in the County Tipperary Settlement Hierarchy within the administrative area of Tipperary County Council [See appendix iii]
- **End of Year 1** Grant payable equivalent to **50%** of rate paid for subject year
- **End of Year 2** Grant payable equivalent to **35%** of rate paid for subject year
- **End of Year 3** Grant payable equivalent to **25%** of rate paid for subject year

The grant is subject to a maximum of €5,000 per grant in any year.

The grant is subject to the proposed use having an active street frontage with clear glazing into the unit at ground floor level and internal activity visible from the street^x.

In each case, payment of the grant will be subject to the ratepayer having discharged the residual Commercial Rates liability for the year in question (i.e. 50% in Year 1, 65% in Year 2, and 75% in Year 3). The Grant will then be applied retrospectively to the accounts of eligible ratepayers at year-end each year in order to discharge the Commercial Rates liability in full.

Each year a new application must be submitted and the required information must be attached in order to be appraised and a decision made on the specific year in question.

Grant Financial Details.

C. Countywide Zone Grant.

To qualify for the Countywide Commercial Vacancy Incentive Scheme, the subject unit must be located in an established and permitted property in accordance with the zoning objectives of the County Development Plan/Local Area Plans or Town Development Plans^{xi}.

The following is a breakdown of the grant payable to the successful applicant over the course of three years.

- **End of Year 1** Grant payable equivalent to **40%** of rate paid for subject year
- **End of Year 2** Grant payable equivalent to **30%** of rate paid for subject year
- **End of Year 3** Grant payable equivalent to **20%** of rate paid for subject year

The Grant is subject to a maximum of €5,000 per grant in any year.

In each case, payment of the grant will be subject to the ratepayer having discharged the residual Commercial Rates liability for the year in question (i.e. 60% in Year 1, 70% in Year 2, and 80% in Year 3).

Each year a new application must be submitted and the required information must be attached in order to be appraised and a decision made on the specific year in question.

Operational Calendar

The Commercial Vacancy Incentive Scheme will operate from the 1st of January to the 31st of December. For applicants who commence business within the calendar year, any deficit relating to Year 1 of the grant can be applied for in Year 4.

Grant Transfer.

In each case, payment of the grant will be subject to the eligible ratepayer having discharged the **residual** Commercial Vacancy Rates liability for the year in question. The Grant will then be applied through the payment of the balance to the accounts of eligible ratepayers from the Service Industrial and Commercial Facilities Budget for Commercial Vacancy Incentive Scheme Grants under the Community & Enterprise Section in order to discharge the Commercial Rates liability in full.

Each year a new application must be submitted and the required information must be attached in order to be appraised and a decision made on the specific year in question.

Grant Application.

Applicants will only be accepted by online application which is available on the website of Tipperary County Council at www.tipperarycoco.ie

The initial application requires the completion of the online application and the uploading of the following supporting material:

- Proof that the premises was vacant and offered for a minimum of 6 months
- Access code for revenue.ie to check Tax Clearance Status

- Photographic Evidence that the premise has an active shop front with unhindered view into the shop unit if on the ground floor [where relevant].
- Completed Tipperary County Council Supplier Setup Request Form.
- Statement confirming that the business is new and not just relocating.
- Evidence of ownership of unit (e.g. Land Registry Certificate) or 12 month lease agreement.
- Evidence of payment of contributions (as applicable), rates and local authority charges.
- Evidence of permissions/consents for the proposed use.

Retail Sub Group.

The review of the previous 'County Tipperary Commercial Incentive Scheme' and the development of a revised Scheme named the Commercial Vacancy Incentive Scheme has been conducted by Kathleen Prendergast of the Community and Economic Development Section of Tipperary County Council in conjunction with Carmel Daly from the Planning Section and Peter Cleary from the Finance Section along with a sub-committee from the Economic Development and Enterprise Strategic Policy Committee.

The sub-committee is comprised of the following:

- Cllr John Crosse,
- Cllr Mary Hanna Hourigan,
- Cllr Seamus Hanafin,
- Mary Spillane – Public Participation Network,
- Jim Sheehan - County Tipperary Chambers, and
- Laura Jones - County Tipperary Chambers

Appendices

Appendix I

Prime Retail Areas



Carrick on Suir



Templemore



Tipperary



Nenagh



Clonmel



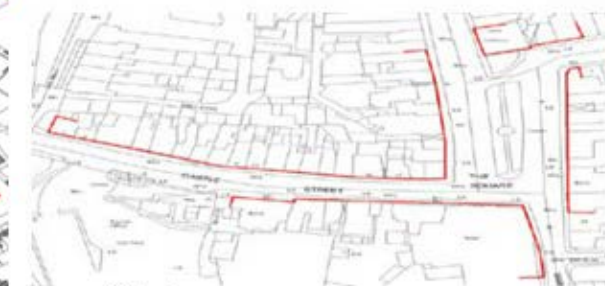
Thurles



Roscrea



Cashel



Cahir

Appendix II

Town Centre Zones



Cahir Town



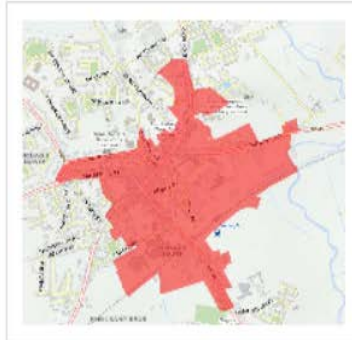
Carrick-on-Suir Town



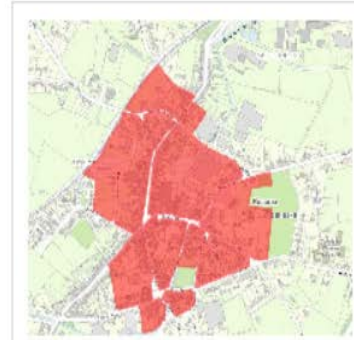
Cashel Town



Clonmel Town



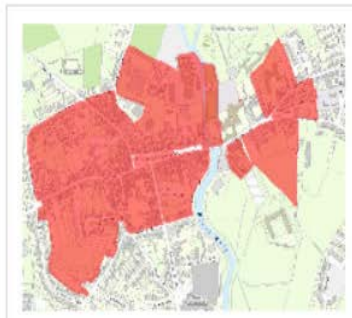
Nenagh Town



Roscrea Town



Templemore Town



Thurles Town



Tipperary Town

Appendix III

Tipperary County Settlement Hierarchy.

Figure 1: Tipperary County Settlement Hierarchy



Endnotes

ⁱ In instances where the premises has outstanding rates, but these were incurred before the new tenant took occupancy, an application for Write-Off under rates of vacant hereditament can be made.

ⁱⁱ <http://www.environ.ie/en/Legislation/DevelopmentandHousing/Planning/FileDownload.32878.en.pdf>.

ⁱⁱⁱ Except in cases where the property to which the application relates to is an existing permitted development and complies with the appropriate planning permission/consent or is compatible with the exempted development classes of use set out in the Planning & Development Regulations, 2001, as amended and any amendment thereof.

^{iv} Rates are the financial contribution business owners and occupiers make to the upkeep and quality of life of the local community. The types of property upon which rates are charged include shops, offices, factories, warehouses, hotels, licensed premises etc. The rateable valuation of a property is determined by the commissioner of valuation. The rateable valuation is used by the local authority to determine the commercial rates payable by each ratepayer.

^v In instances where the premises has outstanding rates, but these were incurred before the new tenant took occupancy, an application for Write-Off under rates of vacant hereditament can be made.

^{vi} In cases where the property is vacant at the making of the rate the liability lies with the person entitled to occupy the property at the making of the rate (the leaseholder or if there is no lease - the owner). However, a vacant property may qualify for exemption from rates if the following conditions are met at the making of the rate;

- The bonafide inability of the landlord to obtain a suitable tenant at a reasonable rent
- The execution of repairs/alterations
- Declaration and submission of supporting evidence confirming the fulfilment of either of the above conditions.

<http://www.irishstatutebook.ie/eli/1946/act/24/section/14/enacted/en/html>

^{vii} <http://www.tipperarycoco.ie> put link here to the county development plans local area plans or town development plans

^{viii} <http://www.tipperarycoco.ie>

^{ix} Except in cases where the property to which the application relates to is an existing permitted development and complies with the appropriate planning permission/consent or is compatible with the exempted development classes of use set out in the Planning & Development Regulations, 2001, as amended and any amendment thereof.

^x Except in cases where the property to which the application relates to is an existing permitted development and complies with the appropriate planning permission/consent or is compatible with the exempted development classes of use set out in the Planning & Development Regulations, 2001, as amended and any amendment thereof.

^{xi} <http://www.tipperarycoco.ie>