During 2017, The Economic Development unit in conjunction with the Sustainable Business Programme office of the South Dublin Chamber undertook a review of the vacancy levels in a number of Industrial Estates in South Dublin County. The objectives were to:

1. Investigate vacancy rates and potential reasons for same;
2. Create broader engagement opportunities with business owners;
3. Promote the Business Support Funds available to business owners/ occupiers.

The approach taken was to conduct field research in each Industrial estate to obtain quantitative data on vacancy rates and qualitative data inferring the potential reasons for the vacancy levels and levels of disrepair.

In areas of Cookstown and Ballymount, a significant period of desk research was also conducted to determine ownership and vacancy status of the individual sites in selected areas. This facilitated contact with vacant site owners to understand the challenges to occupancy and make them aware of the Business Support Fund measures available to help them.

Vacancy rates were varied across the industrial estates but a summary of the research identified the following:

* Avonbeg: Aging estate with limited signs of recent investment. **Vacancy rate of 25%**
* Cookstown**:** Major issues relating to both the condition of the area and parking issues. Also significantly affected by the existing and perceived potential development plan changes to the area. **Vacancy rate 39%**
* Ballymount Drive: Poor visual appearance, littered and overgrown. **Vacancy rate 27%**
* Ballymount (Swanward): Small estate, with very limited activity and up to **80% vacancy rate**
* Ballymount (other areas): Inconsistencies across this estate with some areas in good repair but **vacancy rates up to 34%**
* JFK Industrial Estate: Major issues with road disrepair, parking and fencing / overall appearance. **Vacancy rate at approximately 23%.**

One of the issues raised by the surveyors of industrial areas was that there appeared to be considerable differences between the desktop data held by the local authority in terms of unit vacancy compared with visual evidence of what may have been casual short-term occupancy.

Following engagement with owners across these areas the following were among the key reasons identified for vacancy:

* Awaiting planning / re-zoning developments and/or strategic vacancy to await optimum sales opportunities(noting that there is no disincentive to continued vacancy in this context);
* No apparent market demand for units for sale/letting;
* Obsolescence of unit types due to the changing nature of industry and in comparison with newer and/or more attractive industrial areas in the County;
* Prohibitive cost of re-development or re-let works to units (including possible lack of resources to fund same)
* Lack of investment in maintenance and/or upgrade works to premises during economic downturn resulting in poor current condition of premises;
* Overall unattractiveness of industrial areas due to general condition because of vacant units and lack of public realm maintenance works;
* Apparent ownership issues;

The benefits of increased occupancy to the local economy is obvious and in this regard it is important to understand any potential strategic intent or unwillingness and indeed inability of owners to proactively strive to lease or sell premises. Strategic vacancy positions may be adopted in order not to compromise perceived opportunities to benefit from potential planning and development changes or sales premiums in the medium term. While it should not be assumed that this practice is widespread the motivation to do all that is necessary to sell or let vacant units is not necessarily assisted by the straightforward and practically guaranteed assurance of a full refund of commercial rates on vacancy grounds. Adjusting the level of commercial rates refund from 100% in certain circumstances may have the effect of changing the mind-set of owners of vacant industrial units towards greater efforts aimed at increasing occupancy.

It should also be noted that there has been some activity regarding the purchase of vacant sites in areas previously zoned for Regeneration and proposals and/or planning applications are awaited for these areas which may also inform further actions that may be necessary to address vacancy.

In addition, the need for incentives both for owners to undertake the necessary improvement works (external and internal) and for potential occupiers to take up occupancy of previously vacant units in certain areas was highlighted as a possible means to stimulate activity. The Business Support Fund in its current form has targeted supports in relation to vacant units for microenterprises only with limited success but broadening the scope of these supports to vacant units in specific areas may provide a stimulus for reducing vacancy levels.

The public realm issues identified across many of the areas surveyed may be relatively straightforward to address through a targeted programme of works in conjunction with business owners and management companies. However, previous experience has shown limited willingness by owners to engage even with the incentive of Area Improvement Scheme supports with direct financial contribution from the Council. Therefore, a process of direct engagement with owners and representatives will also be undertaken to build on the relationships developed through the vacancy study in order to encourage owners to contribute towards public realm works.

While the reasons for vacancy are quite varied it is considered that a combination of the following recommendations will help to address the vacancy issues identified:

* Changes to the vacancy refund to tackle strategic vacancy;
* Increased promotion of the Business Support Fund including through direct engagement with owners in industrial areas to explore opportunities for shared initiatives for area improvement (including designating specific areas for redevelopment funding as sample projects);
* Encourage increased occupancy in areas with high vacancy levels through an introductory rates support mechanism (similar to that in the Business Support Fund for microenterprise but for a wider business base).
* Expansion of the Business Support Fund to assist redevelopment works for units other than microenterprise units.
* Addressing various public realm, maintenance and appearance issues including:
* Possible further road improvement works (similar to previous works done under Business Support Fund in Cookstown and JFK Industrial estates)
* Improved parking measures;
* New planting and maintenance of green areas;
* Remediation of dumping / litter and improved measures to address these issues;
* Redevelopment, cleaning and improvement of common areas;
* Fixing or in some cases renewing of boundary walls, railings and fencing;
* Improving signage in industrial estates and areas.