

ITEM NUMBER: C 31/10/20***RECOMMENDATION FROM THE EXECUTIVE MAYOR: 6 OCTOBER 2020*****MC 16/10/20 ADDRESSING THE ECONOMIC CRISIS IN CAPE TOWN'S CENTRAL BUSINESS DISTRICT (CBD)**

The Mayco Member for Economic Opportunities & Asset Management, Ald. J Vos elucidated the report on the agenda.

A discussion ensued on the plan during which it was suggested that the City's role in revitalising the economy should be determined.

It was further agreed that:

- (i) EMT should assist the Area Coordinating Team with implementing the plan;
- (ii) the plan be rolled out in other economic nodes in the City;
- (iii) outcomes of the implementation plan should be measured.

It is **RECOMMENDED** that:

- (a) the CBD Economic Recovery and Implementation Plan as a response to the urgent economic crisis in the Cape Town CBD, be supported
- (b) the Area Coordinating Team for the Cape Town CBD be established, which will be co-ordinated by Subcouncil 16 and that authority be granted to the City Manager to appoint a convenor
- (c) various directorates of the City, where appropriate, avail resources to assist in the recovery and implementation plan.



**REPORT TO: EXECUTIVE MAYORAL COMMITTEE
COUNCIL**

1. ITEM NUMBER MC 16/10/20

2. SUBJECT

ADDRESSING THE ECONOMIC CRISIS IN CAPE TOWN'S CENTRAL BUSINESS DISTRICT (CBD)

ONDERWERP

HANTERING VAN DIE EKONOMIESE KRISIS IN DIE KAAPSTADSE SENTRALE SAKEBUURT (SSB)

ISIHLOKO

UKUQWALASELWA KWENGXAKI YEZOQOQOSHO KWISITHILI SOSHISHINO ESISEMBINDINI WEKAPA (CBD)

3. DELEGATED AUTHORITY

This report is FOR DECISION BY

Committee name :

The Executive Mayor together with the Mayoral Committee (MAYCO)

Council

The Area Coordinating Team (ACT) establishment approach was approved by Council on 08 December 2011 in terms of Council Resolutions C24/12/11.

4. DISCUSSION

Background

The COVID 19 Health crisis and the corresponding national lockdown regulations have undoubtedly had a devastating impact on the economy of Cape Town. In terms

of addressing this economic crisis, the City has developed various action plans and interventions to address the multiple facets of this economic crisis. Although the City has limited levers at its disposal to address this economic crisis, it has identified various interventions which are contained in the Inclusive Economic Growth Strategy (IEGS) which is currently out for public comment. The IEGS is a five-year economic strategy of the City and offers guidance as to what approach we will be adopting over the short, medium and long term to both institute an immediate economic recovery and put Cape Town on a more inclusive and high growth trajectory.

In the short term, however, there are a number of immediate interventions which will need to be deployed by the City and various partners in order to arrest the social and economic decline that has arisen as a result of the Covid crisis. In particular, the lockdown as a result of Covid 19 has had a devastating impact on many of Cape Town's commercial areas, and in particular the Central Business District (CBD). The CBD requires specific attention as it has for a number of years proven to be the jewel in our tourism crown and its continued success has proven to be a major asset in our ability to promote Cape Town as both a prime tourism and business destination. The success of the CBD has been a result of a concerted effort from both the City and various partners over two decades that managed to firstly arrest the decline which had set in during the 1990s and then built up the City centre into an attractive place to live, work, play and invest.

Unfortunately, the Covid crisis has had a devastating impact on the CBD and due to the drop in footfall and demand for its goods and services many businesses have been forced to shut down in the last few months and the area is starting to descend into a spiral of economic decay. This situation can and must be addressed urgently and Subcouncil 16 (SC16) has already passed a motion of exigency on the 20 July 2020 setting up a task team to initiate an economic recovery of the area. This task team is made up of 5 different workstreams the details of which can be found in Annexure A. In order for this task team to be successful in its efforts though, it will require operational cooperation from all the directorates of the City. An ambitious program is being planned to initiate this economic recovery of the CBD and it is important that the various directorates are prepared to avail both human and financial resources to support this programme.

Subcouncil 16 coordination will be through Urban Management coordinating through the relevant departments. Furthermore, the efforts of SC16 will be consistent with broader corporate measures for recovery and all interventions will be subject to budget considerations and processes.

While the focus of these efforts are mainly focussed on the CBD for now, there are also other commercial areas of the City that have been equally hard hit by the Covid crisis. Our approach and learnings from our economic programme in the CBD can be used to develop a blueprint which Urban Management working through other Subcouncils can then utilise to initiate their own recovery programmes of other commercial centres.

Financial Implications None Opex Capex
 Capex: New Projects
 Capex: Existing projects requiring additional funding
 Capex: Existing projects with no additional funding requirements

4.1. Policy and Strategy Yes No

Legislative Vetting Yes No

Legal Compliance

4.2. Staff Implications Yes No

4.3. Risk Implications Yes No

5. RECOMMENDATIONS

1. The CBD Economic Recovery and Implementation Plan as a response to the urgent economic crisis in the Cape Town CBD is supported.
2. The Area Coordinating Team for the Cape Town CBD be established which will be co-ordinated by Subcouncil16 and that the City Manager be authorised to appoint a convenor.
3. Various directorates of the City, where appropriate, avail resources to assist in this recovery and implementation plan.

AANBEVELINGS

1. Die plan vir ekonomiese herstel en implementering in die SSB (middestad) gesteun word as reaksie op die dringende ekonomiese krisis in die Kaapstadse SSB.
2. Die gebiedskoördineringsplan vir die Kaapstadse SSB gestig word, wat deur subraad 16 gekoördineer sal word en die Stadbestuurder gemagtig word om n sameroeper aan te stel.
3. Verskeie Stadsdirektorate, waar toepaslik, hulpbronne beskikbaar stel om met hierdie herstel-en-implementeringsplan te help.

IZINDULULO

1. Makuxhaswe isiCwangciso sokuVuselelwa kwezoQoqosho nokuSebenza kwiCBD njengenyathelo elithatyathiweyo kwingxaki engxamisekileyo yezoqoqosho kwidolophu yaseKapa.
2. Makusekwe iQela loQuquzelelo loMmandla elijoliswe kwisithili soshishino esisembindi weKapa eliza kulawulwa liBhungana 16.
3. Amacandelo awohlukeneyo eSixeko, apho kufanelekileyo, mawanikezele ngezibonelelo ezinokuncedisa esi sicwangciso sokuvuselela uqoqosho nokusebenza kwaye ukuba uMphathi weSixeko makanikwe igunya lokuchonga umququzeleli.

ANNEXURES


Urgent Response to the Economic Crisis in the Cape Town CBD

FOR FURTHER DETAILS CONTACT

NAME	Girshwin Fouldien	CONTACT NUMBER	0812599840
E-MAIL ADDRESS			
DIRECTORATE	Urban Management	FILE REF NO	
DIRECTOR	<div style="border: 1px solid black; padding: 2px;"> Digitally signed by Zolile Siswana Date: 2020.09.17 10:04:03 +0200 </div>		

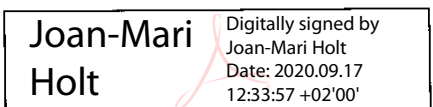
Making progress possible. Together.

EXECUTIVE DIRECTOR

NAME P. Mashoko COMMENT:
DATE 2020.09.14
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LEGAL COMPLIANCE

- REPORT COMPLIANT WITH THE PROVISIONS OF COUNCIL'S DELEGATIONS, POLICIES, BY-LAWS AND ALL LEGISLATION RELATING TO THE MATTER UNDER CONSIDERATION.
- NON-COMPLIANT

NAME COMMENT:
DATE Certified as legally compliant based
SIGNATURE  on the contents of the report.

DIRECTOR: ENTERPRISE AND INVESTMENT

NAME Lance Greyling COMMENT:
DATE
SIGNATURE **Lance Greyling** Digitally signed by Lance Greyling
Date: 2020.09.17 13:24:21 +02'00'

EXECUTIVE DIRECTOR: ECONOMIC OPPORTUNITIES AND ASSET MANAGEMENT

NAME Kelcey le Keur COMMENT:
DATE
SIGNATURE **Kelcy Le Keur** Digitally signed by Kelcy Le Keur
Date: 2020.09.18 08:50:57 +02'00'