

DATE 3 JUNE 2020

**REPORT TO: ECONOMIC OPPORTUNITIES AND ASSETS MANAGEMENT PORTFOLIO
COMMITTEE**

1. **ITEM NUMBER** ITEM NUR EAM 16/06/20

2. **SUBJECT:**

PROPERTY MANAGEMENT REPORT FOR THE 2019/2020 FINANCIAL YEAR

ONDERWERP:

EIENDBESTUURVERSLAG VIR DIE 2019/2020-BOEKJAAR

ISIHLOKO:

INGXELO ENGOLAWULO LWEPROPATI YOMNYAKA-MALI KA-2019/2020

3. **IN TERMS OF DELEGATION**

This report is FOR NOTING BY

Committee name:

- Economic Opportunities & Asset Management Portfolio Committee
- The Executive Mayor in terms of Delegated authority
- The Executive Mayor together with the Mayoral Committee (MAYCO)
- Council

4. DISCUSSION D

This Report provides statistics for the 3rd quarter (January – March 2020) of the 2019/2020 financial year in respect of the **acquisition, leases and transfers** of immovable properties by the Property Management Department.

4.1 Immovable property acquisitions

During Quarter 3 of the 2019/2020 financial year, the Acquisitions unit has on behalf of service departments, acquired and transferred **two (2)** properties in the ownership of the City with a total value of R 1 968 500,00 (VAT inclusive), to be utilised for municipal purposes.

Fig.1 Property Acquisitions registered: Quarter 1, 2 and 3 in 2019/2020 financial year.

PROPERTY ACQUISITIONS 2019/2020 FINANCIAL YEAR PROPERTY ACQUISITIONS REGISTERED July 2019 – March 2020			
Quarter	Period	No of properties acquired	Total Rand Value of properties acquired (incl. VAT)
1	July –Sept. 2019	3	R 6 746 340,00
2	Oct – Dec. 2019	3	R 17 193 000,00
3	Jan – Mar. 2020	2	R 1 968 500,00
TOTAL		8	R 25 907 840,00

4.2 Immovable property leases

Figure 2 below indicates the number of new leases that Property Management has successfully negotiated and concluded during the period January – March 2020.

Fig.2 Property leases concluded during the period January – March 2020 per region:

PROPERTY LEASES			
2019/2020 FINANCIAL YEAR			
Quarter 3 Jan - March 2020			
PROPERTY LEASES CONCLUDED			
No	Property Regions	No of cases	Lease Value
1	Cape Town Region	6	R104 306.20
2	East Region	8	R77 910.99
3	South Peninsula Region	8	R1 077.61
4	Tygerberg Region	4	R9 054.42
5	LIFT	10	R60 099.03
	TOTAL	36	R252 448.25

Fig.3 Property leases concluded per quarter during the period July 2019 – March 2020:

PROPERTY LEASES		
2019/2020 FINANCIAL YEAR		
QUARTER 1, 2 & 3		
PROPERTY LEASES CONCLUDED		
QUARTER	No of cases	Income per quarter (excl. VAT)
1 st Quarter (July – Sept. 2019)	49	R81 815.93
2 nd Quarter (Oct. – Dec. 2019)	31	R 173 818.00
3 rd Quarter (Jan. – March 2020)	36	R252 448.25
TOTAL	116	R508 082.18

4.3 Immovable property alienations

The Property Management Department has during the first **three (3)** quarters of the 2019/2020 financial year transferred **thirty-four (34)** properties to new owners. These properties, not required for municipal purposes, will be utilised by the new owners for purposes of inter alia residential, social and business development. An income of R 32,6 million was received from the sale of these properties. (Refer Fig.4).

Fig.4 Property transfers:

PROPERTY ALIENATIONS									
REGISTERED TRANSFERS									
2019/2020 FINANCIAL YEAR									
July 2019 – March 2020									
Quarter	No.	R Income excl. VAT	PROPERTY USE						
			GARDEN/SEC	RESIDENTIAL	SOCIAL	STATE	BUSINESS	MIX USE	INDUSTRIAL
1st Quarter (Jul - Sep 2019)	19	R 17 965 635,99	4	2	3	4	4	0	2
2nd Quarter (Oct – Dec 2019)	9	R10 582 693,82	2	0	1	1	5	0	0
3rd Quarter (Jan – Mar 2020)	6	R 4 012 869,30	2	0	1	0	3	0	0
TOTAL	34	R 32 561 199,11	8	2	5	5	12	0	2

Enquiries to the Property Management Department may be directed to:

Email: Property.Management@capetown.gov.za

City's Call Centre Number: 0860 103 089

Financial implications None Opex Capex
 Capex: New Projects
 Capex: Existing projects requiring additional funding

Making progress possible. Together.

Capex: Existing projects with no additional funding requirements

Legal Compliance

Staff Implications Yes No

5. OUTCOMES OF DISCUSSIONS WITH MAYCO MEMBER

6. RECOMMENDATIONS RECOMMENDATIONS

That the content of the report be noted.

AANBEVELINGS

AANBEVELING

Dat daar van die inhoud van die verslag kennis geneem word.

IZINDULULO

Ukuba makuqwalaselwe okuqulathwe kwingxelo.

FOR FURTHER DETAILS CONTACT FOR FURTHER DETAILS CONTACT

NAME	Andre Human	CONTACT NUMBER	021 400 2366
E-MAIL ADDRESS	andre.human@capetown.gov.za		
DIRECTORATE	Economic Opportunities and Assets Management		
SIGNATURE : DIRECTOR			

Making progress possible. Together.

EXECUTIVE DIRECTOREXECUTIVE DIRECTOR

NAME	KELCY LE KEUR	COMMENT:
DATE	_____	_____
SIGNATURE	_____	_____

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	_____	_____
SIGNATURE	_____	_____

MAYORAL COMMITTEE MEMBERMAYORAL COMMITTEE MEMBER

NAME	CLLR JAMES VOS	COMMENT:
DATE	_____	_____
SIGNATURE	_____	_____

Approval Form
Supported for inclusion on the agenda



PROPERTY MANAGEMENT REPORT FOR THE 2019/2020 FINANCIAL YEAR

Report Reference: 515035
Meeting: Section 79 Portfolio Committee - Economic Opportunities and Asset Management
Meeting Date: 03.06.2020
Meeting Venue: Meeting Room A 5TH Floor Podium

Contact Person: Rachel Schnackenberg
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Item	Section	Approver	Approval	Approved Date	Approver Comments
01	Author	Rachel Schnackenberg	Approved	14.05.2020 08:36:35	
02	Director	Rachel Schnackenberg	Approved	14.05.2020 08:39:03	
03	Executive Director	Kelcy Sharon Cheryl Le Keur	Approved	17.05.2020 07:54:07	
04	Legal Compliance	Joan Mari Holt	Approved with Comments	20.05.2020 06:10:15	For information.

ECS Officer: