

# Subcouncil - Matters Receiving Attention Report

## Subcouncil 19

Agenda Item No:	<b>19SUB 8/6/2019</b>	<b>1</b>	<b>STADCO PRESENTATION</b>
Author:	Desiree Mentor		
How Resolved:	Casting Vote		
Meeting Date:	2019/06/14		
Outstanding:	240		
Directorate:	URBAN MANAGEMENT		
Department:	Sub-councils		

### Preamble:

Mr Odwa Ndesi was present for this item.

He briefly explained the following:

- the renewal of STADCO's lease agreement application and the existing footprint.
- A draft report to Subcouncil was prepared and was currently with the Manager.
- A contract has been in place and consent therefore was tacit to sub-let the jetty.

### DISCUSSION

Mr Ndesi asked for clarification on the submission of the application for Seaforth, or how it was going to be incorporated in the existing agreement.

**Alderman Felicity Purchase** asked if it was a memorandum of agreement (MOA) or lease agreement, to which Mr Ndesi responded that it was a Management Agreement. She stated that it would not be necessary to obtain permission from Province to sub-lease it. She added that it has been a status quo for years, therefore no new permission should be required from National to sub-lease; delegation on the management of that area was with the City.

Mr Ndesi responded that the City was guided regarding the jetty portion and required a legal opinion. There was a legal agreement between Province and the City. If City was going to issue an entity an agreement, consent had to be obtained from Province (this has been the practise prior). STADCO's agreement does not have an automatic renewal; consent would be needed again. A simple letter in writing stating that '*we have decided to renew STADCO's agreement*'. When the application was advertised, only 3 portions of the property was included; the extended property was not included.

Alderman Purchase requested to do management agreement according to the current footprint, and allow for an addendum for an increased footprint.

**Cllr Simon Liell-Cock** added that he understood the problems between Province and the jetty; finding a legal opinion was fair enough. He stated that the Seaforth beach parking desperately needed management authority, as it was currently chaotic. He proposed that STADCO oversee the management of the Seaforth beach parking, and include Simon's Town Hall in the lease agreement without including the jetty. Cllr Liell-Cock asked if Wharf Street and Jubilee Street parking could be added to the addendum. The jetty could be dealt with at a later stage.

### Resolution Details:

At the request of **Alderman Purchase**, it was **RESOLVED** that a meeting be set up with the legal advisor, Mr David Dunn, Mr Odwa Ndesi, the councillors and the Subcouncil Manager to discuss the legal concerns on the STADCO lease agreement.

## Preamble History

### Meeting Date

### Preamble

2019/10/21

**Alderman Felicity Purchase** informed that she would have a final update later from the relevant official as she needed to 'have an answer' when she meets with the Simon's Town Civic Association that evening.

2019/09/16

**RESOLVED** that,

**Alderman Felicity Purchase** follow up with Mr David Curran to ensure that the agreement include the addition of the Simonstown Town Hall and Seaforth parking to STADCO's footprint.

2019/06/14

Mr Arne Soderland, the Chairperson for Simon's Town Amenities Development Company (STADCO) was present for this item.

Mr Soderlund delivered a verbal presentation outlining STADCO's concerns (A copy of his presentation is attached to the Official Minute as Annexure "B").

The following points were highlighted:

- STADCO was a registered section 21 company whose mandate was to manage and develop community interests and projects in Simon's town under a management agreement with the City of Cape Town.
- STADCO was formed in 2003 as result of the deterioration of municipal facilities in the town after its incorporation within the metro city.
- In October 2007, STADCO took over the management of Jubilee Square and later the Town Jetty and ran both facilities successfully for 12 years. The Facility Management Agreements (FMA's) were for a period of three years.
- STADCO's FMA expired in June 2018 and they were currently operating on a monthly agreement and this could thus not implement any capital projects or guarantee employment contract with employees.
- In December 2018, STADCO was approached by city officials to consider extending their management to include public parking in Muizenberg and Fish Hoek, based on their excellent record. The company mandate only covered Simon's Town and therefore the Kalk Bay Business Association could only be advised on their parking.
- STADCO was hoping to extend the FMA to cover the Seaforth parking area to standardize and consolidate the control of municipal parking areas in the town. This was discussed earlier with the City.

Mr Soderlund requested that the Subcouncil,

1. Place pressure on the City to finalise the Facility Management Agreement (FMA) and submit it to STADCO for perusal. In the past similar delays were experienced which resulted in approval long after the commencement date. The FMA should be for a period of five years, bearing in mind that one year has already passed.
2. Propose to City that STADCO's footprint be extended to include the town hall and Seaforth beach parking and that the organisation be consulted and kept informed of progress.

In response, the Ward Councillor, **Cllr Simon Liell-Cock**, thanked Mr Soderlund for the presentation. He stated that property leases across the City were a problem. He added that he supported STADCO in managing Seaforth beach parking due to problems that were uncounted because of bad management.

**Cllr Liell-Cock** requested that the relevant officials be invited to a meeting. He added that the shop next door to the STADCO office was left empty after the tenant moved out.

**Cllr Liell-Cock** thanked STADCO for their work undertaken in Simon's Town and acknowledged the concerns that were raised.

**The Chairperson** advised that the submission would be forwarded to the relevant department for investigation and feedback to the Subcouncil.

<b>Resolution History</b>	
<b>Meeting Date</b>	<b>Resolution</b>
2019/10/21	<p><b>RESOLVED</b> that,</p> <p>Alderman Felicity Purchase follow up with the relevant official on the progress of the lease for STADCO.</p>
2019/08/16	<p>Alderman Felicity Purchase informed that the lease had been submitted to the Manager: Recreation and Parks for signature. She added that she would follow up with the MAYCO member.</p> <p>Alderman Purchase confirmed that the Seaforth beach and the Town hall would be added to STADCO's footprint.</p>
2019/06/14	<p><b>RESOLVED</b> that,</p> <ol style="list-style-type: none"> <li>1. Recreation and Parks provide STADCO with their Facility Management Agreement (FMA) for a period of five years.</li> <li>1. STADCO's footprint be extended to include the Simon's Town town hall and Seaforth parking, and the organisation be included in the consultation.</li> </ol> <p><b>ACTION: SECRETARIAT / DAVID CURRAN</b></p>

Department: **Recreation and Parks** Responsible Officer(RO): **Odwa Ndesi**

<b>Response Date</b>	<b>Comment from RO</b>
2019/08/12	<p>Dear Raquel</p> <p>The draft Subcouncil Report which pertains to the existing STADCO's footprint has been submitted to the Manager: Recreation and Parks for signature.</p> <p>Pertaining to the remainder of the contents raised in the subjoined SC resolution especially on the extension of such footprint, kindly liaise directly with the official who STADCO had such discussions in that regard.</p> <p>I am only dealing with the proposal to manage the current footprint.</p> <p>Regards</p> <p><b>Odwa Ndesi</b></p>

Department: **Recreation and Parks** Responsible Officer(RO): **David William Dunn**

<b>Response Date</b>	<b>Comment from RO</b>
2019/10/15	<p>Odwa Ndesi is dealing with this request.</p> <p>Odwa to provide feedback</p>