

# FIVE YEAR INTEGRATED HOUSING PLAN 2010/11 - 2014/15



CITY OF CAPE TOWN | ISIXEKO SASEKAPA | STAD KAAPSTAD

---

THIS CITY WORKS FOR YOU





# Foreword by:

## Mayoral Committee Member S Sims

Amidst all the excitement of hosting Africa's first ever FIFA World Cup, the state's responsibility of providing housing for the indigent remains a tremendous challenge and is still the Housing Directorate's key focus and core order of business. All of those involved in this endeavour are in agreement that creating Human Settlements is more than just building houses and it requires that our cities and towns be transformed to allow for the development of cohesive, sustainable and caring communities.

Housing is the constitutional responsibility of the National Government and the Housing Directorate therefore provides housing with funds received from national government in terms of the national housing policy. These policies are aimed at the needs of the poorest section of our community, who also accounts for the bulk of our housing backlog.

The Council continues with its groundbreaking work in the so-called GAP market. It provides assistance to those who do not qualify for state subsidy due to their income bracket, yet at the same time do not earn enough to obtain loans from the banks. The City's response is to therefore pursue its Gap Housing Policy with renewed commitment and vigour.

A relentless demand for more housing within reasonable proximity to economic opportunities has resulted in the Housing Directorate exploring new and innovative uses for its land, infrastructure and financial resources. It has lead the Directorate to embark on a Densification Strategy which entails greater use of infill land in urban areas, a pilot Backyarder Programme and the building of new rental stock.

Against this backdrop, the Housing Directorate's mission to serve communities remains clear. It aims to improve and develop Integrated Human Settlements in order to accelerate the delivery of housing opportunities; to upgrade informal settlements incrementally and to put in place policies and spatial planning frameworks that will facilitate Integrated Human Settlements.

It therefore gives me great pleasure to endorse this review of the Housing Directorate's Five-Year Plan.

Councillor S Sims  
Mayoral Committee Member: Housing

# Foreword by:

## Executive Director

### JA Smit



Our country's Constitution resonates with the words, "Everyone has the right to have access to adequate housing and the State must take reasonable legislative and other measures within the available resources, to achieve the progressive realisation of this right".

It is therefore necessary for us to incorporate in our review of the Five-Year Housing Plan, the accelerated delivery of housing opportunities, access to basic services, more efficient land utilisation and the proper and efficient management of rental stock.

All this has to happen in an environment of rapid 'urbanisation'. We no longer have the luxury to only react to immediate concerns; we now have to address the problem of the impending future growth of the urban population. To this end the Housing Directorate is driving the establishment of an overarching Urbanisation Department within the Council.

In this issue we also focus on housing needs, access to land, upgrading of informal settlements and the provision of a variety of housing opportunities to a wide spectrum of households.

In addition to the above, the Housing Directorate has embarked on new and innovative intervention strategies to focus on the establishment of Temporary Relocation Areas (TRA's) to accommodate families in crisis e.g. those made homeless by natural disasters. The Directorate is also working on a Backyarder Intervention Strategy and investigating the feasibility of developing a number of Incremental Development Areas (IDA's) in the medium to long-term as a means of coping with the unanticipated demands placed on the City's Formal Housing Programme.

Last but not least, the City of Cape Town is the first municipality to undertake a Major Maintenance Programme (CRU) to upgrade 7700 of its 43 500 rental units over the next five years. This is being done in phases in different locations across the city.

In conclusion, it must be stated that the Housing Directorate remains faithful and focused on its vision to improve and develop Integrated Human Settlements by balancing quantity with quality housing and improving the overall living environment of communities within the City of Cape Town.

A handwritten signature in black ink, appearing to be 'JA Smit', written over a light blue circular stamp.

JA (Hans) Smit  
Executive Director: Housing Directorate





**GAP Housing Project**  
Leo Mews, Elsie's River



# Contents

Chapter 1: Introduction

Chapter 2: The Strategic Intent of the Five-year Integrated Housing Plan

## **How will the Five-Year Plan work in practice?**

Chapter 3: The City's Urbanisation Strategy

Chapter 4: The Housing Need

Chapter 5: Access to land

Chapter 6: Informal Settlements

Chapter 7: The Backyarder Intervention Strategy

Chapter 8: New Housing

Chapter 9: Incremental Development Areas

Chapter 10: Existing Housing

Chapter 11: Gap Housing (affordable housing)

Chapter 12: Urban Renewal Programme

Chapter 13: Land Restitution

## **What support systems are in place?**

Chapter 14: Sustainable Development

Chapter 15: Innovation and Change

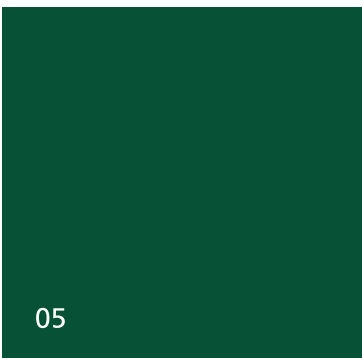
Chapter 16: Support Components

Chapter 17: Legislative Environment

Chapter 18: Funding

Chapter 19: Organisational structure





# Chapter 1:

## Introduction

This annual review is undertaken during a time of unprecedented, rapid urbanisation – happening not only in Cape Town and other South African cities, but in the rest of the world as well.

By 2008, half of the world's population lived in cities. According to United Nations projections, by 2030 cities will house 60% of the world's population – a number equivalent to the total global population in 1986.

Cape Town's population is likely to continue to grow significantly each year, both from natural births and from in-migration; the city has been and probably always be an attractive destination for a diverse range of people, from South Africa and from east and north of our borders. Current figures for Cape Town indicate that already more than 3.5million (2007 Stats SA) live within the metro's boundaries.

For the City of Cape Town's policymakers, then, this raises a number of issues – for example, how and where the majority of the city's population will live, particularly the poorest communities.

In his 2009 State of the Nation address, President Jacob Zuma said that 'housing is not just about building houses. It is also about transforming our residential areas and the building of communities, with closer access to work and social amenities, including community facilities.' What he is talking about is the concept of Human Settlements.

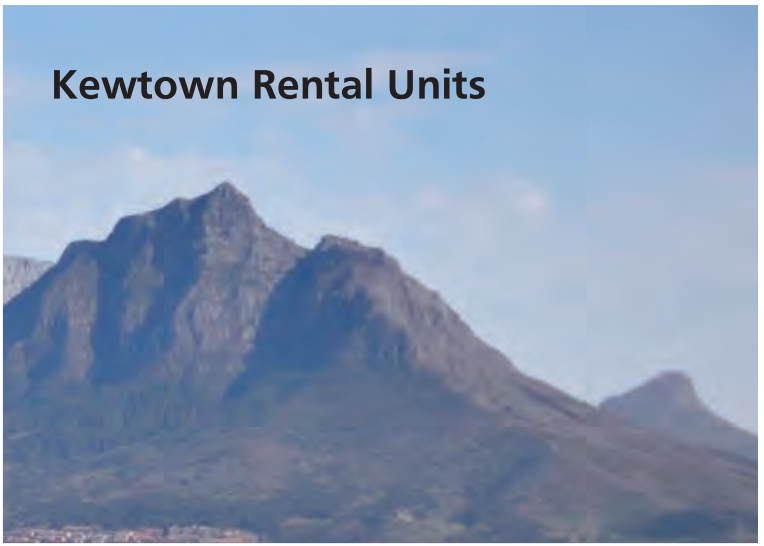
During his Budget speech that same year, however, the Minister of Human Settlements, Tokyo Sexwale, cautioned that the state alone would not be able to provide housing opportunities for all those in need.

Within this context, then, it is essential that the City's Housing Directorate reviews its current strategies, and redirects and enhances its existing mechanisms toward more responsive and effective service delivery.

Equally important is that the City aligns to the National Department of Human Settlement's Comprehensive Plan for Sustainable Human Settlements (Breaking New Ground) policy.

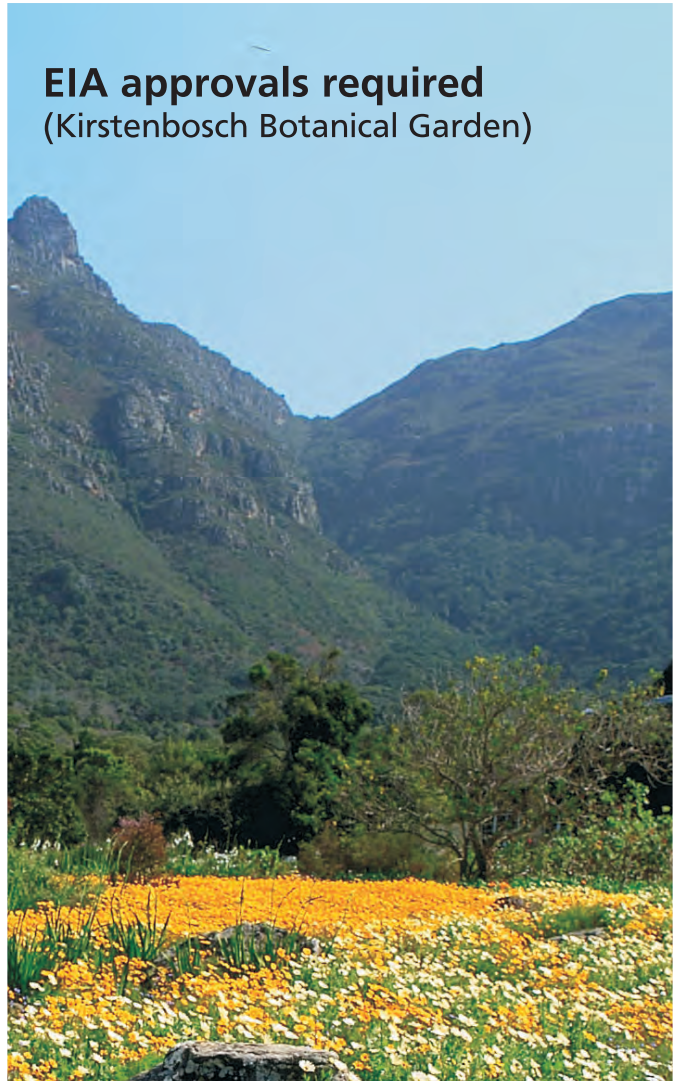
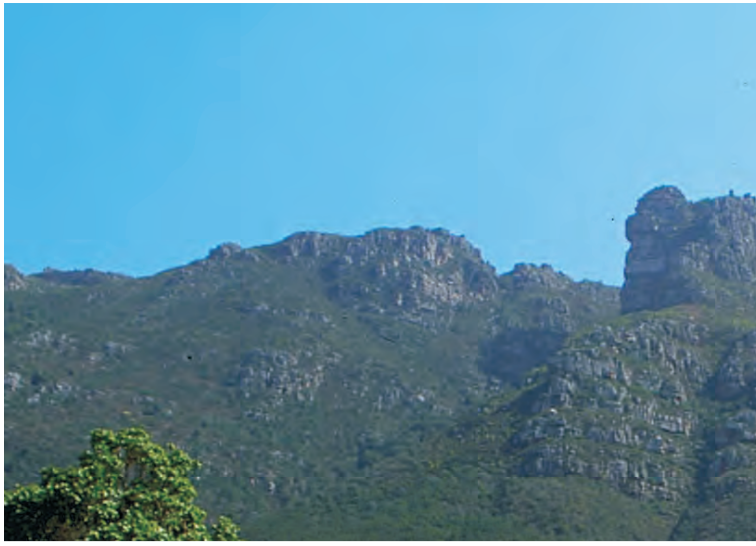


## Kewtown Rental Units





**EIA approvals required**  
(Kirstenbosch Botanical Garden)





# Chapter 2:

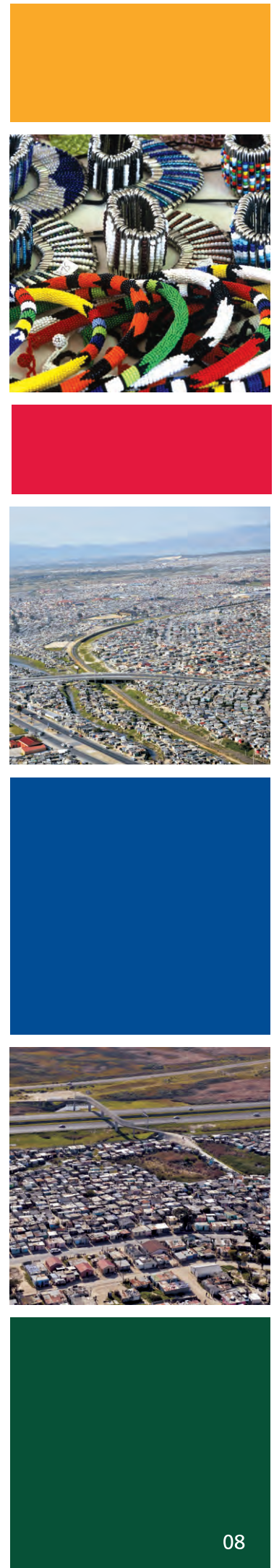
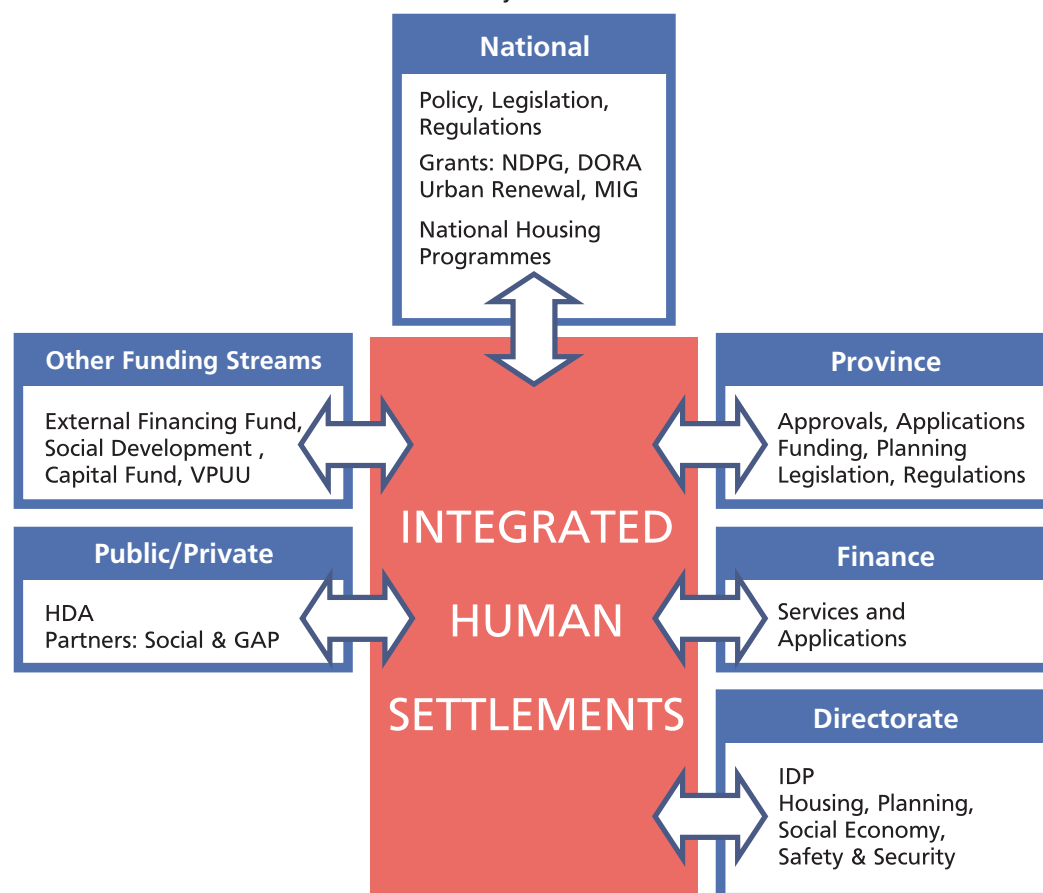
## The Strategic Intent

(of the Five-year Integrated Housing Plan)

The role of the Housing Directorate is to facilitate the provision of sustainable, integrated human settlements, in line with the City of Cape Town's obligations. The strategic intent is therefore to harness available resources in a coherent and purposeful manner, in order to improve the quality of life of particularly the poorer residents of Cape Town.

Core focus areas include:

- Co-ordinating the Housing Directorate's strategies with key role-players in relevant City, Provincial and National departments, thereby ensuring that projects are accurately matched to realising the housing needs of their intended beneficiaries
- Encouraging alignment with Provincial and City development strategies, as well as with the City's Spatial Development Framework initiatives and Integrated Development Planning;
- Aligning the City's housing budgets with those of Provincial Human Settlements, in order to avoid duplication;
- Promoting consultation and community involvement throughout all its initiatives; and
- Enhancing existing policies and developing new policies that will support and ensure the realisation of the above objectives.







# Chapter 3:

## The City's Urbanisation Strategy

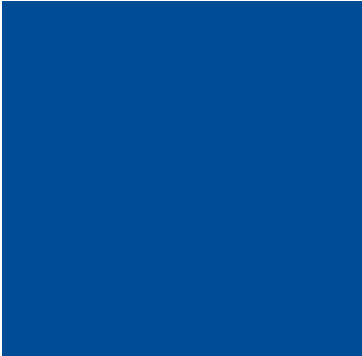


Cape Town's urban population has grown rapidly over the last 20 years, almost doubling in size. There are now about 3.5 million people who live here. It is estimated that future decades will see an even greater increase in the scale of urban growth, particularly in developing countries such as South Africa. Urbanisation - the increase in the urban share of total population - is inevitable, and it is not necessarily a negative trend. Although the current concentration of poverty, informal growth and social disruption in many of Cape Town's outlying suburbs does paint a threatening picture, no major city in the industrial age has achieved significant economic growth without urbanisation. Although cities have highly concentrated areas of poverty, they also provide the best hope of escaping it.



Until recently, the City has focused on immediate housing concerns, such as how to accommodate the poor and improve their living conditions and has reacted to other challenges as they arise. While these immediate concerns are obviously important, they shrink in comparison to the greater, overall challenge of the future growth of the urban population. A pre-emptive approach is now needed if the social and environmental benefits of urbanisation are to outweigh the potential for catastrophe.

***"A pre-emptive approach is needed if the social and environmental benefits of urbanisation are to outweigh the potential for catastrophe."***



It is for this reason that the Housing Directorate is working towards the establishment of an overarching Urbanisation Department for the City. This Department will investigate and discuss all aspects associated with urbanisation, to better prepare the City for future growth. The Department will focus closely on the demographics; on the longer term and broader vision of the use of urban space to reduce poverty and promote sustainability; and on the land needs of the poor.

It is essential for poor families to have an adequate piece of land - with access to water, sanitation, electricity and transport - on which they can construct their homes and improve their lives; it is also essential that the City plans for such requirements.

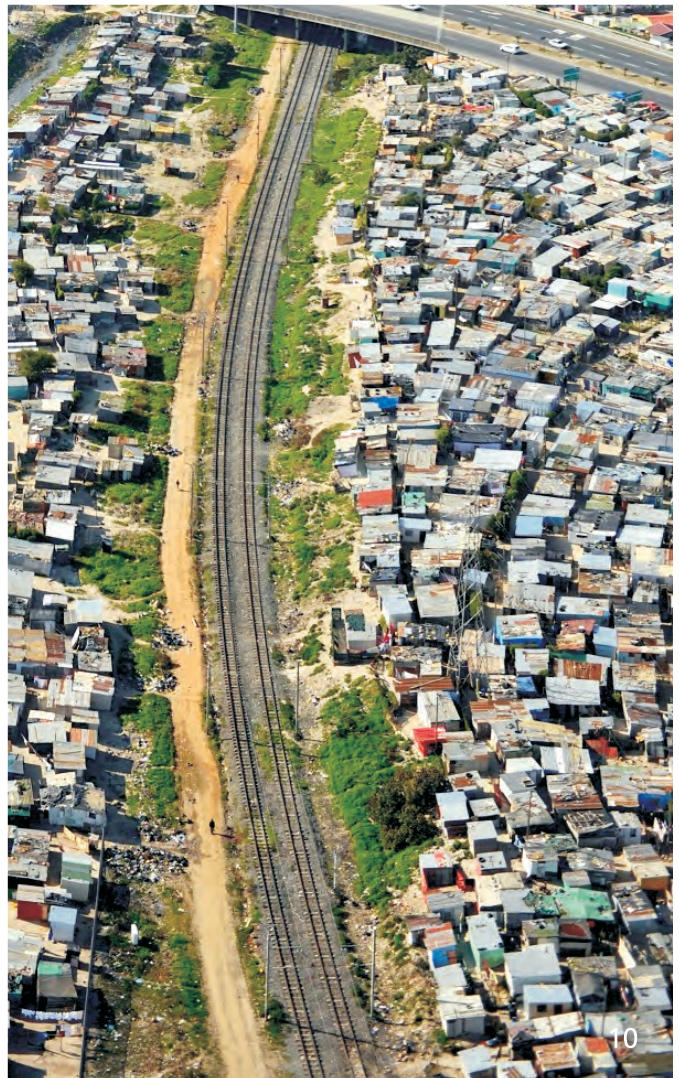
The new Urbanisation Department will facilitate a broad range of strategies that consider employment generation, reducing the City's ecological footprint, improving governance; and the administration of an increasingly complex urban system that includes attention to community health, community engagement, education, safety, security and basic service provision.

The vision is for a new, people-centred development that will knit together Cape Town's social fabric and encourage economic growth for all of Cape Town's communities, including the poor.





## Khayelitsha Informal Settlements





# Chapter 4:

## The Housing Need

The City's Housing Directorate is working on updating its database in order to accurately reflect the nature, composition and extent of the local population in need of housing. In previous years, the City's statistics has indicated that 400 000 families were in need of housing opportunities. According to the updated statistics, 386 590 households have expressed the need for a housing opportunity.

Of Cape Town's approximately 904 000 households, 73% (660 000) of these households live on a monthly income of less than R6 400. Historically, such households are not able to provide for their own housing needs and are therefore reliant on the state for help.

Thus it is conceivable that a further 273 410 households who are not on the database and who live in overcrowded informal settlements, (backyards, unconverted hostels and in Temporary Relocation Areas (TRAs)), should be included in the City's plans for the future housing needs of the poor.

Cape Town's housing needs must be seen as greater than mere numbers. The city is faced with a high prevalence of HIV and Aids, compounded by the co-prevalence of tuberculosis. Both diseases predominantly affect the poor. Housing is thus being delivered within a situation where many of the household-heads or subsidy beneficiaries, are desperately ill, and suffer from high mortality rates. This situation affects the provision of housing and the accuracy of the information on our database.

In addition, family size is in continual flux. Cape Town's average family size has been variously estimated between 3.9 and 4.5 per household. These shifts are driven by migration cycles, welfare payments and adult mortality rates.

There has also been a rise in the number of 'un-housables', meaning families who have received a subsidy in the past but are once again living in an informal area. These changing income levels also affect the nature and composition of the housing 'problem'.



# Cape Town

The Attractive Destination







# Chapter 5:

## Access to land



Without land, the City cannot plan for or meet the future housing needs of the poor. However, there is a shortage of land which can be developed in existing metropolitan areas and the costs of land are high. The Directorate's plan is therefore to purchase land in the City's identified future growth corridors.



One such area is the West Coast growth corridor although there are a number of biodiversity constraints in the region. Over the past two years, the City has purchased about 380 hectares of land in the West Coast, Darwin Road growth corridors and South Peninsula areas as part of its land banking initiative. The City has also spent R63.7million in the most recent financial year acquiring 165.2 hectares of farmland on the urban edge of this region.



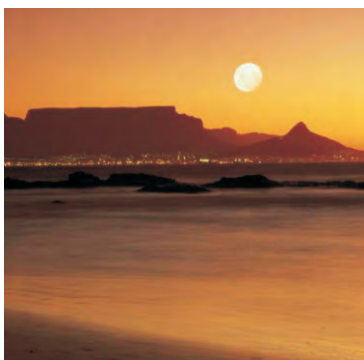
To continue to be able to acquire suitable, well-located land, the Directorate will ring-fence 10% of its annual DORA allocation (State Housing Subsidy, Division of Revenue Act) over the short to medium term for this purpose.



The City will also continue to liaise with the Housing Development Agency (HDA), which has a specific mandate to negotiate the release of land owned by state departments or state-owned entities to meet its housing demand over the next six to 15 years.

In addition, the Directorate is in ongoing negotiations with the Provincial Minister and Department of Human Settlements to unlock and transfer smaller parcels of land as well as four parcels of Provincial Housing Board land for infill housing development.

### Regulatory constraints to land acquisition



As in the rest of the country, land-use and environmental law affect the rapid release of land in Cape Town. Every project is required to pay for a full Environmental Impact Assessment (EIA), which necessitates a public participation process and environmental investigation. This is followed by a land-use application involving township establishment, zoning and engineering design.

Given that both provincial and local spheres of government must grant approvals, considerable time may elapse before land becomes available for development. These delays increase holding and eventual building costs, all of which must be borne by the Housing Subsidy.

Remedying this situation is largely out of the Directorate's hands since this is an inter-governmental concern, although the Directorate continues to foster good inter-governmental working relations to facilitate the process.





## Site Aquisition Process

108 days

|                                                  |         |
|--------------------------------------------------|---------|
| Produce site valuation / cost estimates          | 30 days |
| Reserve Capital for particular site              | 3 days  |
| Collect site diagrams (do site survey if needed) | 20 days |
| Negotiate a price with Land Owner                | 45 days |
| Procurement Committee to vet purchase            | 20 days |
| Draft a Sale Agreement                           | 20 days |
| Sign Sale Agreement                              | 3 days  |
| Lodge with Deeds office                          | 30 days |
| Payment and ownership transfer                   | 3 days  |
| Receive Title or LAA                             | 10 days |

## How long does it take to build houses?

Many factors influence the length of time it takes to complete a housing project, for example, complications, access to suitable land and politics. To best manage these factors and their associated risks, housing development is divided into three phases: Land Assembly; Project Packaging; and Implementation.

### Land Assembly

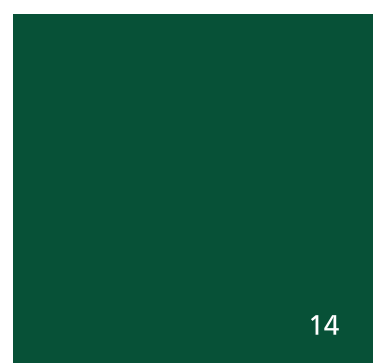
The objective of land assembly is to secure legal powers over a specified piece of land so that project packaging can follow without delays. Typically, a simple site may take six months to secure, while a complex one might take 24 months (see diagram).

Land assembly includes:

- buying land, together with the associated negotiations, approvals, valuations and legal transfers;
- property consolidations/subdivisions, where multiple parcels of land are involved;
- removal of title deed or zoning restrictions, where applicable;
- drafting Land Availability Agreements where land-ownership is external;
- various forms of land and asset transfers from other spheres of government.

The term 'land assembly' also covers activities related to the release of land for housing purposes, for example all the mechanics and rules relating to the release of land to emerging contractors to build GAP units; the sale of plots to owner-builders; the alienation of parcels of land to Social Housing Partners; and the making of land available to banks (as developers).

The forms of release of land are as varied as the sites involved, which make it difficult to provide time frames. The term 'release' also covers up-front activities such as feasibility assessments, physical site inspections and market assessment to determine whether a site is suitable for low-cost housing (to reduce the risk of false-starts).





## Land Release (Plan and Subsidy Reservation) Process

86 days

|                                                              |         |
|--------------------------------------------------------------|---------|
| Circulate Land Plan to other Departments                     | 5 days  |
| Comment on list from other depts returned                    | 30 days |
| Prioritise sites to be investigated (30) with PreFeasibility | 2 days  |
| PreFeasibility investigations                                | 30 days |
| Preparation of Housing land/annual release plan (rank of 12) | 3 days  |
| Exec. Cllr/Mayco endorses                                    | 2 days  |
| Make rough global Budget Provisions for Land Acquisition     | 3 days  |
| Budget provisions for Consultants                            | 3 days  |
| Apply to MEC for reservation of subsidies                    | 14 days |
| Publish Land Release Plan                                    | 2 days  |
| Send Site Acquisition request to Property Management         | 5 days  |

## Project Packaging

Project Packaging involves the concurrent activities of preparing a site development plan, securing capital funding via an application, getting the land use rights in place, and preparing tender documentation.

The duration of the work varies greatly, depending on the scale and complexity of the project, the environmental sensitivity of the location, and how politically contentious the project is. Experience has shown that this is seldom completed in less than two years.

Site planning would take up to three months, during which time the material needed to prepare the applications for funding, rezoning and public participation is generated. See diagram below.

## Site Planning Process

110 days

|                                                                       |         |
|-----------------------------------------------------------------------|---------|
| Place project formally on Project Packaging Team agende               | 2 days  |
| Define planning parameters                                            | 14 days |
| Appoint Consultant                                                    | 14 days |
| Prepare Phase 2 geotech survey (for NHBRC)                            | 40 days |
| Produce draft layout plan (for Township Appr)                         | 40 days |
| Prelim Servicing Plans and standards (for Tender, Bulk service needs) | 40 days |
| Prelim House Plans (for costing, EIA, Tender Rpt, Proj Appr)          | 40 days |
| Prelim costings (for Proj Apprv)                                      | 40 days |
| Prelim Urban Facilities requirements                                  | 40 days |
| Pin down bulk infrastructure as Agreements (if needed)                | 10 days |
| Get ruling whether Environmental RoD is needed                        | 10 days |
| Prepare EIA & submit to PGWC                                          | 30 days |



Immediately thereafter, the project costing can be completed, and line departments are informed about the necessary budgets.

The Land Use approvals process can easily take another 12 months, especially if the land is environmentally sensitive and requires an extensive impact assessment. The fact that land-use decisions and environmental authorisation are given by different spheres of government adds to delays.

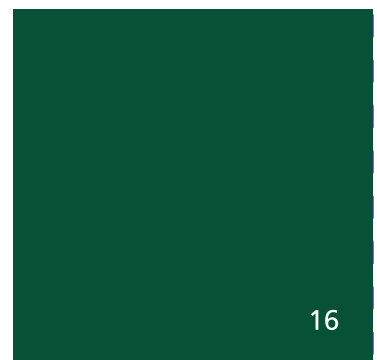
Project Packaging also involves setting up the systems for ongoing community engagement, which usually includes a project steering committee (formally advertised) that deals with subsidy allocations, temporary relocations and administration.

## Implementation

Implementation conclude the three stages and can be initiated once all regulatory conditions have been complied with. Actions within this stage include the following:

- Pegging of sites and site clearing;
- Calling and adjudicating tenders for the installation of engineering services;
- Appointing and signing contract with service provider;
- Completion of installation of engineering services and receiving of required completion certificates;
- Submission of building plans

It becomes obvious that proper co-ordination and active involvement of the various role players are key elements to the success of the access to land process.



# Chapter 6:

## Informal Settlements

The City currently manages 223 informal settlements, in which approximately 140 000 households live.

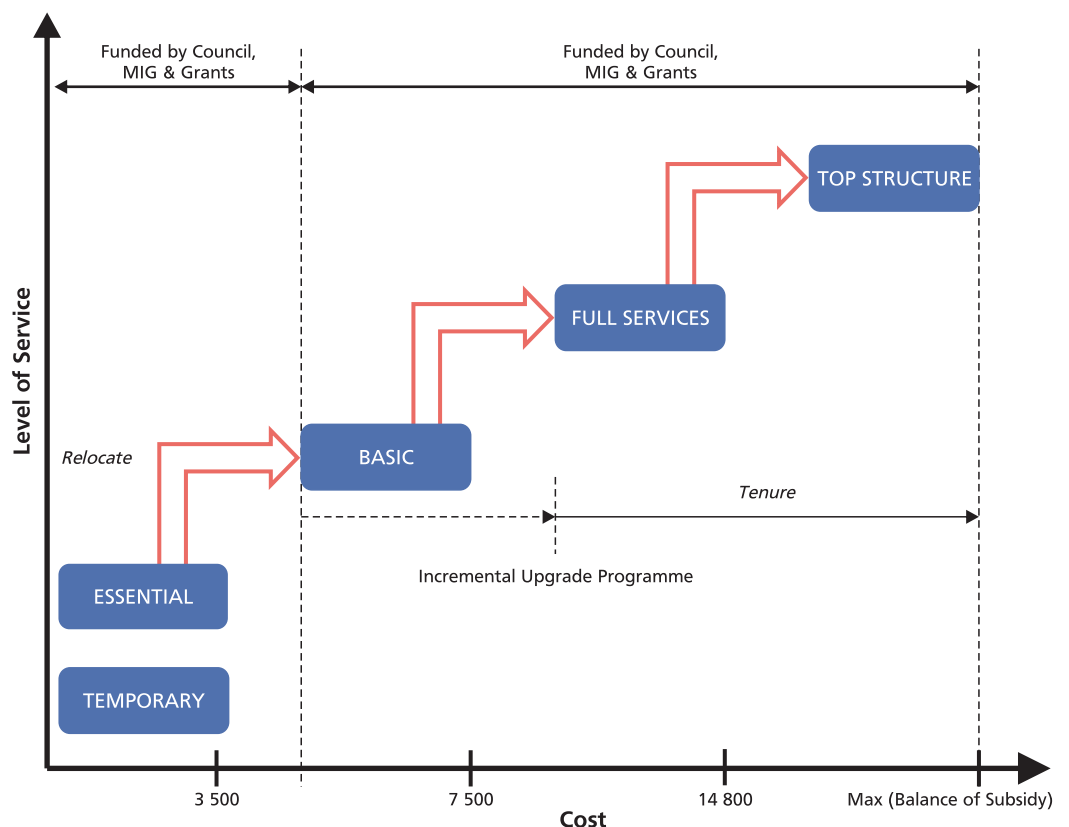
In 2007 the City approved an Informal Settlements Master Plan. This plan provides a framework that prioritises the initial delivery of services (essential, basic and full), leading to the incremental upgrade of settlements, in terms of the National Upgrading of Informal Settlements Programme (UISP). The vision is that informal settlements will become integrated within the broader urban fabric and overcome their current spatial, social and economic exclusion.

At present, 25% of the DORA allocation is set aside for informal settlement upgrades, and the target is to fully upgrade 30% of informal settlements by the 2014/15 financial year.

One of the major challenges inhibiting the successful implementation of this Master Plan is the high density of many of the settlements – alternative land therefore has to be found to which some of these households can be relocated.

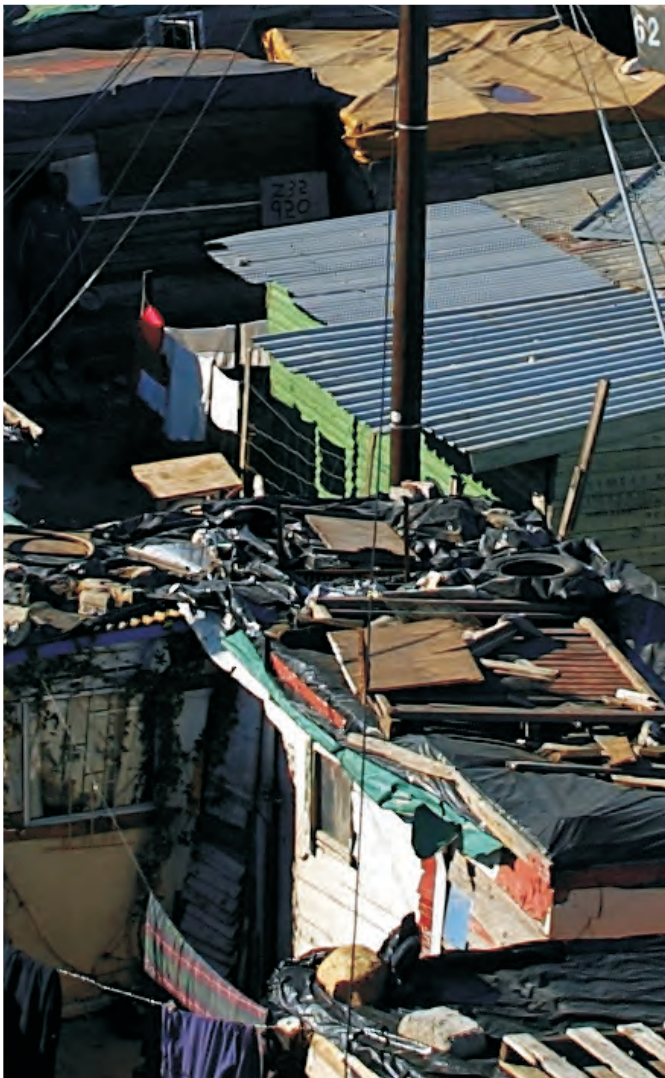
In addition to the above, the City's Housing Allocation Policy, adopted by Council on 26 August 2009, provides for housing opportunities for households from informal settlements that are located within the identified radius where new housing projects are being developed.

### Incremental Upgrade Module





## Joe Slovo Informal Settlement





# Essential services

Essential services consist of the following and are provided in accordance with City mandate, policy, budgets and technical viability:

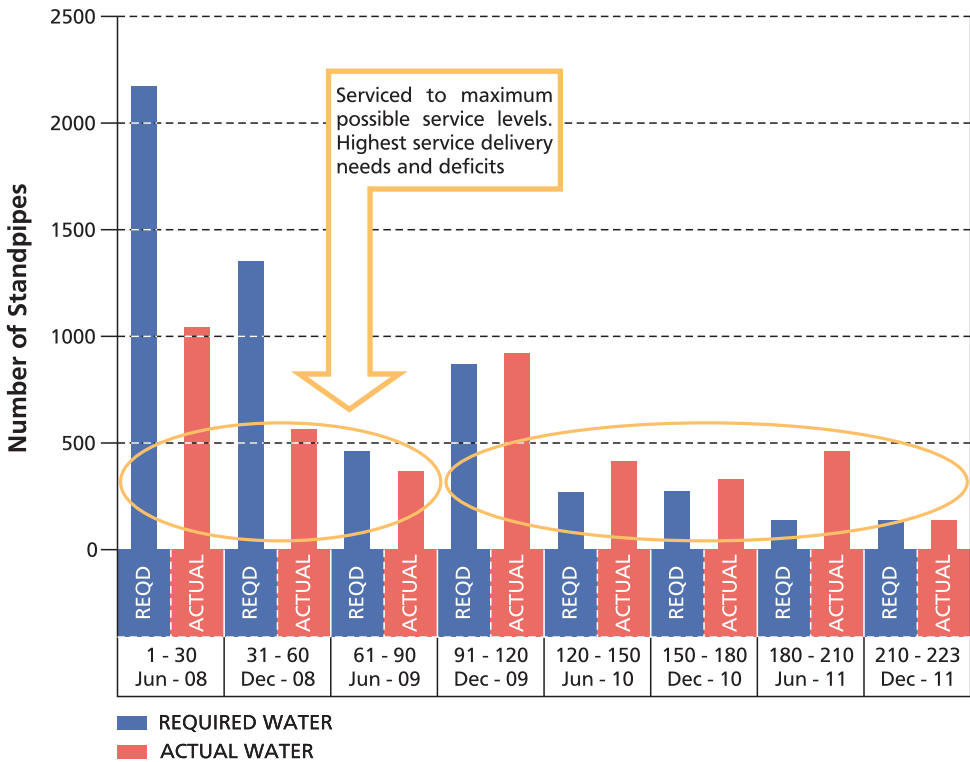
- Sanitation: one toilet per five households. A full flush toilet is the first choice;
- Water: one standpipe for 25 dwelling units (households) and/or within 100m radius;
- Solid waste: a door-to-door waste-removal service and free black bags are provided;
- Electrification: a pre-paid supply per household is supplied;
- Area lighting: a public area lighting system is provided;
- Basic access tracks.

However, as indicated before, service delivery is constrained by physical features such as density and topography, encumbered locations (wetlands, floodplains) and technical factors. Suitable land close to existing opportunities in Cape Town is not only scarce but very expensive, but peri-urban vacant land is far away from employment opportunities. Requirements to protect biodiversity, and the NIMBY ('not in my back yard') factor, serve as additional constraints.

As a result, the delivery of services to the settlements with the highest needs is reaching a ceiling – these make up about 40% of settlements and about 72% of the total informal settlement population. This is illustrated by the situation with respect to water services below:

## WATER

### Settlements: Required versus Actual Standpipes





It is thus clear that the Essential Services phase of the Master Plan is reaching a ceiling, and other programmes, such as the In-Situ Upgrading of Informal Settlements Programme, need to take the incremental upgrade process further.

The implementation of five pilot upgrade projects based on the formation of effective community partnerships is intended to assist and accelerate this process.

These are:

- BM section between the N2 and Lansdowne Roads in Crossroads
- Lotus Park, a site of 4.98 ha and belonging to Intersite
- Monwabisi Park
- The Heights
- TR Section

### The Informal Settlement Management Plan

In a concurrent strategy, the Housing Directorate has introduced an Informal Settlement Management Plan to further improve service delivery to settlement households.

This entails establishing a permanent presence in or close to settlements to foster closer relationships with communities and address issues that directly impact on their livelihoods.

Permanent offices have been established in 22 areas where informal settlements are located, the most recent being Kosovo, Fisantekraal and Red Hill.

Staff and community representatives in these settlements are already engaging in issues related to tenure, maintenance, development partnerships, participative settlement planning and communication.

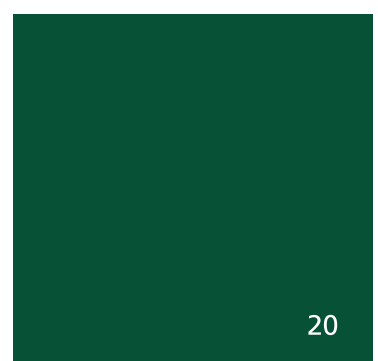
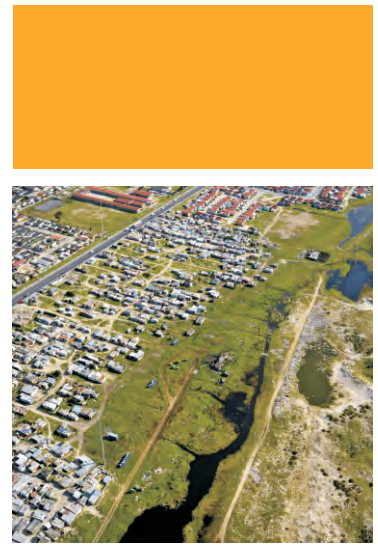
### Temporary Relocation Areas (TRAs)

The City has identified the need to develop more Temporary Relocation Areas (TRAs), similar to the Delft Symphony TRA, to accommodate households from flood-prone areas during the winter months. The Delft Symphony was established in 2008 to manage the illegal occupation of houses in the N2 Gateway Project in Delft.

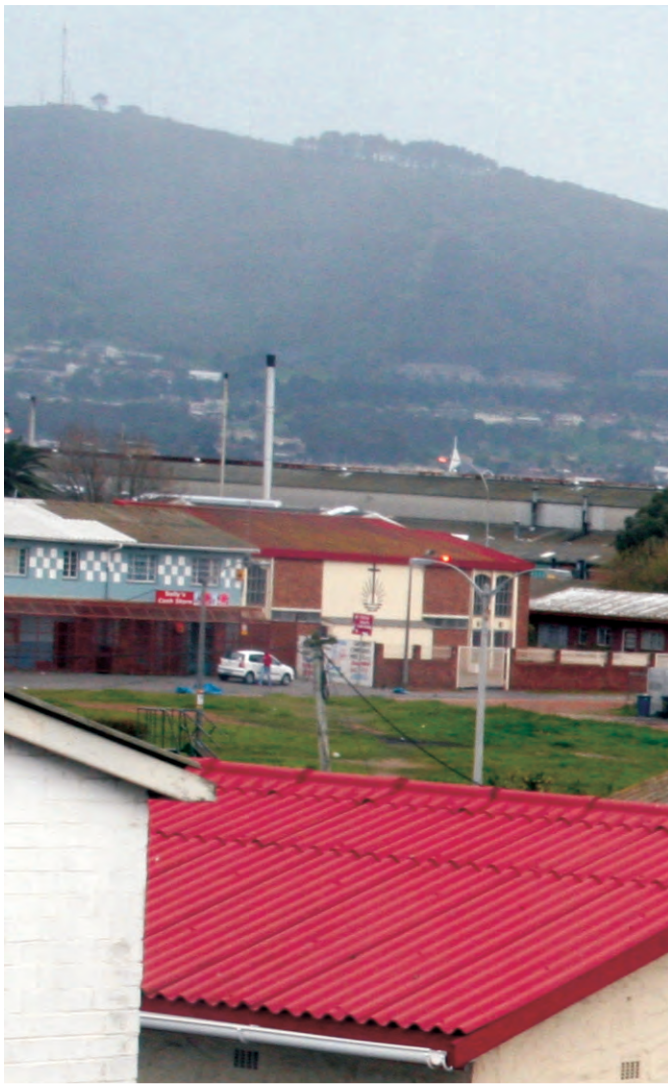
During February 2010 the City submitted applications to the Provincial Department of Human Settlements for five TRAs in Khayelitsha and Mfuleni, in terms of the National Emergency Housing Programme. These TRAs will accommodate 1 086 and 425 households respectively.

Households will be identified on the basis of their proximity to the worst affected areas, as determined by the Catchment Management department of the City's Transport, Roads and Stormwater Directorate.

The TRAs will be designed according to standards provided for in the EHP, with basic municipal services and top-structures. Layouts are designed in such a way that they can be upgraded to full municipal services in the future.









# Chapter 7:

## The Backyarder Intervention Strategy

It has been said that the 'backyarder phenomenon' is uniquely South African, and that it has evolved because of the challenges the three spheres of government face in meeting the ever-increasing housing demand of the poor.

Around 41 500 people (a conservative estimate) live in the back yards of the City's 43 500 rental stock. These households live in poor, unsafe, deplorable conditions, with no or limited access to essential services such as water, sanitation and electricity.

A great many of them are applicants on the City's Housing Database, patiently waiting their turn for a housing opportunity. Most of them will wait for a very long time before they are assisted, and their current informal living arrangements are all that they have. Some of them are family members of the main leaseholder and cannot be accommodated in the main dwelling because of overcrowding; others are families who are renting space or a structure from the main leaseholder because it is all that they can afford.

The Housing Directorate is therefore facilitating a citywide intervention strategy to improve the living conditions of these backyarders.

This intervention will use City resources and experience to implement a practical programme that will address key issues linked to health, safety and public service. The intervention will also introduce measures that will protect backyarders from arbitrary evictions by the main leaseholder and, where possible, identify land within or close to the City's housing estate areas to which some of the backyarders could be relocated.

During February 2010, the Housing Directorate facilitated a workshop that was attended by Councillors and officials from specific line departments. The City screened a video, commissioned by the Housing Directorate, that depicted the present living environments of backyarders in Uitsig, Hanover Park, Langa and Wesbank (a RDP homeownership area).

At the workshop, key directorates were able to discuss the impact backyarders currently have on the City's ability to deliver services. Flowing from these discussions, the City concluded that more research is required to determine the actual number of backyarders living in the City's rental properties.

The following key initiatives are among the results of the workshop:

- Hanover Park, Factreton and Langa have been identified as possible areas for a phased intervention strategy;
- Detailed research will be undertaken in the above areas, considering the issues that need to be addressed in the medium- to longer term, taking into account any implications for budgets, resources, policies and other regulations. Possible quick wins will be identified.
- The process of 'de-densifying' these areas will begin.
- Set criteria that guide future implementation will be prioritised.









# Chapter 8:

## New Housing

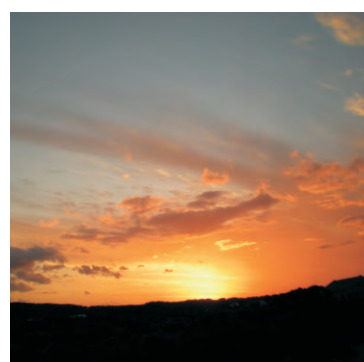
The City is determined to provide a variety of housing opportunities to the range of households who are dependent on the state for their housing needs.

Significant strides have been made in this regard over the past three years, with the 2008/9 financial year delivering 9 576 housing opportunities. During the forthcoming years, the City will use its own funding (see chapter 18) to continue this work, and in particular is setting aside 35% of its DORA allocation for this purpose.

The table below indicates the number of housing opportunities planned per category for 2010/11 to 2012/13.

Housing opportunities targets 2010/11 to 2012/2013.

| Description                                   | Number of units<br>2010/11 | Number of units<br>2011/12 | Number of units<br>2012/13 |
|-----------------------------------------------|----------------------------|----------------------------|----------------------------|
| New subsidy/project linked projects           | 4200                       | 4500                       | 4800                       |
| Social Housing                                | 300                        | 300                        | 300                        |
| Hostel redevelopment                          | 300                        | 300                        | 300                        |
| Upgrading of informal settlements & emergency | 2000                       | 2000                       | 2000                       |
| Land restitution claims                       | 200                        | 200                        | 200                        |
| GAP (affordable housing)                      | 500                        | 500                        | 500                        |
| CRU (major upgrading of rental stock)         | 1000                       | 1000                       | 1000                       |
| <b>Total</b>                                  | <b>8500</b>                | <b>8800</b>                | <b>9100</b>                |







The following tables provide a breakdown and location of where housing developments are currently being constructed; those that are already in the planning stages; and those proposed as future projects.

### New Housing Projects:

| No. | Proposed                                     | Units | Area             | Sub-Council | Ward       |
|-----|----------------------------------------------|-------|------------------|-------------|------------|
| 1   | Darwin Road                                  | 5000  | Durbanville      | 7           | 105        |
| 2   | Garden Cities Housing Project                | 5000  | Durbanville      | 7           | 105        |
| 3   | Green Point Phase 3                          | 500   | Khayelitsha      | 9, 22       | 93         |
| 4   | Hangberg CRU                                 | 70    | Hangberg         | 16          | 74         |
| 5   | Hostels Redevelopment - Lwandle CRU          | n/a   | Lwandle          | 8           | 86         |
| 6   | Hostel Redevelopment - Mfuleni CRU           | n/a   | Mfuleni          | 22          | 18         |
| 7   | Hostels Redevelopment - Nyanga               | n/a   | Nyanga           | 14          | 36, 37, 39 |
| 8   | Hostels Redevelopment - Gugulethu CRU        | n/a   | Gugulethu        | 11          | 42, 44     |
| 9   | Hostels Redevelopment - Langa CRU            | n/a   | Langa            | 15          | 53, 51, 52 |
| 10  | Kalkfontein Phase 3 (UISP)                   | 1000  | Blue Downs       | 22          | 19         |
| 11  | Kapteinsklip                                 | 1000  | Mitchell's Plain | 10          | 82         |
| 12  | Kensington CRU                               | 180   | Kensington       | 1           | 56         |
| 13  | Mfuleni Ext 1 & 2                            | 1500  | Mfuleni          | 22          | 16, 18     |
| 14  | Mitchell's Plain Infill: Westgate            | 1000  | Mitchell's Plain | 12, 13      | 75, 88     |
| 15  | Nonqubela Makhaza: Consolidation             | 700   | Khayelitsha      | 9, 10       | 96, 97     |
| 16  | Nonqubela Site B: Consolidation              | 1500  | Khayelitsha      | 9           | 92         |
| 17  | Nooiensfontein                               | 1100  | Blue Downs       | 22          | 19         |
| 18  | Silvertown Consolidation                     | 1316  | Khayelitsha      | 22          | 93         |
| 19  | Sir Lowrys Pass Village(Pinetown & Balestra) | 140   | Sir Lowrys Pass  | 8           | 100        |
| 20  | Swartklip/Denel land                         | 1500  | Khayelitsha      | 12          | 79         |
| 21  | Vlakteplaas                                  | 500   | Strand           | 8           | 100        |
| 22  | Wallacedene Phase 10A                        | 1617  | Kraaifontein     | 2           | 6          |
| 23  | Wallacedene Phase 10B                        | 256   | Kraaifontein     | 2           | 6          |

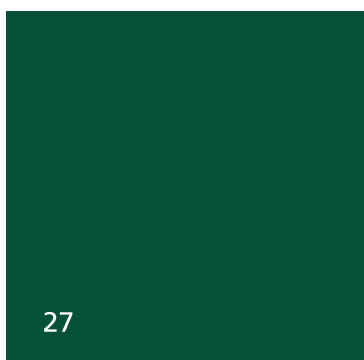
| No. | Planning stage                                | Units | Area             | Sub-Council | Ward |
|-----|-----------------------------------------------|-------|------------------|-------------|------|
| 1   | Atlantis Ext. 12                              | 500   | Atlantis         | 7           | 29   |
| 2   | Belhar Pentech Infill Project                 | 347   | Belhar           | 23          | 12   |
| 3   | Bokmakierie Athlone Infill                    | 170   | Athlone          | 17          | 49   |
| 4   | Delft The Hague                               | 1400  | Delft            | 23          | 13   |
| 5   | Dido Valley                                   | 1029  | Simonstown       | 19          | 61   |
| 6   | Driftsands                                    | 2500  | Driftsands       | 22          | 18   |
| 7   | Edward Street: Ottery Sustainable Development | n/a   | Ottery           | 14          | 66   |
| 8   | Eureka - Leonsdale                            | 375   | Elsies River     | 4           | 25   |
| 9   | Gugulethu Infill Project (Erf 8448/MauMau)    | 1500  | Gugulethu/Nyanga | 14          | 38   |
| 10  | Happy Valley Phase 2                          | 1350  | Eerste River     | 21          | 14   |
| 11  | Heideveld Duinefontein                        | 700   | Heideveld        | 11          | 44   |
| 12  | Imizamo Yethu - Phase 3                       | 400   | Hout Bay         | 16          | 74   |

| No. | Planning stage (continues)    | Units | Area            | Sub-Council | Ward   |
|-----|-------------------------------|-------|-----------------|-------------|--------|
| 13  | Joe Slovo Park Infill Project | 90    | Milnerton       | 1           | 4      |
| 14  | Kleinvlei Erf 901             | 66    | Blackheath      | 21          | 17     |
| 15  | Macassar                      | 2500  | Macassar        | 8           | 15     |
| 16  | Mannenbergh Infill: The Downs | 700   | Manneberg       | 11          | 46     |
| 17  | Masiphumelele - Phase 4       | 350   | Noordhoek       | 19          | 70     |
| 18  | Morkel's Cottages             | 700   | Rusthof, Strand | 8           | 86     |
| 19  | Morningstar                   | 150   | Durbanville     | 7           | 103    |
| 20  | Ocean View (Mountain View)    | 500   | Ocean View      | 19          | 61     |
| 21  | Ocean View Infill Project     | 500   | Ocean View      | 19          | 61     |
| 22  | Pelican Park Phase 1          | 3000  | Pelican Park    | 18          | 67     |
| 23  | Phumlani                      | 109   | Lotus River     | 18          | 67     |
| 24  | Rondevlei                     | 225   | Rondevlei       | 18          | 67     |
| 25  | Scottsdene                    | 683   | Scottsdene      | 2           | 6      |
| 26  | Sercor Park Phase 2           | 119   | Strand          | 8           | 100    |
| 27  | Somerset West 10 ha site      | 390   | Somerset West   | 8           | 83     |
| 28  | Temperence Town: Gordonsbay   | 70    | Gordons Bay     | 8           | 100    |
| 29  | Valhalla Park Infill          | 500   | Valhalla Park   | 5,15        | 30, 31 |

| No. | Under Construction                       | Units | Area             | Sub-Council | Ward   |
|-----|------------------------------------------|-------|------------------|-------------|--------|
| 1   | Bardale                                  | 5947  | Blue Downs       | 22          | 18     |
| 2   | Brown's Farm Phase 6                     | 678   | Brown's farm     | 13          | 34     |
| 3   | Drommedaris Social Housing: Communicare  | 219   | Brooklyn         | 1           | 4      |
| 4   | Hostels Redevelopment - Ilinge Labahlali | 326   | Nyanga           | 14          | 37, 39 |
| 5   | Kewtown Infill Development (PHP)         | 236   | Athlone          | 17          | 49     |
| 6   | Kuyasa Village 1, Phase 2                | 2399  | Kayelitsha       | 10          | 95     |
| 7   | Masiphumelele School Site (PRIVATE)      | 380   | Noordhoek        | 19          | 70     |
| 8   | Melkbos                                  | 100   | Melkbosstrand    | 1           | 23     |
| 9   | Mfuleni Flood Relief PHP Consolidation   | 4461  | Mfuleni          | 22          | 18     |
| 10  | Mitchell's Plain Infill Phase 1          | 1345  | Mitchell's Plain | 10, 12      | 82, 99 |
| 11  | Morgans Village 3: CTCHC                 | 341   | Mitchell's Plain | 12          | 75     |
| 12  | Nonqubela Phase 2                        | 1250  | Khayelitsha      | 10, 22      | 93, 96 |
| 13  | Nyanga Upgrading Project                 | 2070  | Nyanga           | 14          | 37, 39 |
| 14  | Philippi East Phase 5                    | 405   | Philippi         | 12, 13      | 76, 35 |
| 15  | Philippi Park (PHP)                      | 1100  | Philippi         | 14          | 37     |
| 16  | Silvertown Khayelitsha                   | 1316  | Khayelitsha      | 9           | 93     |
| 17  | Site C: Survey & Subdivision (PHDB)      | 6250  | Khayelitsha      | 23          | 87, 89 |
| 18  | Steenberg Social Housing: SOHCO          | 450   | Steenberg        | 19          | 64     |
| 19  | Wallacedene Phase 3                      | 1108  | Kraaifontein     | 2           | 6      |
| 20  | Wallacedene Phase 4                      | 735   | Kraaifontein     | 2           | 6      |
| 21  | Wallacedene Phase 5                      | 537   | Kraaifontein     | 2           | 101    |
| 22  | Wallacedene Phase 6                      | 1209  | Kraaifontein     | 2           | 101    |
| 23  | Wallacedene Phase 7                      | 582   | Kraaifontein     | 2           | 101    |







| No. | Under Construction (continues) | Units | Area             | Sub-Council | Ward |
|-----|--------------------------------|-------|------------------|-------------|------|
| 24  | Wallacedene Phase 8            | 573   | Kraaifontein     | 2           | 101  |
| 25  | Wallacedene Phase 9            | 1440  | Kraaifontein     | 2           | 6    |
| 26  | Westcape: CTCHC                | 341   | Mitchell's Plain | 12          | 75   |
| 27  | Witsand - Phase 2              | 1600  | Mitchell's Plain | 7           | 32   |

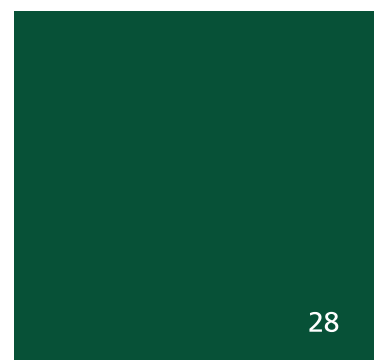
## Various Housing Programmes

The City's housing programmes are aligned to those of national government and informed by the City's own spatial development planning frameworks.

The table below details the intervention categories, definitions and National Housing Subsidy instruments being implemented by the City.

| Intervention category     | Definition                                                                                                                                                                            | National Housing Subsidy (available for Cape Town residents as follows:)                                                                                                                                                                                                                                     |
|---------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| FINANCIAL                 | Programmes that facilitate immediate access to housing goods (top structures, rental stock) and services, thereby creating enabling environments and providing implementation support | 1.1 Individual housing subsidies: credit and non-credit linked R0 - R3 500<br>1.2 Enhanced Extended Discount Benefit Scheme (EEDBS), which assists tenants in the purchase of their saleable rental units. Also helps existing sales debtors settle the balance on properties they have acquired (pre-1994). |
| INCREMENTAL HOUSING       | Programmes that facilitate access to housing opportunities (rentals/ownership of a serviced site/subsidised house) through a phased process.                                          | 2.1 Integrated Residential Development Programme<br>2.2 Enhanced Peoples' Housing Process<br>2.3 Informal Settlement Upgrade Programme<br>2.4 Consolidation subsidies                                                                                                                                        |
| SOCIAL AND RENTAL HOUSING | Programmes that facilitate access to housing opportunities to support urban restructuring and integration.                                                                            | 3.1 Social Housing<br>3.2 Community Residential Units                                                                                                                                                                                                                                                        |

| Programme                                   | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Additional Comments                                                                                                                                  |
|---------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
| RDP house BNG 40m <sup>2</sup> house        | Provide a minimum of a 40m <sup>2</sup> RDP (subsidised house built between 1994 and pre-September 2004) or BNG (a house built according to the BNG policy, post September 2004) house to families on the City's waiting list earning a combined income of R0 - R 3 500-00 per month, with the subsidy amount provided by the National Housing Department.                                                                                                                                                                                                                                                           | Beneficiaries must be on the City's waiting list and meet the requirements as prescribed in the National Housing Code.                               |
|                                             | Facilitate improvements to a home where people already own a serviced stand without a top structure.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Access a subsidy for Top Structure only, currently R 55 706.                                                                                         |
| People's Housing Programme                  | Households that wish to maximise their housing subsidy by building or organising the building of their homes themselves. Beneficiaries can apply for subsidies via the Project-linked instrument (the subsidy granted to qualifying beneficiaries to enable them to acquire a house as part of an approved project), the Consolidation instrument (the subsidy granted to owners of a serviced site for the construction of a house) or the Institutional subsidy (the subsidy that is available to institutions to enable them to create affordable housing stock on a deed of sale, rental or rent to buy option). | Beneficiaries must comply with prescribed policy criteria and are exempted from contributing R2 479.00 towards the product cost.                     |
| Emergency Housing Programme                 | Temporary assistance to victims of housing related disasters (such as fire and flood damage), including the provision of Temporary Resettlement Areas (TRA).                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Provide funding for minimum services and shelter.                                                                                                    |
| Upgrading of Informal Settlements Programme | Provide (1) basic services (water, standpipes and toilet facilities) (2) permanent services and (3) houses to existing informal settlement areas wherever possible (including in situ upgrading)                                                                                                                                                                                                                                                                                                                                                                                                                     | Participants less restricted than beneficiaries who qualify for individual subsidy. Aimed at permanent areas for upgrading, not temporary in nature. |
| Social Housing Programme                    | Higher density subsidised housing that is implemented, managed and owned by independent accredited social housing institutions in designated restructuring zones (for rental purposes). Households earning between R 3 000-00 and R 7 000-00 per month qualify.                                                                                                                                                                                                                                                                                                                                                      | City has an agreement with three partners: Communicare, Cape Town Community Housing Company (CTCHC) and Social Housing Development Company (SOHCO)   |
| Institutional Housing Subsidy Programme     | This mechanism targets housing institutions that provide tenure alternatives to immediate ownership.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Rent with option to purchase after a certain period.                                                                                                 |
| Community Residential Units                 | Programme for the building of new rental stock (including hostels) and upgrade of existing higher density stock. Caters for families who prefer rental housing and earn less than R 3 500-00 per month ). The City remains the owner of the rental units. Includes the former Hostels Redevelopment Programme                                                                                                                                                                                                                                                                                                        |                                                                                                                                                      |







# Chapter 9:

## Incremental Development Areas

The City is investigating the development of a number of Incremental Development Areas (IDAs) in the medium to longer term.



The initiative is motivated not by emergency but an urgent need, as contemplated in section 3.1 of LFTEA (Less Formal Townships Establishment Act (Act 113 of 1991).

Enabled by the township establishment powers and procedures offered by LFTEA, the City will be able to establish residential areas quickly, and settle people on them before they are fully formal townships. The purpose is not to replace the City's formal housing programmes with IDAs, but is instead a measure to cope with the unanticipated demands placed on the City. IDAs will enable the City to provide immediate relief to families that have fallen into desperate circumstances; and find a way of preventing isolated incidents from stalling progress with ongoing municipal functions.

### What is an IDA?

- 
- 
- An IDA facilitates permanent settlement. The site will never be cleared.
  - An IDA, or part thereof, can be regarded as a residential transit area, meaning that when people are absorbed into an RDP project, new families will take up their place in the IDA.
  - On completion, an IDA project could be eligible for in-situ upgrading (enhancing its services and building of top-structures).
  - Less 'product' is supplied under an IDA project to expedite settlement and to prevent queue jumping.

### Identifying land for IDAs



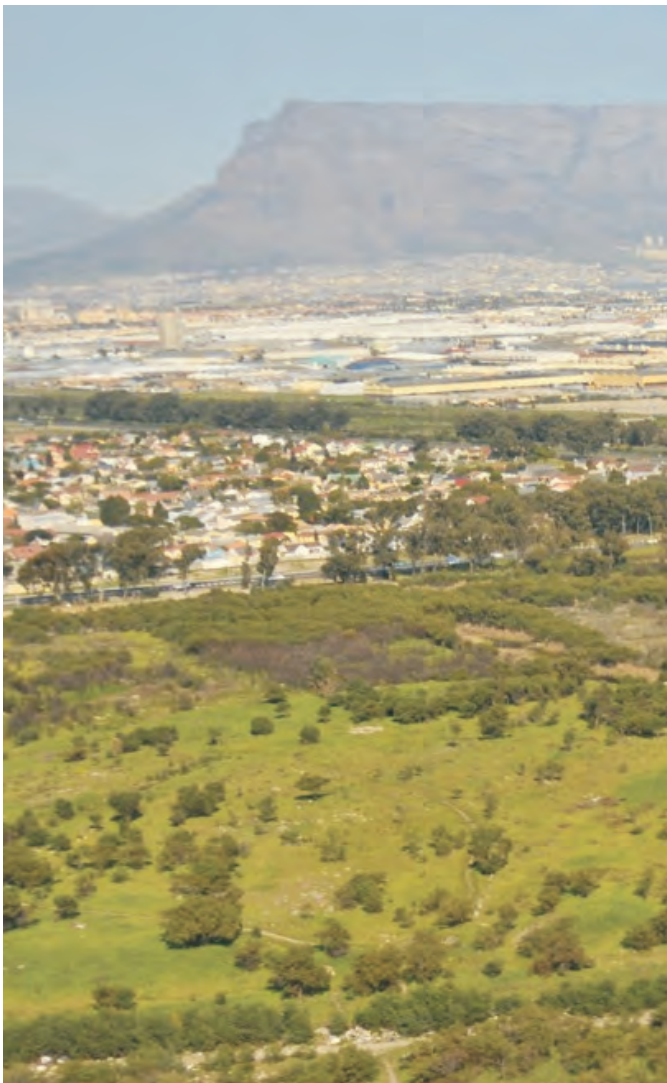
The identification of land suitable for low-income housing is a legislative and delegated competency of the Strategy & Planning Directorate within the City. The applicant and developer, however, is the Housing Directorate.

Therefore, it is important to collaborate on this identification, and agree on sites before formal land-use and funding applications are submitted.



Ownership, price and location play an important role in how rapidly development and settlement of an IDA can occur. Preference will thus be given to land already in public ownership. By mutual agreement, where Provincial Government owns the land, a Power of Attorney will be issued to the Applicant. Expropriation should only be used as last resort.









## Town Planning



Traditional housing projects (under the Integrated Residential Development Programme) are formalised as townships prior to settlement. All land-use rights are put in place using procedures of both the Land Use Planning Ordinance (LUPO) and the National Environmental Management Act (NEMA). This dual system has caused almost endless delays and confusion.

In order to accelerate delivery, land use approvals for IDAs are obtained through the LFTEA. Settlement will thus occur before the township is formal. Formalisation (in other words, township registration) will proceed after land occupation.



This does not mean superficial town planning or civil engineering design. Given that IDAs are permanent, and that they will be formalised in due course, complete site planning is essential upfront. A key consideration in the settlement design is thus the prospect of having to register the township, supply freehold tenure and run a consolidation project some time after settlement has taken place.



IDA project management includes a site assessment, an environmental scoping report and public participation, as contemplated in PAJA (Public Administrative Justice Act). It is required that a general plan, a township proclamation, and a township register for the project area is prepared, if not submitted.



Preparation of the project layout is fairly straightforward, but approval of the layout is what takes time. A high degree of flexibility will be entertained to allow for creative planning responses to the prevailing conditions. Small projects should be designed to integrate well with neighbouring areas. Where a project is too large or too isolated and cannot rely on neighbouring social facilities, space must be provided for these in the project layout. The Red Book is recommended as the guiding planning philosophy. All erven on the project must be pegged before settlement.

## Funding



The City proposes that IDAs be funded from the national Upgrading of Informal Settlements Programme (UISP). Although this is a block grant, without reference to specific beneficiaries, the available funding is calculated on the number of opportunities created. In 2009/2010, one opportunity amounted to R30 500, and that constitutes funding available for Phase 1, 2 & 3 work, as defined in the UISP.

A Phase 4 for UISP projects is implied, which draws on the Consolidation Subsidy. The value thereof amounts to the difference between a full subsidy for which a family is eligible, minus what has already been spent as part of the earlier UISP.









# Chapter 10:

## Existing Housing

From its 31 decentralised Housing Estate offices, the City manages approximately 43 500 rental units (mostly multi-storey flats), 22 000 selling-scheme properties, and 11 000 hostel beds.

These Housing Estate offices have been realigned to improve service delivery, ascertain whether they are meeting people's needs, and ensure that resources are appropriately allocated. The offices are been managed in four regions and are categorised as Primary, Secondary, and Satellite. The latter are open on certain weekdays only, and serve to make the Directorate's services available to a larger number of people.

Over the past number of years, the City has found it increasingly challenging to manage rental units, largely because of the loss of skilled personnel and because most areas became too dangerous in which to work. This situation is not acceptable, and the Directorate is working on a turnaround strategy to improve service delivery to its tenants.

A Terms of Reference is therefore being drafted, which will lead to the appointment of an external service provider. This service provider will (over the next two to three years) audit the City's rental stock to establish the identity of the occupants, and undertake an income survey of those tenants with whom the City has signed lease agreements.

This audit will seek to establish:

- whether the primary occupants have a lease agreement with the City;
- the number of extended families occupying the house or a structure on the outside;
- whether the unit/part of the unit or an outside structure is being sub-let to subtenants in exchange for rental;
- which families qualify for regularisation in terms of the City's Unlawful Occupation Policy or, conversely, those on whom eviction notices must be served;
- instances where tenancy needs to be transferred to surviving spouses or family members where the main tenant has died;
- whether any illegal or unauthorised activities are being conducted from the property;
- whether any right-sizing needs to be undertaken in terms of the City's Allocation Policy.

Likewise, the income survey would provide information about:

- families who earn more than the prescribed limit and who may therefore qualify for other forms of housing, such as GAP or in the open market;
- families who may qualify for rental relief in terms of the City's Indigent Policy;
- families who may be suitable occupants for new CRUs.

## Tenant management plan

The Housing Directorate has drawn up a Management Plan, to ensure that staff members act on the eventual findings of the service provider, and thereafter provide a good, quality and sustainable service to the tenants. However, to achieve this, the current management structure must be reviewed and concomitant budgets sourced and approved.

The Management Plan also provides for closer co-operation between the Housing Directorate and line departments such as Safety and Security, Environmental Health, and Planning and Building Development Management. In addition, the Plan encourages staff to be proactive rather than reactive; and considers streamlining the number of housing estate offices in order to maximise service delivery.

The City is also investigating various debt collecting initiatives, such as on-site collections and awards for consistent payment, in order to increase the collection rate of housing charges.

## Maintenance

Currently, the Maintenance Division resides in the Existing Housing department, and the plan is to realign the depots (in the same way as the Housing Estate Offices) into four regions.

At present, the City does not have enough funding to properly maintain the rental units. Even though the Maintenance Division has consistently spent its full budget allocation every year, there still remains a backlog of outstanding maintenance complaints that cannot be addressed because of a lack of maintenance plans and insufficient funds.

Senior maintenance staff have therefore been asked to draw up a business plan and budget, which will deal with daily maintenance issues and short to long-term maintenance programmes. The plan will also critically review the current outsourcing arrangements and recommend the best way in which to use available skills within the division.

## Major Maintenance Upgrade Programme

The City's CRU Major Maintenance Upgrade Programme is being undertaken in terms of the National CRU Policy as contained in the National Housing Code. The CRU policy provides for two primary stages:

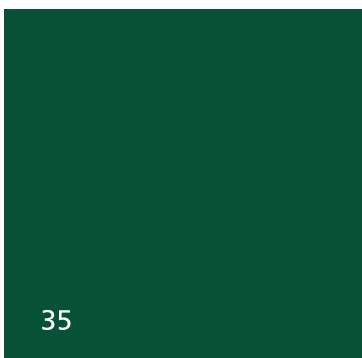
- 1: Assessment of works to be done and community interactions;
- 2: Construction and completion of the works identified in Stage 1.

The City is the first local government in South Africa to implement this national policy, and will upgrade 7 700 rental units over the next five to six years, in various phases and in different locations across the city.

Upgrades include repairs to, or replacement of, damaged walls, ceilings, floors, windows and doors, repainting inside and outside, and plumbing repairs (including the provision of hot water where necessary).







The first units to be upgraded are in Scottsville, Scottsdale, Uitsig, Woodlands, Connaught, Manenberg, Kewtown, The Range (Elsies River), Ottery Marble Flats, Heideveld and Hanover Park. These units comprise more than 400 000 sqm in floor area. Subsequent phases will see the remainder of the City's 43 500 housing rental units upgraded.

To-date 10 of the 11 project areas have received full project funding approvals from the Provincial Department of Human Settlements; three project areas (Kewtown, Scottsdale and Scottsville) have construction contracts in place, and work is already in progress in Kewtown.

The Programme also provides for the building of caretaker units, in accordance with the Directorate's Asset Management Maintenance Plan.

Finally, the programme not only upgrades the City's existing rental units, but also enhances the public spaces around the units, through paving, greening, fencing, and play-areas with benches and play equipment.

Residents who are unable to move in with family or friends during the refurbishment are accommodated in Temporary Accommodation Villages (TAV). Additional storage containers are also provided.

The table below indicates the budget allocation for the Medium Term Expenditure Framework period.

### CRU Major Maintenance Budget allocation

| WBS Element Description (40 Characters) | WBS Element Description (Long Text)                                | Services Provision 2010/11 R | Top Structure Provision 2010/11 | Services Provision 2011/12 R | Top Structure Provision 2011/12 | Services Provision 2012/13 R | Top Structure Provision 2012/13 | Services Provision 2013/14 R |
|-----------------------------------------|--------------------------------------------------------------------|------------------------------|---------------------------------|------------------------------|---------------------------------|------------------------------|---------------------------------|------------------------------|
| CRU: Scottsdale - Phase 1               | CRU: Scottsdale Houses and Flats (Houses: 154, Flats: 528) Phase 1 | 63,357,090                   |                                 | 6,357,090                    | 0                               |                              |                                 |                              |
| CRU: Scottsville - Phase 1              | CRU: Scottsville House (66 Units) Phase 1                          | 1,677,280                    |                                 | 0                            | 0                               | 0                            |                                 |                              |
| CRU: Uitsig                             | CRU: Uitsig (790 Units)                                            | 59,671,740                   |                                 | 0                            |                                 | 0                            |                                 |                              |
| CRU: Woodlands                          | CRU: Woodlands (100 Units)                                         | 31,694,610                   |                                 | 40,283,680                   |                                 | 0                            |                                 |                              |
| CRU: Connaught                          | CRU: Connaught (304 Units)                                         | 0                            |                                 | 9,788,980                    |                                 | 28,826,650                   |                                 | 0                            |
| CRU: Manenberg                          | CRU: Manenberg (1584 Units)                                        | 1,696,320                    |                                 | 10,656,320                   |                                 | 92,172,570                   |                                 | 112,095,120                  |
| Kewtown - CRU & SEFP                    | Kewtown CRU & SEFP                                                 | 33,405,730                   |                                 | 13,311,360                   |                                 | 0                            |                                 | 0                            |
| The Range - CRU & SEFP                  | The Range CRU & SEFP                                               | 18,905,350                   |                                 | 22,254,010                   | 0                               | 0                            |                                 | 0                            |
| Hanover Park - CRU & SEFP               | Hanover Park CRU & SEFP                                            | 35,019,350                   |                                 | 36,655,970                   |                                 | 28,557,840                   |                                 | 47,674,590                   |
| Heideveld - CRU & SEFP                  | Heideveld CRU & SEFP                                               | 867,300                      | 0                               | 12,936,220                   |                                 | 51,338,310                   |                                 | 38,775,070                   |
| Marble Flats - CRU & SEFP               | Marble Flats CRU & SEFP                                            | 26,725,920                   | 0                               | 30,814,800                   | 0                               | 32,008,250                   | 0                               | 28,154,390                   |

# Chapter 11:

## 'Gap' Housing

Households that earn between R3 501 and R10 000 per month do not qualify for state-subsidised housing and also don't earn enough to enter the private housing market. This so-called 'gap' market is not catered for by banks or developers.

The facilitation of Gap Housing is therefore an important City strategy for alleviating Cape Town's housing shortage, where a synergy is created between affordable land (provided by the municipality) and buy-in from banks and developers.

Leo Mews, one of the City's newest developers and launched in 2009, proves that the concept is viable. It is the first of six such initiatives – the others are in Kraaifontein, Mitchells Plain, Wetton, Ottery, Silvertown and Rugby.

Built in Elsies River, Leo Mews is the result of a groundbreaking partnership between the City of Cape Town, the Standard Bank of South Africa, and Bitol Development. These developments have their origins in the City of Cape Town/Banks Co-operation Agreement, signed on 16 May 2006 – the first operational and tangible partnership between a local authority and the major national banks.

In term of the Agreement, City sells vacant infill land to developers and banks at an affordable rate (to keep the selling price of the houses as low as possible), and the banks provide the finance and development expertise.

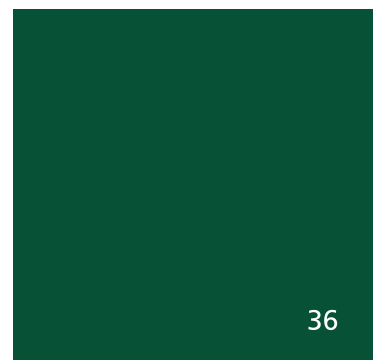
Leo Mews is a medium-density apartment complex, with two-bedroom units, fitted carpets and tiles, secure parking, a CCTV monitoring system, and access control. The apartments have solar hot water systems to save electricity, and water recovery, recycling and re-use systems to conserve water and save money. There are 125 units in the Mews, and prices range from R237 000 to R254 000.

In October 2009 Leo Mews won a Merit Award at the annual Southern African Housing Foundation's Housing Project of the Year competition. The project was recognised for its innovative use and management of human resources, financing options and technologies, as well its contribution to community development, management and sustainable development.

In a related initiative, the City has formed a public/private partnership with the Watergate Housing Development and New Age Property (Development) to develop an R800 million housing project in Mitchells Plain.

This development, on 22 hectares of land, will provide affordable, bondable housing for 4 500 families in the R5 000-R10 000 income bracket.

The Watergate Estate is also an anchor project for the Urban Renewal Programme (URP) (see chapter 12), a national urban renewal strategy that includes investment in economic and social infrastructure, human resource development, enterprise development, the enhancement of the development capacity of local government, poverty alleviation and the strengthening of the criminal justice system.









# Chapter 12:

## Urban Renewal Programme

The Urban Renewal Programme (URP) was launched as a national initiative in 2001, as a sustainable campaign against rural and urban poverty and underdevelopment. Khayelitsha and Mitchell's Plain were identified as the pilot areas for the Western Cape.

The URP recognises that poverty is on the rise because of increasing urbanisation, fuelled by natural growth, rural-urban migration and the circular migration of people between cities and towns, and therefore aims to improve cooperation across the spheres and sectors relating to urban renewal.

The pilot phase of the URP ends in 2011. The City will then integrate the lessons learnt from the pilot phase into its core functions, strategies and policies, and possibly roll-out the programme into areas such as Manenberg, Langa, Atlantis, Mfuleni and Uitsig (these areas have already identified as future areas of growth by Cape Town's draft Spatial Development Framework).

The objectives and intended outcomes of the Programme include:

- integrating the nodal areas into the City of Cape Town, focusing on socio-economic and spatial integration;
- enhancing the autonomy of these areas by improving access to services, infrastructure and information;
- enhancing human and social capital, focusing on crime and violence, education and skills, local economies and capacity of local institutions.







# Chapter 13:

## Land Restitution

The Land Restitution Programme provides a restructuring instrument for social, economic and spatial integration of the City, as envisaged in the IDP. For example the success of the restitution of the District Six claimants will go a long way in the social, economic and spatial integration of the City Of Cape Town.

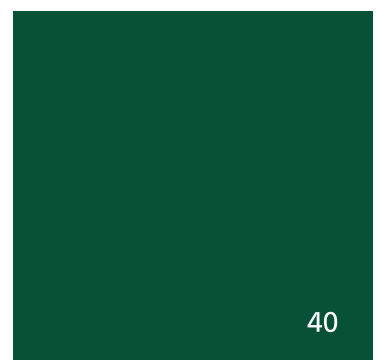
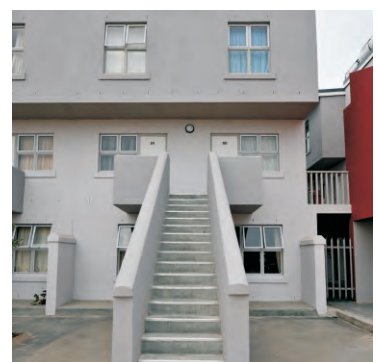
About 4 000 beneficiaries, of different race groups from this projects, will now be able to use the social amenities of the City and be able to easily participate in the economic activities of the City as a result of being closer. This will improve the beneficiaries household welfare, encourage economic growth and contribute to poverty alleviation.

This programme also provides a mechanism for the City to motivate for the acquisition of specific sites from other spheres of government. As an example, the City and the Regional Land Claims Commission have used this programme to successfully motivate the donation of land in Retreat (ERF 84603), owned by the National Department of Public Works, for restitution and low-cost housing purposes. This can be done for many sites around the City of Cape Town which are owned by other departments.

Restitution creates the possibility of projects where there is a strong NIMBY attitude, because it is a Constitutional mandate. An example of this is the Protea Village Restitution Claim which was opposed by some of the surrounding residents. Permission to proceed with the Restitution Programme eventually succeeded and the development project will now proceed as planned.

Land Restitution provides an opportunity to gain significant additional funding from National Government and Private Funding because of its symbolic and political value. Government and Private Sector Institutions are sympathetic towards Land Restitution and as a result are willing to fund well-packaged restitution projects like the Tramway Park and Richmond Park projects.

The City's current Restitution Projects include Richmond Park in Milnerton, Tramway Park in Sea Point, Welcome Estate in Heideveld, Protea Village in Kirstenbosch and District Six in Cape Town.





# Chapter 14:

## Sustainable Development

Energy conservation is a challenge for cities around the world. To provide the urban populations with the services they need, cities need large amounts of energy. In 2006, around 67% of the world's primary energy was consumed in cities, though only about half the world's population lived in cities. Cities already emit about 80% of the world's greenhouse gasses.

According to the International Energy Agency's projections, by 2030 cities will consume about 73% of the world's energy. The scale and pattern of the energy use in the cities, therefore, has significant implications both for energy security and greenhouse gas emissions (the causes of climate change).

Ways of achieving energy conservation in the housing sector include better unit-insulation, reducing the need to travel, promoting the use of renewable energy, and waste minimisation.

Although the City of Cape Town has introduced various measures to promote energy conservation, the Housing Directorate has also taken its own housing-specific steps.

### Passive thermal designs

Town Planners are required to orientate street and erf layouts (and to locate houses on the individual erven) to maximise passive thermal design, including seasonal solar incidence angles and wind directions.

### House specifications

The Standard Specification for Subsidy houses includes insulated ceilings, low flow plumbing fittings, demand-flush cisterns, individual water meters, low energy lighting (such as compact fluorescent lamps), extended eaves overhang on north elevations, and double rebated windows. The specification does not require any water heating device.

Green Building initiatives earn bonus points in the evaluation of tenders. Such initiatives include larger than minimum sized windows on north elevations; off grid (solar) water heating systems; solar photo-voltaic (PV) powered LED lighting; and deciduous trees or other greening projects on each property.

Wherever possible, non-electrical water-heating systems should be installed, either solar, paraffin or gas.

### Retro-fitting

Consideration of resource efficiency and sustainable livelihoods plays an important role in the City's Major Maintenance Upgrade Programme of the rental stock (see chapter 10).

## Energy efficiency

- Install ceilings where none exist
- Insulate all ceilings with a 75mm blanket
- Replace all incandescent lamps with compact fluorescent (CF) lamps
- Replace high-mast lighting with building-mounted flood lights
- Limit hot water cylinders to 100-litre capacity and set thermostat to 50°C
- Educate users on how to calculate the expected cost of water heating
- Insulate new hot water pipe runs
- Service all windows and doors to reduce drafts
- Wherever possible, install non-electrical water heating systems

## Water conservation

- Install low-flow efficient shower heads
- Replace existing cisterns with multiflush cisterns, where viable
- Replace bulk meters with individual units
- Install permeable paving to reduce run-off and recharge ground water
- Plant indigenous, water-wise plants
- Install double-sunken bubbler irrigation system for trees

## Food security

- Encourage people to plant vegetable gardens (where evidence of interest from community)

## Environmental health

- Provide dedicated, properly managed refuse collection and removal areas
- Where there is no existing facility in the neighbourhood, designs should make provision for containers for glass recycling, newspaper collection, etc.
- Although a good idea in principle, the maintenance and management of grey water systems in the prevailing environment is a challenge and is potentially risky for community health.





# Chapter 15:

## Innovation & change

### Densification

Higher densities are critical for Cape Town's future development – not only because land is scarce, and expensive, but because urban sprawl is inefficient and has a high carbon footprint. The City has to make more efficient use of its land, natural and financial resources, and infrastructure.

Higher densities also provide a significant saving in land cost per unit, as less land is needed; and require shorter infrastructure runs and therefore cost less in installation and operation fees per consumer.

Higher population densities also improve socio-economic performance, as they generate high levels of access to employment opportunities and social amenities, and enable the viability of quality public transport services.

The Directorate is already achieving an average density of 40-45 units per hectare, which is above the current city-wide average of 26 units per hectare. It will continue to increase its densities until the targets of 60 units per hectare as proposed by Province are reached (by 2014/15).

The City's overall densification strategy also includes introducing incentives that encourage higher densities, and to make densification a priority in certain targeted areas.

Some of the ways in which higher densities will be achieved include greater use of available infill land in existing urban areas, a pilot backyarder programme, and new CRUs.

### New Town Development

Different people have different housing needs – something that the City recognises in terms of the IDP (Integrated Development Plan) and the concept of integrated human settlements.

So although the City's focus is to provide housing opportunities for those who need state help, it can also play a role in facilitating housing for other categories of income earners, such as young professional couples at the start of their working careers, or elderly couples looking for an affordable opportunity to downsize.

Following visits to Singapore, Hong Kong and China by senior officials and councillors, the Directorate is exploring the concept of New Town Development, which includes a range of range of public housing opportunities. The idea is to develop one major 'town' with three or more integrated 'sub-towns' of mostly multi-storey housing units (ranging four to 15 storeys) with on-site or nearby access to community, social and economic facilities/opportunities for the upper-gap market (ie, households who earn between R8 000 and R12 000 a month).

## The City as an Accredited Municipality

The City has applied to the Provincial Department of Housing for Level One in 2008 and Level Two Accreditation in 2009, which will enable it to implement national housing programmes and receive funding directly from Treasury.

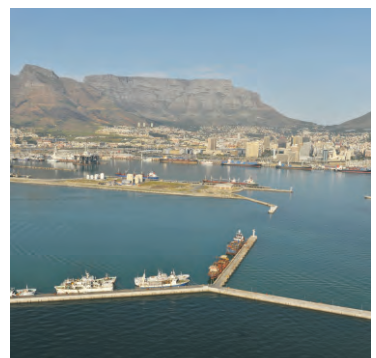
Level One Accreditation requires the City to assume responsibility for beneficiary management, subsidy budget planning and allocation, and priority programme management and administration. Functions at level two include those in level one and the delegation of full programme management and administration of all national housing programmes and subsidy instruments.

As the City meets all the requirements for full accreditation, it will apply for Level Three status, which will enable it to overcome the current constraints in the housing delivery process in particular project assessment and beneficiary approval processes and reap the benefits of cooperative governance, and fulfil its Constitutional imperative.

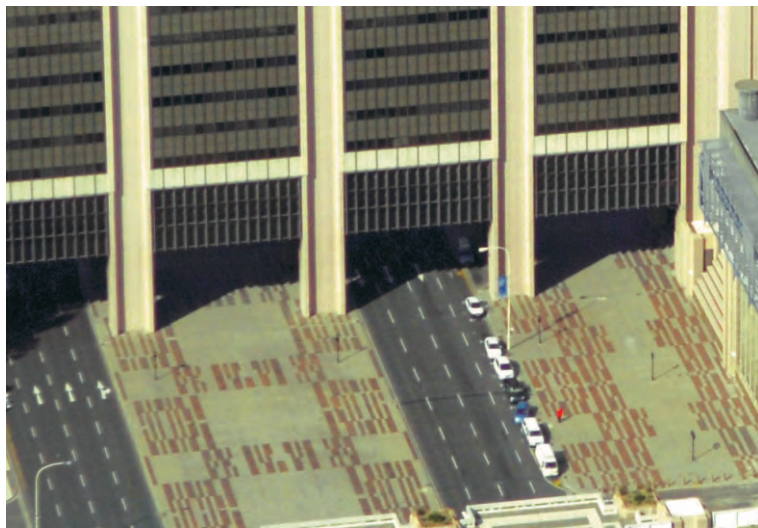
## Housing Consumer Education Programme

The City's Housing Consumer Education Programme works to ensure that all housing consumers in the state-subsidised entire residential property market understand the government's role in housing provision; and that they understand their rights, duties, responsibilities and obligations in partnership with government to meet their own housing needs to ensure a more sustainable housing delivery system.

The Programme also aims to enable housing consumers to make informed housing choices, and empowers housing consumers to understand their role and responsibilities. By doing so, it makes provision for running of educational workshops and the distribution of supporting booklets and pamphlets.









# Chapter 16:

## Support Components

### Neighbourhood Development Partnership Grant

The Neighbourhood Development Partnership Grant (NDPG) was established in 2006 by National Treasury to assist in the creation of economically viable, institutionally and socially empowered, environmentally safe and people-centred neighbourhoods.

The grant consists of two parts, namely a Technical Assistance [TA] Grant aimed at supporting the development of township development plans and a Capital Grant aimed at supporting nodal investment into the construction or upgrading of community facilities, which may attract private sector investment.

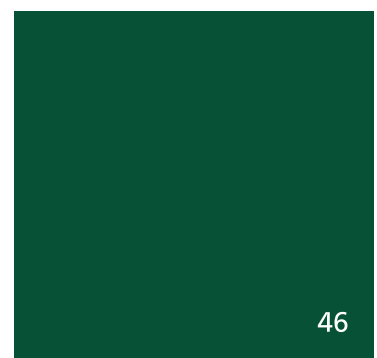
The City has submitted applications and has received approval of funds for six projects by the Neighbourhood Development Unit. The table below sets out the six projects and concomitant funding approvals:

| Project Description                 | Township                          | Fund Source Description | Technical Assistance | Capital Grant Allowance | Approved Budget     |
|-------------------------------------|-----------------------------------|-------------------------|----------------------|-------------------------|---------------------|
| Nyanga Transport Interchange        | Nyanga                            | NDPG                    | R2,000,000           | R20,000,000             | R22,000,000         |
| Athlone Power Station Redevelopment | Langa & Athlone                   | NDPG                    | R10,000,000          | R120,000,000            | R130,000,000        |
| Monwabisi Coastal Node              | Khayelitsha                       | NDPG                    | R3,000,000           | R100,000,000            | R103,000,000        |
| Mitchells Plain                     | Mitchells Plain & Lentegour CBD's | NDPG                    | R4,000,000           | R300,000,000            | R304,000,000        |
| Kuyasa & Other Nodes                | Khayelitsha                       | NDPG                    | R10,000,000          | R300,000,000            | R310,000,000        |
| Oude Molen                          | Oude Molen                        | NDPG                    | R2,000,000           | R100,000,000            | R102,000,000        |
|                                     |                                   | <b>Total</b>            | <b>R31,000,000</b>   | <b>R940,000,000</b>     | <b>R971,000,000</b> |

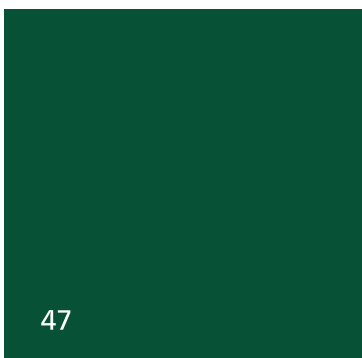
The Directorate therefore will work with relevant City departments and the private sector to access this funding in order to improve its work in informal settlement upgrades and new housing developments, by creating nodes and business centres to build a critical mass of community and commercial facilities and amenities. Funding would specifically provide improved planning, facilitation, project management and operational capacity.

### Geographical Information Systems (GIS)

The City is developing a new software program called the Integrated Spatial Information System (ISIS), which will enable the sharing of geographic and spatial information about past, future and current housing projects with other line departments, decision-makers, sub-councils and the public.







ISIS will replace the CityMapLite website facility, which is currently used to locate properties. ISIS will allow users to find and view basic statistics per housing project, such as their location, name, and size and type. Users will also be able to locate City housing stock and informal settlements by name or address.

The information will be accessible in a friendly map format, contextualised with aerial photography, street names and cadastral data.

The Directorate has over the years built up a substantial land information database, which holds the results of a number of recent land searches. Vital information, such as geotechnical data, environmental informants, land values, and ownership, are kept alongside each land parcel. Although these are not all used for housing, a record of previous discussions is maintained. The database is used to guide the identification of new projects, the process of land banking, and the process of land acquisition and disposal.

As the City places more general correspondence, civil engineering drawings and long-term urban plans online (using overlay techniques and mapping), so the process of selecting feasible sites for housing purposes becomes more efficient. The –longer-term intention is to tie this all together with income and expenditure information from the City's on-line financial management database.

### Anti-Land Invasion Unit

Unfortunately, illegal land invasions by people who disregard the City's policies and development plans have become a negative feature of urbanisation. The City's Anti-Land Invasion Unit was therefore established in 2009 to protect the City's vacant, unoccupied land from illegal land invasion, and provides a 24/7 monitoring and protection service. The Unit has developed a formidable reputation and has a 100% success rate in dealing with planned land invasions.

The City strongly believes that land that has been identified for future housing development must be protected from those who are 'jumping the queue'. To do so, the City follows due legal process, by obtaining the necessary court orders. The Unit provides assistance to the sheriff where necessary.

The Unit also fulfils an important task of preventing re-invasion of land that is prone to flooding, and from which families have been relocated in the past. This is to prevent repeated relocations and unnecessary expenditure.

### Integrated Human Settlements Coordinating Committee

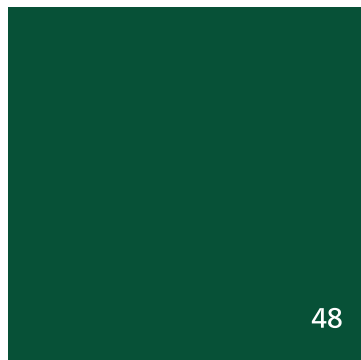
The Directorate is committed to re-establishing and serving on the internal Integrated Human Settlements Coordinating Committee. The establishment of this Committee is in terms of various legislative mandates, including Schedule 4 Part B of the Constitution related to Municipal Planning. It will comprise a Housing Needs Identification Team; a Land Identification, Acquisition and Release Team; and a Project Packaging Team.

## The Directorate's Communication Strategy

The Directorate's Communication Strategy ensures that people receive coordinated and consistent information about the way in which the Housing Directorate operates, and the policies and procedures it follows. Existing communication methods are constantly reviewed and improved upon, where necessary. The Directorate's key internal stakeholders are councillors, other directorates, subcouncils and all council structures. Key external stakeholders include tenants, beneficiaries, NGOs, the media, other municipalities, social housing partners, financial institutions and other spheres of government.

The objectives of the Communication Strategy are to:

- e-enforce the culture of information-sharing within the Housing Directorate, with other directorates and with other spheres of government.
- ensure that effective communication mechanisms exist for internal and external stakeholders.
- identify target audiences and devise specific communication tools to meet the needs of these groups
- reach people through their preferred channels of communication, with effective and accessible information
- communicate in a cost effective and sustainable way
- ensure that the Housing Directorate's plans and programmes are aligned with those of other directorates.







# Chapter 17:

## Legislative environment

There are a number of national laws, policies and supporting elements and structures that guide and establish the enabling environment within which the City is able to facilitate and develop sustainable integrated human settlements and the implementation of this Five-Year Plan.

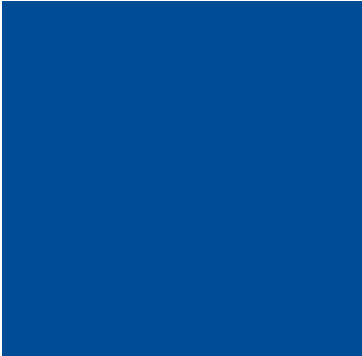


### **The Constitution of the Republic of South Africa, 1996**

The City has a constitutional mandate, together with local and provincial government, to ensure that the right of access to adequate housing to all its citizens is realised.

- 
- The Constitution further describes the objectives of local government as follows:
  - The sustainable provision of services;
  - The promotion of social and economic development;
  - The promotion of an environment that is safe and healthy;
  - Prioritising the basic needs of communities; and
  - Encouraging the involvement of communities.

### **The Housing Act, 107 of 1997**



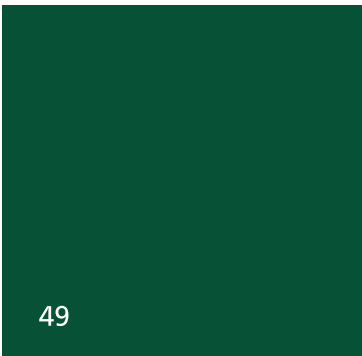
The Housing Act of 1997, which supports the aims and goals of the Constitution, sets out the general principles of housing development that government must adhere to, encourage and promote. The Act gives the City responsibility for primary development (major housing development), sets out policies that establish the needs of the poor as paramount, and advises on how to achieve sustainability, integration, consultation, good governance, empowerment, equity and the optimal use of resources.

Section 9(1)(f) of the Act obliges the City to 'as part of the municipality's process of integrated development planning, take all reasonable and necessary steps within the framework of national and provincial housing legislation and policy to initiate, plan, coordinate, facilitate, promote and enable appropriate housing development in its area of jurisdiction.'



### **The National Housing Code**

The City's housing strategies are guided by policy framework contained in the National Housing Code. The Code is National Government's overall vision for housing in South Africa, and provides guidelines on how to achieve this. As such, it is a live document and is enhanced as and when policy changes and evolves.



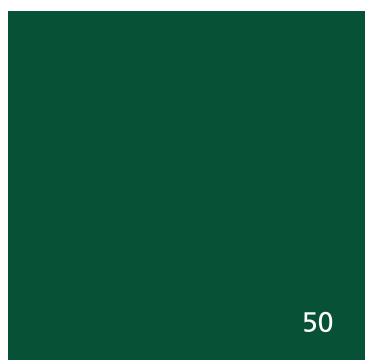
### **The City's Integrated Development Plan (IDP)**

This review of the Five-year Integrated Housing Plan informs and is an integral part of the Focus Area on Human Settlements and Services of the City's IDP. The IDP is the City's key tool for dealing with the real issues of households and communities in a strategic, developmental and delivery-oriented way.

## Other legislation

Other enacted laws that impact on housing development and administration include:

- The Rental Housing Act, 1999 (Act No 50 of 1999)
- The Prevention of Illegal Eviction from and Unlawful Occupation of Land Act, 1998 (Act No 19 of 1998)
- The Housing Consumers' Protection Measures Act, 1998 (Act No 95 of 1998)
- The Social Housing Act, 2008 (Act No 16 of 2008)
- The Housing Development Agency Act, 2008 (Act No 23 of 2008)
- The National Environmental Management Act, 2009 (Act No 62 of 2009)





# Chapter 18:

## Funding

The City's housing programmes require capital funding (for housing development, major maintenance, services installation and informal settlements upgrades) and operating funding.

Capital funding for housing originates from:

- State Housing Subsidy (Division of Revenue Act (DORA))
- City of Cape Town: External Financing Funding
- City of Cape Town: Housing Statutory Fund
- City of Cape Town: Social Development Capital Fund
- Municipal Infrastructure Grant (MIG)

### Division of Revenue Act (DORA) allocation

The Division of Revenue Act annually provides for an equitable share of funding to the City in the form of an unconditional grant according to a formula agreed on by the Fiscal and Financial Commission at national Treasury. The DORA allocation to the City over the three-year Medium Term Expenditure Framework period is:

| YEAR      | AMOUNT         |
|-----------|----------------|
| 2010/2011 | R764,4 million |
| 2011/2012 | R904,8 million |
| 2012/2013 | R902,0 million |

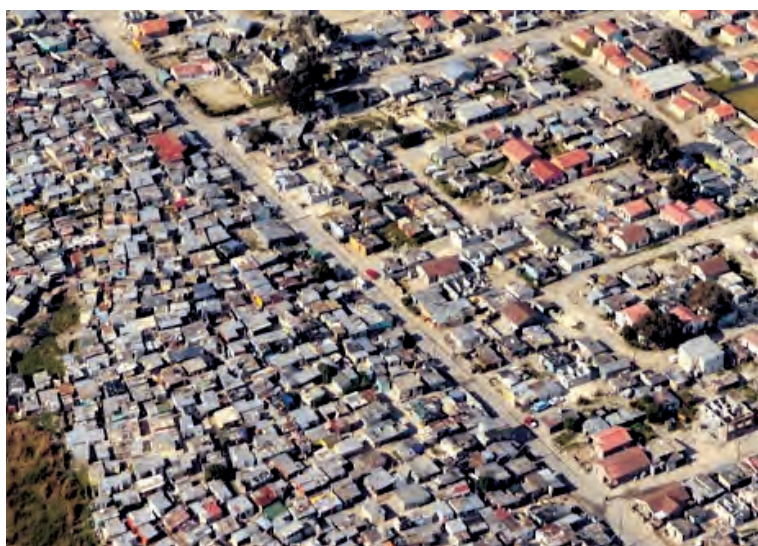
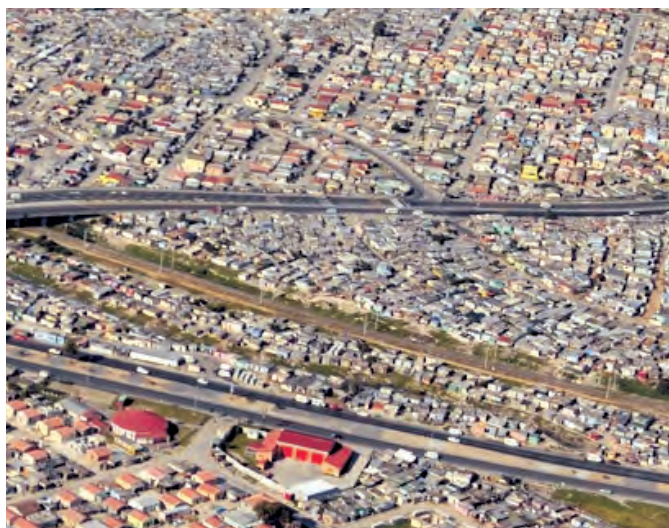
### Municipal Infrastructure Grant (MIG) funding

The City annually applies for Municipal Infrastructure Grant funding to supplement its own funding of infrastructure programmes. Access to this funding enables the City to address backlogs in municipal infrastructure required for the provision of basic services.

### Capital and Operating Budget

The City's Housing Multi-year Capital and Operating Budget has been revised for the period 2010/11 to 2012/13 following input from various project teams and councillors. The Budget intends to optimally deliver on key housing projects, based on project readiness and funding availability.



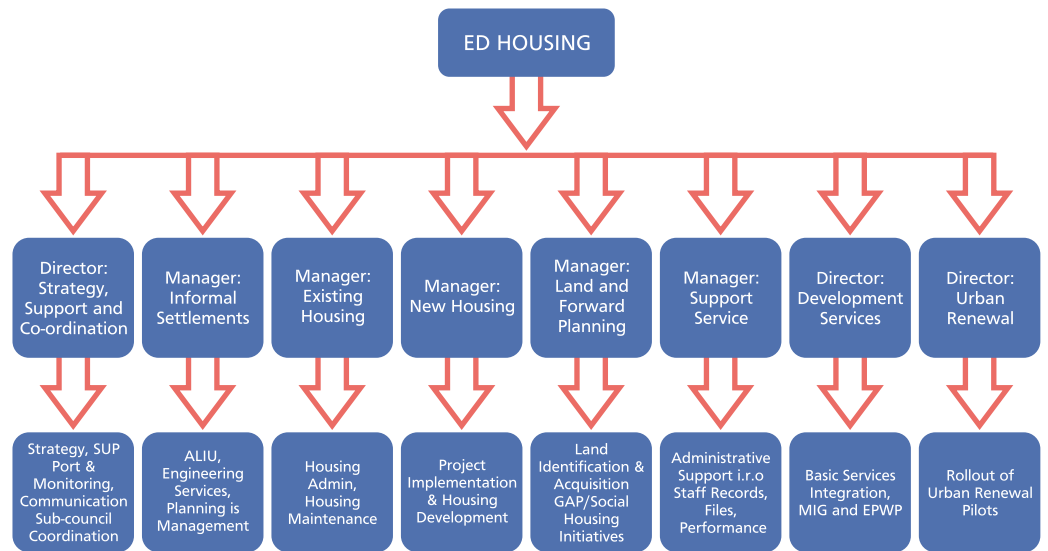




# Chapter 19:

## Organisational structure

The Directorate's work is divided into a number of departments, to improve efficiency (refer to the diagram below).



**The Strategy Support and Coordination Department** provides operational, professional and strategic direction to all activities and disciplines concerning housing delivery. The Department also ensures that housing strategy and policy is developed, and monitors housing delivery and its contribution towards the creation of integrated human settlements. In addition, the Department coordinates stakeholder engagement mechanisms and facilitates Housing Consumer Education (HCE) for beneficiaries of new housing developments.

**The Informal Settlement Department** directs the strategic and operational activities that are necessary for the management, upgrading and tenure regularisation of Cape Town's informal settlements.

**The Existing Housing Department** directs, manages and controls the City's public housing assets (43 000 rental units, 22 000 selling scheme properties and 11 000 hostel-beds).

**The New Housing Department** directs the City's Integrated Human Settlement projects and programme, by planning and implementing housing developments; guiding grant-funded interventions; and monitoring, evaluating and communicating deliverables, constraints and actions necessary to accelerate the social and economic goals of the City's communities.

**The Land and Forward Planning Department** manages the identification, planning, bulk servicing, acquisition, sale and packaging of land in accordance with the City's policies housing provision, including gap and restitution housing.

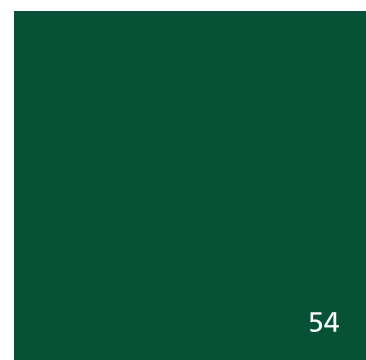
**The Support Services Department** supports service delivery through managing, administering and developing human resources, as well as by managing assets, performance and logistics. The Department also provides secretarial support, general administration and financial management, runs the Directorate's helpdesk service to customers, and facilitates bush-clearing on vacant housing land.

**Development Services** coordinates the provision of basic municipal services in mainly informal settlements and facilitates the rollout of the City's MIG and EPWP Programmes.

**The Urban Renewal Programme** involves systematic and sustained interventions to alleviate poverty and to significantly address under-development and socio-economic exclusion in Khayelitsha and Mitchells Plain.

The Directorate is determined to fill as many vacant and new positions as is permitted, and is actively engaging with learning institutions in order to attract suitably qualified employees.

The job descriptions for two strategic positions – Programme Manager: National Housing Programmes, and the Director: Urbanisation – are final and these positions will be advertised shortly.







CITY OF CAPE TOWN | ISIXEKO SASEKAPA | STAD KAAPSTAD

THIS CITY WORKS FOR YOU