



**CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD**

ANNEXURE 3

CITY IMPROVEMENT DISTRICTS (CIDs) ADDITIONAL RATES



DRAFT CITY IMPROVEMENT DISTRICTS (CIDs) ADDITIONAL RATES 2019/2020

Each CID must submit a budget to the City annually in terms of the Special Rating Areas (SRA) By-Law. This budget must be in accordance with the approved business plan of the CID and be approved by the company members at an Annual General Meeting (AGM) or Members Meeting. The budgets for 2019/20 for all existing CIDs included in the table below were all approved in terms of this requirement prior to submission to the City for inclusion in the City's budget document. The CIDs have a 5-year budget as per their approved Business Plan and as such cannot anticipate future development or valuation fluctuations due to successful appeals etc. Communities are informed from the outset regarding the impact of valuation fluctuations on CID budgets and also individual contributions. Accordingly, various scenarios materialize in later years where the CID budget may be spread over a broader community thus reducing the burden on individuals. Similarly, successful appeals could result in a bigger than anticipated burden on other individuals due to the valuation base reducing concomitant to annual budget increases. The impact on individuals is extensively modelled to ensure that it does not exceed the original approved impact as per the 5-year budget and if greater than the budget growth it remains within the threshold of affordability and sustainability.

The amount of any additional rate levied in a CID area is determined by Council. The additional rate is a debt owing to the City and is payable and collected in the same manner as any other property rates imposed by Council. Two different categories of property are identified when imposing an additional rate in a CID: Residential and Non-residential. The SRA Policy, as approved by Council, further clarifies that any non-residential property with a municipal valuation of 50% or more of the total municipal valuation of the CID it is located in will not fund more than 25% of the budget.

The Cape Town Central City Improvement District (CCID) unanimously approved an above inflationary budget increase of 12.5% at its Annual General meeting. Over the past 4 years the CBD has grown exponentially not only in the number of new buildings (incl. residential complexes and hotels) and businesses but also in the overall footfall which has resulted in service delivery being stretched beyond the limit of its resources. With the ever-increasing success and popularity of the CBD and the increase in both daytime and night time economies, the demand for the services of the CCID increases far above the average CPI per annum. The aforementioned increase in budget will help to alleviate the strain on existing resources and assist the CID in dealing with the increasing gaps in services.

The Kalk Bay and St James Special Rating Area (KBSJSRA) was approved 5 years ago with a term budget that was small in comparison with other CIDs of the same size and/or with similar challenges. This created resource constraints which became more evident over the last few years as the CID started to struggle to deliver services at the level expected by the property owners. When the new Business Plan was prepared for the new term 2019 – 2024 the Board of Directors included a term budget to turn this around. At their AGM a budget increase of 16.6% was presented to the members who approved it unanimously.

Five CIDs (Brackenfell, Kalk Bay & St James, Llandudno, Salt River and Strand) have applied for a new 5-year term commencing on the 1st of July 2019. At their AGMs their members voted unanimously in favour for the continuation of the CIDs. These are included in the table below subject to Council approving a further term.



Two applications were received for the establishment of a CID in their area and are included in the table below subject to Council approving the applications (Mitchell's Plain Town Centre and Oakwood / Hughenden / Meadows in Hout Bay).

The additional rates for 2019/20, expressed as Rand-in-the-rand and based on the total property valuation per CID, are submitted for Council approval.

City Improvement District	Approved Budget 2018/19 R	Approved Additional Rate 2018/19 R	Proposed Budget 2019/20 R	Proposed Additional Rate 2019/20 R
Airport Industria	4,101,031	0.002407	4,574,419	0.001812
Athlone	880,000	0.002426	968,691	0.002274
Beaconvale	3,465,649	0.002751	3,559,077	0.002142
Blackheath	2,667,730	0.001412	2,868,123	0.001217
Brackenfell #	2,963,871	0.002845	3,167,218	0.002004
Cape Town Central City				
-Residential	7,450,000	0.001764	8,014,947	0.001118
-Non-Residential	55,049,194	0.002138	62,285,141	0.001857
Total	62,499,194		70,300,088	
Claremont				
-Residential	752,116	0.000477	800,220	0.000398
-Non-Residential	8,149,328	0.001586	8,813,339	0.001344
Total	8,901,444		9,613,559	
Claremont Boulevard				
-Non-Residential	3,530,421	0.000687	3,689,290	0.000565
Elsies River	2,801,895	0.003601	3,003,184	0.002736
Epping	9,842,038	0.001403	10,629,401	0.001202
Fish Hoek				
-Residential	236,420	0.000648	263,220	0.000527
-Non-Residential	720,870	0.001667	761,260	0.001662
Total	957,290		1,024,480	
Glosderry				
-Non-Residential	1,236,037	0.002975	1,341,078	0.002457
-Non-Residential > 50%	285,200	0.000594	301,858	0.000409
Total	1,521,237		1,642,936	
Green Point				
-Residential	1,072,500	0.000470	1,114,560	0.000327
-Non-Residential	6,242,500	0.002342	6,940,344	0.001910
Total	7,315,000		8,054,904	
Groote Schuur	6,600,000	0.001892	7,062,000	0.001424
Kalk Bay and St James #				
-Residential	1,313,864	0.000531	1,523,435	0.000393
-Non-Residential	288,409	0.001756	344,859	0.001524
Total	1,602,273		1,868,294	
Little Mowbray / Rosebank				
-Residential	1,415,987	0.000709	1,469,505	0.000533
-Non-Residential	571,138	0.001486	636,840	0.001465
Total	1,987,125		2,106,345	



Llandudno #	2,749,381	0.000673		
-Residential			2,913,833	0.000532
-Non-Residential			110,486	0.000592
Total	2,749,381		3,024,319	
Maitland	3,058,041	0.002435	3,236,004	0.001580
Mitchells Plain Town Centre *	N/A	N/A		
-Residential			636	0.000363
-Non-Residential			1,751,036	0.002257
Total			1,751,672	
Montague Gardens-Marconi Beam	6,226,738	0.000776	6,722,748	0.000697
Mount Rhodes				
-Residential	494,511	0.001636	526,655	0.001144
-Non-Residential	34,067	0.001862	36,281	0.001409
Total	528,578		562,936	
Muizenberg				
-Residential	1,305,210	0.001038	1,542,960	0.000866
-Non-Residential	765,881	0.002960	707,040	0.002261
Total	2,071,091		2,250,000	
Northpine				
-Residential	1,635,764	0.001295	1,757,334	0.001041
-Non-Residential	323,479	0.002341	358,731	0.001547
Total	1,959,243		2,116,065	
Oakwood / Hughenden / Meadows *	N/A	N/A		
-Residential			738,826	0.001163
-Non-Residential			61,877	0.001409
Total			800,703	
Observatory				
-Residential	2,926,709	0.001074	3,120,112	0.000791
-Non-Residential	2,902,443	0.002097	3,233,663	0.001920
Total	5,829,152		6,353,775	
Oranjekloof				
-Residential	1,072,146	0.000519	1,185,972	0.000327
-Non-Residential	4,834,854	0.002491	5,417,495	0.001728
Total	5,907,000		6,603,467	
Overkloof	410,000	0.001724	434,600	0.001346
Paarden Eiland	4,376,281	0.001164	4,710,789	0.000967
Parow Industria	4,609,886	0.001862	4,936,828	0.001489
Penzance Estate				
-Residential	925,884	0.001784	1,014,306	0.001373
-Non-Residential	148,143	0.003376	137,213	0.002672
Total	1,074,027		1,151,519	
Salt River #	3,478,158	0.002473	3,785,000	0.001536
Sea Point				
-Residential	1,873,137	0.001032	1,968,622	0.000571
-Non-Residential	3,770,598	0.002372	4,098,393	0.001622
Total	5,643,735		6,067,015	
Somerset West	2,813,326	0.002949	3,039,794	0.002689



Stikland Industrial	3,750,000	0.002236	4,099,691	0.001721
Strand #	1,181,686	0.002945	1,268,969	0.002723
Triangle Industrial	2,240,231	0.003322	2,364,453	0.002324
Tyger Valley	3,516,554	0.001943	3,816,702	0.001321
Voortrekker Road Corridor	18,648,965	0.002731	20,140,881	0.001958
Vredeklouf				
-Residential	3,076,234	0.002071	3,235,696	0.001614
-Non-Residential	76,835	0.002402	100,292	0.001858
Total	3,153,069		3,335,988	
Woodstock	4,978,471	0.001894	5,375,179	0.001148
Wynberg				
-Residential	760,541	0.001107	964,753	0.001069
-Non-Residential	4,348,067	0.003634	4,533,598	0.002875
Total	5,108,608		5,498,351	
Zeekoevlei Peninsula	518,682	0.002101		
-Residential			545,470	0.001855
-Non-Residential			15,000	0.002223
Total			560,470	
Zwaanswyk	1,167,113	0.000945		
-Residential			1,146,589	0.000767
-Non-Residential			107,666	0.000826
Total			1,254,255	
Total	216,674,214		239,394,182	

Note: Additional Rates are reflected exclusive of VAT. VAT inclusive rates can be found in the City's Tariffs, Fees and Charges book.

* Subject to Council approving the establishment of the CID starting on the 1st of July 2019.

Subject to Council approving that the CID implements its new business plan for a further period of 5 years starting on the 1st of July 2019.