



CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

Incentive Overlay Zone Manual

Operational and Design Guidelines

Urban Planning and Design

Date: 2025

Version: 1.0

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Using this manual

The purpose of the document is to guide applicants on how to access the enhanced rights provided by the IOZ through the following sections:

- Section 1: An overview of how the IOZ works.
- Section 2: How to check if your property is eligible and determine IOZ rules apply to your property?
- Section 3: How to apply for the IOZ enhanced rights?
- Section 4: How to interpret and incorporate the IOZ rules into the design of your building plan?



1. Incentive Overlay Zone - Overview

1.1. What is the Incentive Overlay Zone?

The Incentive Overlay Zone (IOZ) is a newly established land use mechanism approved as part of the recent Municipal Planning By-law review. The IOZ aims to help achieve the type of development envisioned in our spatial planning and urban design policy for specific strategic areas in Cape Town. This is in pursuit of a more efficient, just and sustainable city through encouraging intensity of development in well-located areas with high levels of accessibility.

The IOZ enables additional development and mixed uses - otherwise referred to as 'intensification' - to give effect to spatial policy objectives. The City's [Municipal Planning By-Law \(MPBL\)](#) assigns every property with a zoning, which dictates what can legally be developed on the property. This assigned zoning is commonly known as 'a base zoning'. The IOZ creates a special zoning area, over and above the existing base zone(s), which identifies special provisions in addition to those of the base zoning. Properties that fall within these areas get additional or enhanced development rights, such as such as height, floor factor, coverage, setbacks and use rights.

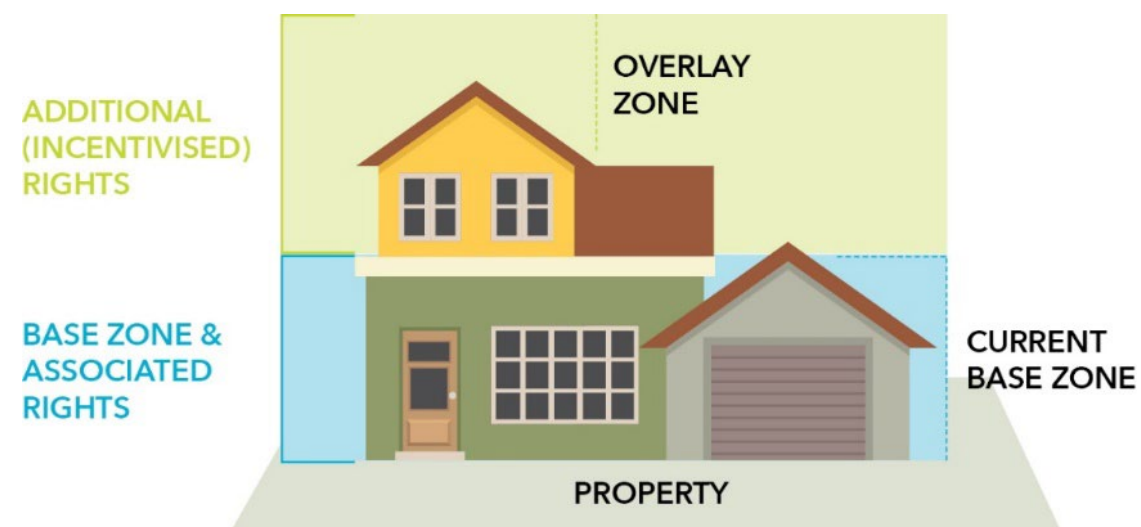


Figure 1: Illustration of the additional rights unlocked by the IOZ

Furthermore, if the proposed development complies with the rules prescribed in the IOZ, an applicant can take up the enhanced rights through a building plan application removing the need for a land use application process.

1.2. What areas are targeted by the IOZ?

The City's approved Spatial Development Frameworks have identified areas appropriate for mixed-use intensification and further development. Several of these areas were identified as suitable for an IOZ. Specific regions of the following five suburbs have been identified as pilot areas:

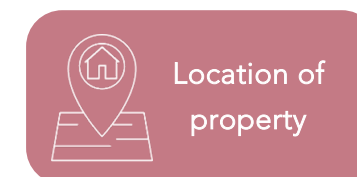


Figure 2: Areas targeted by the IOZ

1.3. How does the IOZ allocate rights?

The IOZ allocates additional or enhanced development rights based on two considerations:

- The location of the property within the IOZ area
- The current base zoning associated with the property.



Location of
property



Existing
Zoning of
property

These considerations are to ensure the City enables and incentivises appropriate developments specific to the local context. The IOZ aims to facilitate development that contributes positively to the public realm and enhance urban performance. Each of these is explained below.

a. Location

Each IOZ area is divided into several “subareas”. Every subarea has distinct additional or enhanced development rights for the properties falling in that subarea.

The subareas are utilised to create a graded response. Generally intensification and higher scales of development should be directed to targeted streets and nodes, i.e. a property on a main road should be able to access more development rights than a property a few blocks behind. Through the utilisation of subareas, more context specific parameters and guidance can be introduced. The rationale behind the various subareas is depicted in Figure 3 below:

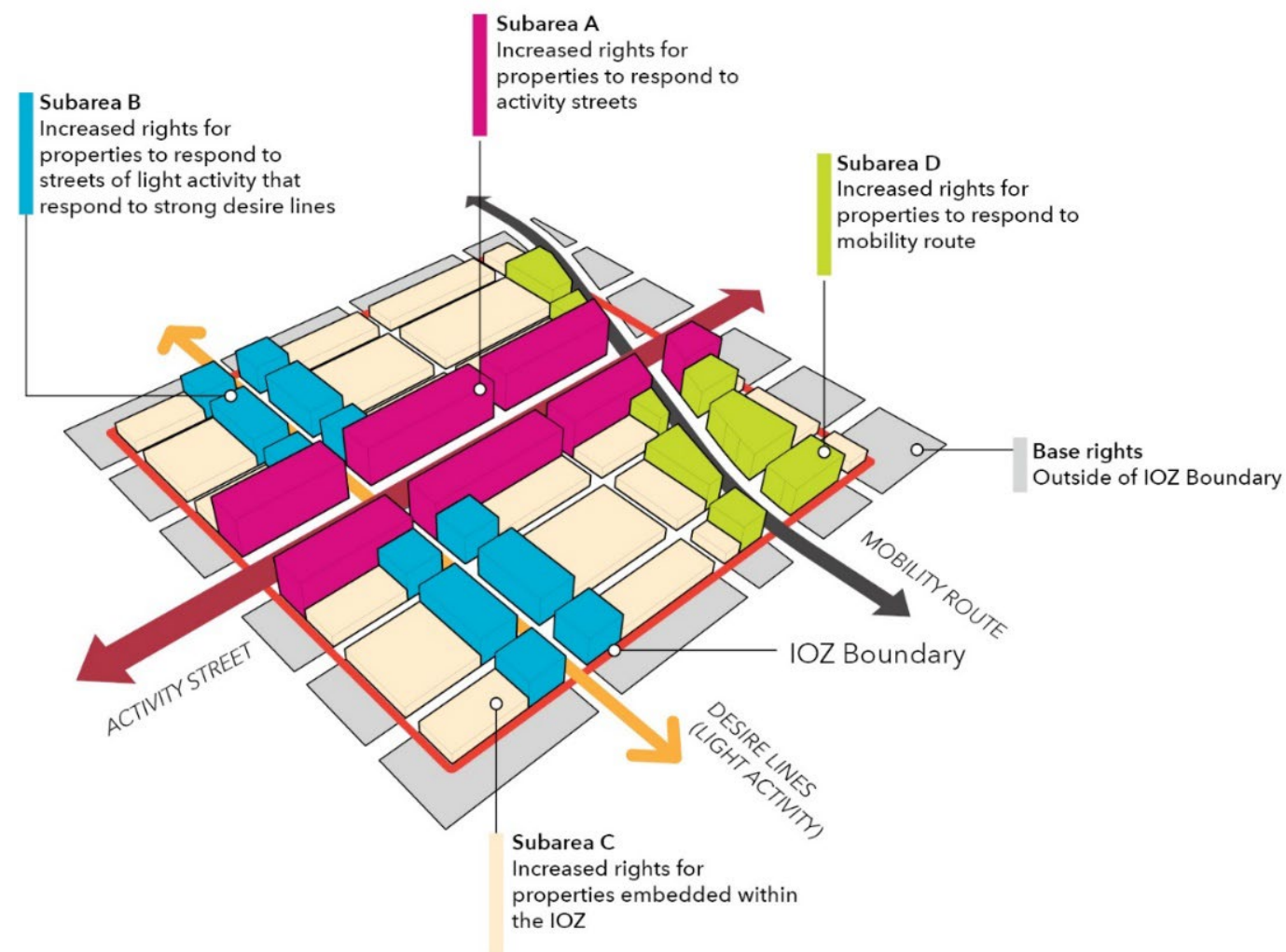


Figure 3: IOZ Subarea logic

b. Zoning of the Property

Every property in Cape Town has a zoning, which dictates what can legally be developed on the property. This assigned zoning is commonly known as 'a base zoning'.

A property can access the enhanced rights based on the properties existing base zoning. The additional rights allocated to a base zoning are also dependent on the subarea in which the property falls.

This is illustrated in the diagram below. Four different properties, each with a different base zoning (SR1, LB1, GR2 and GB4), have access to different heights and bulk envelopes. The example below is for Subarea A1.

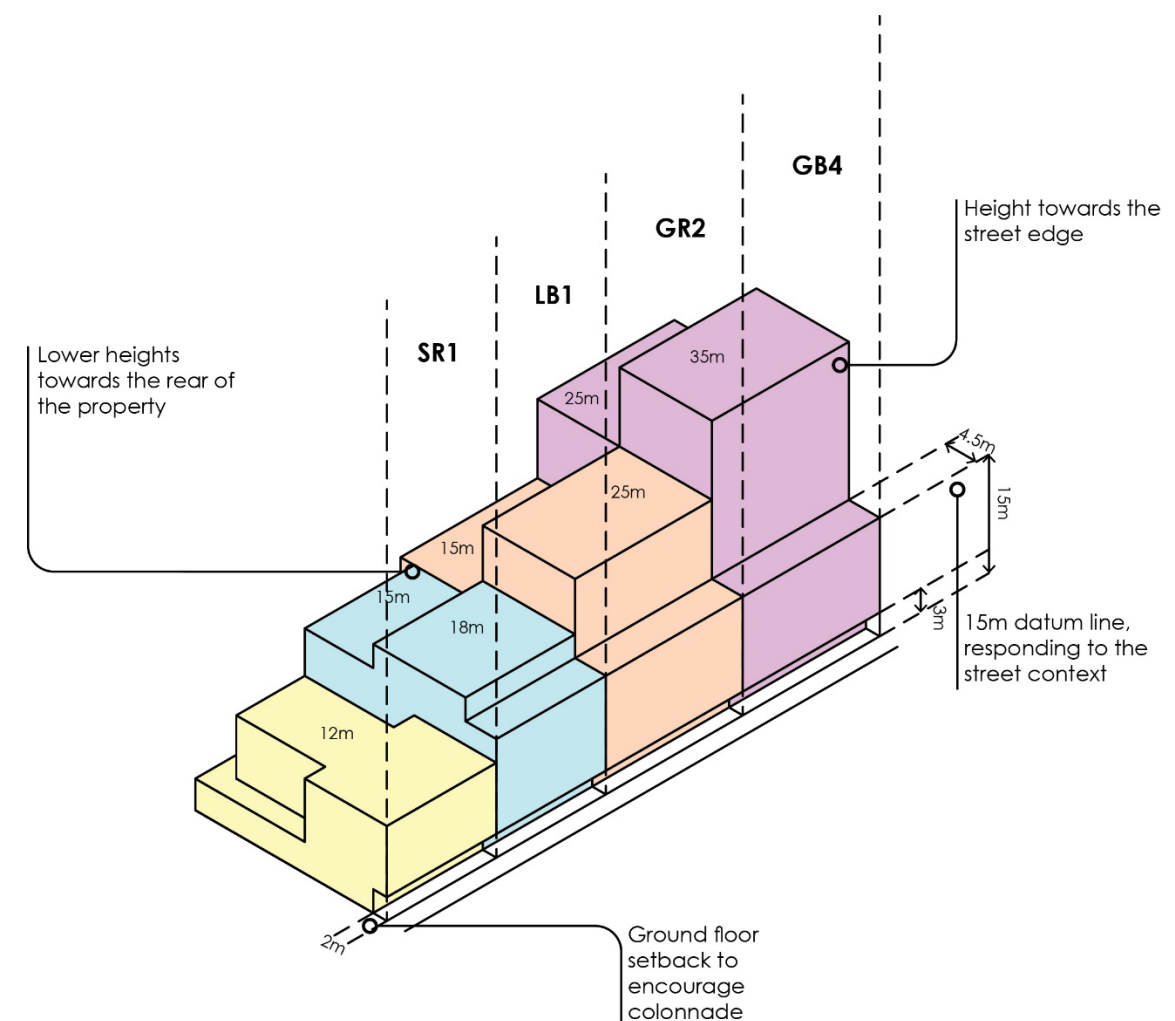


Figure 4: Illustration of additional rights granted per base zoning

2. Check your Property / Enhanced Rights

The section details the process to check whether a specific property is eligible for the enhanced rights provided by the IOZ, and, if eligible, determine what rights are available on that property.

Check which IOZ rules apply to your property

2.1. How to determine if your property is eligible:

There are 3x considerations to determine whether your property is eligible for the enhanced rights provided by the Incentive Overlay Zone.



1. IS YOUR PROPERTY LOCATED IN AN IOZ AREA?

Only properties that are located in one of the five IOZ pilot areas are eligible for enhanced rights.



2. IN WHICH SUBAREA IS YOUR PROPERTY LOCATED?

Each IOZ is divided into subareas. The enhanced rules or development rights differ for every subarea. Thus, you need to determine in which subarea your property is located.



3. WHAT ZONING IS APPLICABLE TO YOUR PROPERTY?

Enhanced rules or development rights are linked to the current base zoning of the property.

To check if your property falls into one of the proposed IOZ areas, the applicable subarea and the properties current base zoning, go to the City of Cape Town Map Viewer. A detailed navigation guide is available with step-by-step instructions at the following link:

[CityMap Viewer Navigation Guide - IOZ.pdf \(capetown.gov.za\)](#)

2.2. What enhanced rights are applicable to your property?

The full list of enhanced rules is available for viewing in items 155 and 156 of the amended MPBL, available on the City of Cap Town’s website.

If your property falls into a proposed IOZ area, and you know which subarea and base zone is applicable to your property you can check which of the enhanced rules are applicable to you. General provisions found in item 155 in the MPBL are applicable to all eligible properties in the IOZ while Items 156 contains specifics provision that is only applicable to certain base zonings.

For example, if your property is zoned **LB1** and located in **subarea A1**, you must navigate first to item 155 in the MPBL to view general provisions and then to the section related to **LB1** zoning in item 156 to view the specific provisions that match the zoning of your property. The tables related to each zoning are split up per subarea – see extract for **LB1, subarea A1** from the MBPL below.

Table of floor factor, height coverage and building lines in **Local Business Zoning 1** in the Incentive Overlay Zoning’

Sub-area	Land Unit area (m²) : Floor factor	Coverage	Maximum height above existing ground level to top of building	Street boundary building line	Land Unit area (m²) : Common boundary building line
A1	2	100% coverage within 18m of street boundary; 75% for the remainder of the site	18m for 18m from street boundary. 15m for the remainder of the site	2m setback up to 3m height; 0m setback above 3m and up to 15m height; 4.5m above 15m	0m for 18m along every common boundary from street and 60%; and 3m rest

Examples of uptake are illustrated and discussed in Section 4 of this report.

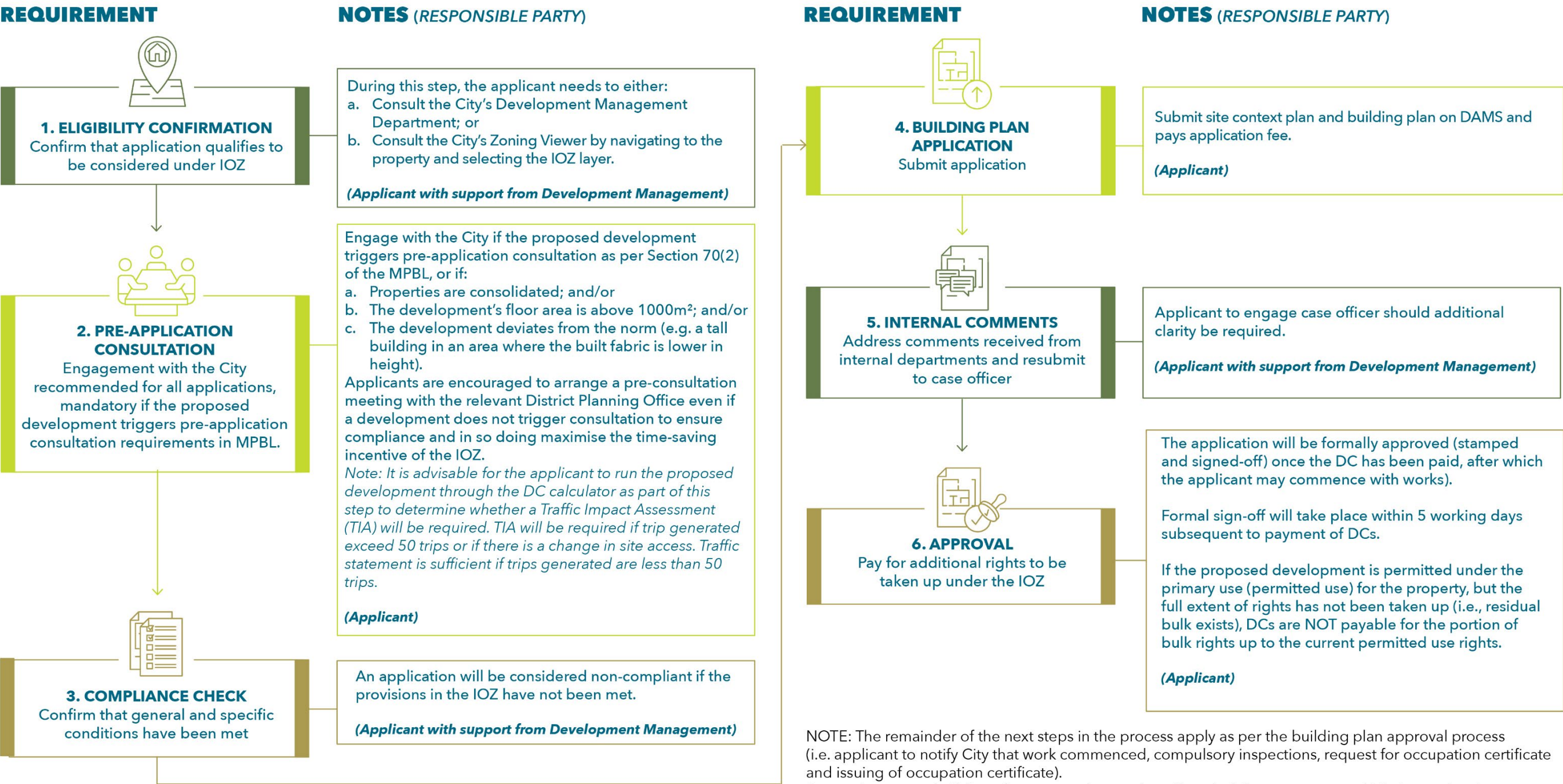
3. Application Process

3.1. How would you access the enhanced rights?

Eligible properties can access to the enhanced rights by following the steps below:

- 1. Prepare a building plan that complies with the general and specific provisions prescribed in the IOZ relevant to your subarea and zoning (see items 155 and 156 of the MPBL).
- 2. Submit your building plan through the Development Application Management System (DAMS).

The procedure outlined below provides guidance to the applicant on how to submit an application in IOZ and details how the development applications in IOZ areas will be assessed:



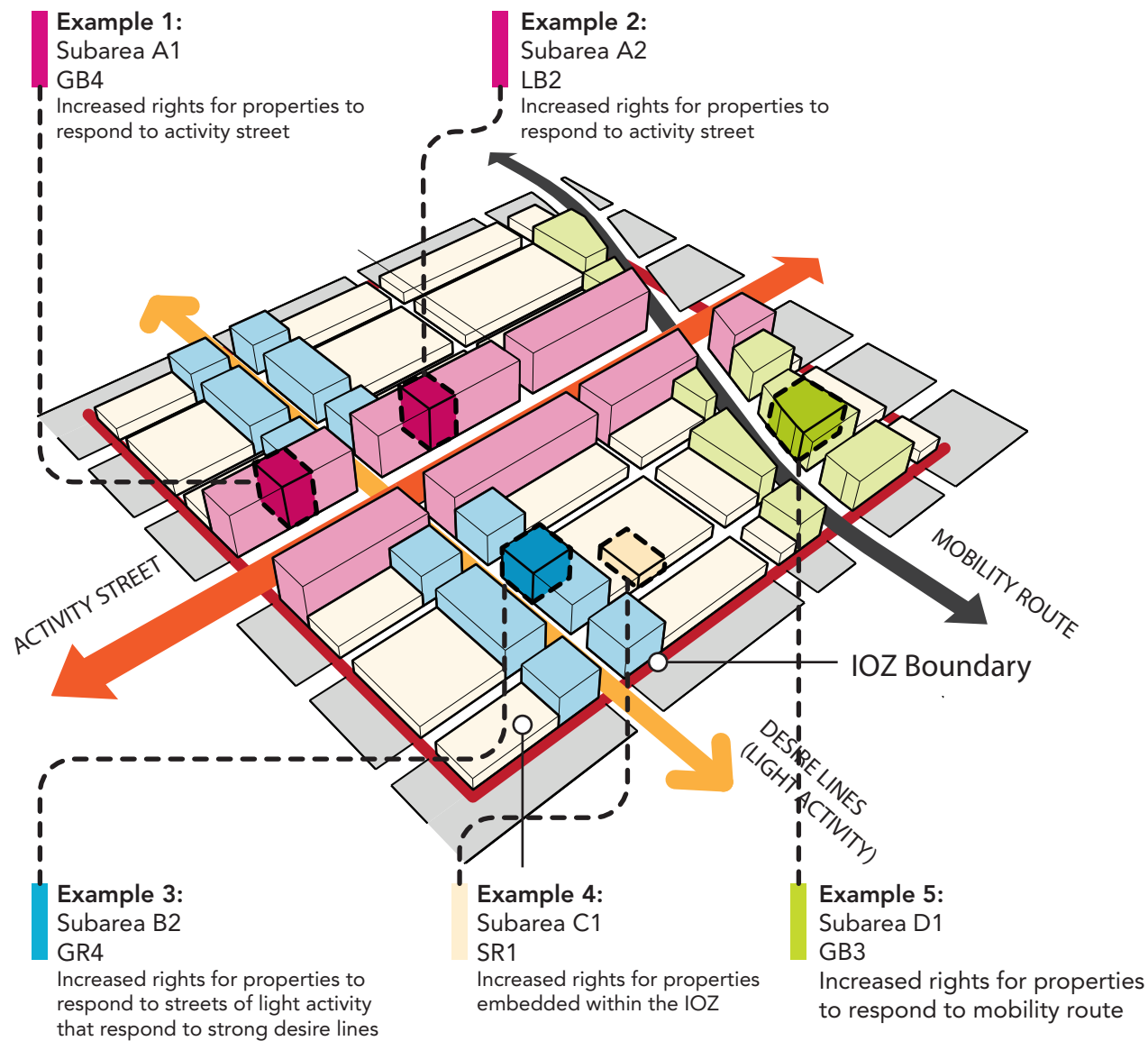
4. Design Guidelines / Examples

Section 4 of the report provides various design guidelines and considerations that are to be taken into account prior to approval of building plan applications in the IOZ areas. The design guidelines are contained in a general guidance table and illustrated through various case studies which aim to assist in interpreting and incorporating the IOZ rules into the design of developments.

Table 2 provides a series of design guidelines to be considered in parallel with the enhanced development rules and use rights in the formulation buildings plans. The guidelines are categorised by subarea and are grouped to those that are applicable to All Base Zonings and those that are only applicable to certain types of zonings (i.e. Residential (R1), General Residential (GR2, GR3, and GR4), etc.).

After the table there are a series of illustrated examples to guide the correct interpretation of the IOZ's enhanced rules and use rights so as to align with Design Guidelines.

The diagram below identifies the examples that have been unpacked. The diagram to the right indicates how the example pages are to be read.



Guide to reading example cases

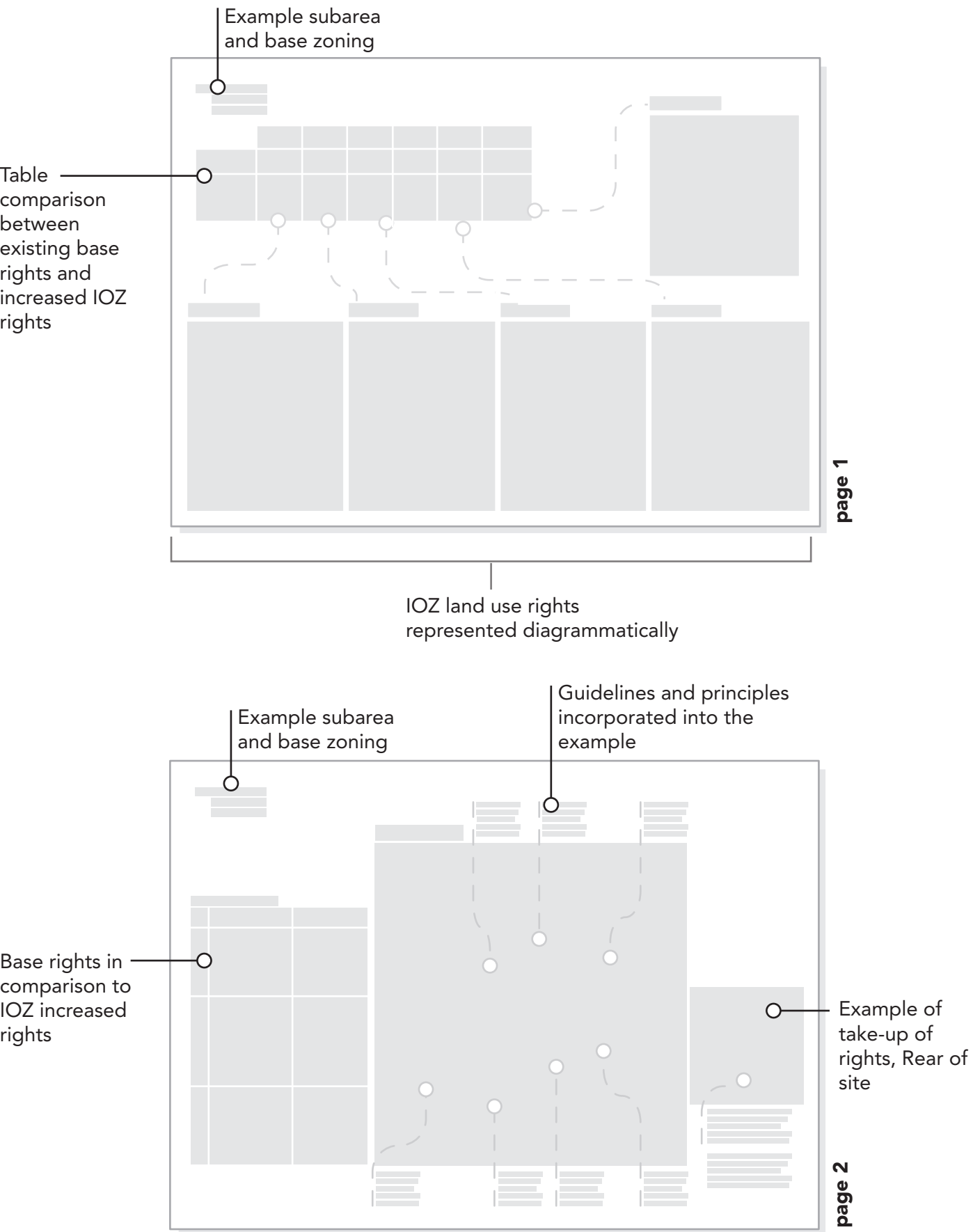
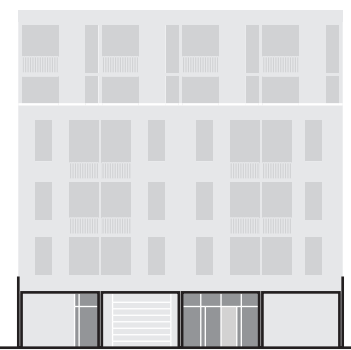
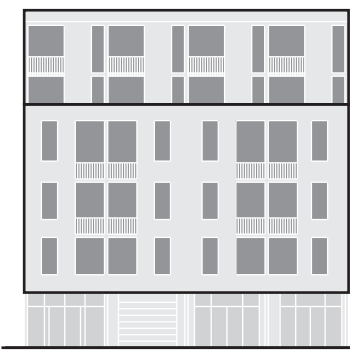
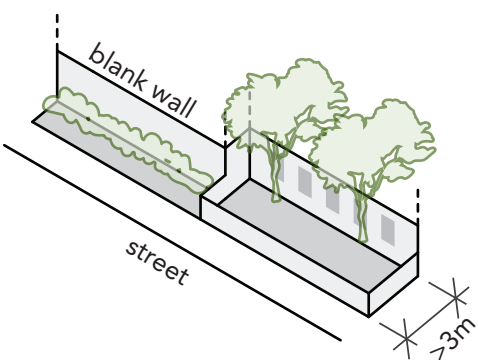
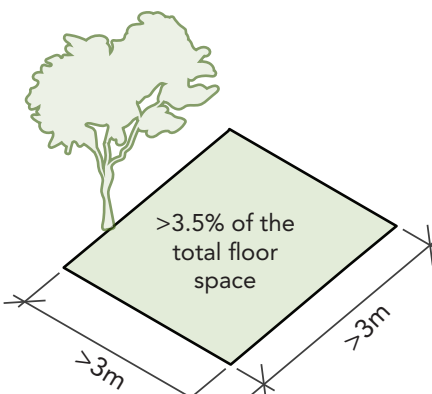
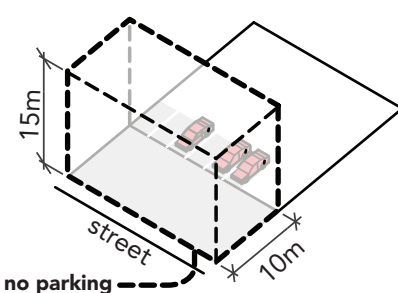
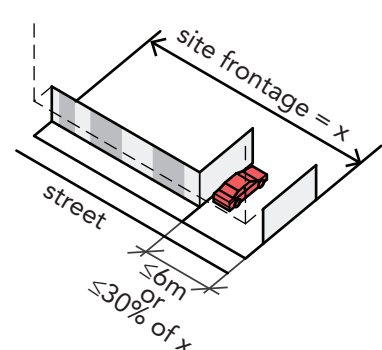
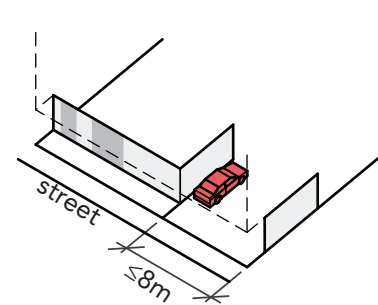
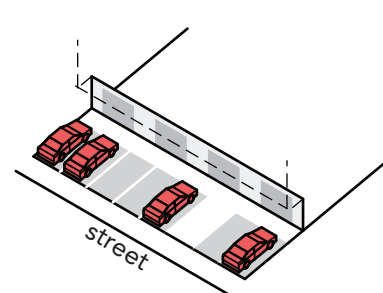
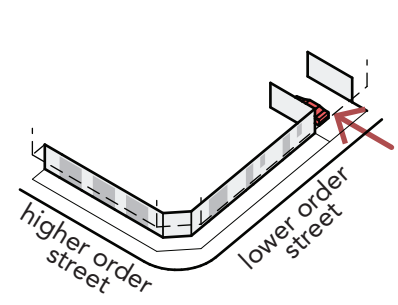
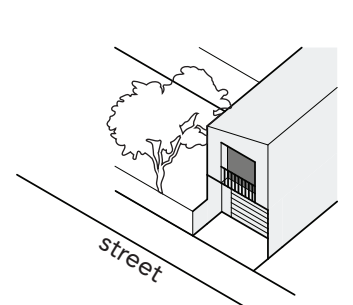
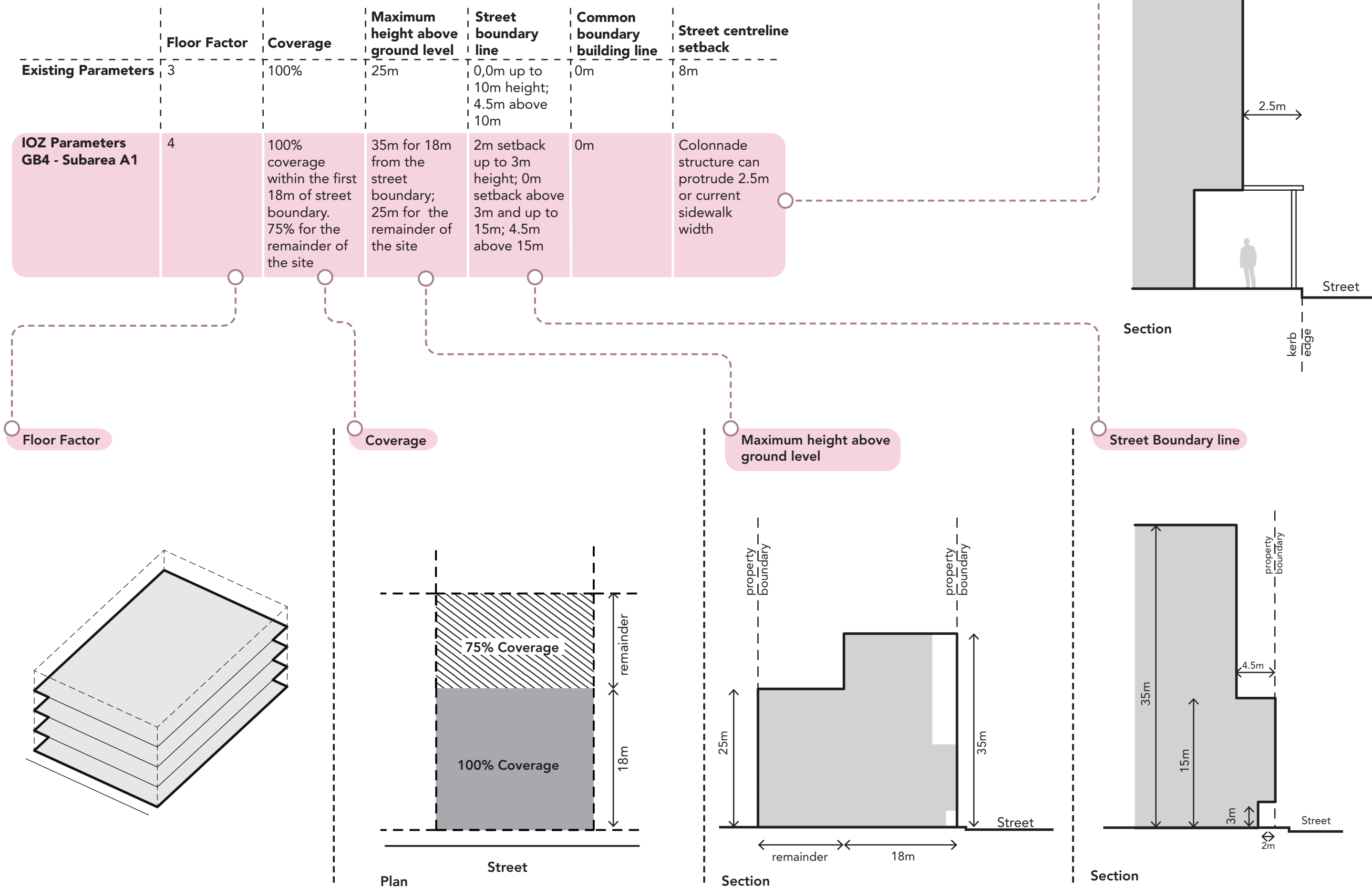


Table 2: Urban Design Guidelines

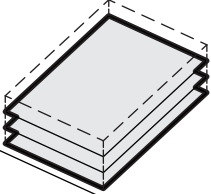
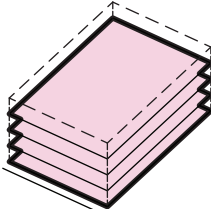
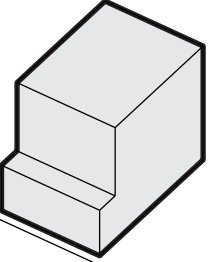
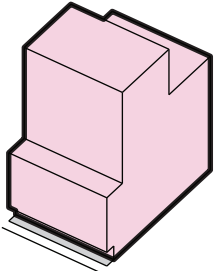
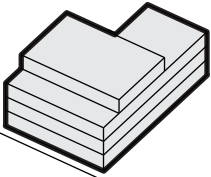
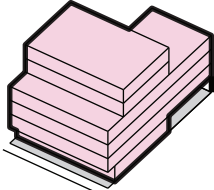
Interface Guidelines												Open Space Guidelines		
Guideline: I1		Guideline: I2		Guideline: I3		Guideline: I4		Guideline: O1						
														
Significant fenestration on ground floor level, with active uses		Some clear fenestration on ground floor level. All retail and commercial uses to have significant fenestration on ground floor		Significant habitable space with fenestration and overlooking features onto the street for levels above ground.		Street boundary vegetation and tree planting required in front of all portions of the façade which is more than 3m away from the street boundary as well as in front of any street-facing blank walls		Minimum 3.5% of the total floor space to be functional open space (minimum 3m in each direction e.g. 3x3m)						
IOZ Subarea	Base Zoning	I1	I2	I3	I4	V1	V2	V3	V4	V5	V6	O1	Applicable Guidelines: Summary	
A1, A2 B1, B2	Residential													I3, I4, V2, V5, V6, O1
	General Residential, Local Business, General Business and Mixed Use													I1, I3, I4, V1, V2, V5, O1
C1	Residential													I4, V2, V5, V6, O1
	Local Business													I2, I3, I4, V4, V5, O1
	General Residential, General Business and Mixed Use													I2, I3, I4, V1, V3, V5, O1
D1	Residential													I2, I3, I4, V2, V5, V6, O1
	General Residential, Local Business, General Business and Mixed Use													I2, I3, I4, V1, V3, V5, O1
Guideline: V1		Guideline: V2		Guideline: V3		Guideline: V4		Guideline: V5		Guideline: V6				
														
No parking bays at ground floor level, and up to the first 15M height, on a land unit, either outside or within a building, shall be located closer than 10m to a street boundary in order to enhance amenity at street level		Maximum 30% or 6m of the site frontage or (whichever is more prescriptive) to be used for parking or vehicular access.		Maximum 40% of site frontage to be used for parking or vehicular access		Only a single row (5m deep) of parking allowed in front of the property		Where a property has more than one street facing side, the parking should be accessed from the street with the lowest order		Carport structures encouraged to be formalised with living space above				
Vehicular Access and Parking Guidelines														

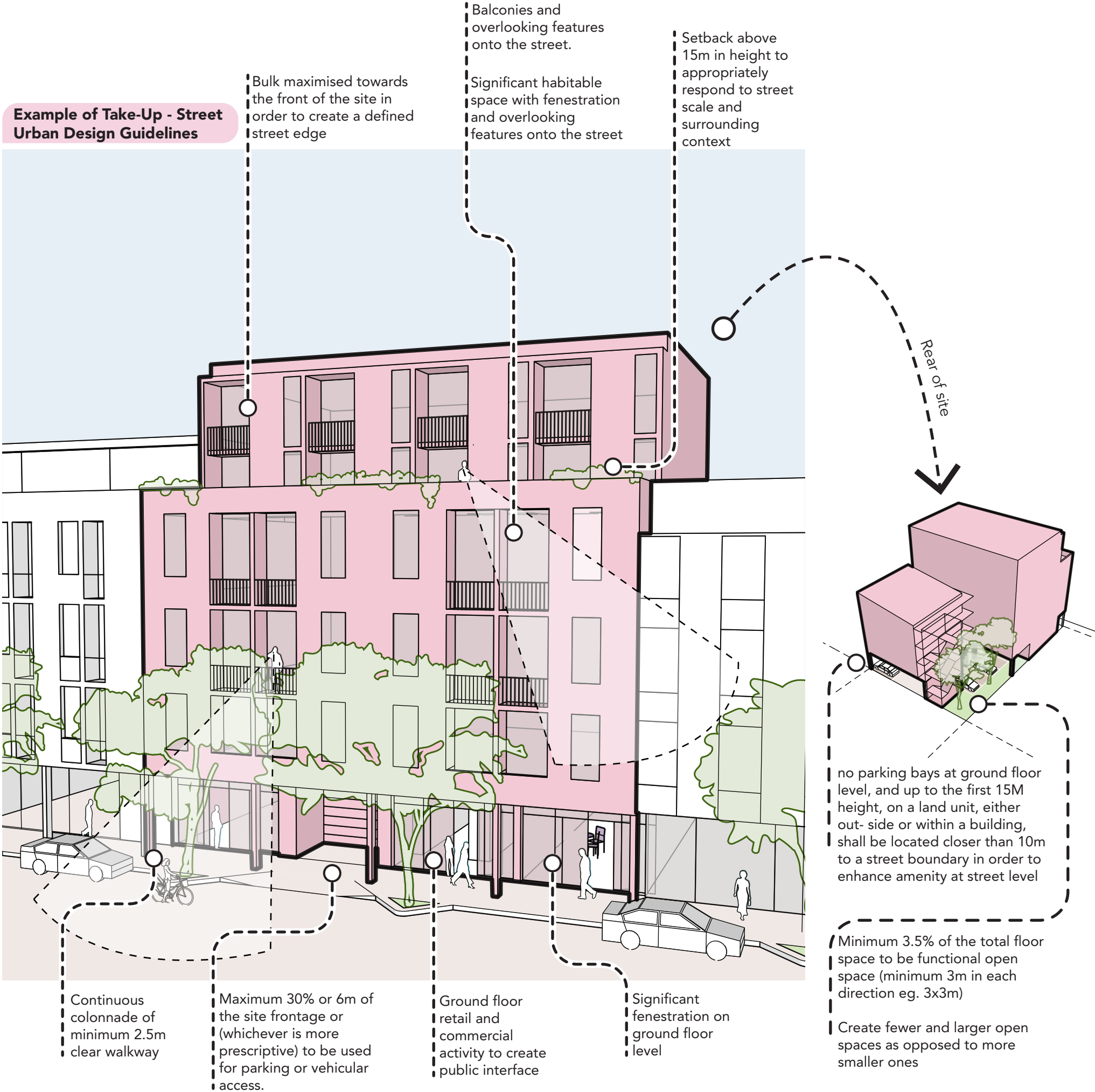
4.1 Example 1:
Subarea A1
GB4



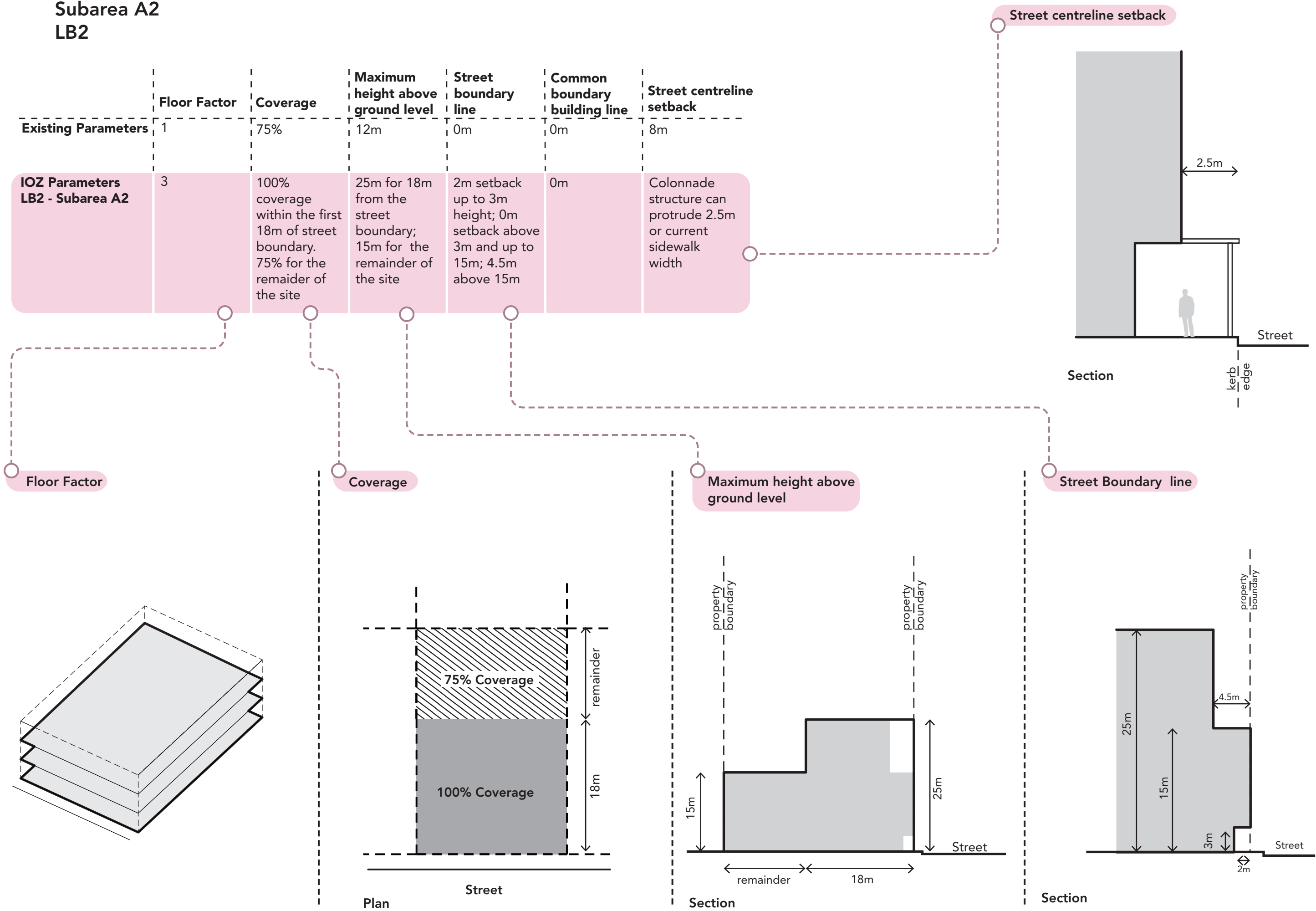
4.1 Example 1: Subarea A1 GB4

Existing rights vs new rights

	Existing GB4 Parameters	IOZ Parameters GB4 - Subarea A1
Floor factor		
Building envelope / setbacks		
Massing Example of take-up		

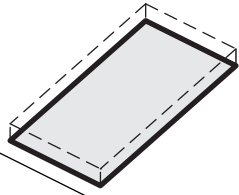
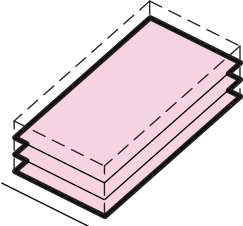
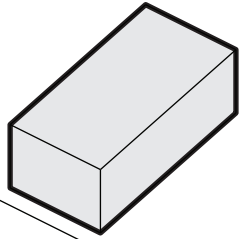
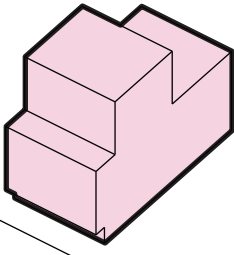
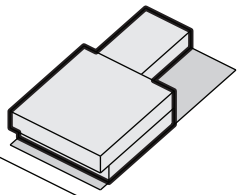
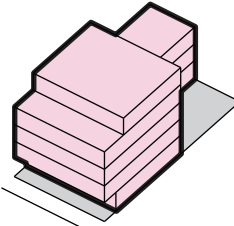


4.2 Example 2:
Subarea A2
LB2

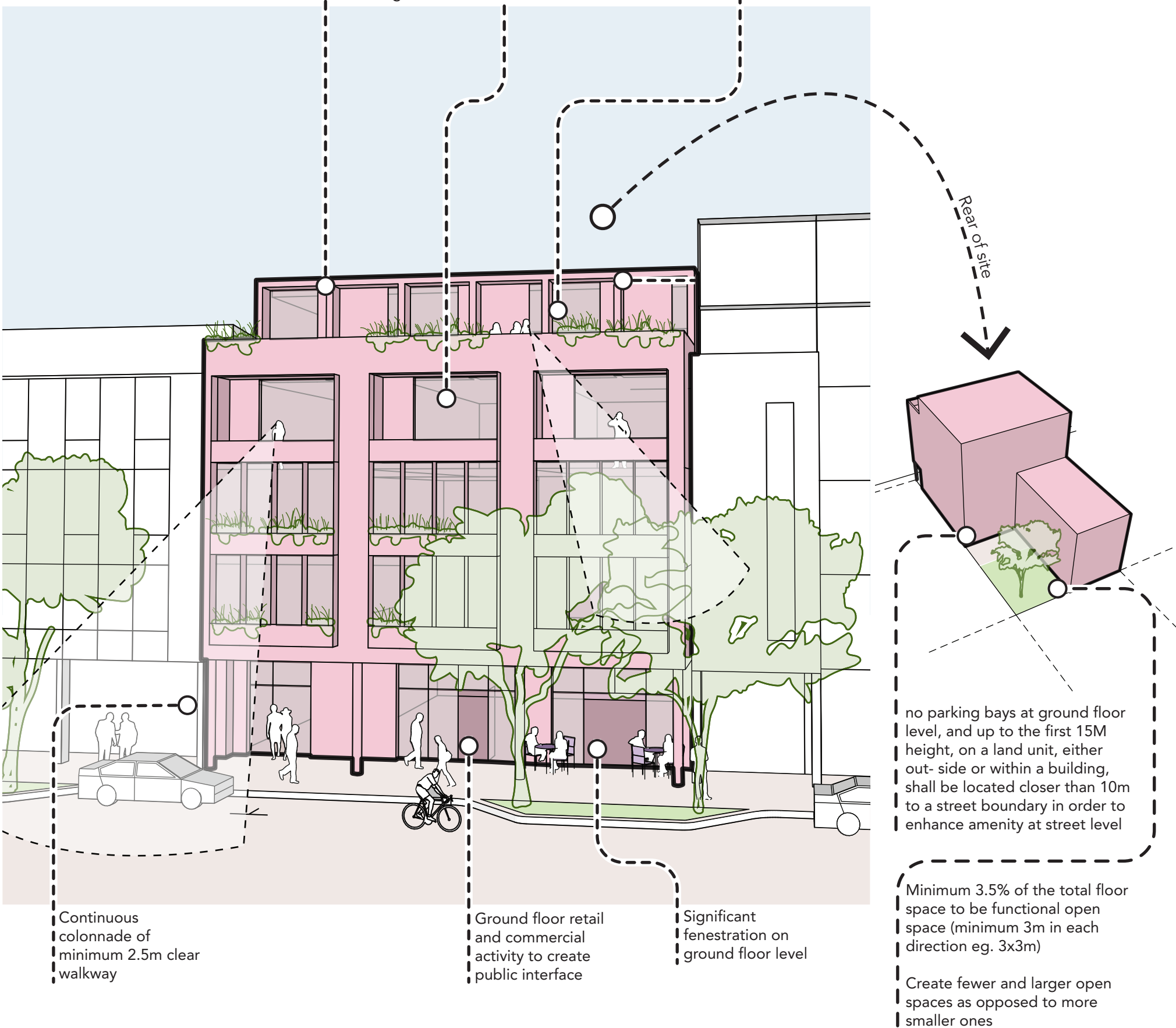


4.2 Example 2:
Subarea A2
LB2

Existing rights vs new rights

	Existing LB2 Parameters	IOZ Parameters LB2 - Subarea A2
Floor factor		
Building envelope / setbacks		
Massing Example of take up		

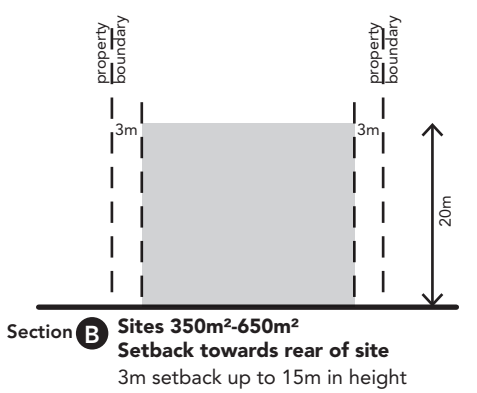
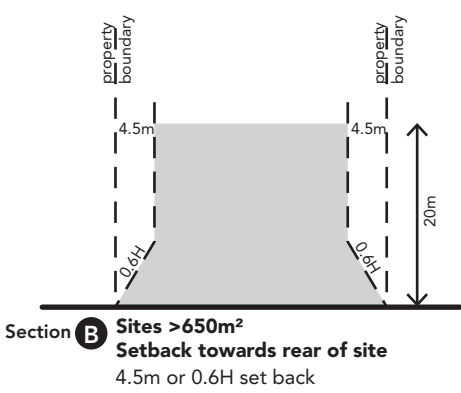
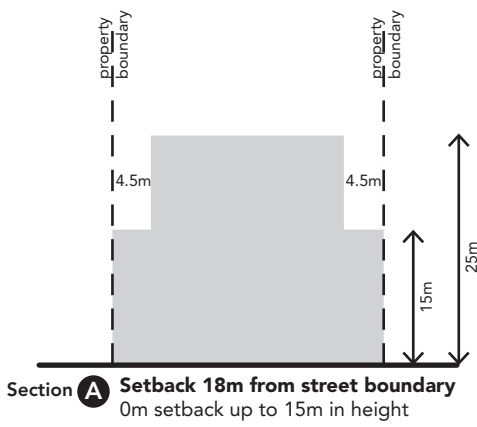
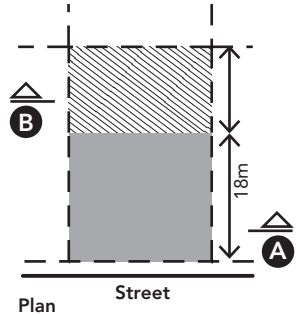
Example of Take-Up - Street
Urban Design Guidelines



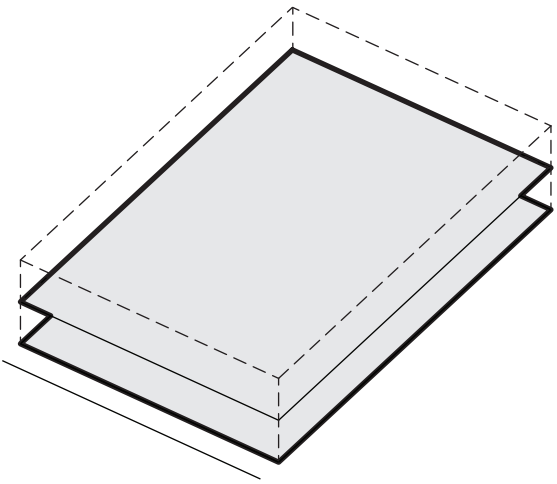
4.3 Example 3:
Subarea B2
GR4

	Floor Factor	Coverage	Maximum height above ground level	Street boundary line	Land Unit Area (m²): Common boundary building line
Existing Parameters	1.5	60%	24m	4.5m	6,5 m (0,0 m up to 15,0 m height for 18,0 m from street)
IOZ Parameters GR4 - Subarea B2	2	100% coverage within 18m of street boundary; 60% for the remainder of the site	25m within 18m of street boundary; 20m for the remainder of the site	2m setback up to 3m height; 1m setback above 3m and up to 15m height; 4.5m above 15m	All sizes : 0,0 m up to 15,0 m in height where intersecting a street boundary, for a distance of 18,0 m measured perpendicular from such street boundary Remainder of site: >650: 4.5m or 0.6 H > 350 up to 650: 0m (12,0 m from street and 60%) and 3,0 m rest <350: 0m

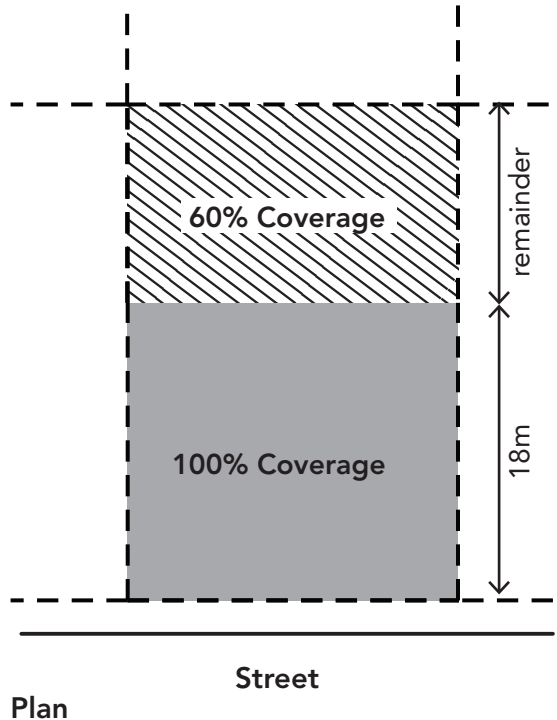
Common Boundary



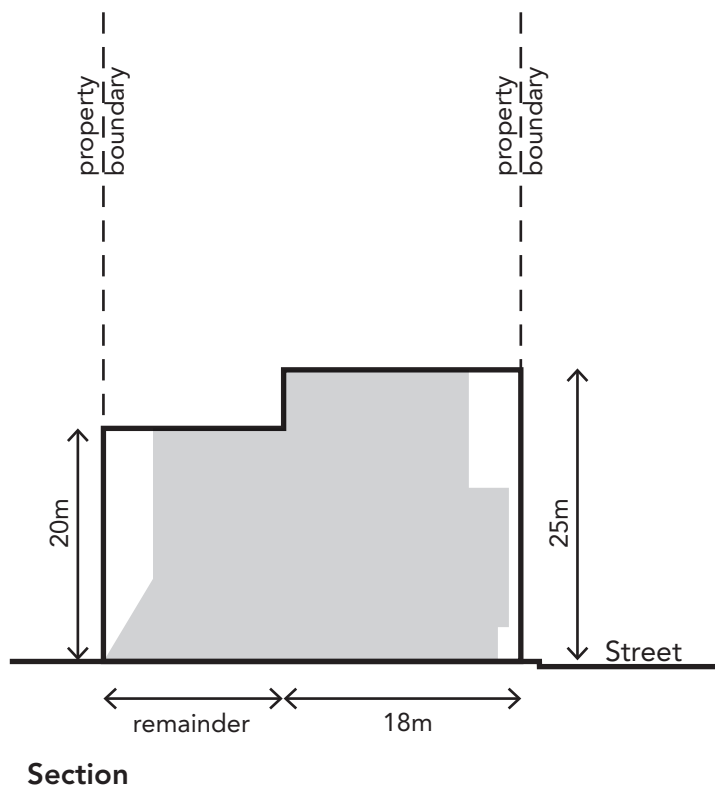
Floor Factor



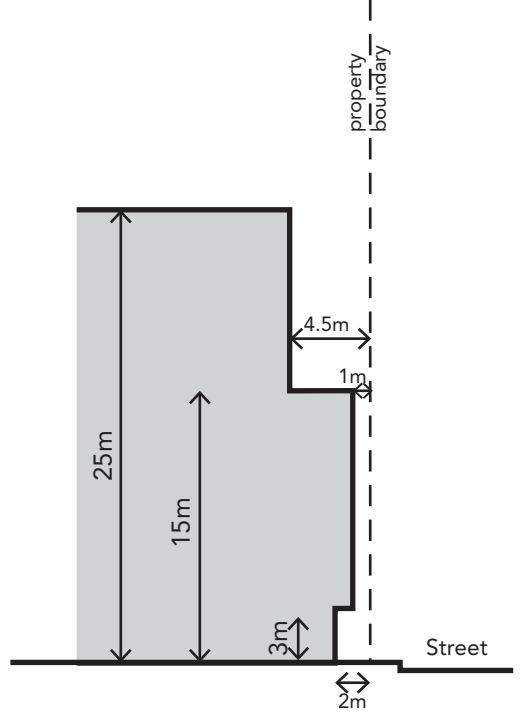
Coverage



Maximum height above ground level

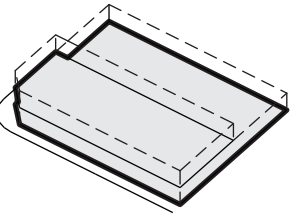
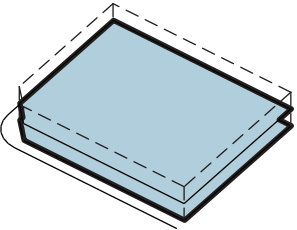
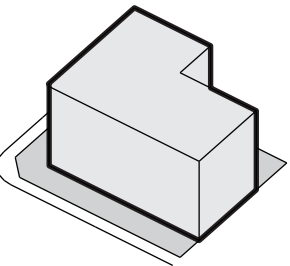
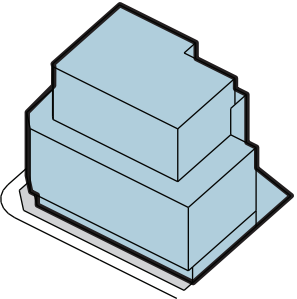
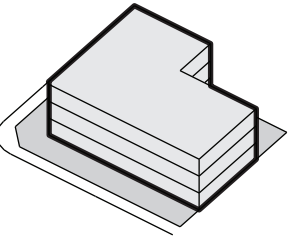
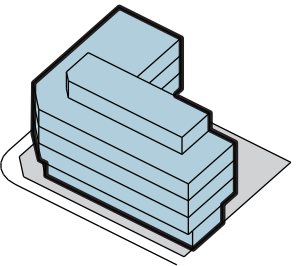


Street Boundary line

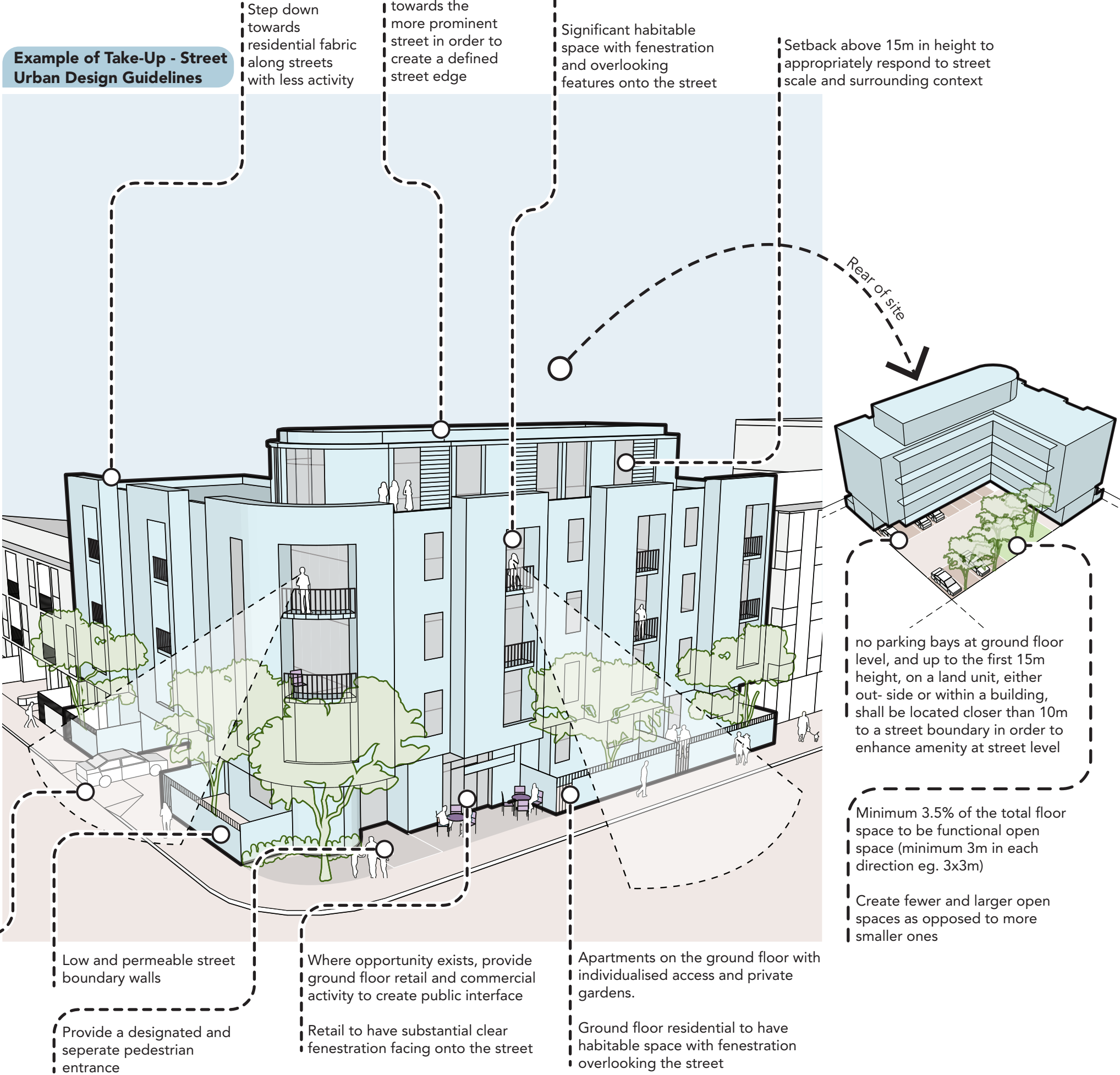


4.3 Example 3: Subarea B2 GR4

Existing rights vs new rights

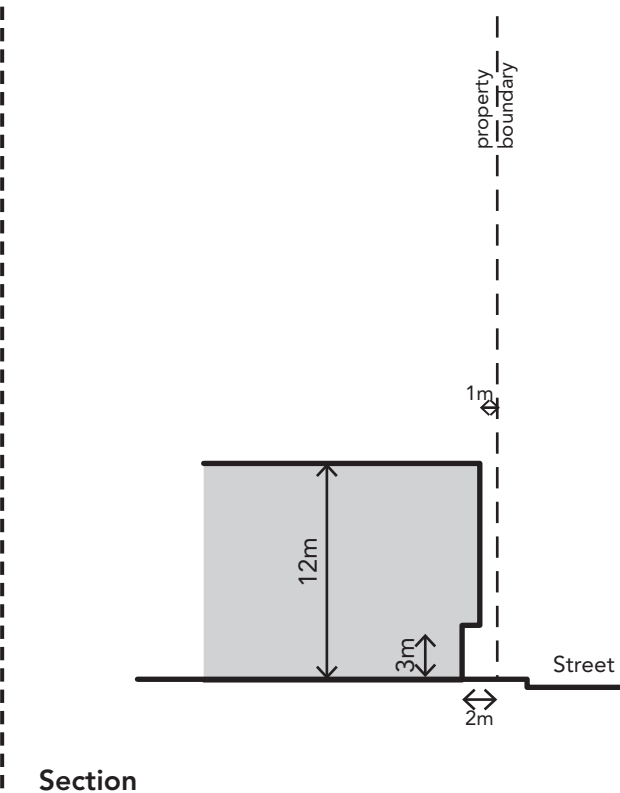
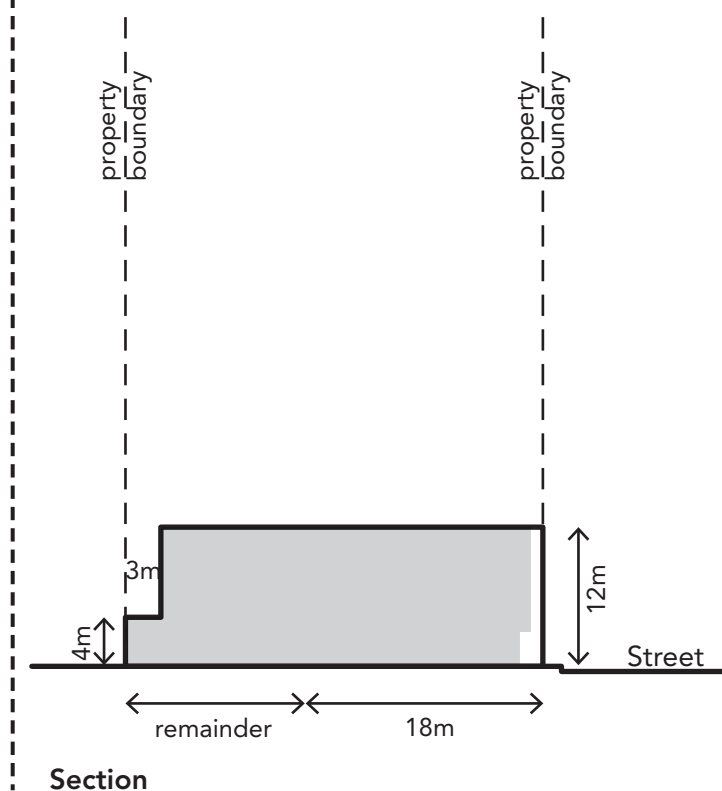
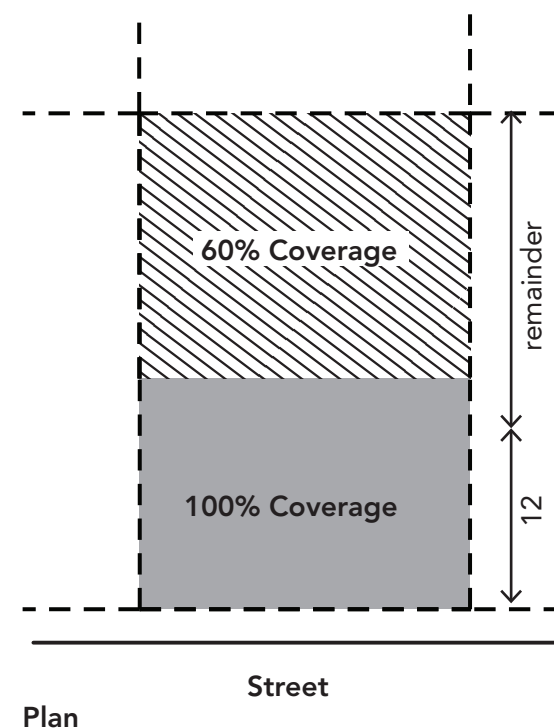
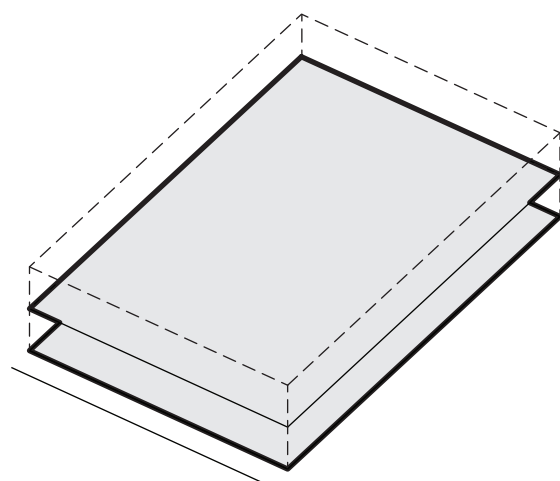
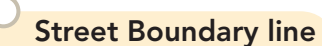
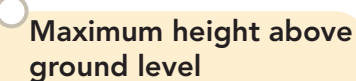
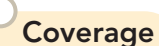
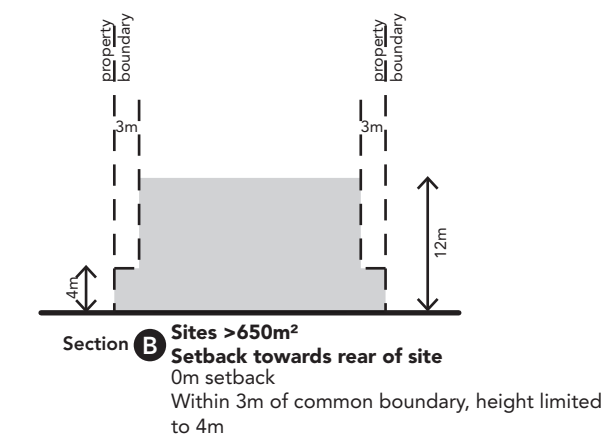
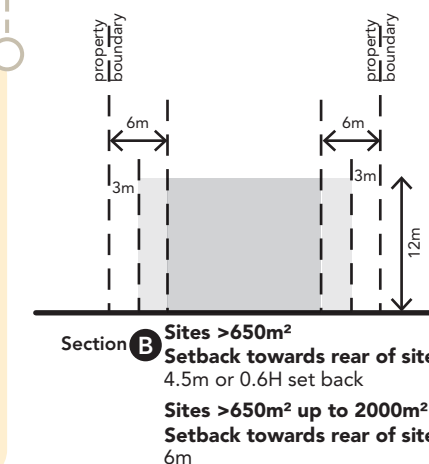
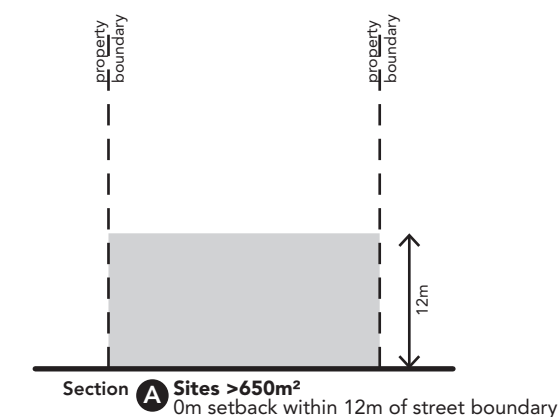
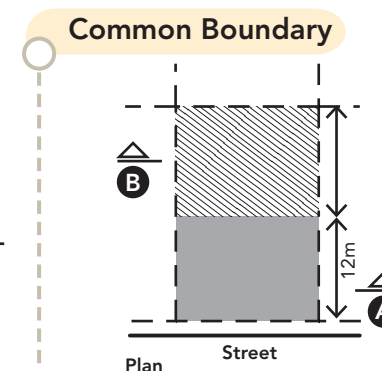
	Existing GR4 Parameters	IOZ Parameters GR4 - Subarea B2
Floor factor		
Building envelope / setbacks		
Massing Example of take-up		

Example of Take-Up - Street Urban Design Guidelines



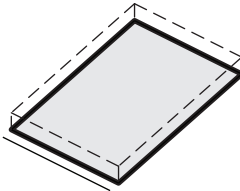
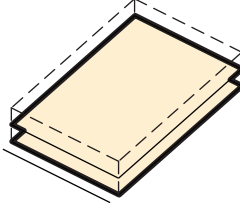
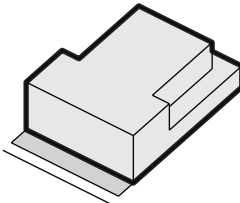
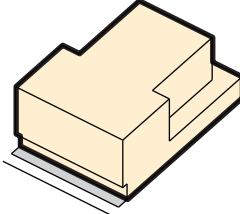
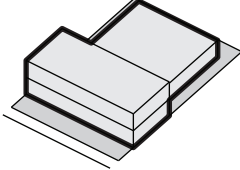
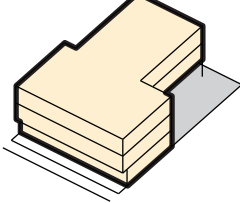
4.4 Example 4: Subarea C1 R1

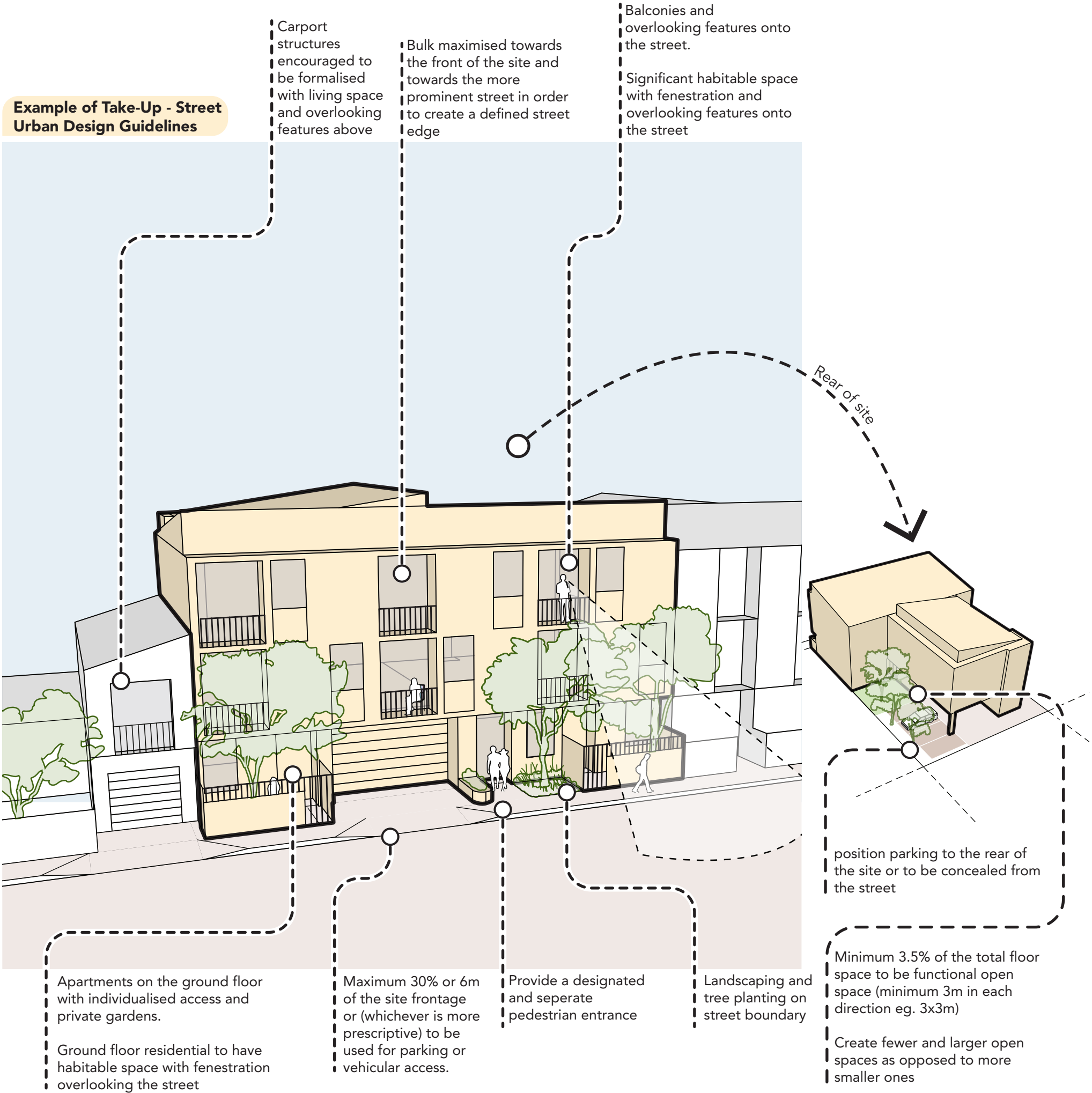
	Floor Factor	Coverage	Maximum height above ground level	Street boundary line	Land Unit Area (m²): Common boundary building line
Existing Parameters	>650: N/A (max floor space of 1500m²) <650: 1,0	60%	>650: 11m <650: 9m	3.5m	>2000: 6,0 m >650 up to 2000: 3,0m > 650 0,0 m Where a building is permitted in this zoning within 3 m of a common boundary beyond the first 12 m along a common boundary, measured perpendicular from the street boundary line , the height will be limited to 4 m
IOZ Parameters R1 - Subarea C1	2	100% coverage within 12m of street boundary; 60% for the remainder of the site	12m	2m setback up to 3m height; 1m setback above 3m	>2000: 6,0 m > 650 up to 2000: 3,0 m < 650: 0m Where a building is permitted in this zoning within 3 m of a common boundary beyond the first 12 m along a common boundary, measured perpendicular from the street boundary line , the height will be limited to 4 m



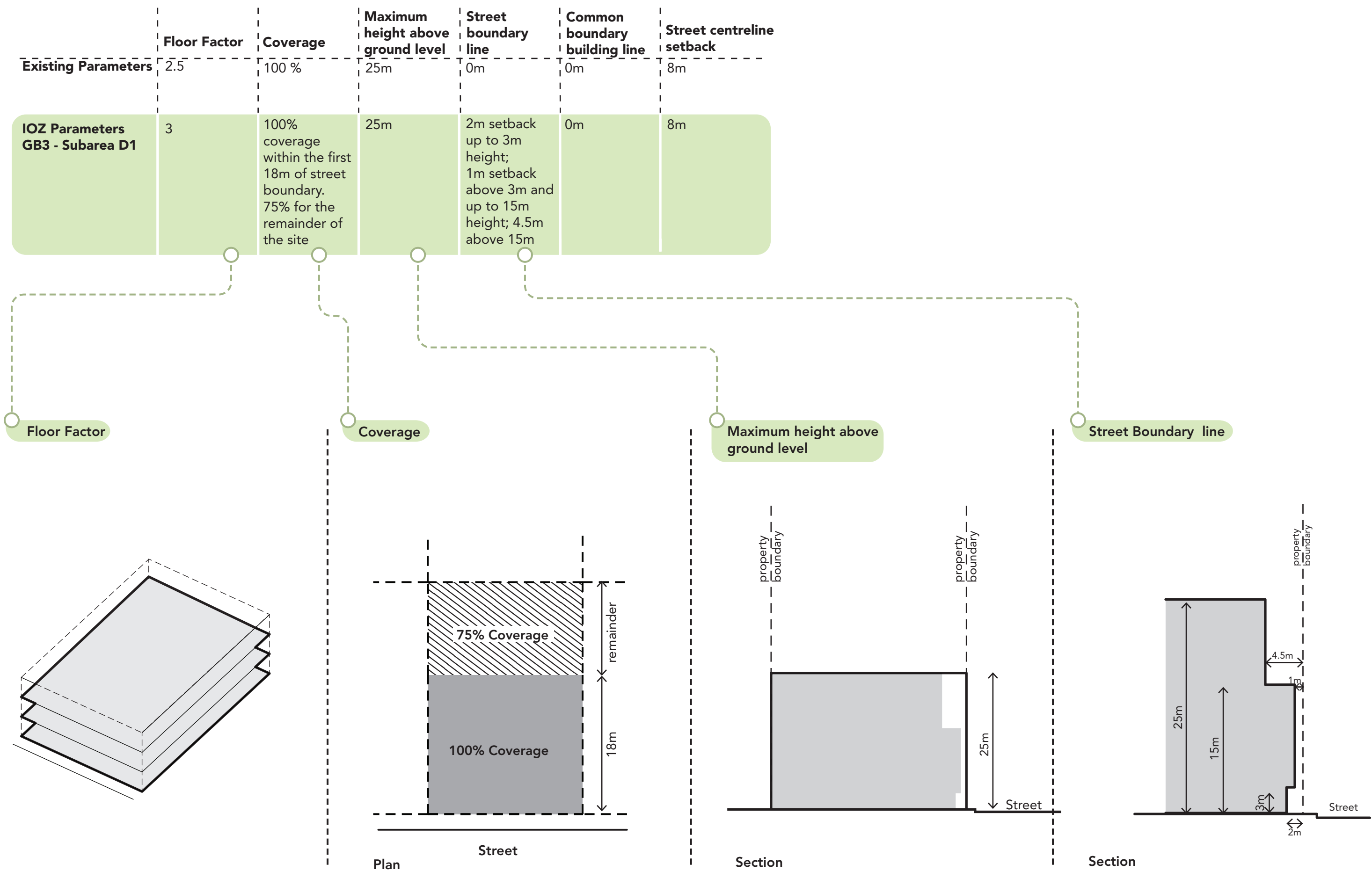
4.4 Example 4: Subarea C1 R1

Existing rights vs new rights

	Existing R1 Parameters	IOZ Parameters R1 - Subarea C1
Floor factor		
Building envelope / setbacks		
Massing Example of take up		



4.5 Example 5:
Subarea D1
GB3



4.5 Example 5: Subarea D1 GB3

Existing rights vs new rights

	Existing GB3 Parameters	Proposed IOZ Parameters GB3 - Subarea D1
Floor factor		
Building envelope / setbacks		
Massing Example of take-up		

