

ITEM NUMBER: C 21/03/15

RECOMMENDATION FROM THE EXECUTIVE MAYOR: 03 MARCH 2015

MC 10/03/15 PROPOSED CLOSURE AND ALIENATION OF ERF 29294 AND A PORTION OF ERF 28928, BELLVILLE TO THE OWNERS OF THE ADJACENT ERF 29293, BELLVILLE: MR A G AND MRS A C MOUTON

It is **RECOMMENDED** that:

- (a) condonation and ratification be granted for the in principle approval in terms of Regulation 5(1)(b)(ii) together with the final approval in terms of recommendation (d) below
- (b) it be confirmed that, in terms of Section 14 of the Local Government Municipal Finance Management Act, Act 56 of 2003, the properties shown lettered ABCD (Erf 28928, Bellville) and EFG (Erf 29294, Bellville) on the plan attached as Annexure A to the report on the agenda, are not required to provide the minimum level of basic municipal services
- (c) Council approve of the closure of both portions of the land in terms of Clause 6 of the By-Law relating to the Management and Administration of the City of Cape Town's Immovable Property
- (d) Council approve of the alienation of the subject land, in extent ± 276 m² to Mr & Mrs Mouton, owners of Erf 29293, Bellville, or their successors-in-title, subject to the following conditions, that:
 - (i) the properties be sold at a market-related selling price of R75 000 excluding VAT of 14% where applicable, being R10 500 (in total R85 500);
 - (ii) the purchase price is to be adjusted on the basis of 5% per annum compounded annually on a pro rata basis commencing 6 months after date of valuation. Accordingly the above recommended purchase price is to be adjusted as from 01 June 2014 (i.e. 5% + 12 months x number of months after the six-months period);
 - (iii) the valuation is to be reviewed if not implemented within 18 months from date of valuation;
 - (iv) the subject land to be closed and consolidated with Erf 29293, Bellville;

- (v) no structure be constructed over the municipal service and that a servitude with a minimum width of 3,0 m be registered over such a service;
 - (vi) no structure will be permitted within 1,5 m from the water pipeline which crosses the alley way and Erf 29294, Bellville;
 - (vii) the applicable area not be fenced in by solid walls, to accommodate overland stormwater;
 - (viii) the subject land to be officially closed, subdivided and consolidated with Erf 29293, Bellville;
 - (ix) subject to such further conditions to be imposed by the Director Property Management in terms of her delegated authority.
- (e) there are Telkom services within this proposed sale area and the following conditions apply:
- (i) alterations to existing infrastructure may be necessary. An estimate of the costs involved will be furnished upon receipt of a written request to Telkom.
- (f) all costs related to the transaction be borne by the applicant.

MC 10/03/15

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IPAC 10/11/2014 PROPOSED CLOSURE AND ALIENATION OF ERF 29294 AND A PORTION OF ERF 28928 BELLVILLE TO THE OWNERS OF THE ADJACENT ERF 29293 BELLVILLE: MR. A G & MRS. A C MOUTON

ISIPHAKAMISO SOKUVALWA SOKUNIKEZELWA KWESIZA-29294
NESIQEPHU SESIZA-28928 ESISE-BELLVILLE KUBANINI
ABAKUFUTSHANE BESIZA-29293 BELLVILLE: ABANGUMNU NONKSK
A C MOUTON

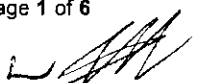
VOORGESTELDE SLUITING EN VERVREEMDING VAN ERF 29294 EN 'N GEDEELTE VAN ERF 28928 BELLVILLE AAN DIE EIENAARS VAN DIE AANGRENSENDE ERF 29293, BELLVILLE: MNR. A G EN MEV. A C MOUTON

The committee noted that the Tax Clearance Certificate had expired and that no agreement of sale will be entered into until the applicant provides a valid Tax Clearance Certificate.

The Committee requested that the in principle clause be included in the recommendations.

RECOMMENDED TO COUNCIL that:

- a) Condonation and ratification be granted for the in principle approval in terms of Regulation 5(1)(b)(ii) together with the final approval in terms of Recommendation d) below;
- b) It be confirmed that, in terms of section 14 of the Local Government Municipal Finance Management Act, Act 56 of 2003, the properties shown lettered ABCD (erf 28928 Bellville) and EFG (erf 29294 Bellville) on the attached plan, marked annexure A, are not required to provide the minimum level of basic municipal services;
- c) Council approve of the closure of both portions of the land in terms of clause 6 of the By-Law relating to the Management and Administration of the City of Cape Town's Immovable Property;
- d) Council approve of the alienation of the subject land, in extent ± 276 m² to Mr & Mrs Mouton, owners of erf 29293 Bellville or their successors in title, subject to the following conditions:



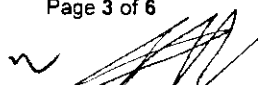
- 189
- i) Subject to such further conditions to be imposed by the Director Property Management in terms of her delegated authority;
 - ii) The properties be sold at a market-related selling price of R75 000 excluding VAT of 14% where applicable, being R10 500 (in total R85 500);
 - iii) The purchase price is to be adjusted on the basis of 5% per annum compounded annually on a pro rata basis commencing 6 months after date of valuation. Accordingly the above recommended purchase price is to be adjusted as from 2014/6/01 (i.e. 5% + 12 months x number of months after the six-months period);
 - iv) The valuation is to be reviewed if not implemented within 18 months from date of valuation;
 - v) The subject land to be closed and consolidated with erf 29293 Bellville;
 - vi) No structure be constructed over the municipal service and that a servitude with a minimum width of 3,0 m be registered over such a service;
 - vii) No structure will be permitted within 1,5m from the water pipeline which crosses the alley way and erf 29294 Bellville;
 - viii) The applicable area not be fenced in by solid walls, to accommodate overland stormwater;
 - ix) The subject land to be officially closed, subdivided and consolidated with erf 29293 Bellville;
- e) There are Telkom services within this proposed sale area and the following conditions apply:
- i) Alterations to existing infrastructure may be necessary. An estimate of the costs involved will be furnished upon receipt of a written request to Telkom.
- f) All costs related to the transaction be borne by the applicant.

IZINDULULO

Kundululwe ukuba:

- a) Makuvunyelwe ukwamkelwa nokulungiswa kulungiselelwa ukuphunyezwa ngokomthetho-siseko, ngokungqinelana nomgaqo-5(1)(b)(ii) kunye nokuphunyezwa okokugqibela kwesindululo-d) ngezantsi apha

- b) Kufuneka kuqinisekisiwe ukuba, ngokweCandelo-14 loMthetho wobuRhulumente boMmandla ongoLawulo lweziMali zikaMasipala onguNomb.56 wango-2003, ukuba ipropati ebonakaliswe ngoonobumba abakhulu u-ABCDEF kwiPlani eqhotyoshelweyo engu-LT 781, ephawulwe kwisiHlomelo-B ayifuneki nganto ukubonelela ngomlinganiselo othile weenkonzozo ezingundoqo zikamasipala;
- c) IBhunga maliphumeze ukuvalwa kweziqephu zozibini zomhlaba ngokwesolotya-6 loMthetho kaMasipala weSixeko saseKapa ophathelene nokuPhathwa nezoLawulo lwePropati engenakususwa;
- d) IBhunga maliphumeze ukunikezelwa komhlaba ochaphazelekayo obukhulu obumalunga nama-±276 m² uwonke, kuMnu noNksk Mouton, abangabanini besiza-29293 Bellville okanye kwabangena ezihlangwini zabo ngokwetayitile, ngokuxhomekeke kule miqathango ilandelayo:
- i) Ngokuxhomekeke kwimiqathango ethe xhaxhe eyakuthi inyanzeliswe nguMlawuli woLawulo lwePropati esebenzisa amagunya akhe awagunyaziselweyo;
 - ii) Ukuba ipropati mayithengiswe ngexabiso eliphathelene nelasemakethi elingama-R75 000, ngaphandle kweRhafu-ntengo eli-14% apho kufanelekileyo, engama-R10 500 (apho iyonke ingama-R85 500);
 - iii) Ixabiso lentengiso kufuneka lilungelelaniswe ngokommiselo we-5% ngonyaka edityaniswa rhoqo ngonyaka ngokwamaxesha ngamaxesha apho iqalisa kwiinyanga ezi-6 emva komhla woqingqo-maxabiso. Ixabiso lentengo elingentla apha, kufuneka lilungelelaniswe ukususela ngowo-2014/6/01 (umzekelo i-5% idityaniswa neenyanga ezili-12 iphanda-phindwe ngenani leenyanga emva kwesithuba seenyanga ezi-6).
 - iv) Uqingqo-xabiso kufuneka luphengululwe ukuba lithe alamiselwa kwiinyanga ezili-18 ukususela kumhla woqingqo-maxabiso.
 - v) Umhlaba mawuvalwe kwaye udityaniswe kwisiza-29293 esise-Bellville;
 - vi) Akuvumelekanga ukuba kwakhiwe isakhiwo phezu kweenkonzo zikamasipala kwaye makubhaliswe ilungelo lokungena ekumlinganiselo we-3.0 m kuloo nkonzo;
 - vii) Akuvumelekanga sakheko kumlinganiselo womgama osi-1.5 m ukususela kwindawo ehamba umbhobho wamanzi apho uthi unqumle indawo yokudlula nakwisiza-29294 esise-Bellville;
 - viii) Ummandla ofanelekileyo akufunekanga ukuba ubiyelwe ngamadonga aqinileyo, oku kulungiselela amanzi esitsha aza ngaphambili;

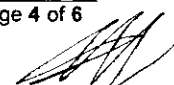


- ix) Umhlaba lo uchaphazelekayo kufuneka uvalwe ngokusesikweni, wahlulwa-hlulwe kwaye udiyanyiswe kwisiza-29293 esise-Bellville; 191
- e) Kukho iinkonzo zabakwa-Telkom kummandla ophakanyisiweyo wentengiselwano, kengoko kufuneka kuthotyelwe le miqathango ilandelayo:
- i) Kungafuneka iinguqulelo kwisakheko esingundoqo esele simiselwe. Uqikelelo lwendleko ezibandakanyekayo luyakuthi kubonelelwe ngalo emva kokuba kufumeneke isicelo esibhaliweyo kwabakwa-Telkom.
- f) Zonke iindleko eziphathelene nonaniselwano ziyakuthi zibeluxanduva lomfa-kai-sicelo.

AANBEVELING

Daar word aanbeveel dat:

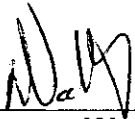
- a) Kondonering en bekragtiging toegestaan word vir goedkeuring in beginsel ingevolge regulasie 5(1)(b)(ii), tesame met die finale goedkeuring in ooreenstemming met aanbeveling d) hier onder;
- b) Daar bevestig word dat, ingevolge artikel 14 van die Wet op Plaaslike Regering: Munisipale Finansiële Bestuur, Wet 56 van 2003, die eiendomme aangetoon deur die letters ABCD (erf 28928 Bellville en EFG (erf 29294 Bellville) op die plan aangeheg en gemerk bylae A, nie benodig word vir die voorsiening van die minimum vlak van basiese munisipale dienste nie;
- c) Die Raad goedkeuring aan die sluiting van beide gedeeltes grond verleen ingevolge klousule 6 van die Verordening op die Bestuur en Administrasie van die Stad Kaapstad se Onroerende Eiendom;
- d) Die Raad goedkeuring verleen aan die vervreemding van die onderhawige grond, ongeveer 276 m² groot, aan mnr. en mev. Mouton, eienaars van erf 29293, Bellville of hul regsopvolgers, onderworpe aan die volgende voorwaardes:
- i) Onderworpe aan die voorwaardes opgelê deur die direkteur: eiendomsbestuur in die uitvoering van haar gedelegeerde bevoegdheid;
- ii) Die eiendom teen 'n markverwante verkoopprijs van R75 000, 14%-BTW uitgesluit waar van toepassing, synde R10 500 (altesaam (R85 500), verkoop word;
- iii) Die koopprijs aangepas word op 'n pro rata-basis van 5% per jaar, jaarliks saamgestel, vanaf ses maande na die waardasiedatum. Die bogenoemde aanbevole koopprijs dus vanaf 2014/6/01 aangepas moet word (d.w.s. 5% ÷ 12 maande × getal maande na die tydperk van ses maande);



- iv) Hierdie waardasie hersien moet word indien dit nie binne 18 maande vanaf die waardasiedatum in werking gestel word nie;
 - v) Die onderhawige grond gesluit en met erf 29293, Bellville gekonsolideer moet word;
 - vi) Geen struktuur oor die munisipale diens gebou word nie en dat 'n serwituuat van minstens 3,0 m breed oor hierdie diens geregistreer word;
 - vii) Geen struktuur toegelaat word binne 1,5 m vanaf die waterpylyn wat deur die steeg en erf 29294, Bellville loop nie;
 - viii) Die betrokke grond nie deur soliede mure omhein mag word nie ten einde vir bogrondse stormwater voorsiening te maak;
 - ix) Die onderhawige grond amptelik gesluit, onderverdeel en met erf 29293, Bellville gekonsolideer moet word;
- e) Daar Telkomdienste binne die verhuurde gebied is en die volgende voorwaardes geld:
- i) Veranderinge aan bestaande infrastruktuur kan nodig wees. 'n Raming van die koste verbonde sal by ontvangs van 'n skriftelike versoek aan Telkom verskaf word.
- f) Die aansoeker alle koste verbonde aan die transaksie dra.

ACTION: R SCHNACKENBERG; R GELDERBLOEM

It is noted that this resolution is in line with Supply Chain Management Policy.



MR RICHARD WOOTTON
 EMPLOYEE NO: 10207948
 CHAIRPERSON : IMMOVABLE PROPERTY
 ADJUDICATION COMMITTEE

DATE: 5/2/15

COMMENT:





**DIRECTOR : LEGAL SERVICES
MR LUNGELO MBANDAZAYO**

COMMENT:

DATE:

09/02/2015



**ALDERMAN IAN NEILSON
MAYORAL COMMITTEE MEMBER : FINANCE**

COMMENT:

DATE:

11/2/2015



LCP 670

REPORT TO IMMOVABLE PROPERTY ADJUDICATION COMMITTEE

1. ITEM NUMBER :

2. SUBJECT

PROPOSED ALIENATION OF ERF 29294 AND A PORTION OF ERF 28928 BELLVILLE TO THE OWNERS OF THE ADJACENT ERF 29293 BELLVILLE: MR. A G & MRS. A C MOUTON

2. ONDERWERP

VOORGESTELDE VERVREEMDING VAN ERF 29294 EN 'N GEDEELTE VAN ERF 28928 BELLVILLE AAN DIE EIENAARS VAN DIE AANGRENSENDE ERF 29293, BELLVILLE: MNR. A G EN MEV. A C MOUTON

2. ISIHLOKO

ISIPHAKAMISO SOKUNIKEZELWA KWESIZA-29294 NESIQEPHU SESIZA-28928 ESISE-BELLVILLE KUBANINI ABAKUFUTSHANE BESIZA-29293 BELLVILLE: ABANGUMNU NONKSK A C MOUTON

LSUE3001
TYG 14/3/4/3/28928
PH 2014/0556 (Category 4)

3. STRATEGIC INTENT

SFA 1: an OPPORTUNITY CITY

Objective 1.5	Leverage the City's assets to drive economic growth and sustainable development
Programme 1.5(a)	City strategic assets investigation

4. PURPOSE

To obtain approval for the alienation of Public Open Space erf 29294 Bellville and a portion of Public Street, Erf 28928 Bellville to the owners of the adjacent erf 29293 Bellville for consolidation with their property.

5. FOR RECOMMENDATION BY / FOR DECISION BY

This report is for consideration by

The Immovable Property Adjudication Committee (IPAC)
The Executive Mayor together with the Mayoral Committee
Council

6. EXECUTIVE SUMMARY

PURPOSE OF REPORT	To consider the proposed sale of Public Open Space erf 29294 Bellville and a portion of public street, erf 28928 Bellville to the owners of the adjacent Erf 29293 Bellville for consolidation with their property.			
Property description	Erf 29294 and a portion of erf 28928 Bellville			
Applicant	Mr A G and Mrs A C Mouton			
Site extent	±180 m ² & 96 m ² respectively			
Current zoning	Public Open Space and Public Street			
Current usage	Parking and gardening purposes			
Proposed usage	For consolidation with their existing residential property			
Application description	Applicant is currently leasing these properties and wishes to purchase it			
Submission date	23/09/2011			
Circulation date	2/12/2011			
Comments	Applicant delayed the payment for the advertisement fees due to financial problems.			
Public participation outcome summary	No objections were received.			
WARD Councillor: Cllr E Sonnenberg	NOTICE DATE	11/04/2014	WARD	10
Viable	Yes		No	X
Recommended decision	Approval	X	Refusal	

7. RECOMMENDATIONS

Not delegated: for decision by Council:

It is recommended that:

- a) It be confirmed that, in terms of section 14 of the Local Government Municipal Finance Management Act, Act 56 of 2003, the properties shown lettered ABCD (erf 28928 Bellville) and EFG (erf 29294 Bellville) on the attached plan, marked annexure A, are not required to provide the minimum level of basic municipal services;

- b) Council approve of the closure of both portions of the land in terms of clause 6 of the By-Law relating to the Management and Administration of the City of Cape Town's Immovable Property;
- c) Council approve of the alienation of the subject land, in extent $\pm 276 \text{ m}^2$ to Mr & Mrs Mouton, owners of erf 29293 Bellville or their successors in title, subject to the following conditions:
- (i) Subject to such further conditions to be imposed by the Director Property Management in terms of her delegated authority;
 - (ii) The properties be sold at a market-related selling price of R75 000 excluding VAT of 14% where applicable, being R10 500 (in total R85 500);
 - (iii) The purchase price is to be adjusted on the basis of 5% per annum compounded annually on a pro rata basis commencing 6 months after date of valuation. Accordingly the above recommended purchase price is to be adjusted as from 2014/6/01 (i.e. 5% + 12 months x number of months after the six-months period);
 - (iv) The valuation is to be reviewed if not implemented within 18 months from date of valuation;
 - (v) The subject land to be closed and consolidated with erf 29293 Bellville;
 - (vi) No structure be constructed over the municipal service and that a servitude with a minimum width of 3,0 m be registered over such a service;
 - (vii) No structure will be permitted within 1,5m from the water pipeline which crosses the alley way and erf 29294 Bellville;
 - (viii) The applicable area not be fenced in by solid walls, to accommodate overland stormwater;
 - (ix) The subject land to be officially closed, subdivided and consolidated with erf 29293 Bellville;
- d) There are Telkom services within this proposed sale area and the following conditions apply:
- (i) Alterations to existing infrastructure may be necessary. An estimate of the costs involved will be furnished upon receipt of a written request to Telkom.
- e) All costs related to the transaction be borne by the applicant.

7. AANBEVELINGS

Nie gedelegeer nie: vir besluitneming deur die Raad:

Daar word aanbeveel dat:

- a) Daar bevestig word dat, ingevolge artikel 14 van die Wet op Plaaslike Regering: Munisipale Finansiële Bestuur, Wet 56 van 2003, die eiendomme aangetoon deur die letters ABCD (erf 28928 Bellville en EFG (erf 29294 Bellville) op die plan aangeheg en gemerk bylae A, nie benodig word vir die voorsiening van die minimum vlak van basiese munisipale dienste nie;
- b) Die Raad goedkeuring aan die sluiting van beide gedeeltes grond verleen ingevolge klousule 6 van die Verordening op die Bestuur en Administrasie van die Stad Kaapstad se Onroerende Eiendom;
- c) Die Raad goedkeuring verleen aan die vervreemding van die onderhawige grond, ongeveer 276 m² groot, aan mnr. en mev. Mouton, eienaars van erf 29293, Bellville of hul regsopvolgers, onderworpe aan die volgende voorwaardes:
 - (i) Onderworpe aan die voorwaardes opgelê deur die direkteur: eiendomsbestuur in die uitvoering van haar gedelegeerde bevoegdheid;
 - (ii) Die eiendom teen 'n markverwante verkoopprijs van R75 000, 14%-BTW uitgesluit waar van toepassing, synde R10 500 (altesaam (R85 500), verkoop word;
 - (iii) Die koopprijs aangepas word op 'n pro rata-basis van 5% per jaar, jaarliks saamgestel, vanaf ses maande na die waardasiedatum. Die bogenoemde aanbevole koopprijs dus vanaf 2014/6/01 aangepas moet word (d.w.s. 5% ÷ 12 maande × getal maande na die tydperk van ses maande);
 - (iv) Hierdie waardasie hersien moet word indien dit nie binne 18 maande vanaf die waardasiedatum in werking gestel word nie;
 - (v) Die onderhawige grond gesluit en met erf 29293, Bellville gekonsolideer moet word;
 - (iv) Geen struktuur oor die munisipale diens gebou word nie en dat 'n serwituut van minstens 3,0 m breed oor hierdie diens geregistreer word;
 - (vii) Geen struktuur toegelaat word binne 1,5 m vanaf die waterpyplyn wat deur die steeg en erf 29294, Bellville loop nie;



- (viii) Die betrokke grond nie deur soliede mure omhein mag word nie ten einde vir bogrondse stormwater voorsiening te maak;
 - (ix) Die onderhawige grond amptelik gesluit, onderverdeel en met erf 29293, Bellville gekonsolideer moet word;
- d) Daar Telkomdienste binne die verhuurde gebied is en die volgende voorwaardes geld:
- (i) Veranderinge aan bestaande infrastruktuur kan nodig wees. 'n Raming van die koste verbonde sal by ontvangs van 'n skriftelike versoek aan Telkom verskaf word.
- e) Die aansoeker alle koste verbonde aan die transaksie dra.

7. ISINDULULO

Asigunyaziswanga: sesokuba siqwalaselwe liBhunga:

Kundululwe ukuba:

- a) Kufuneka kuqinisekisiwe ukuba, ngokweCandelo-14 loMthetho wobuRhulumente boMmandla ongoLawulo lweziMali zikaMasipala onguNomb.56 wango-2003, ukuba ipropati ebonakaliswe ngoonobumba abakhulu u-ABCDEF kwiPlani eqhotyoshelweyo engu-LT 781, ephawulwe kwisiHlomelo-B ayifuneki nganto ukubonelela ngomlinganiselo othile weenkonzozingundoqo zikamasipala;
- b) IBhunga maliphumeze ukuvalwa kweziqephu zozibini zomhlaba ngokwesolotya-6 loMthetho kaMasipala weSixeko saseKapa ophathelene nokuPhathwa nezoLawulo lwePropati engenakususwa;
- c) IBhunga maliphumeze ukunikezelwa komhlaba ochaphazelekayo obukhulu obumalunga nama-±276 m² uwonke, kuMnu noNksk Mouton, abangabanini besiza-29293 Bellville okanye kwabangena ezihlangwini zabo ngokwetayitile, ngokuxhomekeke kule miqathango ilandelayo:
 - (i) Ngokuxhomekeke kwimiqathango ethe xhaxhe eyakuthi inyanzeliswe nguMlawuli woLawulo lwePropati esebenzisa amagunya akhe awagunyaziselweyo;
 - (ii) Ukuba ipropati mayithengiswe ngexabiso eliphathelene nelasemakethi elingama-R75 000, ngaphandle kweRhafu-ntengo eli-14% apho kufanelekileyo, engama-R10 500 (apho iyonke ingama-R85 500);

- (iii) Ixabiso lentengiso kufuneka lilungelelaniswe ngokommiselo we-5% ngonyaka edityaniswa rhoqo ngonyaka ngokwamaxesha ngamaxesha apho iqalisa kwiinyanga ezi-6 emva komhla woqingqo-maxabiso. Ixabiso lentengo elingentla apha, kufuneka lilungelelaniswe ukususela ngowo-2014/6/01 (umzekelo i-5% idityaniswe neenyanga ezili-12 iphanda-phindwe ngenani leenyanga emva kwesithuba seenyanga ezi-6).
 - (iv) Uqingqo-xabiso kufuneka luphengululwe ukuba lithe alamselwa kwiinyanga ezili-18 ukususela kumhla woqingqo-maxabiso.
 - (v) Umhlaba mawuvalwe kwaye udityaniswe kwisiza-29293 esise-Bellville;
 - (vi) Akuvumelekanga ukuba kwakhiwe isakhiwo phezu kweenkonzo zikamasipala kwaye makubhaliswe ilungelo lokungena ekumlinganiselo we-3.0 m kuloo nkonzo;
 - (vii) Akuvumelekanga sakheko kumlinganiselo womgama osi-1.5 m ukususela kwindawo ehamba umbhobho wamanzi apho uthi unqumle indawo yokudlula nakwisiza-29294 esise-Bellville;
 - (viii) Ummandla ofanelekileyo akufunekanga ukuba ubiyelwe ngamadonga aqinileyo, oku kulungiselela amanzi esitsha aza ngaphambili;
 - (ix) Umhlaba lo uchaphazelekayo kufuneka uvalwe ngokusesikweni, wahlulwa-hlulwe kwaye udityaniswe kwisiza-29293 esise-Bellville;
- d) Kukho iinkonzo zabakwa-Telkom kummandla ophakanyisiweyo wentengiselwano, kengoko kufuneka kuthotyelwe le miqathango ilandelayo:
- (i) Kungafuneka iinguqulelo kwisakheko esingundoqo esele simiselwe.
 - (ii) Uqikelelo lwendleko ezibandakanyekayo luyakuthi kubonelelwe ngalo emva kokuba kufumeneke isicelo esibhaliweyo kwabakwa-Telkom.
- e) Zonke iindleko eziphathelele nonaniselwano ziyakuthi zibeluxanduva lomfakai-sicelo.

8. DISCUSSION/CONTENTS

8.1 BACKGROUND:

The applicants are the registered owners of erf 29293 Bellville and have been leasing the subject properties for years for parking purposes. The owners subsequently made application to purchase the subject properties for consolidation with their property.

The Belrail area in Bellville bordered by Belrail and Modderdam Road and the railway line, is a small residential node near Bellville train station and public bus depot consisting on average of relative small properties of a homogeneous nature.

Although erf 28928 Bellville is encumbered in the form of a water pipe, over which a servitude will need to be registered, its impact is considered marginal due to its proximity to the southern boundary. Erf 29294 Bellville is impacted upon due to its very awkward configuration which will have considerable negative impact on its development potential.

8.2 CONSULTATION WITH BRANCHES:

The application was circulated to the relevant branches of Council. The alienation of the property is supported subject to the following conditions:

- 8.2.1. The mentioned portions to be officially closed, subdivided and consolidated with erf 29293.
- 8.2.2 No structure will be permitted within 1,5 m from the water pipeline which traverses the alley way and erf 29294 and that a servitude with a minimum width of 3,0 m be registered over such a service.
- 8.2.3 The applicable area not be fenced in by solid walls, to accommodate overland stormwater.
- 8.2.4 An overland Telkom line traverses the subject property and the following conditions apply: Alterations to existing infrastructure may be necessary. An estimate of the cost involved will be furnished upon receipt of a written request. The contact person to relocate the Telkom plant is Mr Marius Market at telephone number 021 9751070.

8.3 FACTORS MOTIVATING RECOMMENDATION:

- 8.3.1. The alienation of the land will relieve Council of the maintenance burden.
- 8.3.2 Compensation in the amount of R75 000 excluding VAT, will accrue to the City of Cape Town.
- 8.3.3 Better utilization of land.

8.4 PUBLIC PARTICIPATION

Advertising	Cape Times & Burger	11 April 2014
	Prov & Nat Treasury	3 April 2014
	Notices to adj owners	3 April 2014
	Ward councillor	3 April 2014
	Subcouncil Chair & Manager	3 April 2014
	Community organisation(s)	3 April 2014
Outcome	Objections	No objections
	Ward Councillor's support	No objections

8.5 VALUATION

The valuation was concluded on 12 November 2013. Payment of the advertising fee however delayed the application process.

The valuation synopsis is attached to the report as Annexure C.

8.6 VAT

Vat will be levied at the standard rate.

8.7 BLACK ECONOMIC EMPOWERMENT (BEE) STATUS

The applicant is from a previously disadvantaged group.

8.8 CONSTITUTIONAL AND POLICY IMPLICATIONS

- 8.8.1 The proposal complies with section 14 of the Municipal Finance Management Act No.56 of 2003 in that the relevant branches of Council have confirmed that the land is not required for the provision of the minimum level of a basic municipal service.
- 8.8.2 Council's By-Law (PG 5988, LA 12783) relating to the Management and Administration of the City of Cape Town's Immovable Property as published on 28 February 2003 (Section 4) allows the alienation of immovable property.
- 8.8.3 Chapter B of Council's policy relating to the Management of certain of the City of Cape Town's Immovable Property (approved 26 August 2010), permits the alienation of immovable property.
- 8.8.4 Policy on the management of Council's Immovable Property, approved 20 June 2005 (MC 29/06/05), amended 19 October 2005 (MC 31/10/05), promulgated 3 February 2006 (PG 6340: LA 32323).

8.9 FINANCIAL IMPLICATIONS

All costs involved in this transaction will be for the Applicant's account.

8.10 TAX COMPLIANCE

Tax Clearance Certificate – Good Standing from SARS is attached as annexure B.

8.11 FINANCIAL DUE DILIGENCE

The applicant's debt profile has been verified and it is confirmed that he is not in arrears.

8.12 SUSTAINABILITY IMPLICATIONS

Does the activity in this report have any sustainability implications for the City? No Yes

8.13 LEGAL IMPLICATIONS**Regulation 7 of the MATR**

In terms of the above Regulation, Council must take into account a number of factors (highlighted in bold) when considering any proposed transfer or disposal of non-exempted assets, and it is herewith confirmed that:

Whether asset may be required for the municipality's own use during a later stage.

Council's service branches confirmed that the asset is not required for own purposes. The underground services traversing the subject land will be protected through the registration of a service servitude.

The expected loss or gain that is expected to result from the transfer or proposed disposal.

The expected gain to result from the proposed disposal is fair market value and future rates and taxes.

The extent to which any compensation to be received in respect of the proposed transfer or disposal will result in a significant economic or financial cost or benefit to municipality.

Council will receive a financial benefit in the form of market related purchase price as well as rates and taxes following the development of the property. The market value of the property has been determined to be R75 000.00 excluding VAT.

The risks and rewards associated with the operation or control of the capital asset that is to be transferred or disposed of in relation to the municipality's interests.

No operational or control risk to the City. The underground services traversing the subject land will be protected through the registration of a service servitude.

The effect that the proposed transfer or disposal will have on the credit rating of the municipality, its ability to raise long-term or short-term borrowings in the future and its financial position and cash flow.

None

Any limitations and conditions attached to the capital asset or the transfer or disposal of the asset, and the consequences of any potential non-compliance with those conditions.

The sale agreement will contain terms and conditions as imposed by the Director: Property Management in terms of delegated authority.

The estimated cost of the proposed transfer or disposal.

The purchaser will be responsible for the transfer costs and all costs related to or incidental to the transaction.

The transfer of liabilities and reserve funds associated with the capital asset.

No liabilities will be transferred.

Any comments or representations on the proposed transfer or disposal received from the local community and other interested persons.

The Director : Property Management, in terms of her delegated powers, approved the public participation process on 31 December 2013, resulting in the proposed disposal being advertised in the Cape Times and Die Burger on 11 April 2014. Closing date for objections was 12 May 2014. Copies of the advertisement were sent to the Ward Councillor, Chairperson of the relevant Sub-Council and registered local community organisations. No objections were received to the intended alienation.

Any written views and recommendations on the proposed transfer or disposal by National Treasury and the relevant Provincial Treasury.

The asset considered for disposal is not a "high value" asset, as defined in the MATR. No objections / comments were received from National and Provincial Treasury.

The interests of any affected organ of state, the municipality's own strategic, legal and economic interests and the interests of the local community.

None of these interests will be compromised as a result of the alienation of the asset; in fact, it will be supported.

Compliance with legislative regime applicable to the proposed transfer or disposal.

Council's By-Law (LA.12783) relating to the Management and Administration of the City of Cape Town's Immovable Property as published on 28 February 2003 (Section 4) permits the sale of Immovable Property.

Council's By-Law (LA. 12783) relating to the Management and Administration of the City of Cape Town's Immovable Property as published on 28 February 2003 (Section 6) permits the closure of Public Streets and Public Places.

The proposal complies with Section 13.1 of the Council's Policy on the Management of Certain of the City of Cape Town's Immovable Property, approved by Council on 26 August 2010, which allows for the direct sale of non-viable property which can only be utilized by one or more adjacent landowners, without any competitive process having been followed, on the basis that no purpose would be served by a competitive process.

The proposal complies with the provisions of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) and the Municipal Asset Transfer Regulations published in Government Gazette No R. 878 dated 22 August 2008.

8.14 STAFF IMPLICATIONS

Does your report impact on staff resources, budget, grading, remuneration, allowances, designation, job description, location or your organisational structure?


No

Yes

ANNEXURES

- Annexure A Locality Plan
- Annexure B SARS Certificate
- Annexure C Valuation Synopsis
- Annexure D Subcouncil's minutes

FOR FURTHER DETAILS CONTACT:

NAME	Kobus Coetzer (Mariette Loots)	
CONTACT NUMBERS	021 5901673	
E-MAIL ADDRESS	Kobus.coetzer@capetown.gov.za	
DIRECTORATE	Finance	
FILE REFERENCE	TYG 14/3/4/3/28928	121-10-2014
SIGNATURE: DIRECTOR	 2014-10-22	



Chief Financial Officer
(Kevin Jacoby)

Comments:

Name: _____

Date: 28.10.2014

REPORT COMPLIANT WITH THE PROVISIONS OF COUNCIL'S DELEGATIONS, POLICIES, BY-LAWS AND ALL LEGISLATION RELATING TO THE MATTER UNDER CONSIDERATION

NON COMPLIANT



Legal Compliance

NAME: Sarah van Zyl

Tel. 021 400 5446

Date: 29.10.2014

Certified as legally compliant:
Based on the contents of the report.

Note: Tax Clearance Certificate
has expired.

