

ITEM NUMBER: C 22/03/15

RECOMMENDATION FROM THE EXECUTIVE MAYOR: 03 MARCH 2015

MC 11/03/15 PROPOSED DISPOSAL OF ERF 3389, PLATO AVENUE, GORDON'S BAY: J FOURIE

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 (c) below
- (b) Council, in terms of Section 14 of the MFMA, resolve that Erf 3389, Gordon's Bay is not needed to provide the minimum level of basic municipal services
- (c) Erf 3389, Gordon's Bay, measuring 455 m² in extent marked ABCD on the locality plan attached as Annexure A to the report on the agenda, be sold to Jenifer Fourie, or her successor-in-title at a selling price of R160 000 excluding VAT, which will escalate by 5% annually after Council approval until date of transfer, subject to such conditions imposed by the Director: Property Management in the exercise of her delegated authorities, including that:
 - (i) all incidental costs be borne by the purchaser;
 - (ii) all costs related to the transaction be borne by the applicant including - but not limited to - legal, advertisements, relocation or provision of services and where applicable, a deposit at the prescribed rate to cover incidental costs.
- (d) the purchase price be adjusted on the basis of 5% per annum, compounded annually on a pro rata basis commencing six months after the date of valuation. The above recommended purchase price is to be adjusted accordingly as from 1 December 2014 (i.e. by 5% ÷ 12 months x number of months after the six-month period).

MC 11/03/15

IPAC 18/12/2014 PROPOSED DISPOSAL OF ERF 3389, PLATO AVENUE, GORDON'S
BAY: J FOURIE

UKUTHENGISWA OKUCETYWAYO KWESIZA 3389, PLATO AVENUE,
GORDON'S BAY: J FOURIE

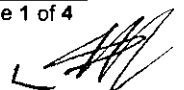
VOORGESTELDE VERVREEMDING VAN ERF 3389, PLATOLAAN,
GORDONSBAAI: J FOURIE

The committee noted that Rachel Schnackenberg confirmed that legal advice was sought in a similar matter and that there is no legislative impediment to disposing of the property to a staff member.

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 c) below;
- b) Council, in terms of section 14 of the MFMA, resolve that erf 3389 Gordon's Bay is not needed to provide the minimum level of basic municipal services;
- c) Erf 3389 Gordon's Bay, measuring 455 m² in extent marked ABCD on the locality plan attached as Annexure A, be sold to Jenifer Fourie, or her successor in title at a selling price of R160 000 excluding VAT which will escalate by 5% annually after Council approval until date of transfer, subject to such conditions imposed by the Director: Property Management in the exercise of her delegated authorities, including that:
 - i) All incidental costs be borne by the purchaser;
 - ii) All costs related to the transaction be borne by the applicant including – but not limited to – legal, advertisements, relocation or provision of services and where applicable, a deposit at the prescribed rate to cover incidental costs.



- d) The purchase price be adjusted on the basis of 5% per annum, compounded annually on a pro rata basis commencing six months after the date of valuation. The above recommended purchase price is to be adjusted accordingly as from 1 December 2014 (i.e. by 5% + 12 months x number of months after the six-month period).

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IZINDULULO

Kundululwa ukuba:

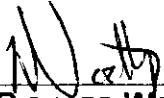
- a) Makuvunyelwe ukwamkelwa nokulungiswa kulungiselelwa ukuphunyezwa ngokomthetho-siseko, ngokungqinelana nomgaqo-5(1)(b)(ii) kunye nokuphunyezwa okokugqibela kwesindululo-c) ngezantsi apha
- b) iBhunga, ngokungqinelana neCandelo 14 loMthetho ojongene noLawulo lweeMali zikaMasipala, maligqibe ukuba isiqephu zesiza 3389 e-Gordon's Bay asifuneki ukuba sibonelele ngenkonzo engundoqo kamasipala;
- c) Makuthengiswe isiza 3389 Gordon's Bay, esilinganiselwa kuma-455 m² ngobukhulu esiphawulwe ngoonobumba ABCD kwisicwangciso sengingqi esiqhotyoshelwe njengesihlomelo "A", sithengiselwe u-Jenifer Fourie, okanye abangena ezinyaweni zakhe ngetaytile ngexabiso lentengiso le-R160 000 ngaphandle kweRhafu-ntengo neliza konyuka ngomyinge we-5% rhoqo ngonyaka emva kokuphunyezwa liBhunga kude kube ngumhla wonikezelo, ngokuxhomekeke kwimiqathango emiselwe nguMlawuli: woLawulo lwePropati esebenzisa amagunya akhe agunyazisiweyo, kuquka ukuba:
- i) Zonke iindleko ezihambelanayo ziya kuthwalwa ngumthengi;
- ii) Zonke iindleko eziphathele kolu naniselwano ziya kuthwalwa ngumfaki-sicelo kuquka – kodwa kungaphelelanga – kwezomthetho, ucando, ucando ngokutsha, ulwahlulo-hlulo, uhlanganiso, izibhengezo, ufuduso okanye ubonelelo ngenkonzo apho kufanelekileyo, idiposithi ngokomrhumo omiselweyo wokuhlululwa iindleko ezihambelanayo.
- d) Ixabiso lentengiso kufuneka lihlenga-hlengiswe ngokommiselo we-5% ngonyaka, iqukaniswe rhoqo ngonyaka ngokwesixa esisigxina ukususela kwiinyanga ezintandathu emva komhla woqingqo-maxabiso. Ixabiso eli elingentla elifanelekileyo kufuneka lihlenga-hlengiswe ngokufanelekileyo ukususela kowo-1 Disemba 2014 (umzekelo nge-5% yahlulwa-hlulwe ngeenyanga ezili-12 kuphindaphindwe ngenani leenyanga emva kwesithuba seenyanga ezintandathu).

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 c) hier onder;
- b) Die Raad, ingevolge artikel 14 van die MFMA, besluit dat erf 3389 Gordonsbaai nie vereis word om die minimum vlak van basiese munisipale dienste te voorsien nie;
- c) Erf 3389 Gordonsbaai, 455 m² groot, met die letters ABCD aangetoon op die liggingsplan, aangeheg as bylae A, verkoop word aan Jenifer Fourie, of haar regsopvolger, teen 'n verkoopprijs van R160 000, BTW uitgesluit, wat jaarliks met 5% sal styg vanaf die datum van Raadsgoedkeuring tot die datum van oordrag, onderworpe aan sodanige voorwaardes wat die direkteur: eiendomsbestuur in die uitvoering van haar gedelegeerde bevoegdheid oplê, insluitende dat:
 - i) Alle bykomende koste deur die koper betaal word;
 - ii) Alle koste wat met die transaksie verband hou, insluitende – maar nie beperk nie tot – regskoste, opmetingskoste, hersoneringskoste, onderverdelingskoste, konsolideringskoste, advertensiekoste, die koste wat verband hou met die verskuiwing of voorsiening van dienste en, waar van toepassing, 'n deposito volgens die voorgeskrewe skaal om bykomende koste te dek, deur die aansoeker betaal word.
- d) Die koopprijs jaarliks met 5% aangepas word, jaarliks saamgestel en op 'n pro rata-grondslag bereken vanaf ses maande ná die waardasiedatum. Die aanbevole koopprijs hierbo moet dienooreenkomstig vanaf 1 Desember 2014 aangepas word (d.w.s. met $5\% \div 12$ maande x getal maande ná die sesmaandtydperk).

ACTION: R SCHNACKENBERG; R GELDERBLOEM

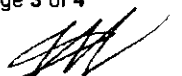
It is noted that this resolution is in line with Supply Chain Management Policy.



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

DATE: 5/2/15

COMMENT:



M. Mbandazayo

**DIRECTOR : LEGAL SERVICES
MR LUNGELO MBANDAZAYO**

COMMENT:

DATE:

09/02/2015

I. Neilson

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

COMMENT:

DATE:

11/2/15



REPORT TO IMMOVABLE PROPERTY ADJUDICATION COMMITTEE

DATE:

1. **ITEM NUMBER :** To be inserted by Executive Support

2. **SUBJECT**

PROPOSED DISPOSAL OF ERF 3389, PLATO AVENUE, GORDON'S BAY: J FOURIE

VOORGESTELDE VERVREEMDING VAN ERF 3389, PLATOLAAN, GORDONSBAAI: J FOURIE

UKUTHENGISWA OKUCETYWAYO KWESIZA 3389, PLATO AVENUE, GORDON'S BAY: J FOURIE

LSU E2229

H14/3/4/3/3

PH 2014/0623 (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 consider an application received for the disposal of erf 3389 Gordon's Bay to the current lessee, J Fourie.

5. **FOR RECOMMENDATION BY / FOR DECISION BY**

This report is for consideration by

- the Immoveable Property Adjudication Committee (IPAC)
- the Executive Mayor together with the Mayoral Committee
- Council

6. EXECUTIVE SUMMARY

PURPOSE OF REPORT	The City Manager previously, in terms of paragraph 13.2 of Council's Policy on the Management of Certain of the City of Cape Town's Immovable Property, granted approval that the City may dispense with the competitive processes established in the Disposal Management System and enter into direct negotiations with the lessee of erf 3389 Gordon's Bay to purchase the property.			
Property description	Erf 3389, Plato Avenue, Gordon's Bay			
Applicant	J Fourie			
Site extent	455 m ²			
Current zoning	Single Residential			
Current usage	Residential			
Proposed usage	Residential			
Application description	Disposal of erf 3389 Gordon's Bay			
Submission date	October 2007			
Circulation date	Not circulated as the applicant is the lessee for the past 44 plus years			
Comments	Deviation report to City Manager and applicant had to apply for a SARS certificate.			
Public participation outcome summary	No objection or alternative proposals were received.			
WARD Cllr	NOTICE	DATE	WARD	
Johan Middleton		27 June 2013		100
Viable	Yes	x	No	
Recommended decision	Approval	x	Refusal	

7. RECOMMENDATIONS

Not delegated: for decision by Council:

It is recommended that:

- a) Council, in terms of section 14 of the MFMA, resolve that erf 3389 Gordon's Bay is not needed to provide the minimum level for basic municipal services;
- b) Erf 3389 Gordon's Bay, measuring 455 m² in extent marked ABCD on the locality plan attached as Annexure A, be sold to Jenifer Fourie, or her successor in title at a selling price of R160 000 excluding VAT which will escalate by 5% annually after Council approval until date of transfer, subject to such conditions imposed by the Director: Property Management in the exercise of her delegated authorities, including that:
 - i) All incidental costs be borne by the purchaser;



- ii) All costs related to the transaction be borne by the applicant including – but not limited to – legal, advertisements, relocation or provision of services and where applicable, a deposit at the prescribed rate to cover incidental costs.
- c) The purchase price be adjusted on the basis of 5% per annum, compounded annually on a pro rata basis commencing six months after the date of valuation. The above recommended purchase price is to be adjusted accordingly as from 1 December 2014 (i.e. by $5\% \div 12 \text{ months} \times \text{number of months after the six-month period}$).

7. AANBEVELINGS

Nie gedelegeer nie: vir besluitneming deur die Raad:

Daar word aanbeveel dat:

- a) Die Raad, ingevolge artikel 14 van die MFMA, besluit dat erf 3389 Gordonsbaai nie vereis word om die minimum vlak van basiese munisipale dienste te voorsien nie;
- b) Erf 3389 Gordonsbaai, 455 m² groot, met die letters ABCD aangetoon op die liggingsplan, aangeheg as bylae A, verkoop word aan Jenifer Fourie, of haar regsopvolger, teen 'n verkoopprijs van R160 000, BTW uitgesluit, wat jaarliks met 5% sal styg vanaf die datum van Raadsgoedkeuring tot die datum van oordrag, onderworpe aan sodanige voorwaardes wat die direkteur: eiendomsbestuur in die uitvoering van haar gedelegeerde bevoegdheid oplê, insluitende dat:
 - i) Alle bykomende koste deur die koper betaal word;
 - ii) Alle koste wat met die transaksie verband hou, insluitende – maar nie beperk nie tot – regs-koste, opmetingskoste, hersoneringskoste, onderverdelingskoste, konsolideringskoste, advertensiekoste, die koste wat verband hou met die verskuiwing of voorsiening van dienste en, waar van toepassing, 'n deposito volgens die voorgeskrewe skaal om bykomende koste te dek, deur die aansoeker betaal word.
- c) Die koopprijs jaarliks met 5% aangepas word, jaarliks saamgestel en op 'n pro rata-grondslag bereken vanaf ses maande ná die waardasiedatum. Die aanbevole koopprijs hierbo moet dienooreenkomstig vanaf 1 Desember 2014 aangepas word (d.w.s. met $5\% \div 12 \text{ maande} \times \text{getal maande ná die sesmaandtydperk}$).

7. IZINDULULO

Azigunyaziswanga Isiggibo seseBhunga:

Kundululwa ukuba:

- a) iBhunga, ngokungqinelana neCandelo 14 loMthetho ojongene noLawulo lweeMali zikaMasipala, maligqibe ukuba isiqephu zesiza 3389 e-Gordon's Bay asifuneki ukuba sibonelele ngenkonzo engundoqo kamasipala;
- b) Makuthengiswe isiza 3389 Gordon's Bay, esilinganiselwa kuma-455 m² ngobukhulu esiphawulwe ngoonobumba ABCD kwisicwangciso sengingqi esiqhotyoshelwe njengesihlomelo "A", sithengiselwe u-Jenifer Fourie, okanye abangena ezinyaweni zakhe ngetayile ngexabiso lentengiso le-R160 000 ngaphandle kweRhafu-ntengo neliza konyuka ngomyinge we-5% rhoqo ngonyaka emva kokuphunyezwa liBhunga kude kube ngumhla wonikezelo, ngokuxhomekeke kwimiqathango emiselwe nguMlawuli: woLawulo lwePropati esebenzisa amagunya akhe agunyazisiweyo, kuquka ukuba:
- i) Zonke iindleko ezihambelanayo ziya kuthwalwa ngumthengi;
 - ii) Zonke iindleko eziphathele kolu naniselwano ziya kuthwalwa ngumfakisicelo kuquka – kodwa kungaphelelanga – kwezomthetho, ucando, ucando ngokutsha, ulwahlulo-hlulo, uhlanganiso, izibhengezo, ufuduso okanye ubonelelo ngenkonzo apho kufanelekileyo, idiposithi ngokomrhumo omiselweyo wokuhlawulwa iindleko ezihambelanayo.
- c) Ixabiso lentengiso kufuneka lihlenga-hlengiswe ngokommiselo we-5% ngonyaka, iqukaniswe rhoqo ngonyaka ngokwesixa esisigxina ukususela kwiinyanga ezintandathu emva komhla woqingqo-maxabiso. Ixabiso eli elingentla elifanelekileyo kufuneka lihlenga-hlengiswe ngokufanelekileyo ukususela kowo-1 Disemba 2014 (umzekelo nge-5% yahlulwa-hlulwe ngeenyanga ezili-12 kuphindaphindwe ngenani leenyanga emva kwesithuba seenyanga ezintandathu).

8. DISCUSSION/CONTENTS

8.1 BACKGROUND:

There are rental dwellings in Temperance Town, Gordon's Bay, originally erected in the early 30's by the owner of the land for his farm labourers.

The former Gordon's Bay Municipality in 1984 purchased, subdivided and serviced the land (±11,6 ha) and leased the dwellings to the occupants.

In 1991 the former Administrator of the Provincial Administration of the Cape of Good Hope was approached by the Gordon's Bay Municipality for approval to sell ±47 of these erven with dwellings directly to the tenants.

Approval for the sale was granted in May 1992 at a consideration of R6,14 per m² for the land and R66,64 per m² for the improvements (dwelling).

The tenants were, however, not interested in paying for their dilapidated dwellings and an amended approval was obtained for the sale at a consideration of R6,14 per m² for the land and R0,00 for the dwellings.



Despite all the approvals obtained, the sale of the properties was never concluded and in an effort to revive the sale of the properties the erstwhile Council of the Helderberg Municipality on 28 September 2000, after a number of information sessions with the tenants arranged by the Housing department, resolved as follows that:

- (a) the land be sold to the lessees at market value and that the cost for the repair of the houses be deducted from the market value;
 - (i) that it be noted that the quoted amount of the repair costs is R840 000,00;
- (b) a nominal fee of a R10 per erf be approved;
- (c) the following conditions be applicable:
 - (i) the offer be valid for one month as from the end of September 2000;
 - (ii) the lessees be informed by registered post of this resolution;
- (d) the Council be indemnified against any claims after the acceptance of the above offer;
- (e) a report on the transfer cost to be paid by the purchasers as well as the method to be followed for arrangements to be made for all outstanding monies to be paid to the Council before transfer can take place, be submitted to the meeting of the Council to be held on 12 October 2000."

A number of these erven were transferred by means of a combined effort by the departments Property Management and Housing of the then Helderberg Administration.

Kindly note that these rentals were never administered by either the Department: Property Management nor the Department: Housing of the then Helderberg Municipality, but managed as Sundry Debtors by the Department: Financial Services.

A property that was never transferred is erf 3389 Gordon's Bay. The lease for this property is currently in the name of a Mr. Fourie, but he and Mrs. J Fourie are divorced and the court has resolved that as she was born in the house she and her children are entitled to occupy the property for as long as the lease agreement remains in full force and effect.

Before the lease was assigned to Mr. Fourie it was in the name of Mrs. Fourie's parents until their death. She now wants to purchase the property. Mrs. Fourie is in the employ of the City of Cape Town in the department Sport and Recreation.

In terms of the Policy on the Management of Certain of the City of Cape Town's Immovable Property, the City Manager may, where a Viable Property is concerned,



dispense with the competitive process and enter into a direct Property Transaction due to specific circumstances peculiar to the Property under consideration, it can only be used by the one person/organization wishing to enter into the property transaction, since the former Gordon's Bay Municipality approved the sale in May 1992 to the tenants.

The City Manager dispensed with the competitive process and granted approval (Annexure D) that a direct deal can be entered into with the applicant.

The subcouncil for the area has also recommended the proposal – see annexure B.

8.2 CONSULTATION WITH BRANCHES:

Only the Department: Existing Settlements was consulted and no objection was tendered against the sale of the land.

No other branch was consulted as the previous administration previously approved the disposal and the property is occupied by the applicant and her family for many years.

8.3 FACTORS MOTIVATING RECOMMENDATION:

8.3.1 The portion of City Land is not required for the provision of the basic municipal services.

8.3.2 The applicant and her family have been occupying the property for more than 44 years.

8.3.3 Compensation in the amount of R160 000, excluding VAT, will accrue to the City.

8.3.4 The City Manager has approved a deviation from the public competitive process and no objections / counter offers were received when the proposed transaction was advertised.

8.4 PUBLIC PARTICIPATION

Advertising	Cape Times & Burger	12 July 2013
	Prov & Nat Treasury	27 June 2013
	Notices to adj owners	27 June 2013
	Ward councillor	27 June 2013
	Subcouncil Chair & Manager	27 June 2013
	Community organisation(s)	27 June 2013
Outcome	Objections	No
	Ward Councillor's support	No comment received

8.5 VALUATION



The City's Professional Valuers on 31 May 2014 re-assessed the value of the Subject Property at R160 000 excluding VAT (if applicable). The sale price stayed the same. 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 the 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 basic municipal services.

8.8.2 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) allows the disposal 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) applies.

8.9 FINANCIAL IMPLICATIONS

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

8.10 TAX COMPLIANCE

No agreement will be concluded until a valid Tax Clearance Certificate is furnished.

8.11 FINANCIAL DUE DILIGENCE

The applicant's debt profile has been verified and it is confirmed that she is in arrears but transfer will be subject to settlement of all arrears.

8.12 SUSTAINABILITY IMPLICATIONS

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

8.13 LEGAL IMPLICATIONS

As required in terms of Regulation 7 of the Municipal Asset Transfer Regulations (MATR), Council must take into account the following **factors** when considering any proposed transfer or disposal of non-exempted capital assets:

Factor A: Whether the capital asset may be required for municipality's own use at a later date

This proposal complies with Section 14 of the Local Government Municipal Finance Management Act No. 56 of 2003 in that the relevant branches of Council have confirmed in writing that the asset is not needed to provide the minimum level of basic municipal services.

Factor B: 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.

Factor C: 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 portion of the subject property has been determined to be R160 000, excluding VAT.

Factor D: 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.

Factor E: 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.

Factor F: 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 her delegated authority.

Factor G: The estimated cost of the proposed transfer or disposal

The purchaser will be responsible for the transfer and related costs.

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

No liabilities and reserve funds are associated with the capital asset.

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

The City Manager, in terms of clause 13.2 of Council's Policy on the Management of Certain of the City of Cape Town's Immovable Property approved that the competitive process may be dispensed with and that direct negotiations be entered into with the applicant, and the proposed disposal being advertised in the Cape Times and Die Burger on 12 July 2013. Closing date for objections was 12 August 2013. Copies of the advertisement were sent to the Ward Councillor, Chairperson of the relevant Sub-Council and registered local community organisations. No objection was received.

Factor J: 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. National and Provincial Treasury were informed of the proposed disposal.

Factor K: 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.

Factor L: 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



The proposal complies with Section 13.2 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 viable property, the City Manager may dispense with the competitive processes established in this Disposal Management System, and may enter into a Property Transaction through any convenient process, which may include direct negotiations, including in response to an unsolicited application, but only in the following circumstances –

an emergency; or

due to specific circumstances peculiar to the Property under consideration, it can only be utilised by the one person/organisation wishing to enter into the Property Transaction; or

the person wishing to enter into the Property Transaction is the sole provider of the service or product in respect of which the Property will be used and the use of the Property is inextricably linked to the provision of that service or product; or

the City Manager is satisfied that the Property Transaction will be exceptionally beneficial to, or have exceptional cost advantages for the City which would not be realised if a Competitive Process were to be followed by the City;

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: Subcouncil resolution
- Annexure C: Valuation synopsis
- Annexure D: City Manager's approval



FOR FURTHER DETAILS CONTACT:

NAME	Dirk Maree (Anneke Klue)
CONTACT NUMBERS	021 900 1732
E-MAIL ADDRESS	Anneke.klue@capetown.gov.za
DIRECTORATE	FINANCE
FILE REF NO	H14/3/4/3/3
SIGNATURE : DIRECTOR	<i>[Signature]</i> 2014-11-27

Comment:

CHIEF FINANCIAL OFFICER

NAME Kevin Jacoby

DATE 03.12.2014

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 A.S. Jansz

TEL (021) 400 4536

DATE 9-12-14

Comment:

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

[Signature]