

MINUTES

OF THE MEETING OF THE ECONOMIC GROWTH PORTFOLIO COMMITTEE OF THE CITY OF CAPE TOWN, HELD IN COMMITTEE ROOM A, 5TH FLOOR, PODIUM BLOCK, CIVIC CENTRE, CAPE TOWN ON WEDNESDAY, 07 AUGUST 2024 AT 10:00

PRESENT

DEMOCRATIC ALLIANCE (DA)

Ald C Justus (Chairperson left the meeting at 10:30)

Cllr A Adams

Cllr W Akim

Cllr A Z Elyas

Ald G D Fourie

Cllr N Grose

Cllr A J Jansen

Cllr T Le Goff

Cllr I McMahon

Cllr S L Stacey (elected as Chairperson when Ald Justus left the meeting)

Cllr G Timm

AFRICAN NATIONAL CONGRESS (ANC)

Cllr T Mjuza

Cllr T I Pimpi

Cllr Z Sophazi

GOOD

Cllr S Little

VISITING COUNCILLOR

Ald J Vos – DA (Mayoral Committee Member)

APOLOGIES

Cllr C Cerfontein (DA)

ABSENT WITHOUT APOLOGY

Cllr P Jacobson (FFPLUS)

Cllr D Ngubelanga (AIC)

Cllr N Stuurman (EFF)

OFFICIALS

| | |
|--------------------|---------------------------------------|
| R Gelderbloem | ED: Economic Growth |
| C Benjamin | Support Services |
| M Bestha | Support Services |
| M Joseph-Scheepers | Support Services |
| L Visagie | Executive & Councillor Support |
| R Engelbrecht | Legal Services |
| A Klein | Legal Services |
| F Votersen | Finance |
| L Greyling | Economic Development & Investment |
| F Kolala | Economic Development & Investment |
| L Van Zyl | Economic Development & Investment |
| W Van Der Byl | Economic Development & Investment |
| G Williams | Economic Development & Investment |
| D Joubert | Property Transactions/Management |
| L Potts | Property Development |
| C Lamprecht | Human Resources |
| S Levy | Enterprise & Investment |
| O Mazantsana | Enterprise & Investment |
| P Naidoo | PMO |
| P Swanepoel | Strategic Assets |
| W Hewitt | Greater Tygerberg Partnership |
| M Coto | Organisational Performance Management |

EXECUTIVE COMMITTEE SERVICES

C Franz
M Moses

EG 01/08/24 OPENING / MOMENT OF SILENCE

The meeting was formally opened by the Chairperson, Ald C Justus who welcomed everybody present.

EG 02/08/24 APOLOGIES/LEAVE OF ABSENCE

It be noted that the following leave of absence was submitted through the office of the Chief Whip:

- Cllr C Cerfontein (DA)

It further be noted that no apologies were received from the following members of the Committee:

- Cllr P Jacobson (FFPLUS)
- Cllr D Ngubelanga (AIC)
- Cllr N Stuurman (EFF)

It further be noted:

- The Chairperson Ald C Justus left the meeting at 10h30 and the Committee elected Cllr S Stacey to Chair the meeting further. Cllr Grose proposed the Committee's decision to elect Cllr Stacey as the Chairperson and Cllr A Elyas seconded.
- Ald J Vos, Mayoral Committee Member joined the meeting at 11h08.
- Cllr T Le Goff, joined the meeting at 10h11.

ACTION: C FRANZ

EG 03/08/24

CHAIRPERSON'S REPORT/ADDRESS

A direct translation of the Chairperson's report follows hereunder with the following achievements that were recorded:

"Welcome back from recess and to the Economic Growth Portfolio Committee meeting for August 2024.

A special warm welcome to the EG PC to Cllr Suzette Little, Traverse le Goff and Chantel Cerfontein and trust that you will find participating in this PC fulfilling and meaningful.

At the same time let me on behalf of EG PC thank Alderman Marian Nieuwoudt for exceptional service over many years and more recently on this PC. We wish her God's speed, good health and joy as she does the things that make her happy.

The mayor recently announced the passing on of Faried Shariff. On behalf of the members of the EG PC may I express our sincerest condolences to the bereaved family, friends and colleagues. May his spirit rest in peace and the memories that he created be a comfort to us all.

Businesses can only achieve their full potential as creators of economic value and jobs if they operate in an environment conducive to establishing, running and expanding their enterprises.

The implementation of the Cape Town Ease-of-Doing-Business Index is intended to hold ourselves publicly accountable in our ambition and commitment to become the easiest place to do business in Africa.

Businesses, and the entrepreneurs who start them, are the lifeblood of any thriving society. They are the producers, innovators, employers and service providers that grow economies and lift people out of poverty and into opportunity. And when they are enabled to grow, all of society benefits.

This requires us to remain focused on our mission and to keep pace with the ever-shifting economic landscape.

It will be prudent for EG PC to receive a status report of progress, challenges and proposed adaptations to the ease of doing business index after two years of assessment.

The Film industry contributes billions to the economy and employs over 30 000 people.

City of Cape Town's Film Permit Office has issued 4 757 film permits between July 1 last year and June 30 this year. This is a 22% increase from the 3 910 permits issued in the 2022/23 financial year.

In the past, Cape Town attracted a lot of film productions during the summer season due to a number of factors, including our beautiful long summer days. However, what is apparent over the last couple of years is that filming is increasingly becoming an all year business, and this is good for both the industry and Cape Town.

Permits are issued for feature films, commercials, TV series, stills photography, documentary films, short films, student projects and music videos. Commercials made up the bulk of the film shoots, with 1 604 permits issued.

May I please request that the Portfolio committee members be taken on a tour of the Cape Town Film studios at Faure.

Cape Town International Airport (CTIA) and OR Tambo International Airport (ORTIA) now rank amongst the top 10 best airports globally.

This is according to AirHelp's 2024 score report, which ranks the world's best and worst airports.

Cape Town International Airport came in second on the list and OR Tambo International Airport, sixth, with the overall winner being Qatar's Hamad International Airport.

Airports Company South Africa (ACSA) said this recognition was evidence of their hard work in offering among the best facilities globally, especially after the devastating effects of the COVID-19 pandemic.

After my comment two years ago that South Africans were not eager to join the cruise liner industry, it has been announced that MSC Cruises is to hire 2 000 South Africans as crew this year and to increase that number by 2028 to around 5 000 South Africans -70% of people from previously-disadvantaged communities.

MSC Cruises South Africa recruits new crew from its Shosholozu Ocean Academy.

MSC Cruises is also promoting South African artists in the creative economy with employment opportunities.

We are working hard to get the fundamentals of economic growth right and to ensure a jobs-rich economy. Jobs provide dignity and have the power to combat poverty.

This is why we will continue to do everything in our power to enable private sector-led growth, which includes removing key barriers to business expansion, so that the private sector can continue creating even more jobs in Cape Town.”

Alderman Clive Justus

Chairman Economic Growth Portfolio Committee

RESOLVED that the Chairperson’s Address be **NOTED**.

EG 04/08/24

CONFIRMATION OF THE MINUTES OF THE MEETING HELD ON 3 APRIL 2024 AND THE SPECIAL MEETING HELD ON 8 MAY 2024

RESOLVED that the minutes of the meeting held on 03 April 2024 and the Special meeting on 08 May 2024 was proposed by Ald G Fourie and seconded by Cllr N Grose.

ACTION: C FRANZ

EG 05/08/24

MATTERS RECEIVING ATTENTION

1. IKASI TOURISM OPPORTUNITIES PROGRAMME

The iKasi Tourism opportunities programme be reported on in the meeting on 04 September 2024.

ACTION: DR T VIVIAN

2. STRATEGIC ASSETS TARIFFS AND CHARGES FOR THE 2024/2025 FINANCIAL YEAR

A workshop on actual costs involved be scheduled. Line Department to liaise with Executive Committee Services in terms of timeframes to schedule the workshop.

ACTION: P SWANEPOEL, C FRANZ

3. SITE VISIT TO A STRATEGIC ASSET

Line Department to liaise with Executive Committee Services with regards to the suggested dates and details of the site to be visited.

ACTION: P SWANEPOEL, C FRANZ

EG 06/08/24

PRESENTATION ON THE SECOND VOLUME FOR THE "THIS IS CAPE TOWN MAGAZINE"

Ms W Van der Byl delivered a presentation to the Committee.

The Committee had the following questions and proposals:

- Cllr N Grose wanted to know whether the content partners are retained.
- Cllr T Mjuza wanted to know what the aim of the return investment is of the magazine.
- Cllr T Le Goff suggested that it should be considered to engage with the local Chambers of Commerce for instance the French Chambers of Commerce, which would act as excellent distribution channels to leverage relationships in foreign locales.

The following responses were provided:

- In terms of the return investment, the target market is predominantly international key source markets. The magazine was never intended for local consumption but it does appear in airport lounges and some hotel rooms. It should be noted that Volume 3 focuses and highlights tourism in South African.
- In terms of the content partnership, the programme runs for a duration of a year. Once the year has concluded the magazine focuses on new ventures for content partnership but still allowing the previous partners to be involved but to a limited extend.

RESOLVED that the presentation on the "This is Cape Town" magazine be noted.

ACTION: W VAN DER BYL; L VAN ZYL

EG 07/08/24**QUARTERLY REPORT ON PROGRESS OF ATLANTIS SPECIAL ECONOMIC ZONE (ASEZ) GREEN TECHNOLOGY (OCTOBER 2023 – DECEMBER 2023) & (JANUARY - MARCH 2024)**

Mr G Williams presented this report to the Committee.

The Committee had the following questions, comments and suggestions:

- Cllr N Grose raised her concerns in terms of the access road to the SEZ. Another site visit should be considered to the Atlantis SEZ.
- In terms of spatial planning, Cllr A Adams wanted to know whether industrial areas can be brought closer to communities.

The following responses were provided:

- It should be noted that this matter is in the process of being addressed by trying to find alternatives to redirect traffic in cases where the roads are closed to access the SEZ.
- The spatial planning Departments is currently in the process of conducting industrial profiling to address the matter.

RESOLVED that the quarterly report on progress of Atlantis Special Economic Zone (ASEZ) Green Technology (October 2023 – December 2023) & (January – March 2024) be noted.

ACTION: G WILLIAMS

EG 08/08/24**GREATER TYGERBERG PARTNERSHIP – PROGRESS REPORT**

Mr F Kolala introduced the item to the Committee and Mr W Hewitt delivered a summarized presentation.

The Committee had the following questions, comments and concerns:

- Cllr S Stacey suggested that it should be considered getting the community involved in terms of the murals by means of a competition where designs are submitted and judged from communities and schools. The winning design/s can then be professionalized by a Graphic designer without losing the essence of the design.
- Cllr G Timm wanted to know whether the small business expo can be brought into the Mitchells Plain community as well.
- Cllr I McMahon requested that the annual close out report be circulated to the Committee.

RESOLVED that the progress report of the Greater Tygerberg Partnership be noted.

ACTION: F KOLALA; W HEWITT

EG 09/08/24

CONSOLIDATED ANNUAL PROGRESS REPORT FOR THE SPECIAL PURPOSE VEHICLES (SPVS) AND WESGRO FOR THE PERIOD 1 JULY 2023 TO 30 JUNE 2024

Mr F Kolala presented this item to the Committee and Mayco Member Ald J Vos provided a brief overview in terms of current updates.

The Committee expressed their gratitude for the excellent work that the staff has done.

It be noted that Ald G Fourie move to recommend the report for onwards submission to Mayco and Council and Cllr G Timm seconded.

IT IS RECOMMENDED that:

- a) The Economic Growth Portfolio Committee note the consolidated annual progress report for the special purpose vehicles (SPVS) and WESGRO for the period 1 July 2023 to 30 June 2024;
- b) The Executive Mayor together with the Mayoral Committee note the consolidated annual progress report for the special purpose vehicles (SPVS) and WESGRO for the period 1 July 2023 to 30 June 2024;
- c) Council note the progress report.

ACTION: F KOLALA; L GREYLING; R GELDERBLOEM

EG 10/08/24

ECONOMIC GROWTH: 2023/24 THIRD QUARTER'S PROGRESS REPORT ON THE DIRECTORATE AND DEPARTMENTS' PERFORMANCE

Mr C Benjamin presented the report to the Committee.

The Committee had the following comments, questions and concerns:

- Cllr T Mjuza raised his concerns with regards to the vacancy rates.

- Cllr A Adams raised her concerns with applicants experiencing problems when trying to access applications for trading bays on the City of Cape Town website.
- Question asked as to how many developmental positions is created in the City of Cape Town to which the HRBP provided a response
- Ald J Vos indicated that it will be ensured that the members receive an electronic copy of the EPIC booklet which will serve as a guiding principle. It should further be noted that the Executive Director and the Director: EDI are addressing the matter with regards to the permitting systems and that there is currently an audit being conducted to see how many bays are available.

It be noted that Cllr G Timm move to recommend the report for onwards submission to Mayco and Council and Cllr W Akim seconded.

IT IS RECOMMENDED that:

- a) The Economic Growth Portfolio Committee recommend the 2023/2024 third quarter's progress report for onwards submission to Mayco and Council;
- b) The Executive Mayor together with the Mayoral Committee evaluate and review the 2023/2024 third quarter's progress report and submit the report to Council for noting.

ACTION: C BENJAMIN; R GELDERBLOEM

EG 11/08/24

2023/2024 QUARTERLY PROGRESS REPORT ON CORPORATE PERFORMANCE

Mr M Coto presented this report to the Committee.

It be noted that Cllr A Elyas move to recommend the report for onwards submission to Mayco and Council and Cllr G Timm seconded.

IT IS RECOMMENDED that:

- a) The Economic Growth Portfolio Committee recommend the 2023/2024 quarterly progress report on Corporate Performance for onwards submission to Mayco and Council;
- b) The Executive Mayor together with the Mayoral Committee evaluate and review the 2023/2024 quarterly progress report on Corporate Performance and submit the report to Council for noting;
- c) Council note the 2023/2024 quarterly progress report on Corporate Performance.

ACTION: A ABASS; M COTO

EG 12/08/24 ECONOMIC GROWTH (EG): FINANCIAL DASHBOARD REPORT

Mr F Votersen presented this report to the Committee. Regarding capital budget expenditure, Mr. F Votersen indicated that a comprehensive report on the financial performance for the 2023/2024 financial year will be presented at the September 2024 Portfolio Committee meeting. However, he wanted to bring to the Committee's attention that the Directorate did not achieve the capital expenditure target of 90%. Of the R90 million capital budget, R77 million was spent, resulting in an expenditure rate of 85.2%.

The Committee should also note that the Directorate's capital budget has doubled from the previous financial year, increasing from R47 million to R93 million. Additionally, the number of projects has increased from 29 to 59. It should further be noted that one project prevented the Directorate from achieving the target: the upgrade of the track at Green Point Athletic Stadium. This project had a budget of R26.9 million, which accounted for approximately 29% of the Directorate's capital budget. The Directorate would have achieved 95% expenditure if this project had not been halted due to technical issues during implementation.

The following technical issues were experienced on the project:

- The project commenced in August 2023, with a completion date set for March 2024. Due to the project's total value, it had to undergo a stage gate review. The IAAF was asked to confirm whether the technical specifications were still valid. On 5th September 2023, the IAAF indicated that a change had occurred in the technical specifications. The Directorate had to revise the project to incorporate the new standards and requirements. Failure to do so would have meant that the project would not be accredited, compromising the ability to host international events in the future.
- The completion date was further delayed due to these challenges. An order was placed for materials from Switzerland, but geopolitical tensions in the northern hemisphere directly impacted shipping arrangements. The new anticipated project completion date was moved to May 2024.

- The materials arrived in March 2024. In the meantime, the upper layer of the track was stripped to prepare for the next layer upon the materials' arrival. During this process, an unusually high level of water seepage into the structure was discovered, necessitating a review of the technical specifications. The Committee should note that this occurred before the rainy season had commenced.
- As a result, the 8 mm top structure had to be changed to a 15 mm top structure, requiring additional material to be ordered and shipped from Switzerland once again.
- The Directorate had to secure additional budget from slippages to procure the additional material.
- Shipping has been booked for 27th August 2024, with the materials due to arrive in Cape Town on 2nd October 2024.
- The new project completion date is now set for the first week of December 2024.
- The Committee should also note that, due to the challenges experienced with the current contract and the resultant additional expenditure, the Directorate had to revert to the BAC to seek approval, which was granted.
- It can be confirmed that the stripping of the top layer is currently 95% complete.

The Committee should note the following in terms of the roll-overs:

- The roll-overs have recently been finalized, with the unspent commitments from the previous financial year, including the largest component, the Green Point Athletic Stadium, being rolled over. These unspent commitments, along with a contingency added to the R7 million, will ensure adequate funding is available in the current financial year to complete the project.

RESOLVED that the Economic Growth (EG): Financial Dashboard report be noted.

ACTION: F VOTERSEN; P NAIDOO; R GELDERBLOEM

The meeting terminated at 13H10.

Alderman Clive Justus Digitally signed by Alderman Clive Justus

Date: 2024.09.05 10:56:16 +02'00'

Ald C Justus
Chairperson

Date



10/09/2024

Cllr S Stacey
Acting Chairperson

Date