



DATE: 12 MAY 2022

**REPORT TO: ECONOMIC GROWTH PORTFOLIO COMMITTEE**

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**1. ITEM NUMBER EG: 13/05/22**

**2. SUBJECT:**

**PROPERTY MANAGEMENT REPORT FOR THE 2021/2022 FINANCIAL YEAR**

**ONDERWERP:**

**EIENDOMBESTUURVERSLAG VIR DIE 2021/2022-BOEKJAAR**

**ISIHLOKO:**

**INGXELO ENGOLAWULO LWEPROPATI YOMNYAKA-MALI KA-2021/2022**

**3. IN TERMS OF DELEGATION**

This report is

FOR NOTING BY

**Committee name:**

- Economic Growth Portfolio Committee
- The Executive Mayor ito Delegated authority
- The Executive Mayor together with the Mayoral Committee (MAYCO)
- Council

#### 4. DISCUSSION

This Report provides statistics for the first 3 quarters of the 2021/2022 financial year in respect of the **acquisition, leases and alienation** of immovable properties by the Property Management Department.

##### 4.1 Immovable property acquisitions

During the first 3 quarters of the 2021/2022 financial year, the Acquisitions unit has on behalf of service departments, acquired and transferred 12 properties (including the acquisitions of servitudes) with a total value of R 94 758 287,67 (VAT inclusive) to be utilised for municipal purposes.

**Fig.1 Property Acquisitions Registered: Quarters 1 – 3 in 2021/2022 financial year.**

PROPERTY ACQUISITIONS 2021/2022 FINANCIAL YEAR PROPERTY ACQUISITIONS REGISTERED			
Quarter	Period	No of properties acquired	Total Rand Value of properties acquired (incl. VAT)
1	July –Sept. 2021	1	R 2 455 000,00
2	Oct – Dec. 2021	2	R 6 451 532,10
3	Jan – Mar. 2022	9	R 85 851 755,57
TOTAL		12	R 94 758 287,67

Making progress possible. Together.

#### 4.2 Immovable property leases

Figure 2 below indicates the number of new leases that Property Management has successfully negotiated and concluded during the period July 2021 – March 2022.

**Fig.2 Property leases concluded during the period July 2021 – March 2022 per region:**

<b>PROPERTY LEASES</b>			
<b>2021/2022 FINANCIAL YEAR</b>			
<b>Quarters 1 - 3</b>			
<b>PROPERTY LEASES CONCLUDED</b>			
<b>No</b>	<b>Property Regions</b>	<b>No of cases</b>	<b>Lease Value</b>
1	Cape Town Region	42	R 62 211,41
2	East Region	19	R 10 347,12
3	South Peninsula Region	10	R 31 297,18
4	Tygerberg Region	33	R 62 388,10
5.	PD & A	2	R357,46
6.	PTM	2	R 1 871 672,65
7.	LIFT	16	R 84 488,61
	<b>TOTAL</b>	<b>124</b>	<b>R 2 122 762,53</b>

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Fig.3 Property leases concluded per quarter during the period July 2021 – March 2022:

PROPERTY LEASES		
2021/2022 FINANCIAL YEAR		
QUARTER 1 - 3		
PROPERTY LEASES CONCLUDED		
QUARTER	No of cases	Income per quarter (excl. VAT)
1 <sup>st</sup> Quarter (July – Sept.)	30	R 57 517,28
2 <sup>nd</sup> Quarter (Oct. – Dec.)	48	R 1 619 464,88
3 <sup>rd</sup> Quarter (Jan. – Mar.)	46	R 445 780,37
TOTAL	124	R 2 122 762,53

#### 4.3 Immovable property alienations

The Property Management Department has during the first 3 quarters of the 2021/2022 financial year transferred 24 properties to new owners. These properties, not required for municipal purposes, will be utilised by the new owners for purposes of inter alia residential, social and business development. An income of R 13 258 726,63 (excluding VAT) was received from the sale of these properties. (Refer Fig.4).

Fig.4 Property alienations:

PROPERTY ALIENATIONS									
REGISTERED TRANSFERS									
2021/2022 FINANCIAL YEAR									
Quarter	No.	R Income excl. VAT	PROPERTY USE						
			GARDEN/SEC	RESIDENTIAL	SOCIAL	STATE	BUSINESS	MIX USE	INDUSTRIAL
1st Quarter (Jul - Sep 2021)	9	R 6 059 888,15	3	0	3	0	2	1	0
2nd Quarter (Oct – Dec 2021)	8	R 4 823 673,09	2	3	1	1	0	0	1
3 <sup>rd</sup> Quarter	7	R 2 375 165,39	2	3	0	0	2	0	0
<b>TOTAL</b>	24	R 13 258 726,63	7	6	4	1	4	1	1

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Enquiries to the Property Management Department may be directed to:

Email: [Property.Management@capetown.gov.za](mailto:Property.Management@capetown.gov.za)

City's Call Centre Number: 0860 103 089

**Financial implications**  None  Opex  Capex  
 Capex: New Projects  
 Capex: Existing projects requiring additional funding  
 Capex: Existing projects with no additional funding requirements

**Legal Compliance**

**Staff Implications**  Yes  No

## 5. OUTCOMES OF DISCUSSIONS WITH MAYCO MEMBER

## 6. RECOMMENDATIONS

That the content of the report be noted.

## AANBEVELINGS

Dat daar van die inhoud van die verslag kennis geneem word.

## IZINDULULO

Ukuba makuqwalaselwe okuqulathwe kwingxelo.

## FOR FURTHER DETAILS CONTACT

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DIRECTORATE	Economic Growth		
SIGNATURE : ACTING DIRECTOR:	DESIRE BORAIN		

## ACTING EXECUTIVE DIRECTOR: ECONOMIC GROWTH

NAME

COMMENT:

DATE

SIGNATURE

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

**Making progress possible. Together.**

NAME \_\_\_\_\_

COMMENT: \_\_\_\_\_

DATE \_\_\_\_\_

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SIGNATURE \_\_\_\_\_

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**MAYORAL COMMITTEE MEMBER**

NAME CLLR JAMES VOS \_\_\_\_\_

COMMENT: \_\_\_\_\_

DATE \_\_\_\_\_

\_\_\_\_\_

SIGNATURE \_\_\_\_\_

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## Approval Form

Supported for inclusion on the agenda



### PC QUARTERLY REPORT MAY 2022

**Report Reference:** 519960  
**Meeting:** Section 79 Portfolio Committee - Economic Growth  
**Meeting Date:** 04.05.2022  
**Meeting Venue:** Meeting Room A 5TH Floor Podium  
  
**Contact Person:** RACHEL SCHNACKENBERG  
**Contact Telephone:** 0788693462  
**Contact Email:** RACHEL.SCHNACKENBERG@CAPETOWN.GOV.ZA

Item	Section	Approver	Approval	Approved Date	Approver Comments
01	Author	Rachel Schnackenberg	Approved	08.04.2022 09:41:38	
02	Director	Rachel Schnackenberg	Approved	08.04.2022 09:42:35	
03	Executive Director	RUBY GELDERBLOEM	Approved	11.04.2022 15:25:15	
04	Legal Compliance	Joan Mari Holt	Approved with Comments	12.04.2022 13:46:57	For information.

**ECS Officer:**