

DATE: 2021.07.13

REPORT TO: URBAN MANAGEMENT

1. ITEM NUMBER URBM 12/08/21

2. SUBJECT

CITY IMPROVEMENT DISTRICT REPORT: QUARTER ENDING 30 JUNE 2021

ISIHLOKO

INGXELO EMALUNGA NOKUPHUCULWA KWESITHILI SESIXEKO YEKOTA
EPHELA NGOWAMA30 KWEYESILIMELA 2021

ONDERWERP

STADSVARBETERINGSDISTRIK-VERSLAG: KWARTAAL GEËINDIG 30 JUNIE 2021

N0219

3. DELEGATED AUTHORITY

In terms of delegation

This report is For NOTING by

- Committee name: Urban Management
- The Executive Mayor together with the Mayoral Committee (MAYCO)
- Council

4. DISCUSSION

Introductory information sharing and meetings

The CID Department met with and/or sent introductory information to the following communities wanting information and guidance to pursue the establishment of a City Improvement District in their area:

1. Newlands Village (Residential component mainly concerned with safety and social problems).
2. West Beach (Residential component mainly concerned with safety and social problems).
3. Labiance (Residential component mainly concerned with safety and social problems).

Follow up on progress

The CID Department followed up with the following communities on their progress in pursuing CID establishment as they were at various stages and some appeared to be struggling while others were inactive for lengthy periods:

1. Gordon's Bay (The previous attempts have lapsed due to outdated information and the lack of progress by the Steering Committee who still have not confirmed the boundary nor the details of the Steering Committee since requested to do so in October 2020).
2. Kenilworth Upper (The Steering Committee has submitted POPIA declarations and are busy with the Urban Management Survey).
3. Cravenby (Sent the introductory information 17 July 2020 and still waiting for Steering Committee detail).
4. Pinelands (Steering Committee busy finalising the Business Plan).
5. Clifton (The Steering Committee is experiencing challenges in obtaining support to establish a CID from 1 July 2022 and have reduced their boundaries and amended their Business Plan accordingly).
6. Belmont Park (Obtaining POPIA declarations from new Steering Committee members and will pursue Urban Management Survey and commence drafting of a Business Plan after meeting with the new Steering Committee).
7. Vanguard and Welcome Estate (Steering Committee confirmed boundary and creating a website to keep the community informed).
8. Fresnaye (CID Department vetting the Business Plan).
9. Edgemead Zone 4 (Sent the introductory information 17 August 2020 and still waiting for Steering Committee details).
10. La Sandra Somerset West (Sent the introductory information on 1 September 2020 and waiting for Steering Committee details).
11. Pinati Estate Lansdowne (Sent the introductory information on 15 September 2020 and still waiting for Steering Committee details).

12. Gatesville / Rylands (Still struggling to finalise their Steering Committee prior to having the introductory meeting).
13. Hoeheizen/Loevenstein (Steering Committee conducting the Urban Management Survey).
14. Scarborough (Waiting for details of Steering Committee and arranging a site visit to understand the intended boundaries).
15. Simonstown (Sent the introductory information on 13 October 2020 and still waiting for Steering Committee details).
16. Brooklyn/Ysterplaat/Rugby (Sent introductory information 13 November 2020 and the process has been suspended until further notice).
17. Noordhoek (The Steering Committee was finalised, held introductory meeting in April and commencing with the Urban Management Survey).
18. Parow East (Held introductory meeting and confirming Steering Committee prior to commencing with the Urban Management Survey).

Whilst the time lags appear to be lengthy between initial enquiries to establish a CID and the pursuit thereof the Steering Committee members have to be vetted to be property owners in the space and also to be in good standing with the City. The arrears profile is determined and a collection ratio of at least 95% on a 12 month moving average of the full municipal account must be achieved. Often these local champions lose sight of the process as they do this in their own time while still having a full time job and we have to remind them of the process or enquire as to if they are abandoning the process. Some responses indicate that they are still interested but are not in a hurry or personal circumstances have caused them to suspend the initiative but they will be pursuing establishment in the near future or they have changed their minds and will abandon the pursuit of a CID. It is important to note from the above that there are some 10 communities who are actively pursuing CID establishment and if successful, could increase the existing number of CIDs from 47 to 57 within the next 2 years which puts severe strain on the capacity of the CID Department to deal with them effectively and efficiently to ensure legislative compliance.

CID Forum meeting

The CID Forum quarterly meeting was held virtually on 29 June. Law Enforcement informed the CIDs that the contracts for the new year would be slightly delayed and that these officers would only be available from 1 August 2021. The CIDs were unhappy as this was sprung on them at such a late date and raised their concerns and frustrations as they could not afford to be without law enforcement assistance during these times as crime and unsociable behavior was on the increase given the state of the economy, the impact of COVID on individuals trying to exist and the businesses fighting for survival. The Solid Waste Department presented on the Waste Management Accreditation and the requirement and benefits for CIDs to be party to this accreditation. The Social Development and Early Childhood Development Department presented on the 'Strategy for People Living on the Streets' and thanked the CIDs for their ongoing participation in

this project as it will inform the Strategy Document. A representative from the CIDs was identified who would assist the City by coordinating inputs from the CIDs. The CIDs were also reminded to comment on the reviewed CID By-law and CID Policy which would undergo a formal public participation process in the next financial year and that they will be targeted by the CID Department to have a full workshop on the comments emanating from this process and how it could be included in these documents.

Existing CID boundary extensions

The following CIDs are at various stages in pursuing boundary extensions to include properties adjoining the CIDs to enhance service delivery:

- Blackheath Industrial CID (Council approved the boundary extension on 27 May 2021).
- Wynberg CID (This initiative has not progressed as the initiator appears to have lost interest).
- Green Point Improvement District (An introductory meeting including the way forward was held in April and the Business Plan is being prepared).

Applications for renewal of term

The following CIDs applied for a renewal of term (5 years) commencing 1 July 2021 which was subsequently approved by Council on 23 April 2021:

- Tyger Valley (Commercial)
- Blackheath (Industrial)
- Zwaanswyk (Residential)
- Sea Point (Mixed residential and commercial)
- Little Mowbray and Rosebank (Residential)
- Paarden Eiland (Industrial)
- Triangle Farm (Industrial)
- Oranje Kloof (Mixed residential and commercial)
- Green Point (Mixed residential and commercial)

Interactions with other Departments/Organisations

- Assisted the Resilience Department to involve the CIDs in the Sustainable Food Systems Project
- Shared the International Downtown Association experience iro urban gardening and recycling of waste with the Resilience Department and Waste Management Department, respectively
- Facilitated the involvement of the CIDs in the Social Development and ECD initiative iro dealing with People living on the Streets
- Presented the CID Model to and explored potential collaboration with CIDs with the following City Departments:
 - o Recreation and Parks
 - o Solid Waste Management
 - o Social Development and ECD
- Presented the CID Model to Subcouncil 16 on 11 May 2021.
- Participated in the Focus Group discussion as coordinated by Enterprise and Investments with National Treasury and the World Bank iro the City Support Programme
- Ongoing interactions with the Enterprise and Investments Department iro the Atlantis Special Economic Zone Project
- Attended the virtual meeting with Aachen iro the Executive Mayor's Urban sustainability initiatives and also ongoing interventions with the Aachen tandem partner regarding projects for a clean and safe city.
- Ongoing interactions with the Tshwane Metro iro advice on CID processes and methodology
- Ongoing interactions with Drakenstein Municipality and the community regarding the CID model and system requirements to process CID related matters.
- Advised Swellendam community on the requirements that have to be in place by the Swellendam Municipality to cater for CIDs.

Roles and Responsibilities meetings with CIDs

The CIDs are subjected to a vast and onerous legislative framework which includes the Companies Act. The latter places a fiduciary duty on the directors and notwithstanding that the CID Department shares detailed information with the CIDs, an added intervention came about where the CID Department meets with the CID Boards, Political Observers and management to make them aware of their roles and responsibilities, to discuss general concerns and to provide clarity on processes and controls. These interventions have been well received and those CIDs that have been involved have expressed their gratitude as this reduced personal and general risks as well as providing guidance to perform within the limitations of the law.

Meetings were held with the following CIDs during this quarter ending 30 June 2021:

- Observatory
- Muizenberg
- Mitchells Plain
- Scott Estate and Baviaanskloof
- Welgemoed
- Airport

Unfortunately, COVID and other constraints do not allow the CID Department to conduct these sessions more regularly and we have to arrange these meetings at mutually convenient times. It is envisaged to increase these meetings when circumstances allow. The CID Department also holds individual induction meetings with new managers to explain the various processes and controls including guidance on fiscal and administrative governance to facilitate legislative compliance and reporting.

Financial Impact of COVID on the CIDs

The financial impact on the CIDs has been huge and has impacted differently on the individual CIDs. The collection ratios are monitored very closely on a monthly basis and the CID Department engaged with the CIDs as to those actions they should institute in combatting the pandemic to avoid potential financial challenges. Each CID is dealt with on merit to ensure stability, sustainability and affordability whilst trying not to compromise on service delivery and avoiding potential job losses.

Notwithstanding, the collection ratio for the full municipal account collectively is indicating a constant upward trend since July 2020 and stands at 101% as at 30 June 2021.

Capacity Challenges of the CID Department

The capacity of the CID Department has been severely challenged for some years now and whilst some relief was forthcoming with the recent appointment of Ms Nonhlanhla Ngubane as the Professional Officer: CIDs Compliance, the PO: CIDs Establishment post and the SPO: CIDs Finance post have not been filled. An internal headhunting exercise proved unsuccessful to identify suitable candidates for the PO: CIDs Establishment as the applicants were found wanting in the assessment test as this is a technical position requiring specific skills relating to property data bases and the interrogation thereof. Accurate property data bases are paramount to the affordability and sustainability of the CIDs as it informs the billing universe and ensures that all those property owners who are eligible to contribute to the CID budget are included.

The SPO: CIDs Finance post was frozen in the corporate cost cutting exercises despite our protestation and is now again being pursued as it is paramount to ensure compliance by the 47 existing CIDs and to deal with the 23 communities pursuing CID establishment.

- 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
- Risk Implications Yes No

1. RECOMMENDATIONS

That the Urban Management Portfolio Committee note the report.

AANBEVELINGS

Dat die portefeuljekomitee oor stedelike bestuur kennis neem van die verslag.

IZINDULULO

Ukuba iKomiti yeMicimbi yoLawulo lweDolophu mayiqwalasele ingxelo.


ANNEXURES

N/A

FOR FURTHER DETAILS CONTACT


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DIRECTORATE	Urban Management	FILE REF No	
SIGNATURE : MANAGER			

EXECUTIVE DIRECTOR

NAME	Adv. B GERBER	COMMENT:
DATE	19/7/21	
SIGNATURE		

LEGAL COMPLIANCE

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

NAME	Joan-Mari Holt	COMMENT:
DATE		<div style="border: 1px solid black; padding: 5px;">For information.</div>
SIGNATURE	 <small>Digitally signed by Joan-Mari Holt Date: 2021.07.19 15:48:43 +02'00'</small>	