

ITEM NUMBER: C 23/05/16

RECOMMENDATION FROM THE EXECUTIVE MAYOR: 17 MAY 2016

MC 62/05/16 PROPOSED CLOSURE AND IN-PRINCIPLE APPROVAL FOR THE GRANTING OF LONG-TERM RIGHTS TO USE, CONTROL AND/OR MANAGE, BY WAY OF PUBLIC COMPETITION, CITY PROPERTY BEING PORTION 2 OF REMAINDER ERF 1056, GREEN POINT, SITUATED AT GRANGER BAY BOULEVARD, GREEN POINT, FOR BUSINESS PURPOSES

It is **RECOMMENDED** that:

- (a) in terms of the provisions of Regulation 36(a) of the Municipal Asset Transfer Regulations (R.878 - promulgated on 22/08/2008), Portion 2 of Remainder Erf 1056, Green Point, situated at Granger Bay Boulevard, in extent approximately 7385 m², zoned General Business Subzone 5 (GB5), shown lettered ABCDEF on Plan LIS 1358v0 attached as Annexure A to the report on the agenda, be regarded as not being required for the municipality's own use during the period for which the right is to be granted
- (b) Council confirms in terms of Regulation 36(b) of the Municipal Asset Transfer Regulations (R.878 - promulgated on 22/08/2008), it has taken into account the extent to which any compensation to be received for the right together with the estimated value of any improvements or enhancements to be made to the property described in (a) above will result in a significant economic or financial benefit to the municipality
- (c) in terms of Section 4 of Council's Immoveable Property By-law, 2015, Council approve the public place closure of Portion 2 of Remainder Erf 1056, Green Point
- (d) in terms of the provisions of Regulation 34(1)(b) of the Municipal Asset Transfer Regulations (R.878 - promulgated on 22/08/2008), the right to use, control or manage by way of public competition, vacant land being Portion 2 of Remainder Erf 1056, Green Point, situated at Granger Bay Boulevard, in extent approximately 7385 m², zoned General Business Subzone 5 (GB5), shown lettered ABCDEF on Plan 1358v0 attached as Annexure A to the report on the agenda, be granted in principle, subject to conditions to be imposed by the Director: Property Management in the exercise of her delegated authority, which will include *inter alia* the following conditions, that:
 - (i) an upfront rental payment of R100 000 000 (excluding VAT) or a monthly rental of R750 000 (excluding VAT) is expected;

- (ii) the lease will endure for a period of up to 25 years;
 - (iii) the rental will escalate at an escalation rate of 8% per annum;
 - (iv) rates and municipal charges, if applicable, will be levied;
 - (v) the lease be subject to compliance with any applicable statutory requirements;
 - (vi) any municipal services on site will be protected at all times and no buildings or permanent structures may be constructed over the municipal services;
 - (vii) any alterations to any municipal services requested by the lessee will be carried out at the lessee's cost;
 - (viii) any improvements or upgrades to the site requested by the lessee to fulfil its purpose will be carried out at the lessee's cost.
- (e) the objections submitted by the twelve parties or organisations as set out in paragraph 8.2 of the report on the agenda not be upheld.



REPORT TO COUNCIL

1. ITEM NUMBER:

2. SUBJECT

PROPOSED CLOSURE AND IN-PRINCIPLE APPROVAL FOR THE GRANTING OF LONG-TERM RIGHTS TO USE, CONTROL AND/OR MANAGE, BY WAY OF PUBLIC COMPETITION, CITY PROPERTY BEING PORTION 2 OF REMAINDER ERF 1056, GREEN POINT, SITUATED AT GRANGER BAY BOULEVARD, GREEN POINT, FOR BUSINESS PURPOSES

ONDERWERP

VOORGESTELDE SLUITING EN BEGINSSELGOEDKEURING VIR DIE TOESTAAN VAN LANGTERMYNREGTE OM STADSEIENDOM TE GEBRUIK, TE BEHEER EN/OF TE BESTUUR, DEUR MIDDEL VAN OPENBARE MEDEDINGING, NAAMLIK GEDEELTE 2 VAN RESTANT ERF 1056, GROENPUNT, GELEË TE GRANGER BAY-BOULEVARD, GROENPUNT, VIR SAKEDOELLEINDES

SIHLOKO

ISIPHAKAMISO SOKUVALWA NOKUPHUNYEZWA KOKUNIKEZELWA KWAMALUNGELO EXESHA ELIDE LOKUSEBENZISA, ULAWULO NOKUPHATHWA, NGENDLELA YOKHUPHISWANO LOLUNTU, KWEPROPATI YESIXEKO ESISIQEPHU-2 SENTSALELA YESIZA-1056, ESISE-GREEN POINT, ESIKWI-GRANGER BAY BOULEVARD, E-GREEN POINT, KULUNGISELELWA IMIBANDELA YEZOSHISHINO/YORHWEBO

[G3273]

3. STRATEGIC INTENT

SFA 1: THE 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

The purpose of this report is to obtain approval from Council for the closure and granting of rights to use, control and/or manage by public competition, City-owned property being portion 2 of remainder erf 1056, Green Point, at Granger Bay Boulevard, in extent approximately 7385 m², zoned General Business Subzone 5 (GB5), shown lettered ABCDEF on attached Plan LIS 1358v0 (**Annexure A**). The intention is to lease the property for a period of up to twenty-five years at a market-related rental for business purposes.

5. FOR DECISION BY

This report is for decision by Council

6. EXECUTIVE SUMMARY

It is intended to obtain approval from Council for the closure and granting of rights to use, control and/or manage, by public competition, City-owned property being portion 2 of remainder erf 1056, Green Point, at Granger Bay Boulevard, in extent approximately 7385 m², zoned General Business Subzone 5 (GB5), shown lettered ABCDEF on attached Plan LIS 1358v0 (**Annexure A**). The intention is to lease the property for a period of up to twenty-five years at a market-related rental for business purposes.

7. RECOMMENDATIONS

Not delegated: for decision by Council

It is recommended that:

- a) In terms of the provisions of Regulation 36 (a) of the Municipal Asset Transfer Regulations (R.878– promulgated on 22/08/2008), portion 2 of remainder erf 1056, Green Point, situated at Granger Bay Boulevard, in extent approximately 7385 m², zoned General Business Subzone 5 (GB5), shown lettered ABCDEF on attached Plan LIS 1358v0, attached marked Annexure A, be regarded as not being required for the municipality's own use during the period for which the right is to be granted;
- b) Council confirms in terms of Regulation 36 (b) of the Municipal Asset Transfer Regulations (R.878– promulgated on 22/08/2008), it has taken into account the extent to which any compensation to be received for the right together with the estimated value of any improvements or enhancements to be made to the

property described in 7 (a) will result in a significant economic or financial benefit to the municipality;

- c) In terms of Section 4 of Council's Immovable Property By-law 2015, Council approve the public place closure of portion 2 of remainder erf 1056, Green Point;
- d) In terms of the provisions of Regulation 34 (1)(b) of the Municipal Asset Transfer Regulations (R.878– promulgated on 22/08/2008), the right to use, control or manage by way of public competition, vacant land being portion 2 of remainder erf 1056, Green Point, situated at Granger Bay Boulevard, in extent approximately 7385 m², zoned General Business Subzone 5 (GB5), shown lettered ABCDEF on attached Plan 1358v0 marked Annexure A, be granted in principle, subject to conditions to be imposed by the Director: Property Management in the exercise of her delegated authority, which will include inter alia the following conditions:
- (i) an upfront rental payment of R100 000 000 (excluding VAT) or a monthly rental of R750 000 (excluding VAT) is expected;
 - (ii) the lease will endure for a period of up to 25 years;
 - (iii) the rental will escalate at an escalation rate of 8% per annum;
 - (iv) rates and municipal charges, if applicable, will be levied;
 - (v) the lease be subject to compliance with any applicable statutory requirements;
 - (vi) any municipal services on site will be protected at all times and no buildings or permanent structures may be constructed over the municipal services;
 - (vii) any alterations to any municipal services requested by the lessee will be carried out at the lessee's cost;
 - (viii) any improvements or upgrades to the site requested by the lessee to fulfil its purpose will be carried out at the lessee's cost.
- e) The objections submitted by the twelve parties or organisations as set out in paragraph 8.2 of this report not be upheld.

AANBEVELINGSNie gedeleger nie: for beluitneming deur die Raad

Daar word aanbeveel dat:

- a) Ingevolge die bepalings van regulasie 36 (a) van die regulasies op die oordrag van munisipale bates (R.878 – gepromulgeer op 22/08/2008), gedeelte 2 van restant erf 1056, Groenpunt, geleë op Granger Bay-boulevard, ongeveer 7 385 m² groot, gesoneer algemene sake-subson 5 (GB5), aangetoon deur die letters ABCDEF op die aangehegte plan LIS 1358v0, aangeheg en gemerk as bylae A, nie nodig geag word vir die munisipaliteit se eie gebruik gedurende die tydperk waarvoor die reg toegestaan sal word nie;
- b) Die Raad bevestig ingevolge regulasie 36 (b) van die regulasies op die oordrag van munisipale bates (R.878 – gepromulgeer op 22/08/2008) dat oorweging geskenk is aan die mate waartoe enige vergoeding ontvang staan te word vir die reg, asook aan die beraamde waarde van enige ontwikkeling of verbetering wat aan die eiendom wat in 7(a) beskryf word, gemaak staan te word, 'n beduidende ekonomiese of finansiële voordeel vir die munisipaliteit inhou;
- c) Ingevolge artikel 4 van die Stad Kaapstad se Verordening op Onroerende Eiendom, 2015, die Raad die openbare plek sluiting van gedeelte 2 van restant erf 1056, Groenpunt goedkeur;
- d) Ingevolge die bepalings van regulasie 34 (1)(b) van die regulasies op die oordrag van munisipale bates (R.878– gepromulgeer op 22/08/2008), die reg op die gebruik, beheer of bestuur deur openbare mededinging van onbeboude grond, naamlik gedeelte 2 van restant erf 1056, Groenpunt, geleë te Grangerbaai-boulevard, ongeveer 7385 m² groot, gesoneer algemene sakesubson 5 (GB5), aangetoon deur letters ABCDEF op die aangehegte plan 1358v0 gemerk as bylae A, in beginsel toegestaan word onderworpe aan die voorwaardes wat die direkteur: eiendomsbestuur in die uitvoering van haar gedelegerde bevoegdheid oplê, wat onder andere die volgende insluit:
 - (i) 'n vooruitbetaalde huurbedrag van R100 000 000 (BTW uitgesluit) of 'n maandelikse huurbedrag van R750 000 (BTW uitgesluit) word verwag;
 - (ii) die huurooreenkoms vir 'n tydperk van tot 25 jaar sal duur;
 - (iii) die huur sal jaarliks teen 'n koers van 8% toeneem;
 - (iv) eiendomsbelasting en munisipale gelde, indien van toepassing, sal gehef word;

- (v) onderworpe aan die nakoming met enige ander statutêre vereistes;
 - (vi) enige munisipale dienste op die perseel sal te alle tye beskerm word en geen geboue of permanente strukture mag oor die munisipale dienste opgerig word nie;
 - (vii) enige veranderinge aan enige munisipale dienste wat deur die aansoeker versoek word, sal op die huurder se onkoste gedoen word;
 - (viii) enige opknapping of opgraderings aan die perseel wat deur die huurder versoek word om sy doel te bereik sal op die huurder se onkoste gedoen word;
- e) Die besware ingedien deur die twaalf partye en organisasies, soos in paragraaf 8.2 van hierdie verslag uiteengesit, nie gehandhaaf word nie.

IZINDULULO

Azigunyaziswanga: isigqibo seseBhunga

Kundululwe ukuba:

- a) Ngokwemimiselo yoMgaqo-36(a) ongeMigaqo yokuTshintshelwa kweMpahla kaMasipala (R.878– emiselwe ngowama-22/08/2008) isiqephu-2 sentsalela yesiza-1056, esise-Green Point, esikwi-Granger Bay Boulevard, esibukhulu obumalunga nama-7385 m², esicandwe njengommandlana-5 ongezorhwebo ngokuphangaleleyo (GB5), obonakaliswe ngoonobumba abakhulu u-ABCDEF kwiplani eqhotyoshelweyo engu-LIS 1358v0, ephawulwe kwisihlomelo-A, masithatyathwe njengesingeyomfuneko ukusetyenziselwa imibandela kamasipala kwisithuba sokunikezelwa kwelungelo;
- b) IBhunga maliqinisekise ngokoMgaqo-36(b) weMigaqo engokuTshintshelwa kweMpahla kaMasipala (R.878–emiselwe ngowama-22/08/2008), ukuba ngokuthabatha isigqibo kumhlathi-7(a) lithathele ingqalelo ubungakanani apho nayiphina imbuyekazo ekufuneka ifunyanwe yelungelo apho enexabiso eliqikelelweyo ngalo naluphina uphuculo okanye ukomelezwa ekufuneka lwenziwe kwipropati ecaciswe ku-7(a), kuyakuthi kubengumphumela yenzuzo ngezozoqoqosho okanye eyezimali kumasipala;
- c) Ngokungqinelana necandelo 4 loMthetho kaMasipala oPhathelene neePropati eziNkulu wango-2015, iBhunga maliphumeze ukuvalwa kwendawo yoluntu kwesiqephu 2 sentsalela yesiza-1056, Green Point;
- d) Ngokwemimiselo yoMgaqo-34 (1)(b) ongeMigaqo yeNkqubo yokuTshintshelwa kweMpahla kaMasipala (R.878– omiselwe ngowama-22/08/2008)

makunikezelwe ngokomthetho-siseko ilungelo lokuvalwa, ukwahlulwa-hlulwa, lokusebenzisa, lokulawula okanye lokuphatha engokwendlela yokhuphiswano loluntu, komhlaba ovulelekileyo osisiqephu-2 sentsalela yesiza-1056, esise-Green Point, kwi-Granger Bay Boulevard, esibukhulu obumalunga nama-7385 m², esicandwe njengommandlalana-5 ongezorhwebo ngokuphangaleleyo (GB5), obonakaliswe ngoonobumba abakhulu u-ABCDEF kwiplani engu-1358v0, eqhotyoshelwe yaphawulwa kwisihlomelo-A, ngokuxhomekeke kwimiqathango eyakuthi inyanzeliswe nguMlawuli woLawulo lwePropati, esebenzisa amagunya awagunyaziselweyo, apho ayakuthi aquke, phakathi kwezinye izinto, le miqathango ilandelayo, yokuba:

- (i) kulindeleke ukuba kuhlalulwe intlawulo eyenziwa kwangaphambili eli-R100 000 000 (ngaphandle kweRhafu-ntengo) okanye irenti yarhoqo ngenyanga engama-R750 000 (ngaphandle kweRhafu-ntengo);
 - (ii) Uqeshiso olu luyakuthi luqhubekeke isithuba seminyaka engama-25;
 - (iii) Irenti iyakuthi inyuke ngonyaka ngokomlinganiselo we-8% ngonyaka;
 - (iv) Kuyakuthi kuhlalulwe iirhafu neentlawulo zikamasipala, xa kufanelekile
 - (v) Uqeshiso malixhomekeke ekuthotyelweni kayo nayiphina imimiselo efanelekileyo yomthetho;
 - (vi) Kuyakuthi kukhuseleke naziphina iinkonzo zikamasipala kwisiza ngalo lonke ixesha kwaye akusayi kuvunyelwa ukuba kwakhiwe izakhiwo okanye izakheko ezisisigxina kwiinkonzo zikamasipala;
 - (vii) Naluphina uguqulelo kwiinkonzo zikamasipala olucelwe ngumfaki-sicelo, luyakuthi luqhutywe ngokwendleko zomfaki-sicelo/zalowo uqeshiselweyo;
 - (vii) Naluphina uphuculo okanye ukuhlaziywa kwisiza olucelwe ngumqeshiselwa ngenjongo yokuzalisekisa injongo yalo, luyakuthi luqhutywe ngokwendleko zomqeshiselwa.
- (e) Mazingaxhaswa izichaso ezingeniswe yimibutho okanye amaqela alishumi elinesibini njengoko kubonakalisiwe kumhlathi 8.2 wale ngxelo.

8. DISCUSSION/CONTENTS

8.1 Background

Portion 2 of erf 1056 is a gravelled parking area site of 7385 m² ('the Site') that is adjacent to the stadium on Granger Bay Boulevard and is currently used for overflow parking. It offers a desirable location near the retail hub of Green Point with good access to public transport and is considered suitable for retail and commercial development. Being strategically situated in the stadium precinct, the development of the site is expected to catalyse the commercialisation of the precinct.

The Site has recently been rezoned to General Business Subzone 5 (GB5), which allows the development of approximately 29 000 m² of space, with a height restriction of 25m (8 storeys). It is expected to be developed to provide a medium-rise complex of buildings incorporating parking, ground-floor retail and commercial components. Design Guidelines have been proposed by the Spatial Planning and Urban Design Department to ensure the proposed building(s) on the Site provide a good visual fit with the existing buildings in the area – see **Annexure B**.

The Site will be offered in terms of an upfront lease payment or an equivalent monthly rental payment escalating at a market-related rate. The City has opted to lease rather than sell the Site as this would enable it to retain ownership of an asset of strategic importance. A lease duration of 25 years is considered desirable as this would result in a lease value that is equal to the value that would be obtained from an outright sale, with the added benefit that the asset would revert to the City after 25 years. This duration is also regarded as sufficiently long to enable a developer of the Site to amortise the costs of constructing the building(s) thereon.

The construction value of the buildings to be erected on the Site is expected to be of the order of R600 million. The development of the Site will create a number of jobs during the anticipated construction period of 24 months and the completed building(s) thereon are expected to generate sustainable new jobs, specifically with regard to building cleaning, security and landscaping services. In addition, an envisaged retail component of 3800 m² on the ground-floor of the proposed development is expected to create further sustainable work opportunities.

8.2 Public Participation

In accordance with the authority obtained from Council on 19 August 2015, Council's intention to close and lease the subject property was advertised as follows (see **Annexure C**):

Advertising	Cape Times & Burger	28 August 2015
	Provincial & National Treasury	18 December 2015
	Ward Councillor	18 December 2015
	Subcouncil Chair & Manager	18 December 2015
Outcome	Objections	Yes

During the Public Participation Process, twelve objections were received (**Annexures D1 – D10**) - from AJ Phillips, Simon van der Stel Foundation (Cape Town), Elizabeth Knight, Claudia Scherer-Scheltema and Charles Scheltema, Ben Rabinowitz, Seafront for All, Janey Ball, Mouille Point Ratepayers Association, Green Point Ratepayers & Residents Association, Ralph Malan, Barry J Shipman and Jenny McQueen.

8.2.1. Reasons for objections

- The property is zoned Public Open Space;
- The original erf 1056, Green Point, was granted to the Municipality, subject to its status being commonage for the use of the people of Cape Town;
- The Record of Decision (ROD) of 2007 makes no mention of the sale or lease of parts of the Common;
- What is being proposed for the site bears no relation to what was contained in the Record of Decision (ROD) of 2015;
- It would be to the City's advantage to retain the property;
- The City has not handled the Public Participation Process (PPP) properly and the PPP advertisement was insufficient;
- The development of the land will have a negative impact on the area's sewerage system;
- The development of the land will have a negative impact on traffic and parking in the area.

8.2.2 Property Management Department's response to reasons for objections

- On 11 November 2015, the City's Spatial Planning, Environment and Land Use Management Committee (SPELUM) resolved that the subdivision of remainder erf 1056, Green Point, be approved, and that the rezoning of the property (indicated as portion 2 on the plan of subdivision) to a zoning of General Business Subzone 5 (GB5) be approved. No appeals were lodged against this decision.
- The Record of Decision (ROD) of 2007 was amended on 20 October 2015 and the Description and Location of Activities thereon were amended to read 'The Stadium Precinct will be operated as a multi-purpose facility for recreation and sporting events of various sporting codes as well as commercial and general business activities.'
- The City will be retaining the property and will be granting long-term lease rights in respect thereof;
- The intended lease was advertised in the local press in terms of the Municipal Asset Transfer Regulations (MATR) for public comment on 28 August 2015. Although the Property Management Department had received some enquiries regarding the intended lease, no comments and/or objections from the public were received by the closing date of 21 September 2015.

Following the conclusion of the statutory advertisement and on confirmation by 18 December 2015 that no appeals were lodged against the Council's decision to rezone and subdivide the erf to General Business Subzone 5 (GB5), a notice was sent to the subcouncil confirming the public advertisement for the lease of the property.

The notice also called for the subcouncil to solicit any further or additional comments from the relevant ratepayers associations by 15 January 2016. Any further comments solicited would be discussed at the subcouncil meeting in January 2016 and be included in the in-principle report to Council for the lease of the property. The request for further or additional comment was a concession to facilitate discussion at the subcouncil meeting.

Due to concerns expressed at the subcouncil meeting in January 2016, the matter was deferred to allow for further or additional comments on the intended lease until 3 February 2016.

- As part of the rezoning process, the effects on infrastructure of the development of the property were assessed. The zoning was granted as the

City was satisfied that the existing infrastructure will be able to accommodate the development of the property. Future developments on the property will need to adhere to the zoning conditions, including infrastructure requirements.

Conclusion

The objections submitted by interested and affected parties or organisations should not be upheld.

8.3 Constitutional and Policy Implications

- (i) Chapter C of Council's policy relating to the Management of Certain of the City of Cape Town's Immovable Property, as approved by Council on 26 August 2010 (C 54/08/10), permits the letting of immovable property.
- (ii) A resolution to proceed with the letting of this property is supported by the applicable policies.

8.4 Sustainability Implications

Does the activity in this report have any sustainability implications for the City?

No

Yes

8.5 Legal Implications

- 8.5.1 The proposal complies with regulation 36 (a) of the Municipal Asset Transfer Regulations (R.878) (MATR), in that relevant branches of Council have confirmed that the facility is not required for municipal purposes during the period for which the right is to be granted;
- 8.5.2 Section 4 of the Council's Immovable Property By-law 2015 permits the closure of public place. Twelve objections to the closure and lease were received (see **Annexures D1 – D10**). The department's response to these is dealt with in section 8.2.2 of this report.
- 8.5.3 The Municipal Asset Transfer Regulations (R.878) Chapter 4, Regulation 34(2), in effect from 1 September 2008 (the MATR), provide that Council may approve the granting of long-term rights to use, control or manage municipal capital assets where the asset is valued at more than R10 million;
- 8.5.4 In terms of Reg 36 of the Municipal Asset Transfer Regulations (R.878) (MATR), Council must, when considering approval for the granting of a right to use, control or manage a capital asset, take the following factors into account:

- **Factor A: Whether the capital asset may be required for the municipality's own use during the period for which the right is to be granted;**

The Council's service branches have confirmed that the property will not be required for the municipality's own use during the period for which the right is to be granted.

- **Factor B: The extent to which any compensation to be received for the right together with the estimated value of any improvements or enhancements to the capital asset that the private sector party or organ of state to whom the right is granted will be required to make, will result in a significant economic or financial benefit to the municipality;**

Council will not make a loss, but will gain a financial benefit in the form of a market-related rental once the building(s) on the site has been completed. The securing of a tenant by way of public competition and the enterprise/activity to be conducted on the site will maximise the potential use and return on investment on a strategic Council property. The lease of the asset will support the strategic objectives of Council to stimulate economic growth and/or enhance access to commercial facilities. Council will also benefit by retaining ownership of this strategic asset.

A desktop assessment of the market rental of the property has concluded that based on the residual land value method, the estimated market rental value for the property is either an upfront payment of R100 million (excluding VAT) or a monthly rental of R750 000 (excluding VAT) (see **Annexure E**). This rental is valid for a proposed lease term of 25 years, with escalation of 8% per annum.

- **Factor C: the risks and rewards associated with the use, control or management of the capital asset in relation to the municipality's interests;**

The lessee will be responsible for the development of the property and the upkeep, maintenance and security of the building(s) thereon;

- **Factor D: any comments or representations on the proposed granting of the right received from the local community and other interested persons;**

The City's intention to sell the subject property was advertised on 28 August 2015 and twelve objections were received. These objections, as well as the department's response thereto, have been dealt with in section 8.2 of this report;

- **Factor E: any written views and recommendations on the proposed granting of the right by the National Treasury and the relevant Provincial Treasury;**

No comment received;

- **Factor F: 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 through the letting of the asset - in fact they will be supported in that a City-owned asset will be upgraded, thereby increasing its value.

- **Factor G: compliance with the legislative regime applicable to the proposed granting of the right;**

The proposal is compliant with the provisions of the MATR and with the City's Disposal Management System applicable to the letting of City-owned capital assets.

8.6 Staff Implications

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

No

8.7 Risk Implications

No operational or control risk to the City

8.8 Other Services Consulted

The proposed lease of the property was circulated to the relevant departments of the City and to external departments for comment. None of the departments require the property for municipal use, but the following comments have been received:

8.8.1 City Health

- The submission of a noise impact assessment (NIA) in accordance with SANS 10328 is necessary to establish the noise impact rating of the proposed land use.

8.8.2 Environmental Resource Management

- The historical mature trees that form part of the rectangle of trees that frame the track should be retained and incorporated into the landscaping of the site
- The design of the basement parking should be planned to avoid damage to the root zone of the trees and continuous water supply should be ensured
- The existing architectural and landscaping guidelines applicable to the remainder of the Common should inform any future development and be included in the revised Site Development Plan (SDP)
- Landscaping should preferably be indigenous and water-wise in line with the existing landscaping along Helen Suzman Boulevard and elsewhere on the Common. Hard landscaping should preferably continue with the natural stone theme used in other parts of the Common
- Measures should be taken to avoid polluted stormwater from the site running out to sea during construction

8.8.3 Spatial Planning and Urban Design

- This department has suggested some guidelines for the built form – these are attached as **Annexure B**.


9. SUBCOUNCIL RECOMMENDATION

Subcouncil 16 on 15 February 2016 (See Item 16SUB18/02/2016 attached as **Annexure F**) resolved to note the recommendation to council for the closure and granting of long-term rights to use, control or manage Portion 2 of Remainder erf 1056, Green Point.

ANNEXURES

Annexure A:	Plan LIS 1358v0
Annexure B:	Design Guidelines - Spatial Planning and Urban Design
Annexure C:	Statutory advert for closure and lease of property
Annexure D1-D10:	Comments and Objections received
Annexure E:	Desktop valuation report dated 27 May 2015
Annexure F:	Subcouncil resolution (Item 16SUB18/02/2016)

FOR FURTHER DETAILS CONTACT:

NAME	JASON TOAY
CONTACT NUMBERS	(021) 400 4981
E-MAIL ADDRESS	jason.toay@capetown.gov.za
DIRECTORATE	FINANCE
FILE REF NO	14/3/4/3/1123/A07
SIGNATURE : MANAGER PROPERTY DEVELOPMENT	 2016.05.04

Comment:


 DIRECTOR: PROPERTY MANAGEMENT IN HER
 CAPACITY AS NOMINEE FOR THE EXECUTIVE
 DIRECTOR: FINANCE
 RUBY GELDERBLOEM

NAME RUBY LEONI GELDERBLOEM
 DATE 2016-05-04

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

LEGAL COMPLIANCE

NON-COMPLIANT

NAME CHARLYNNE ARENOSE
 TEL 021 400 1265
 DATE 12.05.2016

Comment:

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



A.G. Ras

183

EXECUTIVE DIRECTOR: CORPORATE SERVICES AND COMPLIANCE (ED: CORC)

GERHARD RAS

DATE

16/5/16

- SUPPORTED FOR ONWARD SUBMISSION TO MAYOR / MAYCO / COUNCIL
- AUDIT/PERFORMANCE AUDIT
- NOT SUPPORTED
- REFERRED BACK

COMMENT:

[Signature]

MAYORAL COMMITTEE MEMBER

COMMENT:

NAME

ID NELSON

DATE

16/5/16
