



# ***BUFALLO CITY METROPOLITAN DEVELOPMENT AGENCY***

PROGRAMME OF THE SELECT COMMITTEE ON TRADE & INDUSTRY,  
ECONOMIC DEVELOPMENT, SMALL BUSINESS DEVELOPMENT,  
TOURISM, EMPLOYMENT AND LABOUR

CHAIRPERSON: HONOURABLE MI RAYI  
*TUESDAY, 09 NOVEMBER 2021*



[www.bcnda.org.za](http://www.bcnda.org.za)



# Mandate of BCMDA

The Buffalo City Metropolitan Agency (BCMDA) is a municipal entity wholly owned by the Buffalo City Metropolitan Municipality and established in terms of S76 of the Municipal Systems Act, 32 of 2000.

BCMDA was established as a profit company on 20 April 2016, in terms of the Companies Act, 1973 as amended. This allows the Agency to transact, generate funds and have a borrowing capacity to carry its mandate to increase economic growth through tourism, economic and social development as well as property management and commercialisation.

The BCMDA is established as a juristic person operating as a municipal entity, which has been classified in terms of the Municipal Finance Management Act. As an entity of BCMM, the BCMDA thus extends the BCMM's capability with respect to the identification, planning and implementation of development projects for the benefit of the entire municipal area.

# Rationale

- South African Constitution S152(1)(c):
  - *one of the objects of local government is to promote social and economic development*
- In schedule 4 Part B local government's list of functions include but are not limited to:
  - *local tourism, municipal planning and municipal public transport*
- Municipal Systems Amendment Act 44 of 2003 (MSA):
  - *Chapter 8A S86B (1)(a) a provision is made of a private company as a municipal entity*
  - *S86E (1) (b) the amended act provides: the municipality may establish a private company for purposes of performing a function or power in accordance with business practices in order to achieve the strategic objectives of the municipality more effectively and to the benefit of the community*

*Consequently, the Mol states that the Agency shall be empowered to take any such actions within its scope of authority to further the above mandate, including, but not limited to:*

- To conduct **regular communication** with all stakeholders.
- To launch, manage and/or monitor **any study** that may be necessary to further the objectives of the Agency.
- To negotiate, enter into and administer **contracts** in furtherance of its objectives.
- To collect income, raise, receive and hold **funds, or receive guarantees**, from any lawful source, for the purposes of the BCMDA and to manage, administer and disburse those funds in pursuance of the objects of the BCMDA and for administrative purposes in accordance with the terms and conditions determined by the BCMDA.
- To conduct and operate **any financial assistance, subsidy or incentive programme** necessary to ensure the most advantageous development projects for the Municipality.

# BCMDA Impact Statement

**Creating a uniquely  
homecoming African-  
global city that drives  
inclusive opportunities and  
prospects that improve the  
quality of life for its  
citizens**



# Outcomes



Creating a uniquely  
homecoming  
African-global city  
that drives inclusive  
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1

**Dynamic Tourist attraction**

2

**Attractive home for global investments**

3

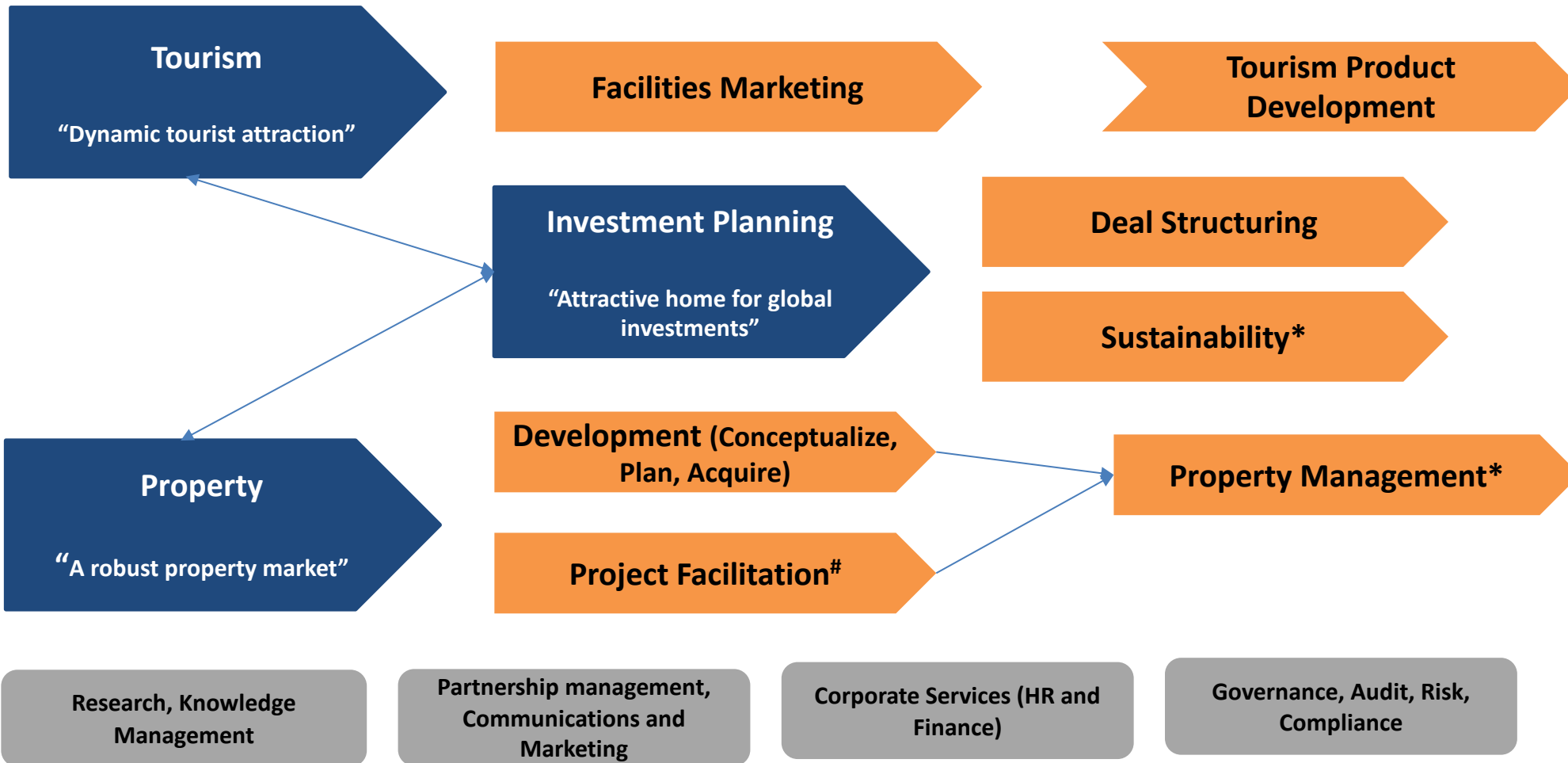
**A robust property market – through supporting the acquisition of land, construction and management**

4

**A well-governed and viable agency**

IMPACT NO.	OUTCOME	OUTCOME INDICATOR
1	Dynamic tourist attraction	Number of Tourists Coming into (visiting) the Metro
		Amount of revenue [ZAR] generated from the Tourism Industry for the Metro
2	Attractive home for global investments	Number of investments made into the BCMDA projects
		Size of Investments [ZAR] made into the BCMDA projects
		Number of socio-economic development projects initiated
3	A robust property market	Number of property opportunities initiated
4	A well-governed and viable agency	Achievement level on administrative requirements

# BCMDA Value-chain



"A well governed and viable agency"



# The Economic Reconstruction & Recovery Plan

## Phases of the plan

### **Phase 1:**

Engage and Preserve

### **Phase 2:**

Recovery and Reform

### **Phase 3:**

Reconstruct and Transform

## Elements of the plan

- Aggressive infrastructure investment
- Employment orientated strategic localization, reindustrialization and export promotion
- Energy security
- support for tourism recovery and growth
- Gender equality and economic inclusion of women and youth
- Green economy interventions
- Mass public employment interventions
- Strengthening food security
- Macro-economic interventions

# RESPONSE TO THE RECOVERY PLAN

## ELEMENTS OF THE PLAN

- Aggressive infrastructure investment
- Employment orientated strategic localization,
- Reindustrialization and export promotion
- Energy security
- Support for tourism recovery and growth
- Gender equality and economic inclusion of women and youth
- Green economy interventions
- Mass public employment interventions
- Strengthening food security
- Macro-economic interventions

BCMDA projects target multiple elements of the recovery plan



**AGGRESSIVE INFRASTRUCTURE  
INVESTMENT & SUPPORT FOR TOURISM  
RECOVERY AND GROWTH**

# **WATER WORLD WATERPARK**

## PROJECT AIM:

- Diversify BCMM tourism product offering
- Increase domestic tourism
- Improve living standards
- Position BCMM as a destination for visitors

## PROJECT DELIVERABLES:

- World Class entertainment water park
- Eventing facilities
- SMME trading space

**JOBS CREATED: 100**

**SMME Contracted: 13**

**PROJECT VALUE: R 103 millions**

**PROJECT STAGE: 65 % completed**



# WATER WORLD WATERPARK





**AGGRESSIVE INFRASTRUCTURE  
INVESTMENT & SUPPORT FOR TOURISM  
RECOVERY AND GROWTH**

# **COURT CRESCENT AMPHITHEATRE**

## PROJECT AIM

- Diversify BCMM tourism product offering
- Increase domestic tourism
- Improve living standards
- Position BCMM as a destination for visitors

## PROJECT DELIVERABLES:

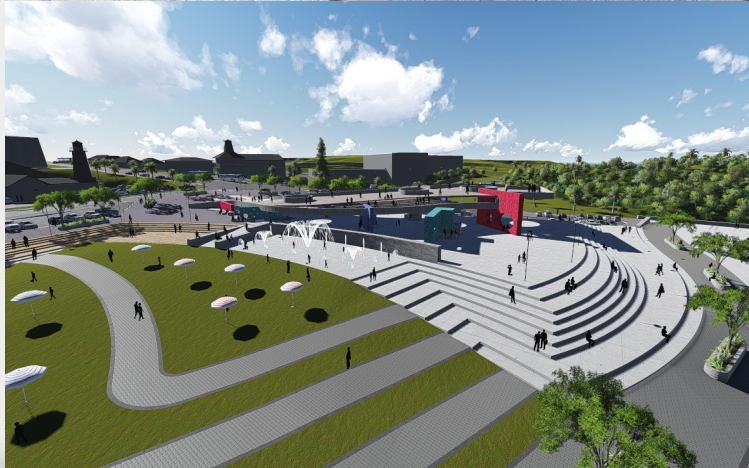
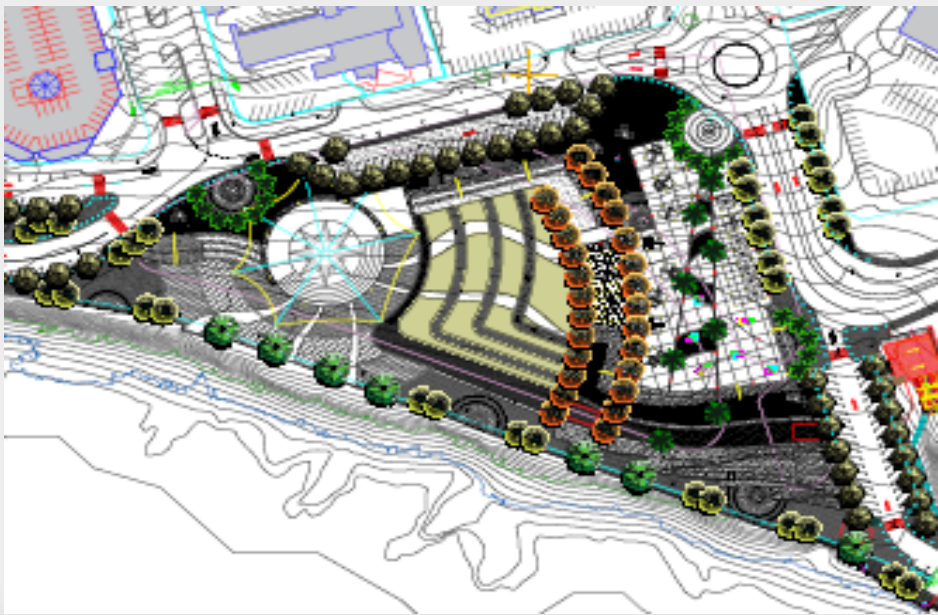
- Multi-purpose amphitheatre and public open space
- Relaxation and picnic space
- Outdoor gym
- Information centre for tourists
- SMME trading space

**JOBS CREATED: 57    SMME contracted: 11**

**PROJECT VALUE: R 87 Million**

**PROJECT STAGE: 60 % completed**









**SUPPORT FOR TOURISM  
RECOVERY AND GROWTH**

**DUNCAN VILLAGE  
ROUTE DEVELOPMENT**

## PROJECT AIM:

- To use the Duncan Village Tourism route as a site for integrated development
- To use the route as a source for SMME development and economic inclusion.

## PROJECT DELIVERABLES:

- SMME Development ,
- Placemaking ,
- Socio Economic inclusions and cohesion ,
- Tourism Development ,
- Property development

**TO BE CREATED:** 60 jobs within two years.

## INVESTMENT REQUIRED:

- Rubusana gravesite , Rubusana International Botanical Garden, Mzonyana Grave site , Clements Kadalie (ICU square) , Duncan Village Museum, Library & Community Center and SMME District ( Douglas street).

### Artist impression:

Custom mosaic representation of Dr. Rubusana. Total size of mosaic: 1500mm [h] X 1300mm [l]. Mosaic section edges to be finished off 12mm tile trim.

Granite plaque to be installed at the base of the artwork (underneath the mosaic section). Total size: 300mm [h] X 1300mm [l] X 3mm [w]. Supplied text to be laser-etched on brass sheet.





**COMING SOON!**  
**DUNCAN VILLAGE**  
**BUY-BACK CENTRE**

**GREEN ECONOMY INTERVENTIONS,  
MASS PUBLIC EMPLOYMENT  
INTERVENTIONS**

*Mobile Buy-back units will be doing collections, until the Duncan Village Ward 2 Buyback Centre is operational*

**THE BUY-BACK CENTRE WILL BE COLLECTING THE FOLLOWING RECYCLABLES:**

**PAPER**

- Grey Backing Boxes (23 PPB)
- White Office Paper (22 PAP)
- Cardboard (20 PAP)
- Magazines, Mixed Paper & Newsprint (21 PAP)

**GLASS**

- Crushed & Uncrushed (No windscreen & windowpane glass) (73 GLS)

**TETRA PAK**

- Milk & Juice Cartons

**METAL**

**PLASTIC**

**PLEASE RINSE & REMOVE BOTTLE CAPS PRIOR TO DELIVERING**

**DUNCAN VILLAGE  
INTEGRATED WASTE  
MANAGEMENT  
PROGRAMME**

## PROJECT AIM:

- Develop & deepen recycling value chain
- Create easy entry job opportunities
- Create opportunities for economic inclusion
- Create space for innovation and sector development

## PROJECT DELIVERABLES:

- Waste Picker network for Duncan Village
- Buyback center created
- Waste recycling facility

**JOBS CREATED:** 77 participants currently. Expected further jobs 10

**SMMES:** 3 benefited currently. Expected further SMME to be supported 3.

**PROGRAMME BUDGET:** R 49 million over 3 years

**PROJECT STAGE:** Implementation inception



**COMING SOON!**  
**DUNCAN VILLAGE**  
**BUY-BACK CENTRE**

*Mobile Buy-back units will be doing collections, until the Duncan Village Ward 2 Buyback Centre is operational*

**THE BUY-BACK CENTRE WILL BE COLLECTING THE FOLLOWING RECYCLABLES:**





***The Duncan Village Integrated Waste Management program was launched by Executive Mayor X. Pakati on the 22<sup>nd</sup> of October 2021***



**GREEN ECONOMY INTERVENTIONS,  
MASS PUBLIC EMPLOYMENT  
INTERVENTIONS:**

**INTEGRATED WASTE  
MANAGEMENT, GREENING &  
BEAUTIFICATION**

**(Presidential Employment Stimulus)**

## PROJECT AIM:

- Promote Good Green Deeds programme
- Beautification of public spaces & placemaking
- Enhance safety
- Test new public employment approaches targeting unemployed youth and graduates

## PROJECT DELIVERABLES:

- Cleaner & safer public spaces
- Enhanced tourism potential of city
- SMME development opportunities

**JOBS TO BE CREATED:** 286 ( over 6 months)

**PROJECT STAGE :** Proposal at adjudication stage

**PROJECT VALUE:** R 9 700 000



## PROJECTS PACKAGED FOR VARIOUS TYPES OF INVESTORS THROUGH BCMDA APPOINTED FUND ORIGINATORS – TURNKEY PROCESS / LEASE ONLY

- BCMDA appointed consortia of **Fund Originators** in August 2018 and at procurement stage for the second cycle
- The purpose of a Fund Originator is to assist the Agency with **raising funding / investments, finding developers and property managers** for specific and targeted projects as per its mandate from the BCM
- This mode of funding is normally used where an entity or municipality does not have the financial muscle to develop target areas
- A **“turnkey” process** is then followed where certain legal instruments, such as a lease, are used as an attraction for any such developments with the full investment reverting back to BCM after expiry of the lease



# PROJECT TO BE IMPLEMENTED: MARINA GLEN A

- Preferred Developer:
- PROCUREMENT STAGE
- Type of Development:
- Office, Retail, Hotel and Accommodation
- Investment value:
- R1.5 billion
- Lease period:
- 60 years



## PROJECTS TO BE IMPLEMENTED :



## SEA VIEW TERRACE

**Preferred Developer:**  
Penrose Context JV

**Type of Development:**  
AC by Marriot Hotel (4 Star)

**Investment value:**  
R350 million

**Potential Lease period:**  
60 years

# PROJECTS TO BE IMPLEMENTED FROM : SLEEPERSITE MIXED USE PRECINCT

- Preferred Developer:
- PROCUREMENT STAGE
- Type of Development:
  - Municipal Precinct
  - Civic Center
  - Arts and Cultural Center
  - Retail
  - Student Accomodation
  - Residential (rental)
- Investment value:
  - R3,5 billion
- Potential Lease period:
  - 60 years

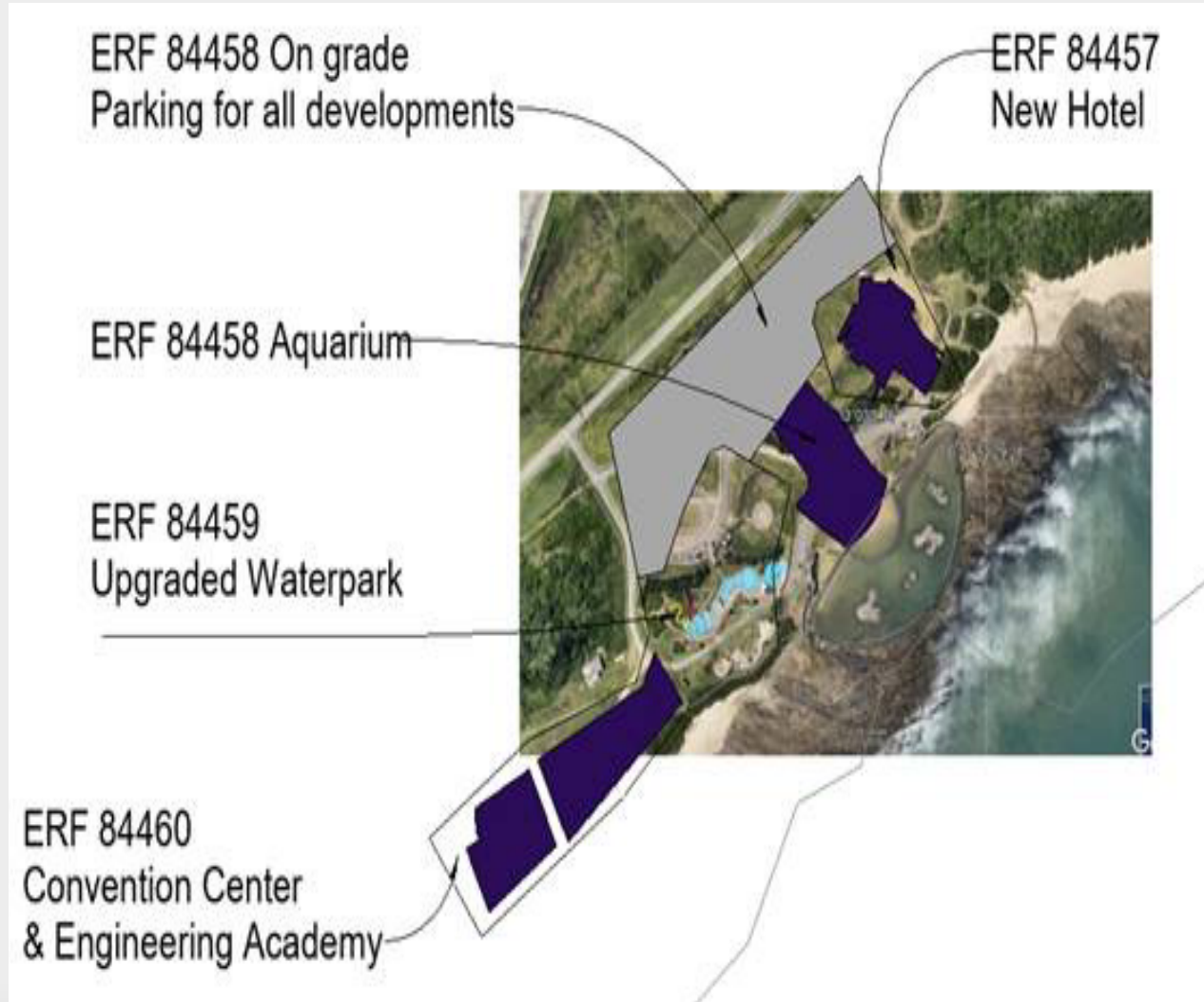


## SLEEPER SITE PRECINCT

The following developmental objectives were identified for this precinct:

- To build an **inner city that is functional and liveable**
- To improve the **aesthetics and the built environment** i.e. through improved lighting and landscaping, cleanliness and safety (including the perception of personal safety) and the optimisation of the use of existing facilities by redefining their hierarchy and role within the CBD.
- To enable **integration, accessibility and connectivity of the East London CBD** to the wider surrounding inner-city areas particularly the **Sleeper Site, Beach Front and Quigney**.

# WATERWORLD IA – HOTEL AND OCEAN DISCOVERY CENTER



## **Preferred Developer:**

Penrose Context JV

## **Type of Development:**

Hotel (4 Star)

Ocean Discovery Center

Convention Center

## **Investment value:**

R1,5 billion

## **Potential Lease period:**

90 years

# Phased-development

## Phase 1A:

- Hotel
- Ocean Discovery Center
- Convention Center

## Phase 1B:

- Racetrack revitalisation
- Commercial and Retail

- The **MOU signed between TNPA, BCMM and the ELIDZ** paved the way for engagements between the Port of East London and BCMMDA to **collaborate on potential investment** on the East Bank of the East London port
- Subsequently BCMMDA, through its **Transactional Advisory Services**, completed Business Plans and pre-feasibility studies for a **Water Front at Latimer's Landing and a Mixed-use Precinct for Signal Hill**
- Other **potential public-public (government) partnerships** were explored with the following institutions to contribute to the development of the Metro:
  - Public Investment Corporation
  - Housing Development Agency
  - Development Bank of South Africa
  - Industrial Development Corporation
  - Eastern Cape Development Corporation

# BUFFALO CITY WATER FRONT DEVELOPMENT PROGRAM (LATIMER'S LANDING)

- Latimer's Landing situated on Erf 33369 of the East London Harbour will be made available for the development of a **mixed use waterfront precinct** through BCMDA.
- This development will change the port of East London and transform it into major tourist destination in line with the Transnet's strategy of South African Ports.
- The potential land uses for this development will be as follows:  
**Hotel, Retail, Office, Residential, Boutique Residential**





# SIGNAL HILL MIXED USE DEVELOPMENT PROGRAM



- It is envisaged that the development will be a **mixed-use development** therefore different jobs will be created in various sectors.
- The main sectors that will benefit are **Tourism, Retail, Commercial, Residential and Real Estate.**



## SIGNAL HILL – PROGRAM LOCATION

# BIRD'S EYE VIEW



EVENT CENTRE

CULTURAL ART & CRAFTS  
WORKSHOPS / MARKET

CRUISE LINER DOCK STATION

RECREATION /  
THEME PARK

MARITIME BOULEVARD

BOUTIQUE  
RESIDENTIAL

NEW RAILWAY STATION

COMMERCIAL & RETAIL

MEDICAL  
CENTRE

PORT CONTROL  
OFFICES

COMMERCIAL & RETAIL

RETAIL AND  
PARKING

HOTEL

BUSINESS  
CENTRE

CONFERENCE  
CENTRE

SPA RETAIL

<b>DEVELOPMENT</b>	<b>INVESTMENT SIZE</b>	<b>SECTOR</b>
<b>Seaview Terrace – AC by Marriott</b>	<b>~R350m</b>	<b>Private</b>
<b>Marina Glen A – mixed use</b>	<b>~R1,5Bn</b>	<b>Private</b>
<b>Sleepersite – mixed use</b>	<b>~R3,5Bn</b>	<b>Private</b>
<b>Waterworld I – mixed use</b>	<b>~R1,5Bn</b>	<b>Private</b>
<b>Court Crescent – public open space</b>	<b>~R84m</b>	<b>Public</b>
<b>Water world – public open space</b>	<b>~R103m</b>	<b>Public</b>





**THANK YOU**

TOURISM | ECONOMIC & SOCIAL DEVELOPMENT | PROPERTY MANAGEMENT & COMMERCIALISATION