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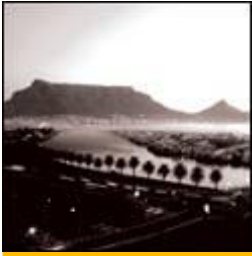


The City of Cape Town

Built Environment Performance Plan and Urban Settlements Development Grant

Presented by:

**Seth Maqetuka (Executive Director: Human Settlements)
Wayne Muller (Director: Housing Finance and Leases)**



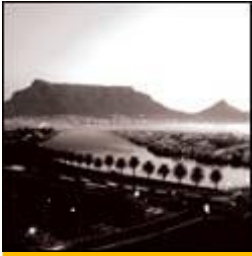
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What will we address today?

1. Background to the City of Cape Town
2. City of Cape Town Densities and Growth Corridors
3. Current Bulk Infrastructure status
4. City of Cape Town – Development Interventions
5. Urban Settlements Development Grant - Governance
6. Urban Settlements Development Grant – Alignment to the HSDG
7. Urban Settlements Development Grant – 2011/2012
8. Urban Settlements Development Grant – 2012/2013 and beyond



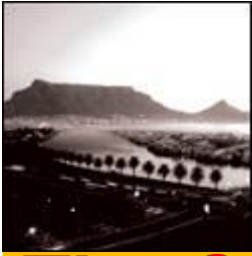
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Context of the City of Cape Town

- Population 3,7 million
- Cape Town has very high net in-migration (approx 50 000 per annum)
- Limited room for expansion (geographic factors)
- Number of households - 1,10 million
- Inadequately housed - 350 000 households
- Housing Backlog - 400 000 households (projected)
- Size of City – 2,454 square kilometers
- Number of Informal Settlements - 222
 - 900 000 people
- Migration to Cape Town reflects broad spectrum of high to low income levels
- Primary industrial/business growth area – tourism and emerging informal market flowing from in-migration



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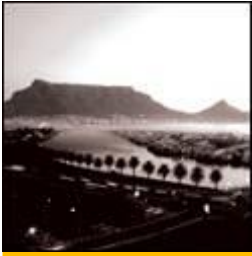


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The Context of the City of Cape Town

- International and national tourist destination
- Infrastructure status
 - maintenance challenges and
 - mass expansion of bulk infrastructure and transport required
- Financial status
 - Unqualified audits;
 - Bond issue;
 - Healthy financial status;
 - Systems (IT)
- Design Capital
- Drive for employment – EPWP

All of the above impact directly on the Affordable Housing and Integrated Human Settlement Development space.



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Where do people live?

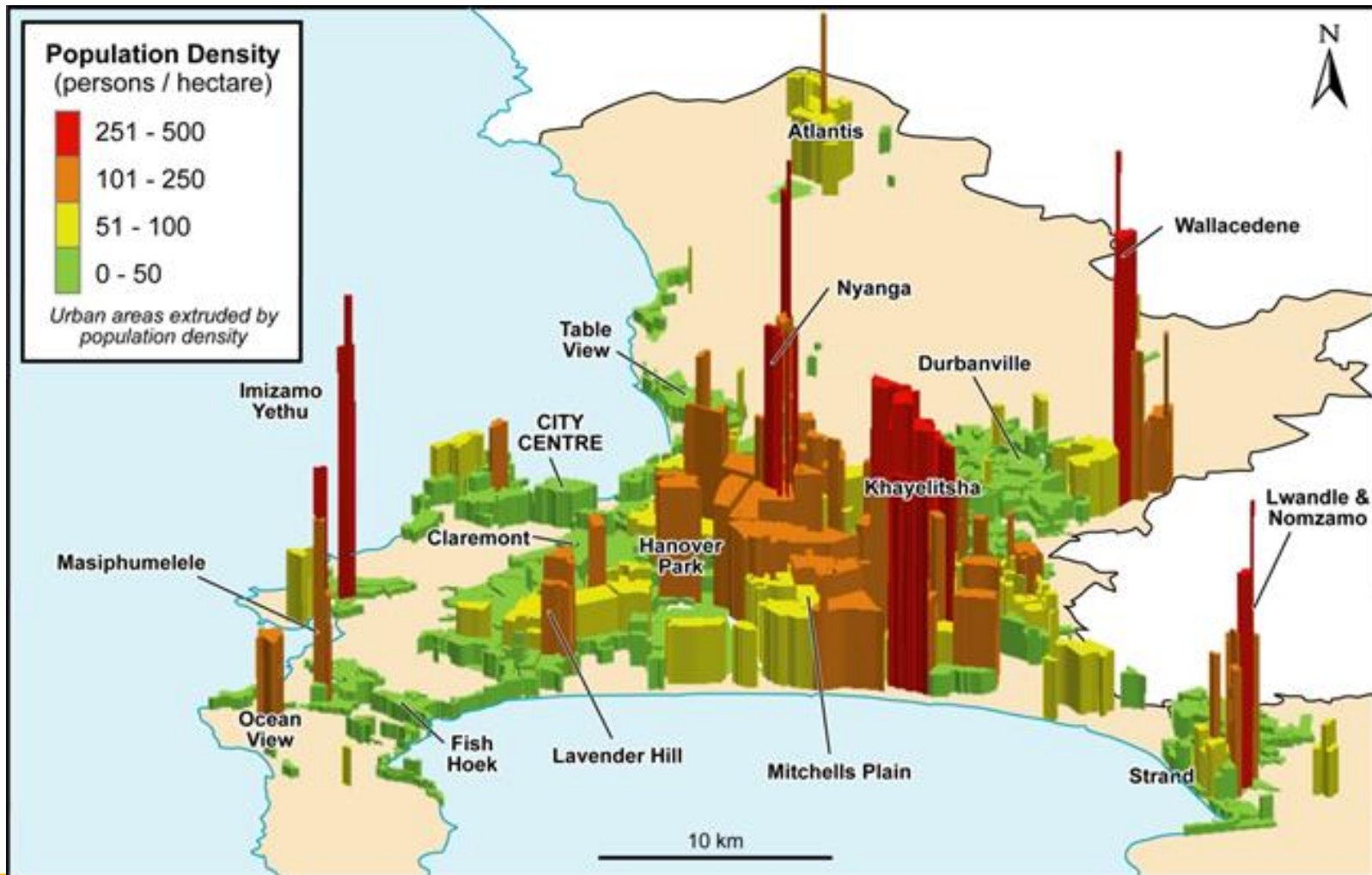


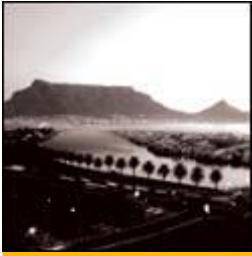
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Current Spatial Layout - Population Density



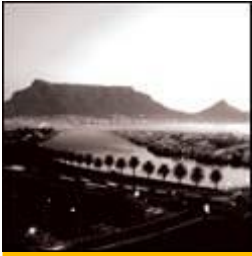


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City Planning – Directing Growth and Infrastructure

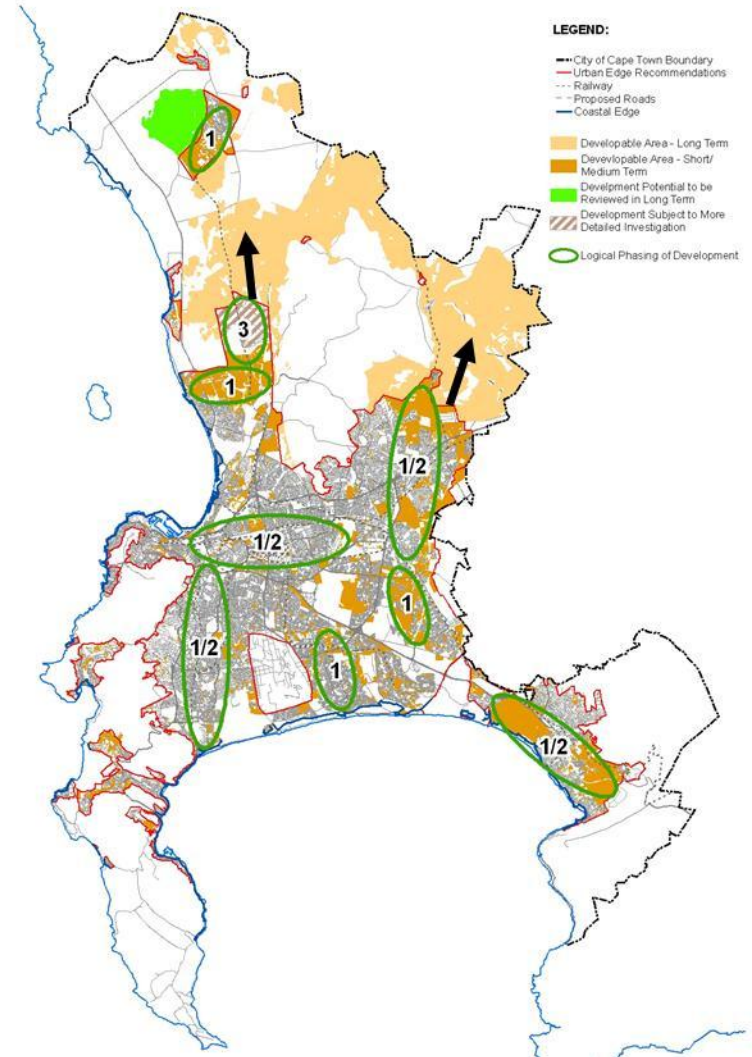


SDF: Managed Growth

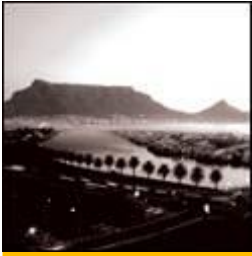
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Phase 1:	<ul style="list-style-type: none"> • Infrastructure capacity already exists for all/ most services. • Infrastructure urgently needs to be rehabilitated and/or upgraded • New capacity has to be created to address health and environmental risks • Capital investment is contractually committed and will be completed within a short period of time
Phase 2:	<ul style="list-style-type: none"> • Infrastructure capacity already exists for some services. • Infrastructure urgently needs to be rehabilitated and/or upgraded • Capital investment is contractually committed but it will be some years before it is operational
Phase 3:	<ul style="list-style-type: none"> • New development areas that are a logical expansion of the infrastructure network and align with development trends and the City's spatial growth plans.



Challenges to deliver on Outcome 8



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Current Bulk Infrastructure Status

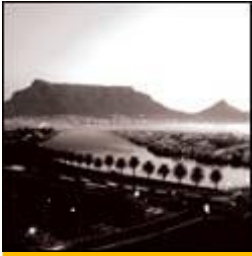


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The City of Cape Town has a comprehensive array of studies and interventions aimed at identifying and targeting actions associated with its Bulk Infrastructure requirements as aligned to its Integrated Development Plan and Informal Settlement Upgrade imperatives.



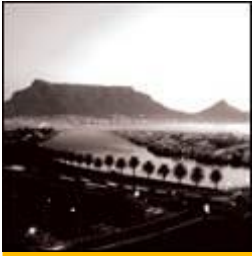
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Current Service Status – All areas

- 89,7% households receiving electricity (Eskom & City)
- 100% access to refuse removal
- 99,2% access to piped water
- 93% access to toilet facility

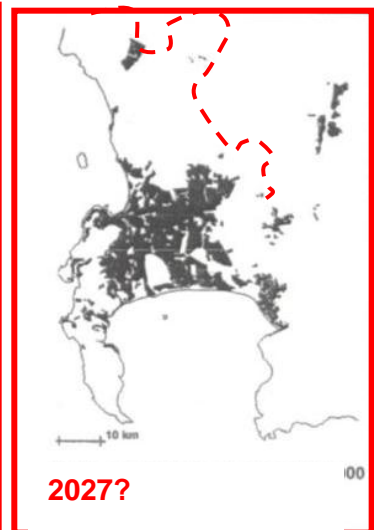
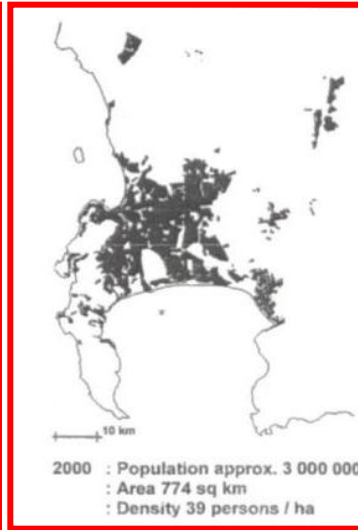
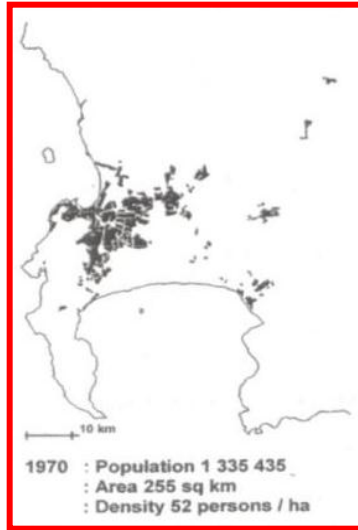


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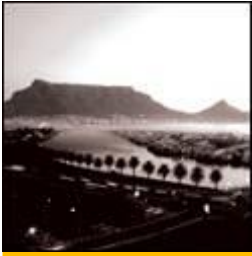


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Infrastructure provision for Cape Town's Growth and Development



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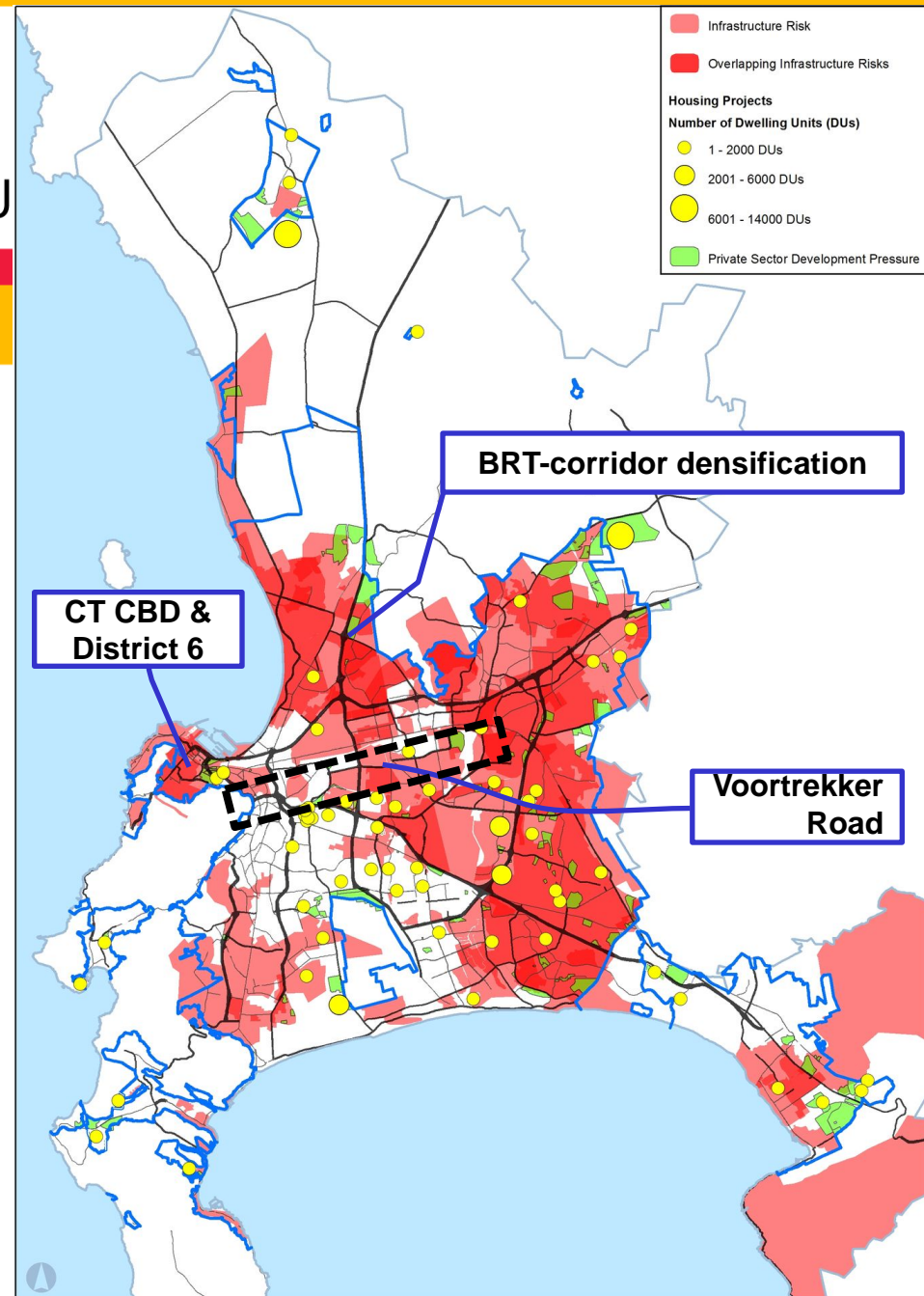


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Areas with
no spare engineering
services capacity

and

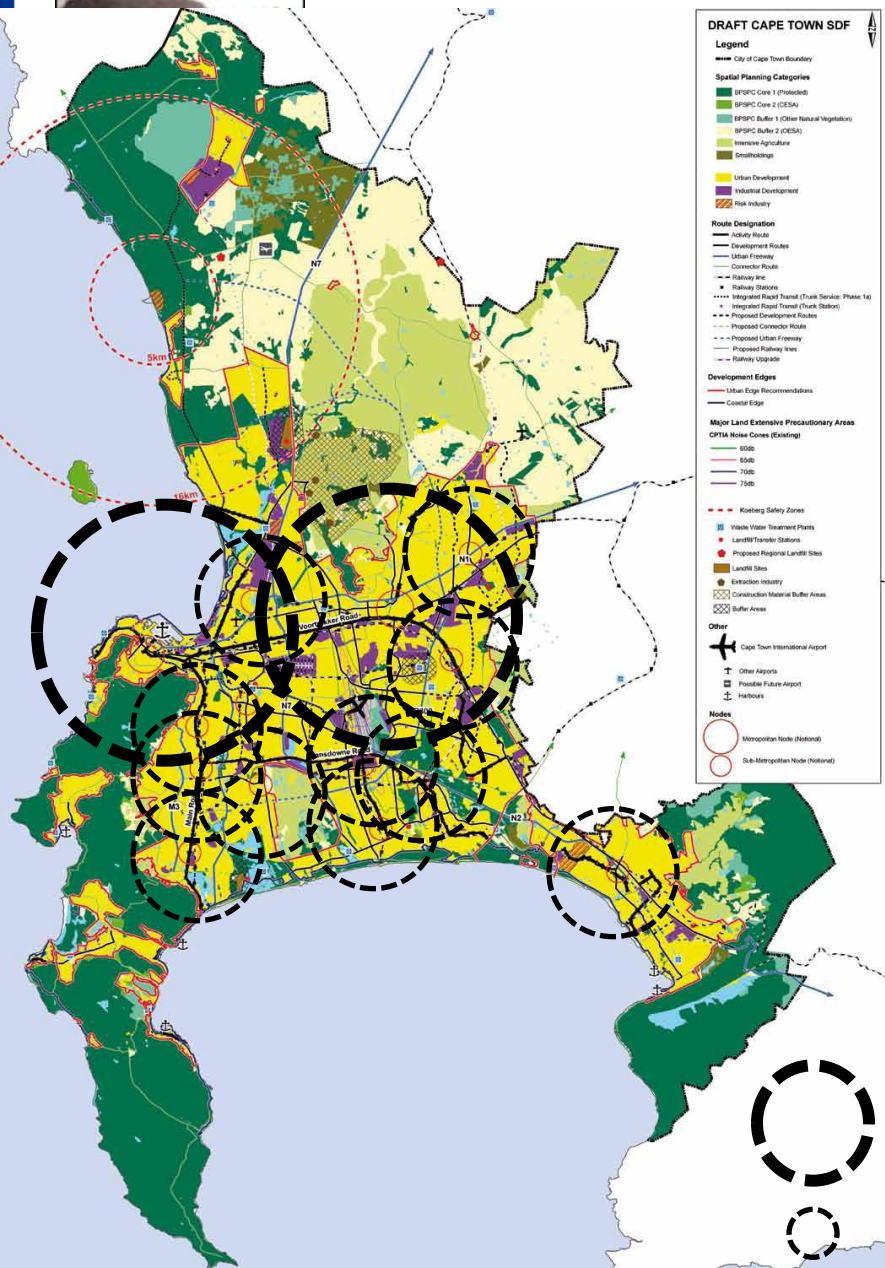
large new
developments
currently under
construction
or coming on stream
within the next 5 years



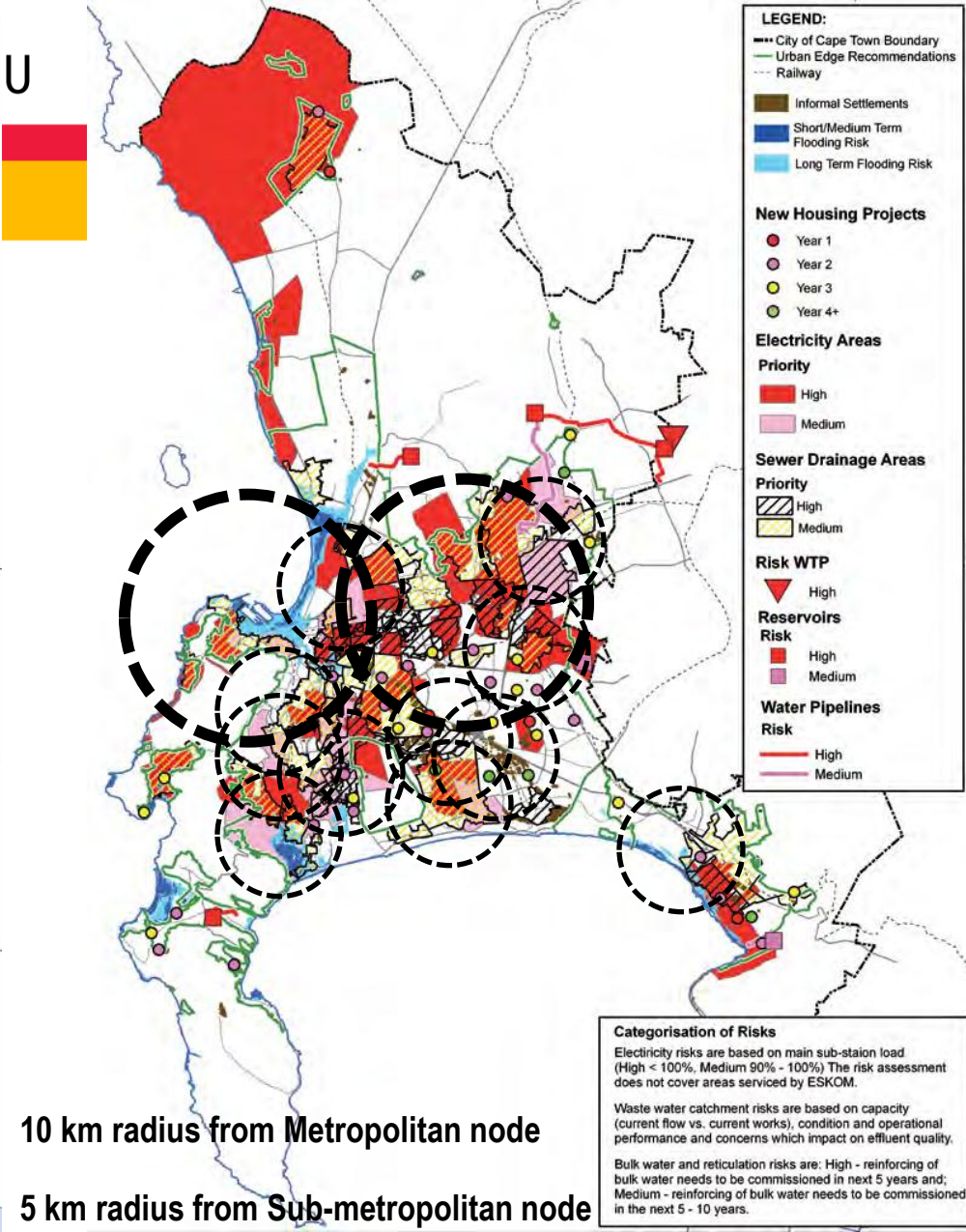
Spatial distribution of risk areas and large developments

DISTANCE FROM METROPOLITAN AND SUB-METROPOLITAN NODES

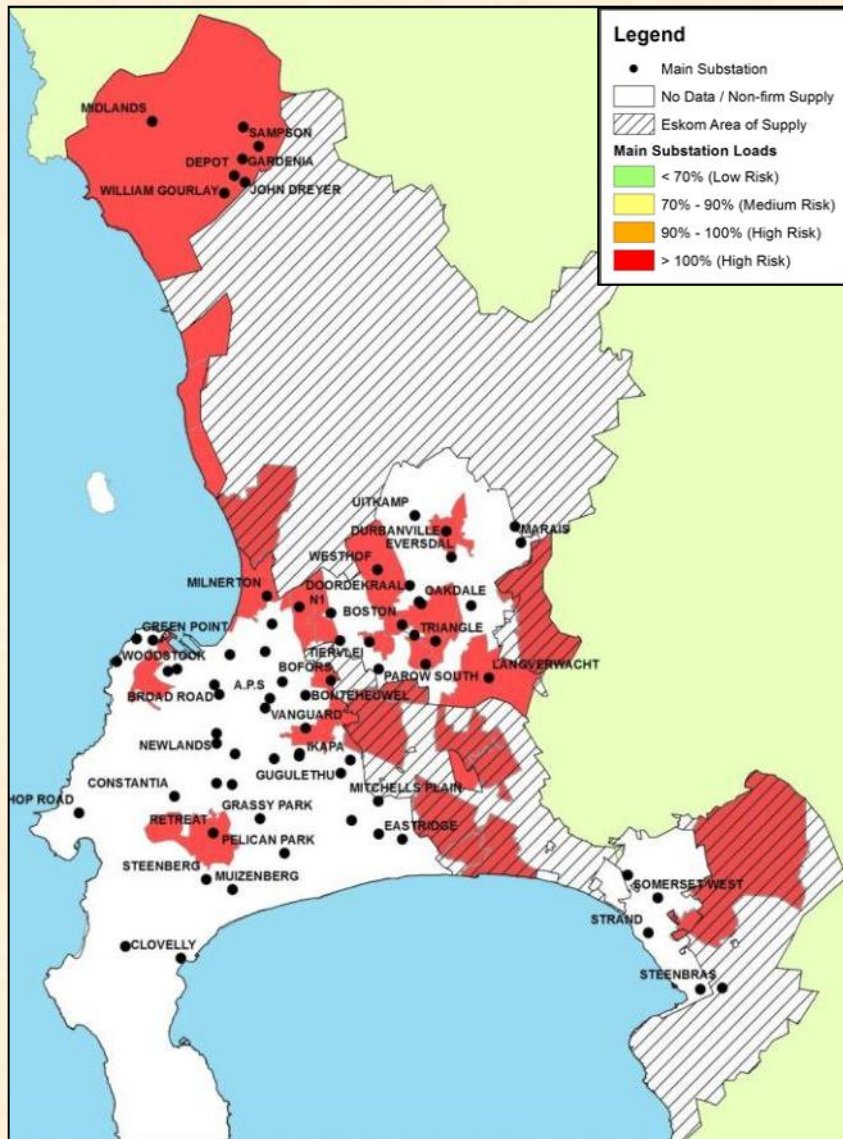
The CTSDf



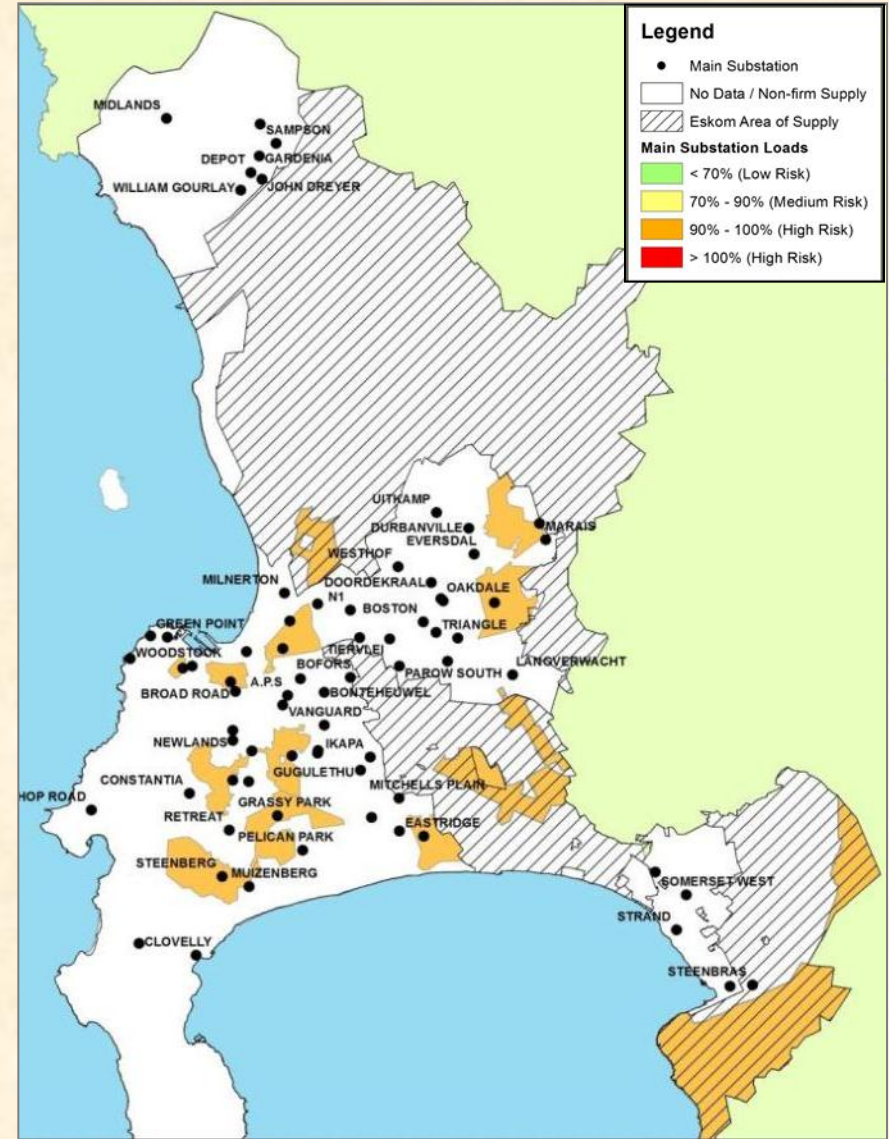
Infrastructure priority areas and new housing projects



Electricity – very high and high risk areas

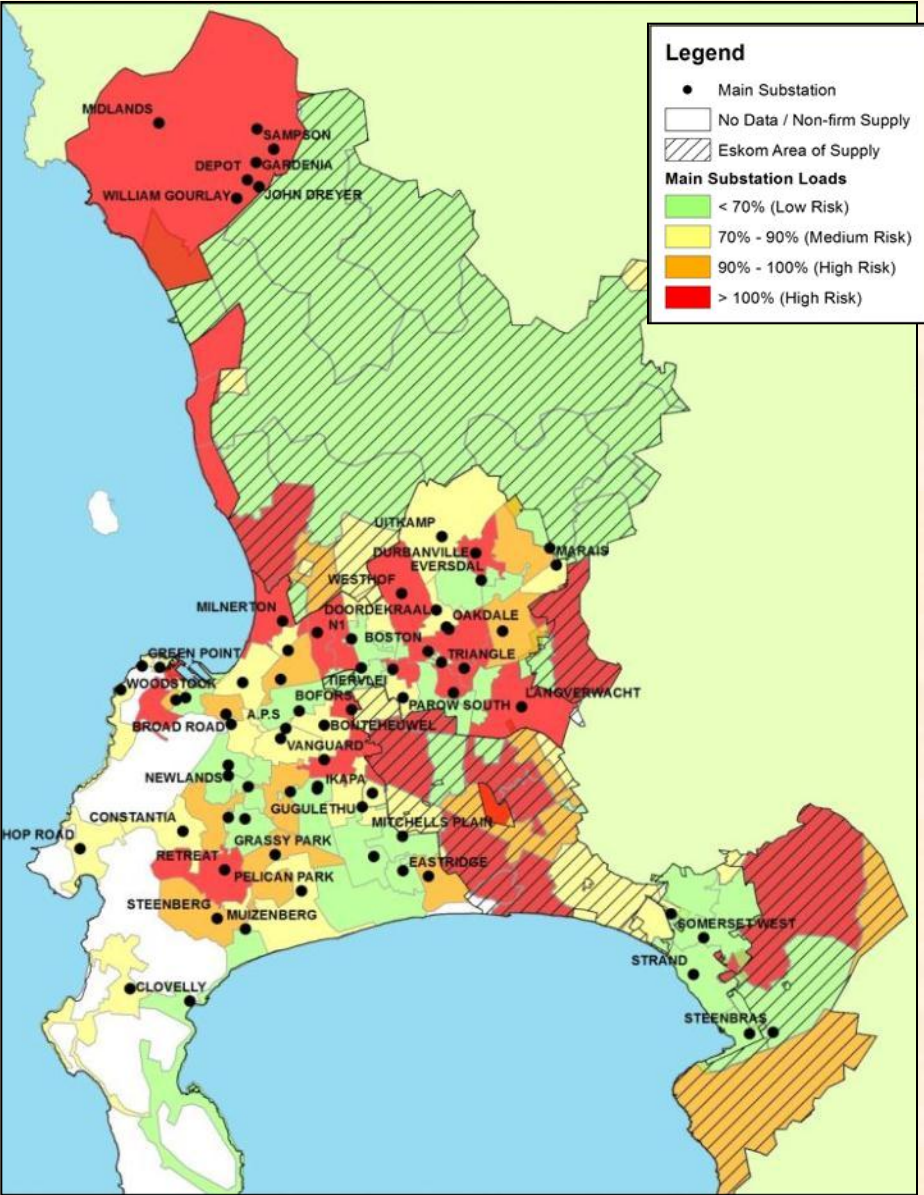


Electricity sub-station load > 100%



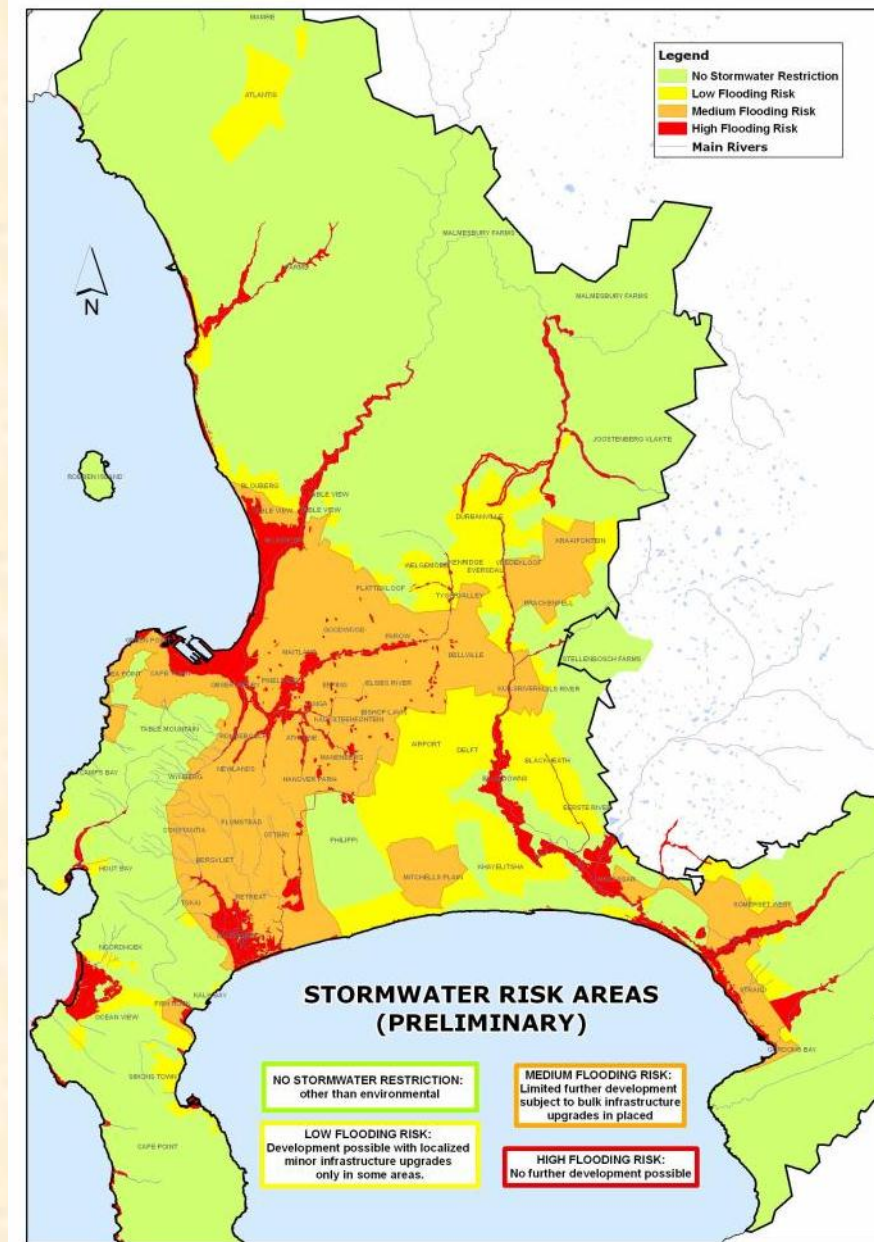
Electricity sub-station load 90% - 100%

Electricity - all risk areas



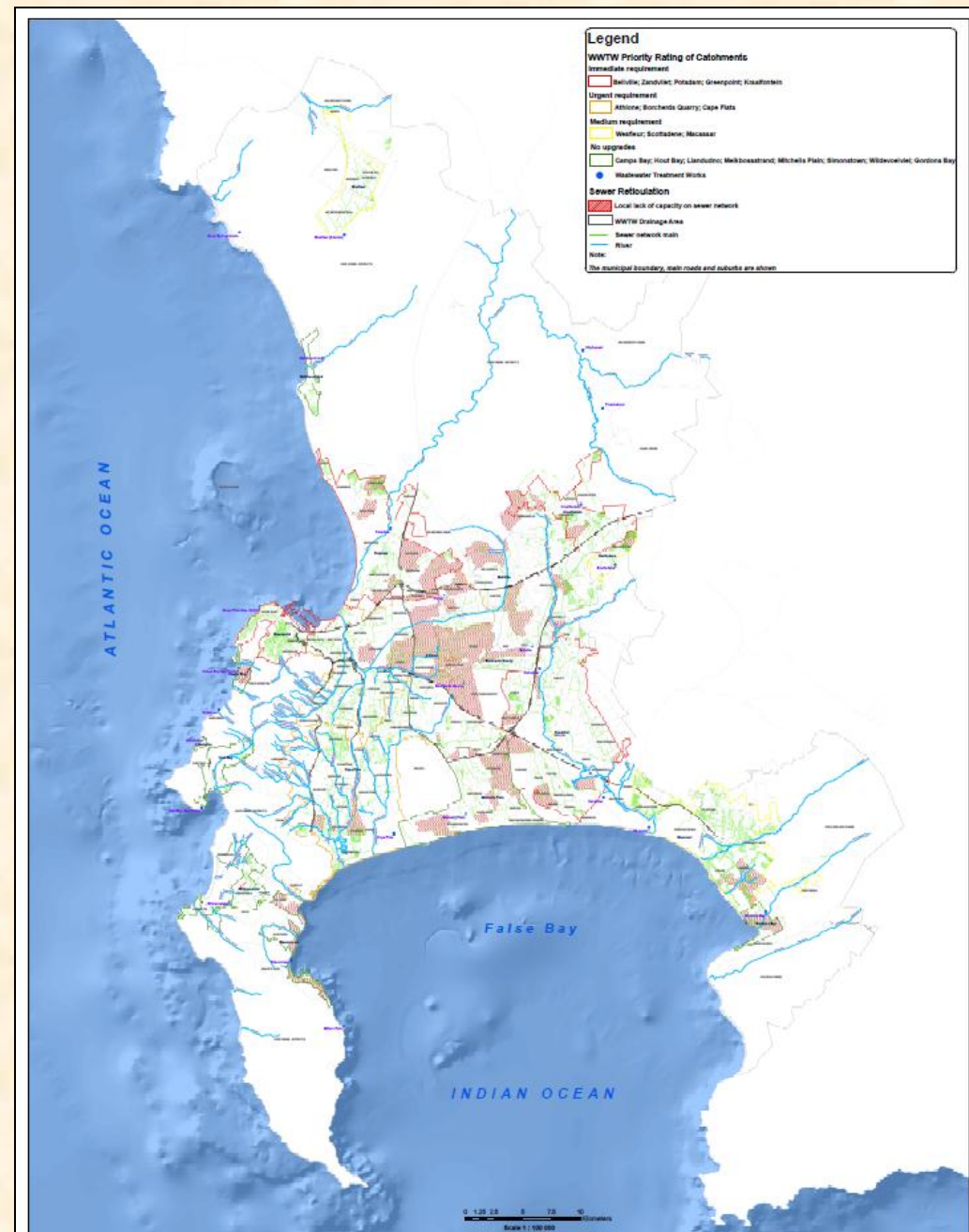
All electricity sub-station loads

Stormwater - all risk areas

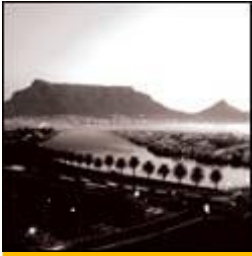


WWTW investment prioritisation:

- It was not necessary to spatially align in the past as spare capacity existed.
- Must be aligned with Human Settlements programme
- Must be aligned with approved private sector developments.



Wastewater– investment prioritisation



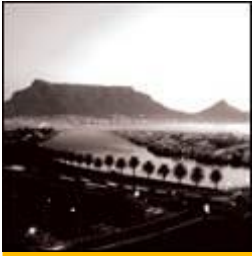
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Long Term Integrated Transport Network



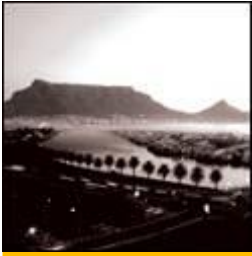


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What is Required for Human Settlement Development??



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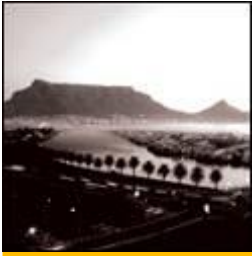


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What is needed for Human Settlement Development?

Summary:

- Land (well located)
- Enhance densities
- Community Facilities
- Governance
- Private sector involvement
- Cross sectoral commitment (Education; Community Safety)
- Work opportunities (EPWP)
- Infrastructure (bulks; transport) – catching up
- Financially viable growth model (Rates generation in support of growth)
- Matching of all financial resources (City + USDG + HSDG + etc)



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Integrated Housing Delivery Project Summary



Moving: From this

Phase 1: Residential Typologies



Delft
±72du/ha State Assisted



Stocks Development
±100du/ha State Assisted



Bardale Village-Bluedowns
50du/ha Credit Linked



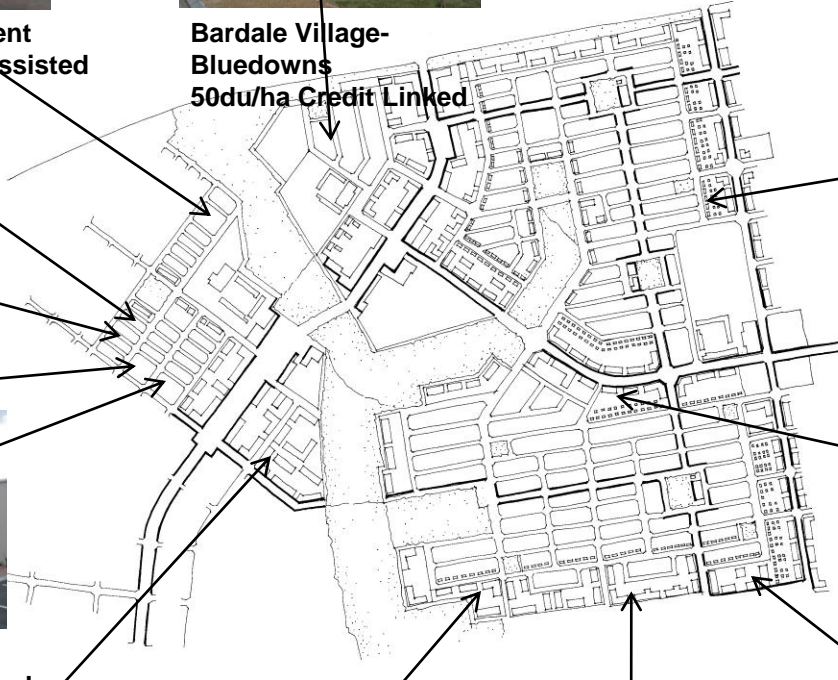
Alexandra State Assisted



Springfield Terraces
±120du/ha State Assisted



Khayelitsha CBD
100du/ha Credit Linked



Sunningdale Group Housing
35du/ha



Aliwal Heights – Ruiterswacht
55du/ha Credit linked



Khayelitsha CBD
100du/ha Credit Linked

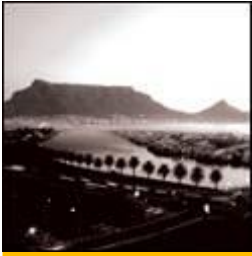


Zanethemba Khayelitsha
125du/ha Credit Linked

**PLUS
Community
and Social
Facilities**

**PLUS In- situ
Upgrades**

Moving: To sustainable communities



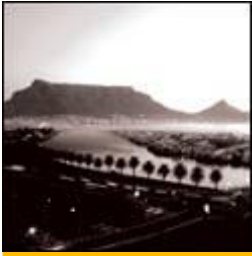
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The Development of Integrated Human Settlements takes Many Different Forms (One Size Does Not Fit All) and is NOT only the function of the State.

Sustainable and Innovative Human Settlement Development must involve all sectors of Society and Business to be successful.



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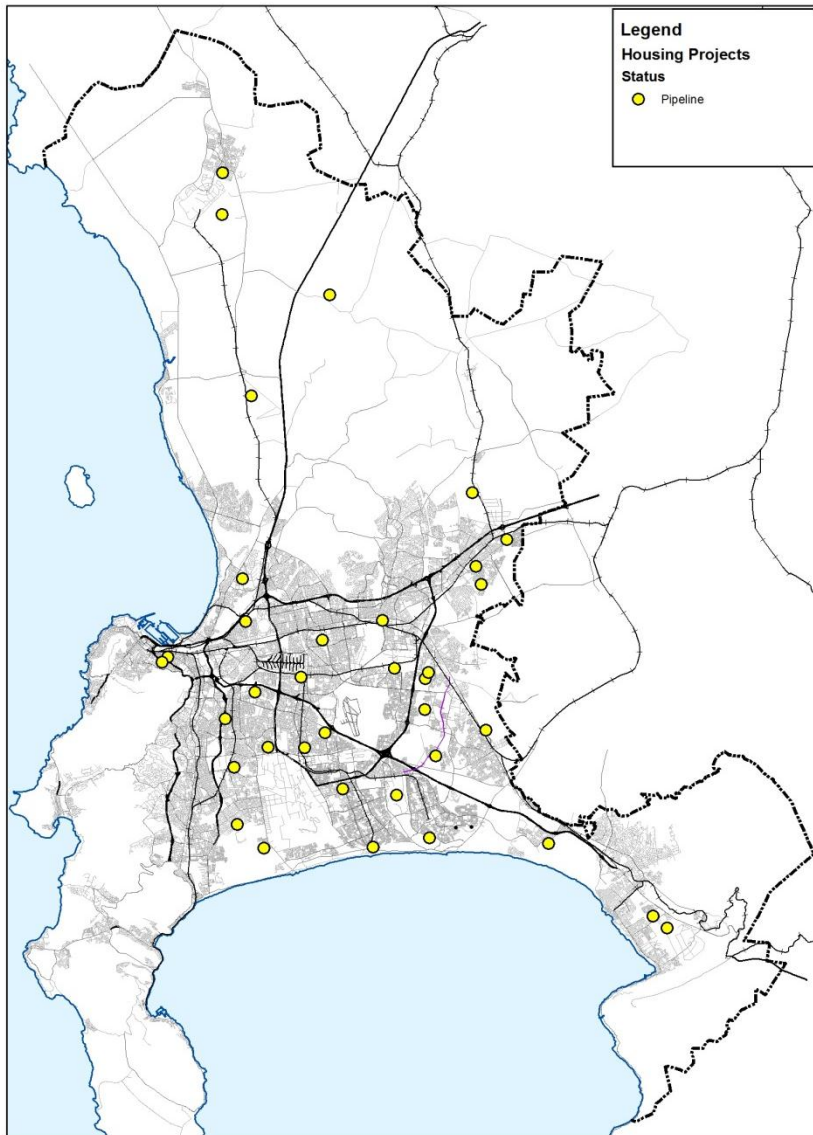


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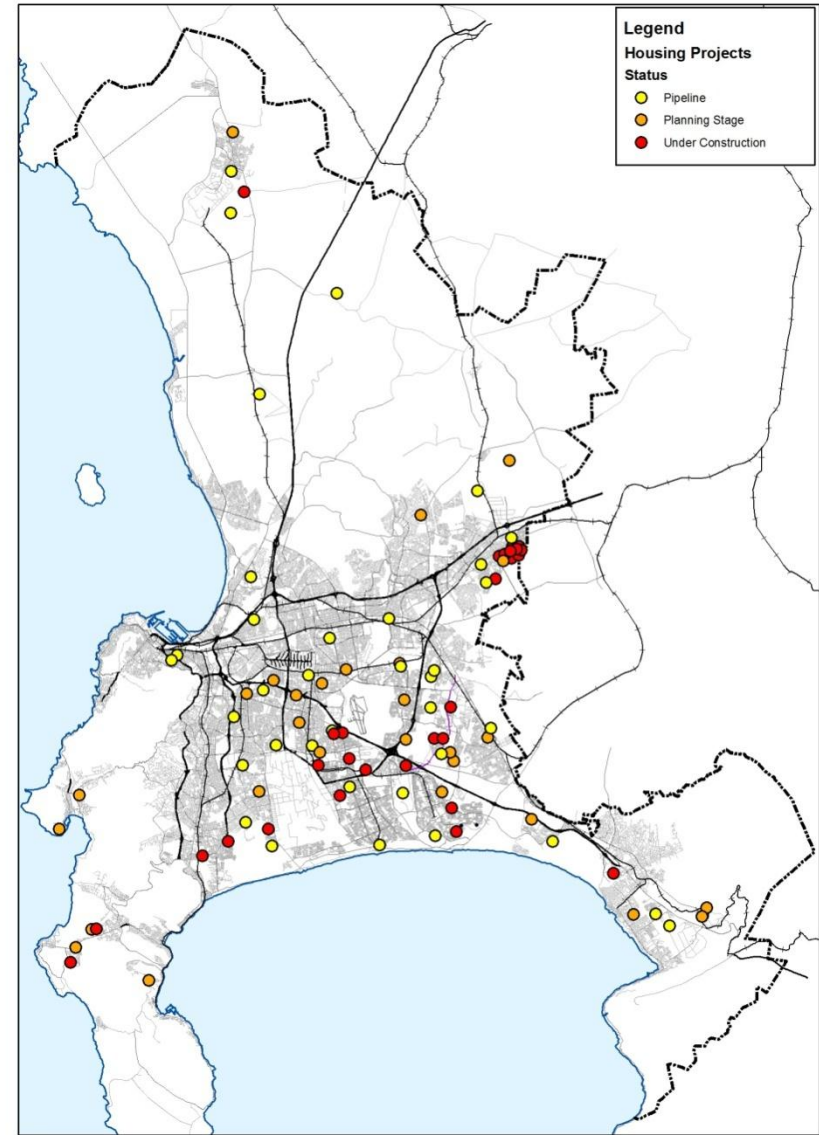
Private Sector involvement/partnerships does not mean the private sector merely acting as a developer/builder of subsidy housing.

Private Sector involvement means the private sector adding its own resources and influence to the development of integrated human settlements (Integrated = all types of housing, community facilities, business/commercial opportunities etc)

Housing – in pipeline and all projects

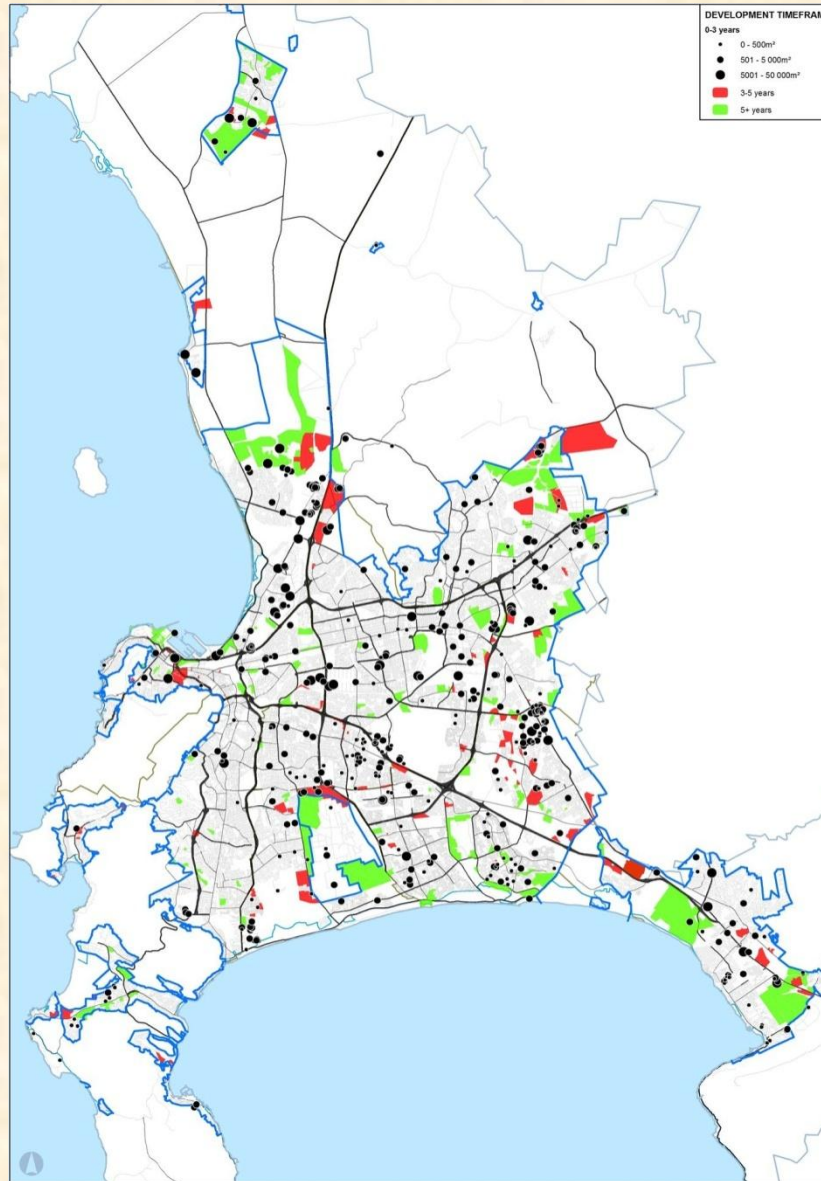


Housing projects –"in the pipe line"



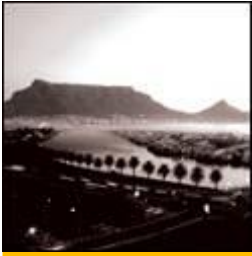
All housing projects

All properties likely to develop next 5+ years



**Mixed
development is
the key to
integration.**

All properties likely to develop inside the Urban Edge



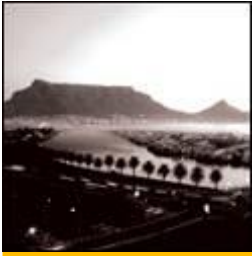
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Projects Currently Under Construction (NOT COMPLETE LIST)

Project	Units
Bardale Phase 4	3112
Happy Valley Phase 2	1350
Pelican Park Phase 1 (BNG)	2000
Pelican Park Bonded	1200
Scottsdene (BNG and CRU)	890
Scottsdene (Bonded)	1310



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Projects in Planning Stage to commence 2012/13 / beyond (NOT COMPLETE LIST)

Project	Units
Atlantis Kanonkop Ph 1	455
Atlantis Kanonkop Ph 2 and 3	1500
Bella Riva (BNG and GAP)	1000
Delft The Hague	2407
Dido Valley	600
Driftsands	2500
Garden Cities	4000



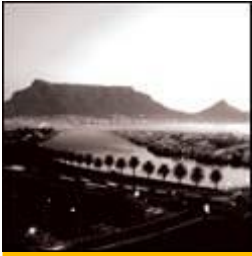
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Projects in Planning Stage (Continued)

Project	Units
Green Point Ph 3	500
Gugulethu Infill (Mau Mau)	1071
Heideveld Duinefontein Rd	759
Imizamo Yethu Ph 3	1100
Macassar	2500
Mannenbergh Infill (The Downs)	651
Valhalla Park Infill	1617



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Conclusion

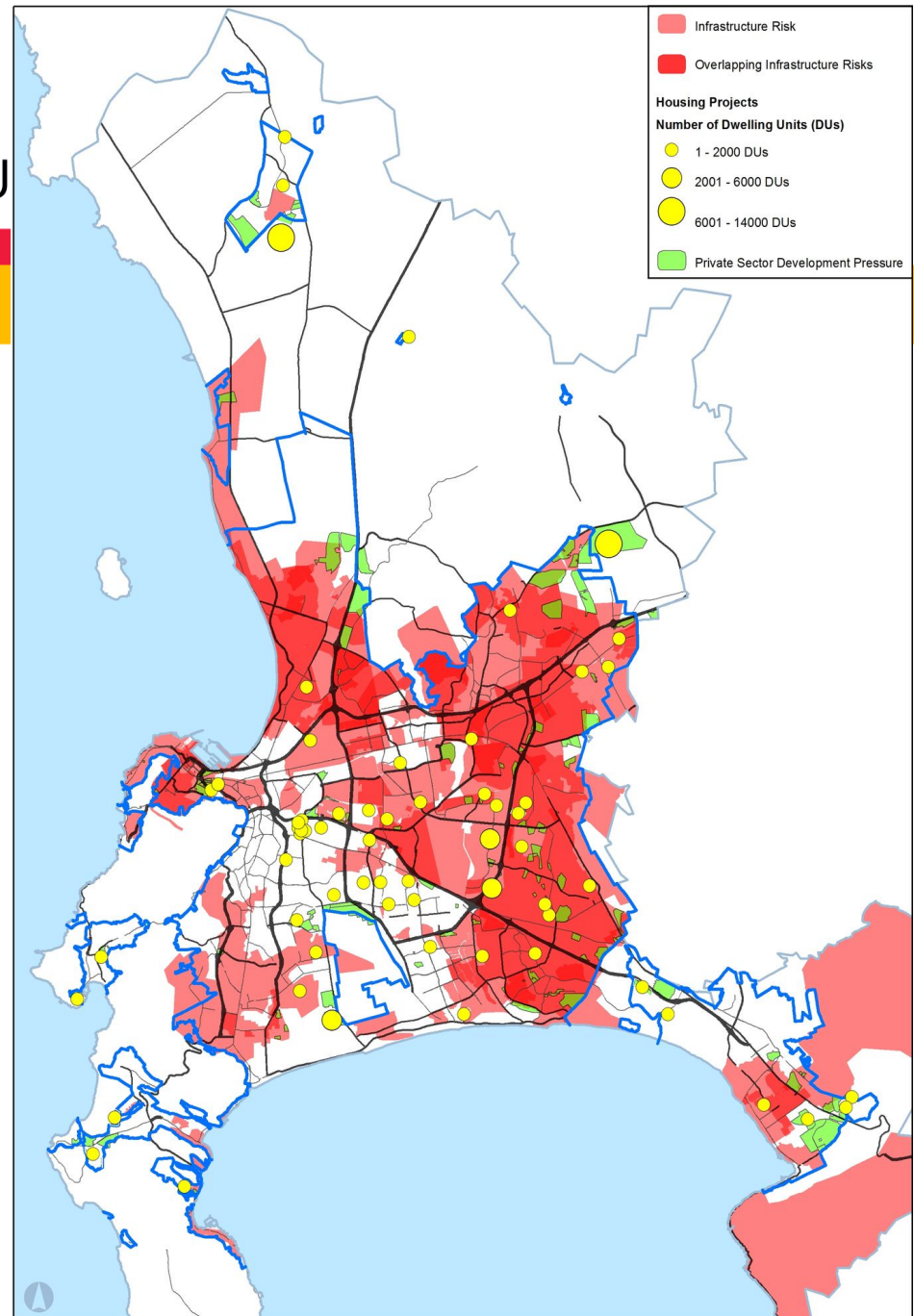
High risks areas
and
Developments likely to connect into the
infrastructure systems in **less than 5 years**.

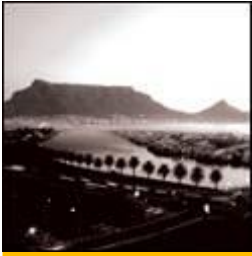
The Bad News:

- City will have to defer further developments in the red areas unless the upgrade programme is in place and funded.

The Good News:

- City is addressing this just in time via City funds (EFF etc); USDG et al



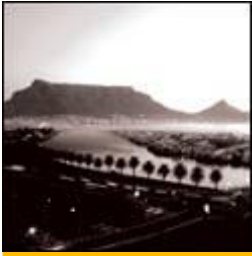


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The City of Cape Town's response to the USDG



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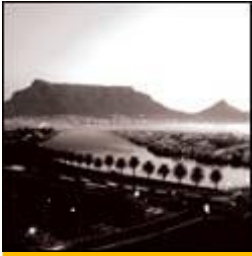
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City of Cape Town: USDG Implementation

- Urban Settlements Development Grant launched 1 July 2011.
- USDG acknowledged as innovative programme.
- Built Environment Performance Plan (2011/2012) submitted to NDoHS incorporating linkages to IDP and City strategies.
- Council approved USDG aligned Adjustments Budget (August 2011) linking USDG \longleftrightarrow HSDG \longleftrightarrow City Funds to the IDP.
- Council approved BEPP (2012/2013) submitted to NDoHS.

Governance of the USDG:

- Council approved a comprehensive governance process linked to:
 - Project Assessment (alignment to National Outcome 8/Provincial Strategic Outcome 6 and USDG Framework/BEPP)
 - Project Review Committee
- Office of the Auditor General reviewed the City's USDG approval processes.
- Monthly reports to NDoHS and Human Settlements Portfolio Committee



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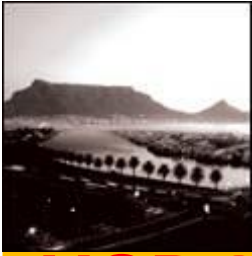


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USDG Investment Plan - BEPP

Based on the DORA/USDG Framework allocations, the USDG funds (in conjunction with City funds) are allocated as follows:

- Land acquisition
- Pre-planning and project pipelines
- Infrastructure (including wastewater, roads, electricity) in association with integrated housing/informal settlement upgrades
- In-situ upgrades of informal settlements (including backyarders)
- Site and service for informal settlements
- Community facilities (site and structure)
- Development of infrastructure supporting rental/hostel/social housing units
- Governance and project management capacity



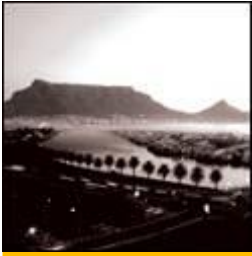
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USDG: Immediate Benefits 2011/12

- Massive integration process linking HSDG to USDG to City funds
- Utility Services aligned to Human Settlements programmes
- Private sector interest given infrastructure (social housing etc)
- Major integrated human settlements projects launched (Scottsdene; Pelican Park)
- City multi year budgets and IDP clearly recognise the USDG/BEPP imperatives
- Council supports USDG/BEPP imperatives within IDP context
- Relationship with PGWC re. funding infrastructure for PGWC projects.
- EPWP
- Informal Settlements Upgrade: Major focus on in situ upgrading (Road, Stormwater, Electricity)
- Backyarders: Improve access to basic services; Infrastructure rehabilitation
- Community Facilities
- Note: City funds have been leveraged as a consequence of the USDG.

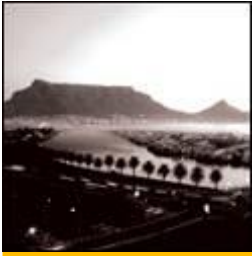


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**The Role of the State must change
from being a Regulator to being an
Opportunity Driven Entity (eg By-Laws,
Planning Timelines etc)**

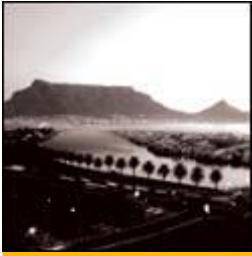


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Urban Settlements Development Grant – Budget Status



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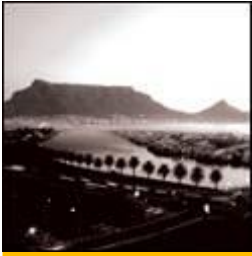
Budget Status 2011/2012 (@31 July 2012)

URBAN SETTLEMENTS DEVELOPMENT GRANT - DEPARTMENT

DEPARTMENTS	APPROVED BUDGET 2011_2012	TOTAL ACTUAL EXPENDITURE 2011_2012	PERCENTAGE SPENT TO DATE
Electricity Services	77 482 920	76 186 818.34	98.3%
Solid Waste Services	43 630 000	43 629 050.63	100.00%
Water Services	204 108 048	191 986 650.77	94.1%
Parks	26 135 458	24 089 651.44	92.2%
Sport, Recreation & Amenities	33 876 992	32 509 812.93	96.0%
Roads & Stormwater	226 665 437	206 885 301.03	91.3%
Transport	964 920	964 920.00	100.0%
Health Services	6 210 000	6 209 612.04	100.0%
Existing Settlements	32 509 480	26 059 471.62	80.2%
New Settlements	128 763 298	104 901 742.24	81.5%
Land & Forward Planning	9 210 530	9 210 530.00	100.0%
Urbanisation (incl in-situ upgrades)	7 000 000	5 100 706.27	72.9%
Development Services	138 470	115 595.16	83.5%
Social Development, Arts & Culture	3 000 000	2 069 022.49	69.0%
Total Capital	799 695 553	729 918 884.96	91.3%
PGWC Allocation	12 000 000	12 000 000.00	100.0%
Governance and Pre-Planning	12 334 447	11 244 317.95	91.2%
GRAND TOTAL	824 030 000.00	753 163 202.91	91.4%

Rollover: All USDG funds fully committed – refer S21 Division of Revenue Act (2012)





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How has the City aligned its 2012/2013 budgets to give effect to the Integrated Human Settlements Plan and the Informal Settlements Plan as per the Council approved BEPP?



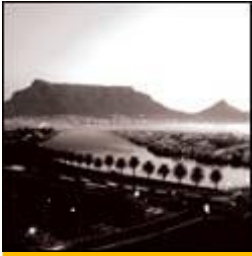
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Division of Revenue Allocations

Grant	2012/13	2013/14	2014/15
Urban Settlements Development Grant	971 980	1 193 497	1 386 611
Human Settlement Development Grant	678 369	733 484	782 870



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Alignment: USDG/HSDG

Project Type	2012/2013 National USDG R	2012/2013 Province HSDG R	2013/2014 National USDG R	2013/2014 Province HSDG R	2014/2015 National USDG R	2014/2015 Province HSDG R
Hostels Upgrade "CRU" Projects	12 410 073	255 075 097	28 772 545	178 734 311	12 254 935	38 205 424
New Rental Units Projects	7 552 000	58 000 000	0	119 866 430	0	99 400 000
Institutional / Social Housing Projects	16 000 000	51 000 000	2 395 030	39 000 000	0	84 969 260
Land Acquisition	7 974 677	0	32 000 000	0	32 000 000	0
BNG Projects	94 702 480	183 360 000	161 234 250	265 753 020	155 748 720	337 076 414
BNG / CRU Projects	6 500 000	1 000 000	8 300 000	18 000 000	3 600 000	36 000 000
UISP Projects	14 000 000	0	27 100 000	5 000 000	9 200 000	3 100 000
Incremental Development Areas	34 052 200	15 720 000	40 216 190	12 000 000	62 460 000	2 000 000
PHP / Consolidation Projects	0	55 000 000	0	73 000 000	0	100 000 000
Bulk, Connector, Community Infrastructure	695 713 746	0	817 333 861	0	803 700 000	0
Provincial Allocation	45 500 000	80 000 000	7 500 000	80 000 000	0	80 000 000
Governance and Pre-Planning	35 209 003	10 000 000	38 015 000	10 000 000	47 640 000	10 000 000
Total: USDG & HSDG	969 614 179	709 155 097	1 162 866 876	801 353 761	1 126 603 655	790 751 098



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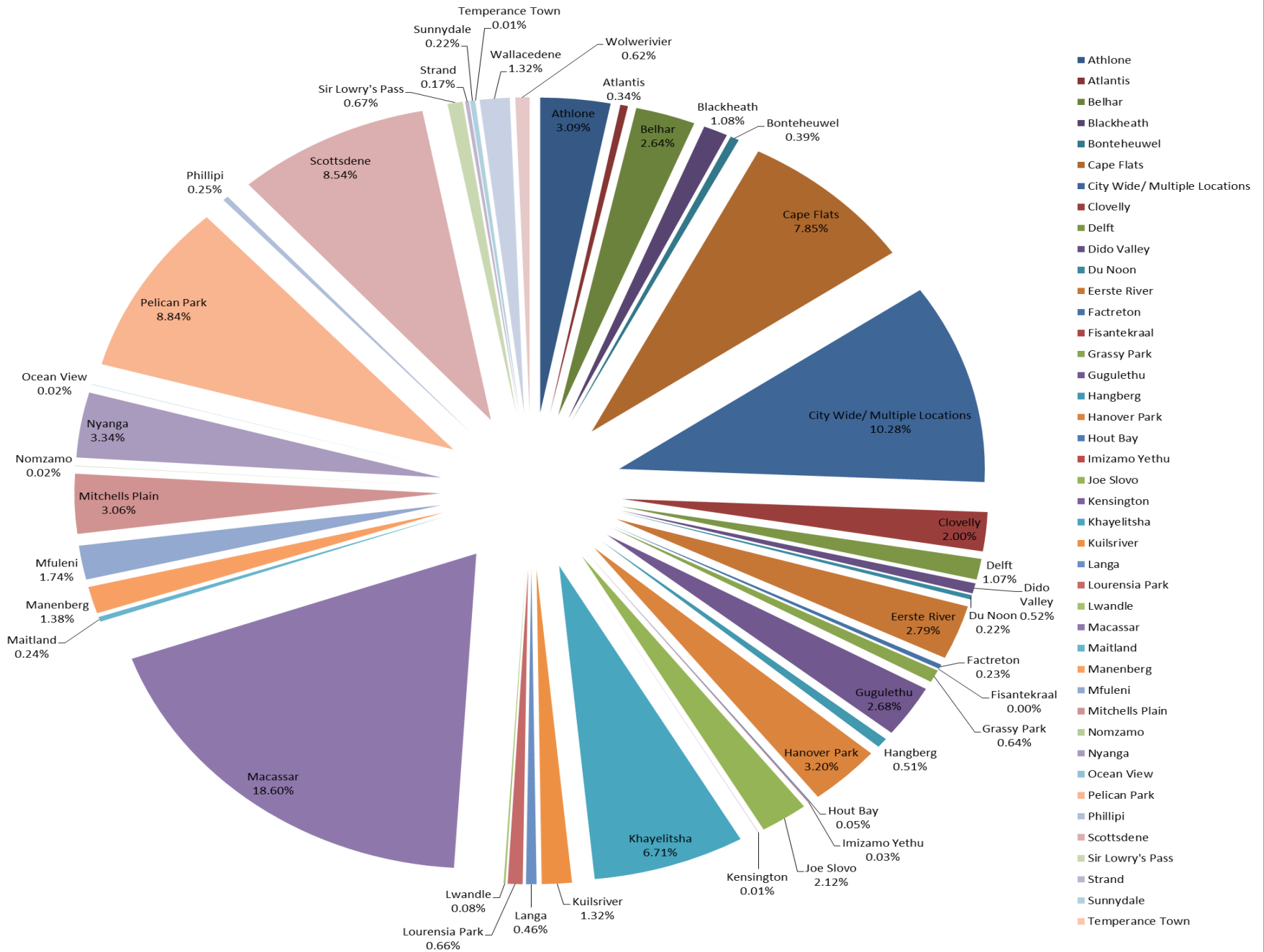
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Bulk Infrastructure Allocations

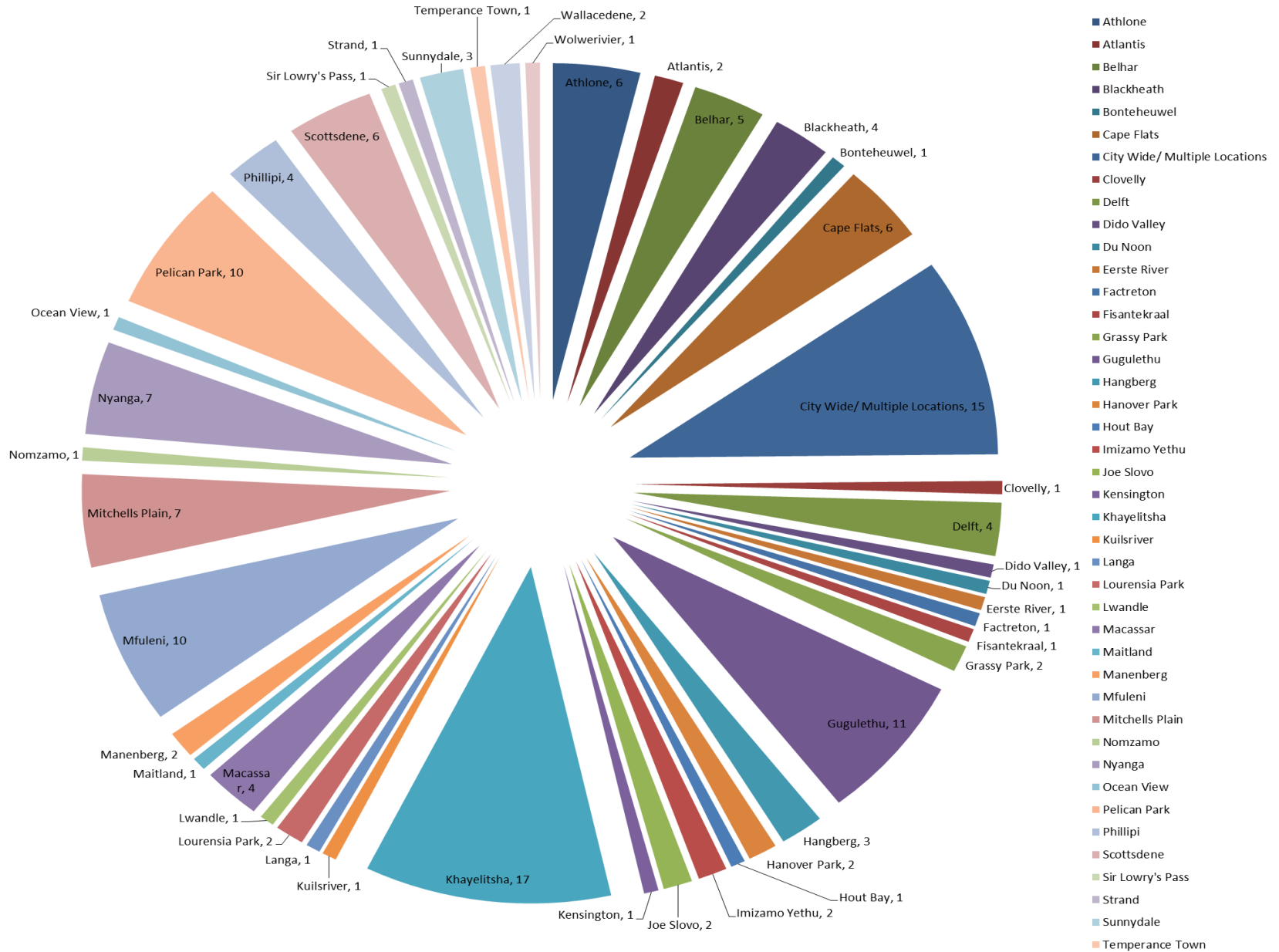
Departments	2012/2013 National USDG R	2013/2014 National USDG R	2014/2015 National USDG R
Electricity Services	149 305 000	186 000 000	166 000 000
Solid Waste Services	50 000 000	50 000 000	0
Water Services	184 200 200	234 000 000	206 000 000
Parks	32 407 760	54 542 240	44 500 000
Library & Information Services	13 504 919	21 000 000	35 000 000
Sport , Recreation and Amenities	73 570 000	46 268 300	50 000 000
Roads and Stormwater	179 429 347	177 830 331	275 000 000
Transport	3 596 520	31 692 990	10 000 000
Health Services	9 700 000	8 000 000	7 200 000
Spatial Planning and Urban Design	0	8 000 000	10 000 000
Total: Bulk & Community Infrastructure:	695 713 746	817 333 861	803 700 000

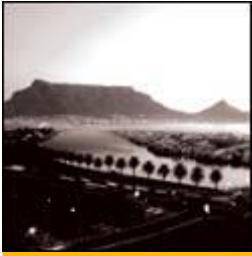
Application Requirement: Links to City Funds (Capital and Ongoing Operating)

VALUES



NO OF PROJECTS





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**What is the previous set of slides
telling us?**

**The City of Cape Town has
a plan!**



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