

ITEM NUMBER: C 56/03/08

**RECOMMENDATION FROM THE EXECUTIVE MAYOR: 19 MARCH 2008**

MC 66/03/08      **APPLICATION FOR THE EXTENSION OF THE SEA POINT CITY IMPROVEMENT DISTRICT TERM TO 30 JUNE 2011**

*ISICELO SOKWANDISWA    KWEXESHA LOPHUCULO  
LWESITHILI SASE-SEA POINT KWISIXEKO UKUBA LIYE  
KUMA NGOMHLA WAMA-30 JUNI 2011*

**AANSOEK OM VERLENGING VAN DIE TERMYN VAN DIE SEEPUNT STADSVERBETERINGSDISTRIK TOT 30 JUNIE 2011**

**RECOMMENDED** that Council approve, in terms of Section 11(4)(a) of the CID By-Law, the extension of the Sea Point City Improvement District term as from 01 July 2008 to 30 June 2011 as per the Business Plan dated January 2008.

**AANBEVEEL** dat die Raad die verlenging van die termyn van die Seepunt Stadsverbeteringsdistrik vanaf 1 Julie 2008 tot 30 Junie 2011 goedkeur ingevolge artikel 11(4)(a) van die Verordening op Stadsverbeteringsdistrikte, soos uiteengesit in die sakeplan van Januarie 2008.

**KUNDULULWA** ukuba iBhunga malamkele ngokwemigaqo yeCandelo 11(4)(a) loMthetho kaMasipala we-CID ukwandiswa kwexesha loPhuculo lweSithili sase-Sea Point kwiSixeko ukususela ngomhla woku-1 Julayi 2008 ukuya kowama-30 Juni 2011 njengoko kubonakalisiwe kwiSicwangciso soShishino esibhalwe uJanyuwari 2008.

**REPORT TO EXECUTIVE MAYOR**

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1     **ITEM NUMBER :     MC 66/03/08**

2     **SUBJECT**

**APPLICATION FOR THE EXTENSION OF THE SEA POINT CITY  
IMPROVEMENT DISTRICT TERM TO 30 JUNE 2011**

2     **ONDERWERP**

**AANSOEK OM VERLENGING VAN DIE TERMYN VAN DIE SEEPUNT  
STADSVARBETERINGSDISTRIK TOT 30 JUNIE 2011**

2     **ISIHLOKO**

**ISICELO SOKWANDISWA KWEXESHA LOPHUCULO LWESITHILI SASE-  
SEA POINT KWISIXEKO UKUBA LIYE KUMA NGOMHLA WAMA-30 JUNI  
2011**

3     **PURPOSE**

In terms of the City Improvement District By-Law - promulgated as per Provincial Notice No.6118 dated 26 March 2004 (the By-Law), Council received an application, in terms of Section 11(4)(a) to extend the existing Sea Point City Improvement District term.

4     **STRATEGIC INTENT**

Economic Growth

5     **FOR DECISION BY**

Council.

## 6 EXECUTIVE SUMMARY

- 6.1 Application has been made in terms of Section 11(4)(a) of the CID By-Law for the extension of the Sea Point City Improvement District term as from 1 July 2008 to 30 June 2011.
  - 6.2 The proposed Business Plan is merely a continuation of the existing services provided.
  - 6.3 The property owners were given the opportunity to comment/object to the proposed extension and none have been received.
  - 6.4 This report recommends that the application to extend the Sea Point City Improvement District term to 30 June 2011 be approved.
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## 7 RECOMMENDATIONS

It is recommended that Council:

- 7.1 Approve, in terms of Section 11(4)(a) of the CID By-Law, the extension of the Sea Point City Improvement District term as from 1 July 2008 to 30 June 2011 as per the Business Plan dated January 2008.

## 7 AANBEVELINGS

Daar word aanbeveel dat die Raad:

- 7.1 Die verlenging van die termyn van die Seepunt Stadsverbeteringsdistrik vanaf 1 Julie 2008 tot 30 Junie 2011 goedkeur ingevolge artikel 11(4)(a) van die Verordening op Stadsverbeteringsdistrikte, soos uiteengesit in die sakeplan van Januarie 2008.

## 7 IZINDULULO

Kundululwa ukuba iBhunga:

- 7.1 Malamkele ngokwemigaqo yeCandelo 11(4)(a) loMthetho kaMasipala we-CID ukwandiswa kwexesha loPhuculo lweSithili sase-Sea Point kwiSixeko ukususela ngomhla woku-1 Julayi 2008 ukuya kowama-30 Juni 2011 njengoko kubonakalisiwe kwiSicwangciso soShishino esibhalwe uJanyuwari 2008.

## 8 DISCUSSION/CONTENTS

### 8.1 Constitutional and Policy Implications

The extension of the Sea Point City Improvement District term to 30 June 2008 was approved by Council on 31 May 2006.

An application in terms of Section 11(4) of the CID By-Law has been made for the Sea Point City Improvement District to be extended for another three year term (1 July 2008 to 30 June 2011).

The Business Plan, attached as per Annexure A proposes a continuation of the existing services.

The application (Business Plan) to extend the CID term was advertised in the official newspapers, appealing for comments/objections to the extension of the Sea Point City Improvement District term.

**No comments/objections were received.**

Section 11(4)(a) of the City Improvement District By-Law allows Council to approve an extension of the City Improvement District term if the Business Plan does not materially affect the rights or interests of any person and does not materially affect the levy to be charged.

As the application conforms to the above and the property owners were consulted, Council may approve the extension of the term for the Sea Point City Improvement District as from 1 July 2008 to 30 June 2011.

### 8.2 Legal Implications

City Improvement District By-Law No.6118 dated 26 March 2004

### 8.3 Other Services Consulted

Finance: Services Liaison: Eddie Scott (021) 400 1872

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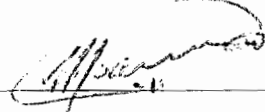
## ANNEXURES

Annexure A – Sea Point City Improvement District Business Plan dated January 2008.

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**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Runan Rossouw
<b>CONTACT NUMBERS</b>	(021) 400 - 5148
<b>E-MAIL ADDRESS</b>	Runan.Rossouw@capetown.gov.za
<b>DIRECTORATE</b>	Economic, Social Development and Tourism

  
\_\_\_\_\_  
**DIRECTOR : LEGAL COMPLIANCE**


LEGALLY COMPLIANT

NON-COMPLIANT

COMMENT :

DATE 11/03/2008

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

  
\_\_\_\_\_  
**EXECUTIVE DIRECTOR**  
**MANSOOR MOHAMED**

Comment:

DATE 12/3/2008

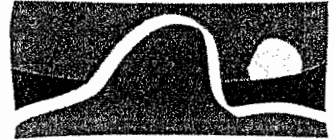
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[Executive Support to obtain Signatures]

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**ANNEXURE A**

**SEA POINT**  
City Improvement District



Sea Point City Improvement District  
2 Kloof Road Sea Point  
Box 1997 Cape Town 8000  
Tel: + 27 21 419 1881  
Fax: + 27 21 419 0894  
wayne@capetownpartnership.co.za

07 February 2008

Mr. Runan Rossouw  
Business Area Management  
Economic Development  
City of Cape Town  
12 Hertzog Boulevard  
Cape Town, 8000

Dear Runan

**APPLICATION FOR THE CONTINUATION AND ONGOING MANAGEMENT OF THE SEA POINT CITY IMPROVEMENT DISTRICT.**

We hereby make application, on behalf of the Board of the Sea Point City Improvement District, for the City Council's approval as to the continuation of the Sea Point City Improvement District after the expiry of its current three year business plan at the end of June 2008. The Board has approved a new three year business plan and at the City's request, it will commence on 01 July 2008. This application is being sent to you now to ensure compliance with the provision of the City's By-law which requires that the new three year business plan is submitted to Council for approval. A copy of the three year plan business plan is attached hereto.

This application is made to Council under Section 11.4 of the Cape Town City Improvement District By-Law, (2004). Section 11.4 states that "Not earlier than 90 (ninety) days prior to the expiry of the period of the City Improvement District plan under this subsection 4, the management body must submit to the Council an application for extension of the term of the City Improvement District plan or any extension thereof, for approval by the Council; provided that as in subsection 4.a such extension shall not materially affect the rights or interests of any person or materially affect the levy to be charged in respect of the City Improvement District or change the boundaries of the City Improvement District.

The new three year business plan of the Sea Point City Improvement District does not materially affect the rights or interests of any person. I also wish to confirm that it does not affect the levy to be charged in respect of the City Improvement District, i.e. the levy remains the same, although it should be noted that the business plan assumes a 10% increase in rates for property owners in the Sea Point CID area with effect from 01 July 2008.

Lastly, the new three year business plan does not change the boundaries of the Sea Point CID.

Copies of the New Business plan will be available at the CID Offices and we would be happy to publish notice of our application to the City for the extension of the term of the Sea Point City Improvement District plan should the City, in its sole discretion, require it.

The City's approval of this application would be greatly appreciated.

With Kind Regards

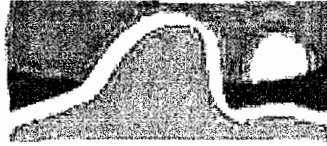
  
**CHRISTO YIACOUMIS**  
**BOARD CHAIR**

DIRECTORS: R DA LUZ, P BARNARD, A LIEBENBERG, PR BERMAN, C YIACOUMIS, H TAGER  
SEA POINT CITY IMPROVEMENT DISTRICT  
Reg. No. 1998/017963/08  
VAT Reg. No. 4110177823  
(ASSOCIATION INCORPORATED UNDER SECTION 21)

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**SEA POINT**

City Improvement Districts



# **BUSINESS PLAN**

**FOR THE ESTABLISHMENT AND MANAGEMENT**

**OF**

**A CITY IMPROVEMENT DISTRICT**

(In accordance with the By-Law for the Establishment of City Improvement Districts promulgated in Provincial Notice 116/1999)

**IN**

**SEA POINT, CAPE TOWN**

**January 2008**

2 Kloof Road, Sea Point, 8000

Tel: (021) 434-1234 Fax: (021) 419-0894

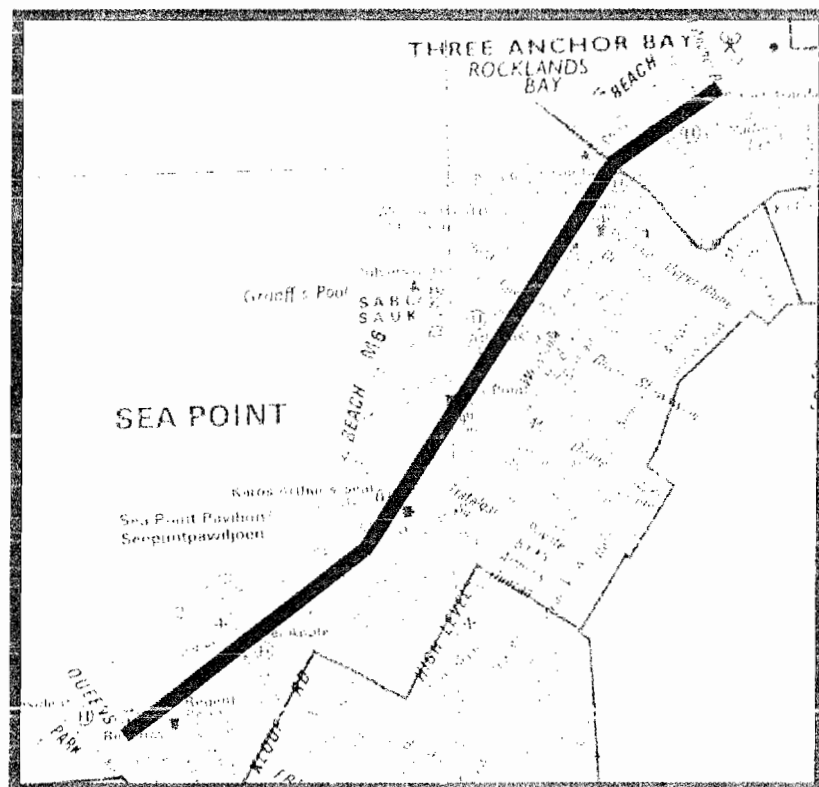
E-mail: [htager@mweb.co.za](mailto:htager@mweb.co.za)

## CID IDENTIFICATION

<b>Name of CID:</b>	Sea Point City Improvement District
<b>Date:</b>	January 2008
<b>Name of Municipality having Jurisdiction:</b>	City of Cape Town
<b>Principal Contact Persons:</b>	
Heather Tager	Wayne Ripepi
2 Kloof Road	2 Kloof Road
Cape Town	Cape Town
Tel: (021) 434 1234	(0211) 434 1234
Fax: (021) 419-0894	Fax: (021) 419 0894
E-mail: <a href="mailto:htager@mweb.co.za">htager@mweb.co.za</a>	E-mail: <a href="mailto:wayne@capetownpartnership.co.za">wayne@capetownpartnership.co.za</a>

**Geographic Area:**

### SEA POINT CITY IMPROVEMENT DISTRICT Phase I





## VISION, MISSION AND GOALS

### Vision for the area

An integral part of a world class city.

### Mission for the CID

To ensure that the Sea Point area is safe, clean, attractive and user-friendly in order to reinforce the area as one of Cape Town's premier leisure, entertainment, business and residential areas.

### Goals

- ◆ To capitalise on rejuvenation successes in the CBD, taken together with the success of the Victoria and Alfred Waterfront, to ensure that Sea Point becomes an integral part of a seamlessly safe, clean and attractive destination in its own right.
- ◆ To make the Sea Point area safe, clean, attractive and user-friendly by providing a range of enhanced management services.
- ◆ To improve the economic well-being of the Sea Point area and all its stakeholders.
- ◆ To facilitate public and private investment in the Sea Point area.
- ◆ To market the assets of the Sea Point area.
- ◆ To develop a close and mutually beneficial working relationship with the Local Authority.

## MOTIVATION FOR CONTINUATION OF SEA POINT CID

Up until the introduction of the City Improvement District in July 2002, the Sea Point business district was showing serious signs of urban degeneration and distress.

The CID has been operating successfully for nearly six years. Some key achievements and indicators are as follows:

- Since inception, crime has dropped substantially as per SAPS records
- The CID pays for additional security officers in the CID area, ensuring visible security and patrols on a daily basis
- Monthly, tons of litter are collected from the streets of the Sea Point CID. This is in addition to council cleansing.

- Numerous incidents of graffiti are removed from the CID every month
- Millions in investments are in progress or are scheduled for the near future, these are all as a result of the improved urban environment
- Business has been retained in the Sea Point CID and capital flight from the CID has dropped sharply
- Positive takeup of commercial and residential space has resulted

The business plan for the period 2008-2011 assumes an annual rates increase in value of 10% per annum.

According to the business plan for the period 2008-2011, there is no change to the boundary of the Sea Point CID.

**Apart from the services that are provided by the CID, the advantages of the City Improvement District in Sea Point are:**

1. The cost of providing supplementary services is borne by all property owners in the area.
2. Costs are borne in proportion to the value of the property.
3. The Improvement District approach is holistic.
4. The CID has helped to enhance the environment and strengthen investor confidence
5. The Improvement District supports business investment.
6. The Improvement District has helped create a positive identity for the area.
7. The Improvement District provides private sector management of top up services.
8. The CID is a Section 21 company which is controlled by a Board of Directors made up of property owners in the CID itself
9. No money raised by the levy is spent outside the CID

## **SERVICES AND LEVELS OF SERVICES TO BE PROVIDED BY THE CID**

### **Services and Levels of Services provided by the City of Cape Town (the City Council)**

In terms of the relevant By-Law, the Sea Point CID has entered into a City Improvement District Service Agreement with the City Council having received confirmation of the current City Council service levels within the Sea Point CID area. The CID services are based upon the original services described in the Sea Point CID Business Plan of April 2002 and the levels of service which are provided by the City Council in terms of the City's guaranteed levels of services.

### **Proposed Services and Levels of Services to be provided by the CID**

#### **1. Management**

**Budget provision for proposed CID: R 550 000 per annum**

The Sea Point CID was under the administration of the Cape Town Partnership up until the 31<sup>st</sup> January 2008. It has been agreed by the Board that the development of the CID will be better managed internally under the supervision of the SP CID Board. The CID is an established Section 21 Company supported by both the public and private sectors of the area.

In order to manage the CID independently, a CID Operational Manager has been appointed, which together with the Precinct Manager and other staff necessary to manage the affairs of the CID, will provide a comprehensive management service which will include the management of the sub-contractors who will be providing supplementary services to those provided by the City Council as well as to interact and liaise with the City Council on the latter's adherence to guaranteed levels of service as stipulated in the contract between the Council and the Sea Point CID.

**2. Public Safety and Security**  
**Budget provision for the proposed CID: R1 250 000 per annum**

Needs

- ◆ Visual monitoring of the periphery of the area.
- ◆ Increased security presence.
- ◆ Co-ordination of public/private security.
- ◆ Maintenance of order.

Recommendations

- ◆ The continuation of visible foot patrols throughout the Sea Point City Improvement District area.
- ◆ Foot patrols to be backed by mobile patrol vehicles.
- ◆ Partnership with SAPS and City Police will be fostered
- ◆ Provision of security awareness education programmes with the use of flyers.
- ◆ Better integration between security forces.

The integrated security plan proposed includes the continued operation of those surveillance cameras already operating in the Central City, Regent, Main and Somerset Roads.

**3. Maintenance and Cleaning**  
**Budget provision for the proposed CID: R 260 000 per annum**

Needs

- ◆ Supplemental cleaning.
- ◆ Improved general maintenance of lights, poles, trees, benches, litter bins, traffic signage, kerbside paving, etc.
- ◆ Graffiti and illegal poster removal.
- ◆ Improving landscaping and tree well maintenance.

Recommendations

- 1) Litter collection
- 2) Maintenance programme

Provision has been made to employ the services of sub-contractors to perform the abovementioned activities between 07h00 and 15h00 from Monday to Friday and from 07h00 to 14h00 on Saturdays.

**4. Marketing and Communications**  
**Budget provision for the proposed CID: R 100 000 per annum**

Needs

- ◆ A sustainable budget to implement successful planning, marketing and communication
- ◆ An outsourcing system which considers abilities and deliverables as key criteria

- ◆ A cohesive effort which is complementary to other efforts and avoids duplication

### **Recommendations and deliverables**

- ◆ The development of a periodic newsletter or communication channels
- ◆ The creation of an area-specific webpage
- ◆ Communication with the media and the public on the success of the Sea Point CID area

#### **5. Informal Trading Management**

Informal trading should primarily take place in centralised markets (such as Sea Point Stadium) and that any further proliferation of street trading should be prevented. Accordingly, no financial provision has been made.

#### **6. Capital Improvements**

No provision has been made at this stage for items such as additional lighting, refuse bins, street furniture etc, although the CID management is currently investigating the potential for public-private ventures that may include such improvements.

#### **7. Homelessness and Vagrancy – Social Development & Responsibility Budget provision for the proposed CID: R 50 000 per annum**

The City of Cape Town is currently developing a cohesive strategy for addressing the plight of homeless people in the Unicity area. The Sea Point CID will work through Sea Point Community Police Forum to jointly address the issue of social development and social responsibility

**BUDGET – 2008/2009**

		<b>Monthly</b>	<b>Annual</b>
<b>1.</b>	<b>EMPLOYEE RELATED</b>		
	CID Management : (Includes 1 Operations Manager, 1 Precinct Manager and a Admin Clerk)	R 45 833	R 550 000
<b>2.</b>	<b>CONTRACTED SERVICES</b>	<b>R 125 834</b>	<b>R 1 510 000</b>
	SECURITY 1) full time and dedicated security personnel (equipped and uniformed) and Patrol Vehicles	R 104 167	R 1 250 000
	CLEANSING	R 21 667	R 260 000
<b>3.</b>	<b>DEPRECIATION</b>	<b>R 417</b>	<b>R 5 000</b>
<b>4.</b>	<b>REPAIRS &amp; MAINTENANCE</b>	<b>R 833</b>	<b>R 10 000</b>
<b>5.</b>	<b>SERVICE ACCOUNTS ex CCT</b>	<b>R Nil</b>	<b>R Nil</b>
<b>6.</b>	<b>INTEREST PAID</b>	<b>R Nil</b>	<b>R Nil</b>
<b>7.</b>	<b>OTHER</b>	<b>R 35 230</b>	<b>R 422 750</b>
	ACCOMODATION	R 2 500	R 30 000
	TELEPHONE	R 3 333	R 40 000
	FUNCTIONS / MEETINGS	R 1 250	R 15 000
	PRINTING & STATIONERY	R 1 250	R 15 000
	AUDIT AND ACCOUNTING FEES	R 5 417	R 65 000
	SUNDRY	R 2 917	R 35 000
	MARKETING	R 8 333	R 100 000
	OTHER ( Bad Debt Provision)	R 6 063	R 72 750
	SOCIAL DEVELOPMENT	R 4 167	R 50 000
	<b>TOTAL</b>	<b>R 208 146</b>	<b>R 2 497 750</b>

## THREE-YEAR BUDGET PROJECTION 2008 - 2011

		2008/ 2009	2009/ 2010	2010/2011
<b>1.</b>	<b>EMPLOYEE RELATED</b>			
	CID Management : (Includes 1 Operations Manager, 1 Precinct Manager and a Admin Clerk)	R 550 000	R 600 000	R 660 000
<b>2.</b>	<b>CONTRACTED SERVICES</b>	<b>R 1 510 000</b>	<b>R 1 650 000</b>	<b>R 1 800 000</b>
	SECURITY 1) full time and dedicated security personnel (equipped and uniformed) and Patrol Vehicles	R 1 250 000	R 1 350 000	R 1 450 000
	CLEANSING	R 260 000	R 300 000	R 350 000
<b>3.</b>	<b>DEPRECIATION</b>	<b>R 5 000</b>	<b>R 10 000</b>	<b>R 15 000</b>
<b>4.</b>	<b>REPAIRS &amp; MAINTENANCE</b>	<b>R 10 000</b>	<b>R 20 000</b>	<b>R 30 000</b>
<b>5.</b>	<b>SERVICE ACCOUNTS ex CCT</b>	<b>R Nil</b>	<b>R Nil</b>	<b>R Nil</b>
<b>6.</b>	<b>INTEREST PAID</b>	<b>R Nil</b>	<b>R Nil</b>	<b>R Nil</b>
<b>7.</b>	<b>OTHER</b>	<b>R 422 750</b>	<b>R 459 800</b>	<b>R 507 750</b>
	ACCOMODATION	R 30 000	R 35 000	R 40 000
	TELEPHONE	R 40 000	R 45 000	R 50 000
	FUNCTIONS / MEETINGS	R 15 000	R 15 000	R 15 000
	PRINTING & STATIONERY	R 15 000	R 15 000	R 20 000
	AUDIT AND ACCOUNTING FEES	R 65 000	R 75 000	R 90 000
	SUNDRY	R 35 000	R 35 000	R 35 000
	MARKETING	R 100 000	R 100 000	R 100 000
	OTHER ( Bad Debt Provision)	R 72 750	R 79 800	R 87 750
	SOCIAL DEVELOPMENT	R 50 000	R 60 000	R 70 000
	<b>TOTAL</b>	<b>R 2 497 750</b>	<b>R 2 739 800</b>	<b>R 3 012 750</b>