



**BUFFALO CITY
METROPOLITAN MUNICIPALITY**

Built Environment Performance Plan 2018/19



30 MAY 2018

ACRONYMS

ACSA	Airport Company South Africa	ISA	Incremental Settlement Areas
AFS	Annual Financial Statements	ISDG	Infrastructure Skills Development Grant
AG	Auditor General	IUDF	Integrated Urban Development Framework
AMEU	Association of Municipal Electricity Utilities	IWMP	Integrated Waste Management Plan
BCMDA	Buffalo City Municipal Development Agency	IZ	Integration Zone
BCMM	Buffalo City Metropolitan Municipality	KWT	King William's Town
BEPM	Built Environment Progression Model	LED	Local Economic Development
BEPP	Built Environment Performance Plan	LSDF	Local Spatial Development Framework
BEVC	Built Environment Value Chain	LTE	Long-Term Evolution Network Coverage
BKCOB	Boarder Kei Chamber of Business	LVC	Land Value Capture
BOD	Board of Directors	MELD	Mdantsane-East London Development
CBD	Central Business District	MFMA	Municipal Financial Management Act
CBF City	Budget Forum	MGDS	Metro Growth and Development Strategy
CIDMS	City Infrastructure Delivery Management System	MRF	Material Recovery Facility
CCTV	Close Circuit Television	MSA	Municipal Systems Act
CIF	Capital Investment Framework	MSDF	Metropolitan Spatial Development Framework
CS	Community Survey	MTREF	Medium Term Revenue and Expenditure Framework
CSIP	Capacity Support Implementation Plan	MTSF	Medium-Term Strategic Framework
CSP	Cities Support Programme	MUHF	Mdantsane Urban Hub Framework
CURA	Central Urban Renewal Area	NDP	National Development Plan
DBSA	Development Bank of Southern Africa	NDPG	Neighbourhood Development Partnership Grant
DORA	Division of Revenue	NMT	Non-Motorised Transport
DV	Duncan Village	NT	National Treasury
DVRI	Duncan Village Re-Development Initiative	NTGN	National Treasury Guidance Note
DWAF	Department of Water Affairs and Forestry	NUSP	National Upgrade Support Programme
EC	Eastern Cape	NWC	North West Corridor
ECSEC	Eastern Cape Socio-Economic Consultative Council	NWP	North West Corridor
EL	East London	OF	Own Funds
ELIDZ STP	East London Industrial Development Zone Science and Technology Park	PBV	Purpose Built Vehicle
EPMO	Enterprise Project Management Office	PIU	Project Implementation Unit
ERP	Enterprise Resource Planning	PMM	Precinct Management Model
FMG	Financial Management Grant	PPF	Project Preparation Facility
GDP	Gross Domestic Product	PRASA	Passenger Rail Agency of South Africa
GIZ	Deutsche Gesellschaft fur International Zusammenarbeit	PTIG	Public Transport Infrastructure Grant
HDI	Human Development Index	PTISG	Public Transport Infrastructure and System Grant
HIV/AIDS	Human Immune Virus/Acquired Immune Deficiency Syndrome	SANRAL	South African National Roads Agency
HRD	Human Resource Development	SDBIP	Service Delivery and Budget Implementation Plans
HSDG	Human Settlements Development Grant	SDF	Spatial Development Framework
IBC	Invest Buffalo City	SOC's	State Owned Companies
ICDG	Integrated City Development Grant	SPLUMA	Spatial Planning and Land Use Management Act 2013
ICR	Inner-City Regeneration	SPV	Special Purpose Vehicle
ICT	Information and Communications Technology	SRA	Special Rating Area
IDP	Integrated Development Plan	STP	Science and Technology Park
IDZ	Industrial Development Zone	TOD	Transit-Oriented Development
IGR	Inter-Governmental Relations	UDZ	Urban Development Zone
INEP	Integrated National Electrification Grant	UID	Urban Improvement District
IRPTN	Integrated Rapid Public Transport Network	UNS	Urban Network Strategy
IP	Integrate Planning	USDG	Urban Settlements Development Grant
		WTP	Water Treatment Plan
		WWTW	Waste Water Treatment Works

TERMINOLOGY

The following terminology is taken from the National Treasury Guidance Note: BEPP Framework v.5.5 08/2017.

Catalytic Urban Development Programmes

Catalytic urban development programmes and associated projects are programmes that:

- a) Enable integration, that is mixed and intensified land uses where the residential land use caters for people across various income bands and at increased densities that better support the viability of public transport systems;
- b) Are strategically located within integration zones in metropolitan municipalities; and are game changers in that the nature and scope of the projects are likely to have significant impact on spatial form and unlock economic activity.
- c) Involve major infrastructure investment;
- d) Require a blend of finance where a mix of public funds is able to leverage private sector investment as well as unlock household investment;
- e) Require specific skills across a number of professions and have multiple stakeholders.

Catalytic development programmes are an ensemble of related projects (public: municipal, public: non-municipal and private (Public Private Partnerships, Special Purpose Vehicles, and pure private development projects) needed to be implemented within a specific spatial targeted area and from which the total intergovernmental project pipeline is updated for all public-sector projects in the programme.

The catalytic programme development process delivers a series of built environment projects to be implemented by either national, provincial, municipal or private sector which will progressively put cities on the path to achieving compact cities and transformed urban spaces and are therefore outcomes led.

Densification

Increased use of space, both horizontally and vertically, within existing areas/properties and new developments, accompanied by an increased number of units and/or population threshold.

Economic/Employment Node

Employment or economic nodes are localised urban agglomeration economies with the highest number of jobs per unit of area (job densities). They are the primary urban destinations and therefore are mostly located on major transit routes and accessible via a variety of transport modes. In terms of land use, employment nodes can either be mixed – a cluster of office, retail, industrial, community and residential land uses; or uniform - homogenous land uses such as industrial or office complexes. Building heights and land coverage in economic nodes are much higher compared to average urban places. In terms of life cycle stage, they can be segmented into emerging (township nodes or urban hubs), established (decentralised commercial nodes) and declining nodes (CBDs). Size and catchment area of economic nodes are characterised into a descending hierarchy, e.g. Regional, CBD, Metropolitan, Suburban and Neighbourhood.

Human Settlements Development

The Department of Human Settlements defines a human settlement as a developed and/or developing human community in a city, town or village – with all the social, material, economic, organisational, spiritual and cultural elements that sustains human life. Human settlement development refers to the establishment and maintenance of habitable, stable and sustainable public and private residential environments to ensure viable households and communities within a space and/or areas providing for economic opportunities, health, educational and social amenities in which all citizens and permanent residents of the Republic, within a municipal space will, on a progressive basis, have access to permanent residential structures with secure tenure, internal and external privacy and providing adequate protection against the elements; and potable water, adequate sanitation facilities and domestic energy supply.

Informal Settlement

The National Upgrading of Informal Settlements Programme refers to two UN Habitat definitions of Informal Settlements. An 'Informal Settlement' exists where housing has been created in an urban or peri-urban location without official approval. Informal settlements may contain a few dwellings or thousands of them, and are generally characterised by inadequate infrastructure, poor access to basic services, unsuitable environments, uncontrolled and unhealthy population densities, inadequate dwellings, poor access to health and education facilities and lack of effective administration by the municipality. (NUSP 2013, taken from UISP Consolidation Document-2014).

Another definition in use which is similar to the above is: "Residential areas where 1) inhabitants have no security of tenure vis-à-vis the land or dwellings they inhabit, with modalities ranging from squatting to informal rental housing,

2). the neighbourhoods usually lack, or are cut off from, basic services and city infrastructure and 3) the housing may not comply with current planning and building regulations, and is often situated in geographically and environmentally hazardous areas". The UN-Habitat (2015).

Integrated Planning

Integrated planning refers to the co-operation of different sector department, different spheres of government, parastatals and the private sector in order to achieve publicly participated and accepted development outcomes.

Intensification / Mixed Land Use

Achieving a greater spectrum of land uses (commercial, industrial, residential or social) through the increased use of space, both horizontally and vertically, within existing areas or properties and new developments, within a TOD precinct, resulting in increased population thresholds that support public transport ridership, walkability, economic development and inclusivity.

Integration Zone (IZ)

The Urban Network consists of a number of Integration Zones. Each zone is a part of a city or city region-wide TOD network. An integration zone is a spatial planning element facilitating spatial targeting of investment aimed at spatial transformation. Each zone consists of a transit spine connecting two anchors via mass public transport (rail/bus) e.g. the CBD and an 'urban hub' (township node with the best investment potential). It can also comprise of the CBD and another primary metropolitan business node. Between the two Integration Zone anchors area limited number of Integration Zone intermediate nodes that are strategically located at key intersections connecting to marginalised residential areas (townships and informal settlements) and economic nodes (commercial and industrial nodes) via feeder routes. The Urban Hub connects to secondary township nodes within the marginalised peripheral township. The Integration Zone includes a hierarchy of TOD precincts located and prioritised within the structure of the nodes described above.

Intergovernmental Project Pipeline

The intergovernmental project pipeline consists of both catalytic and standard projects (not all projects, only that of a strategic/priority nature) within the metropolitan space whether it is a project of the national, provincial or metropolitan government, or that of a public entity. The main purpose of the pipeline is for it to incorporate projects from all spheres and entities to prioritise collective public investment in particular spaces.

Land Value Capture (LVC) / Land Based Financing

A policy and regulatory mechanism that allows a public entity to "capture" a portion of the increased value (direct or indirect) of land resulting from either investment in infrastructure or the allocation of use rights by the public sector.

Marginalised Areas

Marginalised areas are areas, primarily residential in function with related land uses, which are in decline and/or where people are deprived. These are areas that are typically informal settlements and dormitory residential townships in need of redress. These are areas that do not tend to be the focus of the private sector developers and will thus require some kind of intervention from government to start with if they are to flourish as liveable neighbourhoods with high accessibility to the broader urban network.

Mixed Land Use

A mix of land uses or achieving greater spectrum of land uses. More specifically it relates to an area of existing or proposed horizontal and/or vertical integration of suitable and compatible residential and non-residential land uses within the same area or on the same parcel of land; implies contextually appropriate intensity of land uses that should facilitate efficient public transport and a vibrant local urban environment.

Spatial Planning and Land Use Management

The following definitions are the same definitions used in SPLUMA Act 16 of 2013.

"Land" means any erf, agricultural holding or farm portion, and includes any improvement or building on the land and any real right in land;

"Land development" means the erection of buildings or structures on land, or the change of use of land, including township establishment, the subdivision or consolidation of land or any deviation from the land use or uses permitted in terms of an applicable land use scheme.

“Land use” means the purpose for which land is or may be used lawfully in terms of a land use scheme, existing scheme or in terms of any other authorisation, permit or consent issued by a competent authority, and includes any conditions related to such land use purposes.

“Land use management system” means the system of regulating and managing land use and conferring land use rights through the use of schemes and land development procedures;

“Spatial development framework” means a spatial development framework referred to in Chapter 4 of SPLUMA;

“Zone” means a defined category of land use which is shown on the zoning map of a land use scheme. (Not the same as Integration Zone as in UNS)

The spatial planning system consists of the following components:

- a) Spatial development frameworks to be prepared and adopted by national, provincial and municipal spheres of government;
- b) Development principles, norms and standards that must guide spatial planning, land use management and land development;
- c) The management and facilitation of land use contemplated in Chapter 5 of SPLUMA through the mechanism of land use schemes; and
- d) Procedures and processes for the preparation, submission and consideration of land development applications and related processes as provided for in Chapter 6 of SPLUMA and provincial legislation.

A municipal spatial development framework must assist in integrating, coordinating, aligning and expressing development policies and plans emanating from the various sectors of the spheres of government as they apply within the municipal area. Spatial development frameworks must outline specific arrangements for prioritising, mobilising, sequencing and implementing public and private infrastructural and land development investment in the priority spatial structuring areas identified in spatial development frameworks.

Spatial Targeting

A built environment investment prioritisation approach where specific areas are prioritised for investment at a range of geographic scales, within an urban system, to achieve particular development outcomes. Spatial Targeting is an approach recommended by the National Development Plan.

Spatial Transformation:

The legacy of apartheid – communities segregated from one another based on race (and class)- as well as the impacts of the legacy of the modernist trend of city building based on the automobile and functional separation of land uses have left South Africa with cities that are inefficient, inequitably developed, and expensive – environmentally, socially and fiscally – to live in and to manage. The NDP states that a national focus on the spatial transformation of our cities should, by 2030 ensure that a larger proportion of the population should live close to places of work and travel distances and costs should be reduced, especially for poor households. Urban systems – hard (physical structures and networks) and soft (governance systems including urban management and land use management) that facilitate and enable compact cities and transformed urban spaces of social and economic inclusion on an equitable basis are key levers to overcome the debilitating impact of distance and separation on the fortunes of the individual, household, business and the state, as well as the environment and the resilience of the system as a whole. The equitable redistribution of resources within cities, as well as building systems that facilitate affordable and safe access to the full ambit of resources that makes urban living productive are critical to spatial transformation.

Transit-Oriented Development (TOD)

TOD directs public and private investment to areas of maximum public access in a city, doing it in a way that creates liveable environments. In the context of the BEPP, included in TOD would be spatially targeted areas. TOD is designed to maximize access to rapid/frequent public transport and encourage ridership.

The symbiotic relationship between land use, built form and public transport lies at its core. From a transport perspective TOD is focussed on promoting sustainable public transport while minimising the travel mode share of private motor vehicles and the negative externalities of this mode including reduced rates of private car parking. From a spatial development perspective, the focus is on mixed land use and increased residential densities in an improved public environment (high quality public spaces and streets, which are pedestrian and cyclist friendly) with high pedestrian accessibility within 500 metres to transit stations/TOD precinct.

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SECTION A: INTRODUCTION

PROFILE OF THE BUFFALO CITY METROPOLITAN MUNICIPALITY

Buffalo City Metropolitan Municipality (BCMM) presents, since 2011, as a Category A Metropolitan Municipality along the eastern seaboard of the Eastern Cape Province, with a population of 834 997 (Community Survey 2016), resident across the urban, rural and peri-urban settlements that constitute the municipal jurisdiction. In this respect BCMM comprises the urban coastal area of East London, the Midland region of Mdantsane, and the inland urban region of King Williams Town and Dimbaza as well as the numerous rural areas surrounding the urban areas. BCMM also houses the Eastern Cape provincial capital in Bhisho.

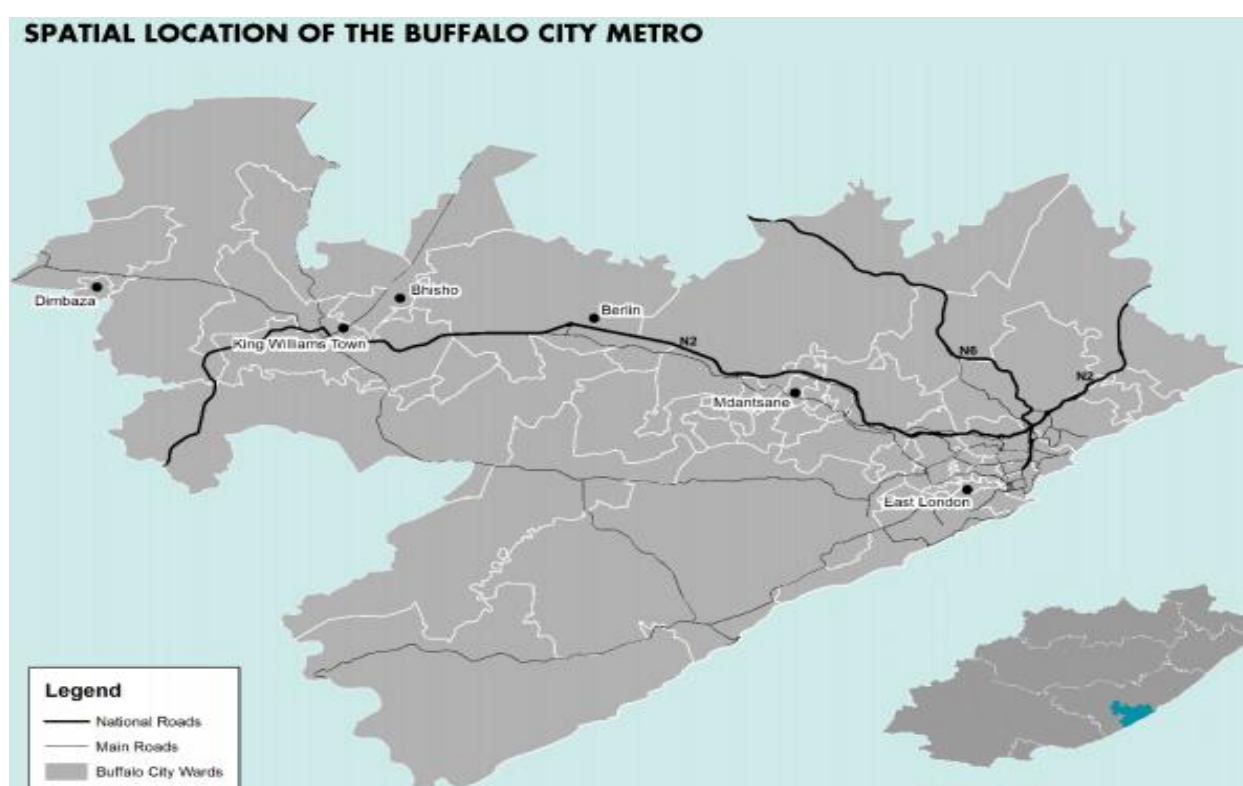


Figure A.1: Spatial location of BCMM (Source: Statistics South Africa Community Survey 2016)

Socio-demographic Profile

In terms of population, the Buffalo City Metro accounts for 11.6% of the 6.9 million population of the Eastern Cape. As the major urban centre of the eastern part of the Eastern Cape, BCMM continues to improve levels of service provision to its residential and business customers for all the necessary basic services as mandated by the South African Constitution.

In this respect, the latest Statistics South Africa Community Survey (Statistics South Africa 2016) shows that approximately 97.7% of the population in BCMM had access to piped water in 2016,

reflecting a slight improvement from the 97.3% in 2011, and 75.4% of the population of BCMM had access to flush toilets, up from 71% in 2011. The number of people using pit latrines, buckets and those with no access to toilets has decreased from 18.8%, 1.4% and 7.2% respectively in 2011 to 15.9%, 1.2% and 3.0% respectively.

The 2016 Community Survey (Statistics South Africa) also reflected the growing challenge with respect to the growth of informal dwellings and settlements in the municipal area, with the number of people staying in traditional and formal dwellings decreasing in 2016 to 4.2% and 70.2% from 5.2% and 71.9% in 2011 respectively, while the population of those that reside in informal dwellings has increased from 22.2% in 2011 to 24.9% in 2016.

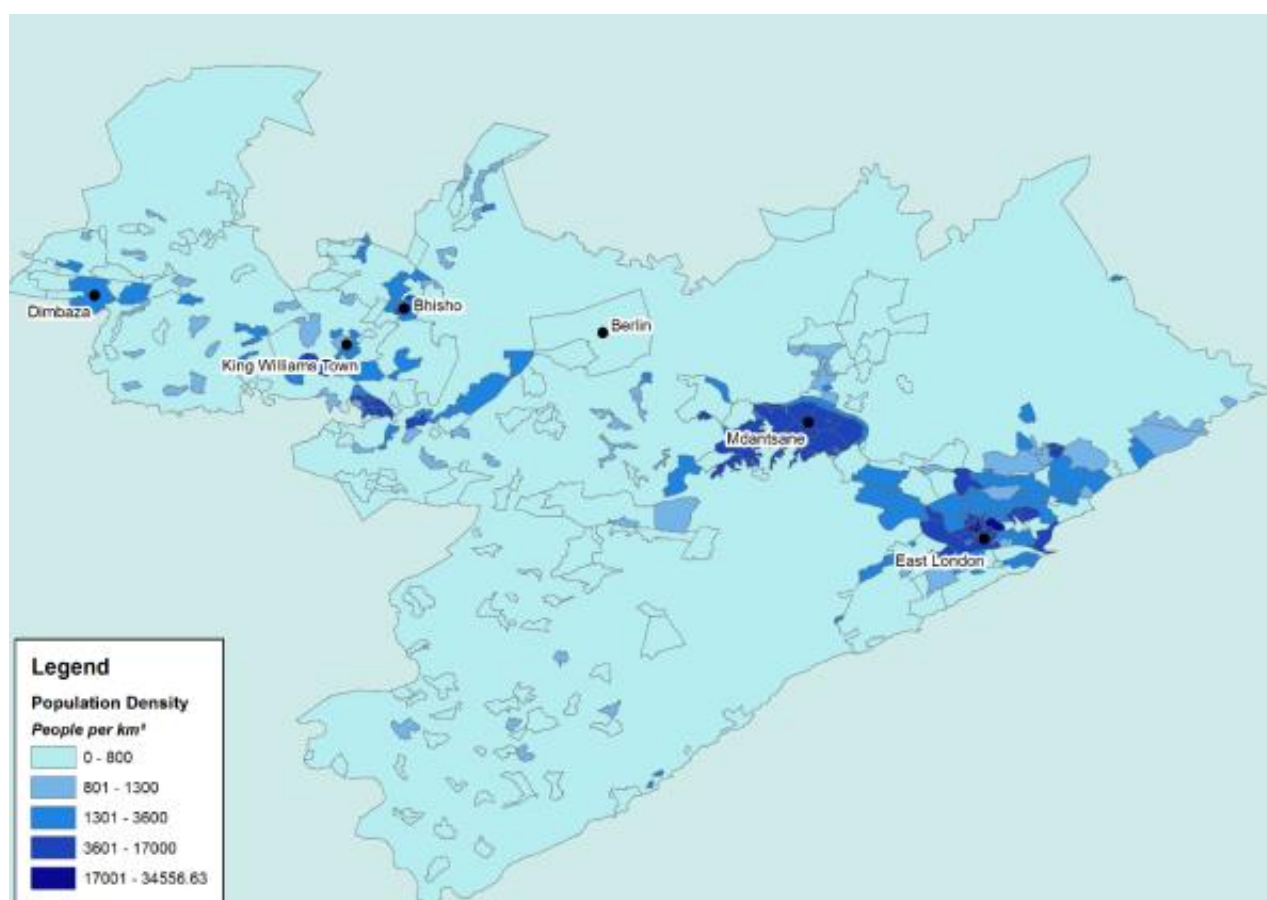


Figure A.2: Population density of Buffalo City Metropolitan Municipality (Source: Statistics South Africa Community Survey 2016)

The following is a summary of the Socio-Economic profile of BCMM's according to the ECSECC 2016 report.

Gross Domestic Product (GDP)

BCMM contributed about 20.21% in GDP to the Eastern Cape Province GDP of R338 billion in 2016 and contributes 1.57% to the GDP of South Africa. In 2016 the growth rate of the economy was at 0.35% for BCMM as compared to 0.28% for the whole of South Africa. For the period

2006 to 2016, the average annual growth rate of 1.9% of Buffalo City was the fourth relative to other cities in the Eastern Cape in terms of growth in constant 2010 prices.

In 2016, the community services sector is the largest within BCMM accounting for 27.2% of the total GVA in the metropolitan municipality's economy. The sector that contributes the second most to the GVA is the Finance sector at 21.3%, followed by the trade sector at 19.6%. Update: There has been a steady decline in the manufacturing sector which contributes 13% in 2016. This is followed by Transport at 10%, and Electricity and Construction at 4% each and Agriculture at 1%.

Human Development Index (HDI)

The HDI is a composite statistic used for ranking by level of Human development. In 2016, BCMM had an HDI of 0.667 compared to the Eastern Cape with HDI of 0.596 and 0.653 of National Total. This translates to better human development for Buffalo City compared to South Africa.

Gini Coefficient

The Gini Coefficient for BCMM stood at 0.638 as compared to 0.617 for the EC province in 2016. This value still indicates inequality within the Metro despite the improvement as compared to previous years. The Gini coefficient for the whole of South Africa was 0.628 in 2016.

Education level

The population within BCMM considered to be functionally illiterate stood at 19.5% at 2013, but as at Community Survey 2016, only about 12.6% of the population is functional illiterate, i.e. with no schooling at all.

Employment status

In 2016, the unemployment rate in BCMM was 26.30% as compared to 21.4% in 2013. BCMM has experienced an annual increase of 0.88% in the number of unemployed people, which is better than that of the Eastern Cape Province which had an average annual increase in unemployment of 1.65%. The functional group constitute about 61.3% of the population for the Metro as at Community Survey 2016 quarterly survey reports.

Poverty

In 2016, there were 448 000 people living in poverty, using the upper poverty line definition, across the Metro. This is 0.26% higher than the 447 000 in 2006. The percentage of people

living in poverty has declined from 58.33% in 2006 to 52.87% in 2016. Generally, the number of people living in poverty is on the decline and for BCMM the figure stood at 47%, as compared to 40% for the whole of South Africa and 55% for the EC province.

TRANSFORMING BCMM

In terms of the Built Environmental Performance Plan 2018-2019, BCMM has chosen to focus attention on those areas that would drive and facilitate **spatial transformation** in order to alleviate the challenges of sluggish economic growth in marginalised residential areas as well as areas of business, trade and transport. Improved quality of life and living are addressed through its focus on integrating transport and human settlement planning and projects.

The BEPP summarizes BCMM's Built Environment Value Chain and associated activities which will drive desired outcomes of compact and transformed urban spaces that are economically and socially viable, liveable and sustainable.

Section A of the document outlines the role and purpose of the BEPP as well as its relationship to other statutory plans and institutional systems in place to support the implementation and monitoring of key spatial transformation interventions of the City.

Section B of the document addresses the key spatial transformational strategies and the approach taken to spatial prioritization of areas for intervention. The section also addresses planning initiatives in place as they relate to spatially targeted and prioritized areas.

Sections C unpacks the Catalytic Urban Development Programmes identified for the City, and the integrated planning and preparation around each catalytic programme. The section also outlines inter-governmental projects and partnerships with other spheres of government and state-owned enterprises. Sections D and E reflect on the resourcing to fund these programmes as well as the institutional systems in place to aid the implementation of said programmes.

Successful project implementation relies on working urban management systems and processes being in place. Section F of the document addresses the status quo and planned actions around Urban Management for prioritized precincts of the City. Existing initiatives, strategies, partnerships and institutional arrangements in place for securing resources for implementation are discussed.

The document concludes with a report on BCMM's progress with Transformational Indicators in terms of Circular No. 88 of the MFMA Act No. 56 of 2003.

A1. ROLE AND PURPOSE OF THE BUILT ENVIRONMENT PERFORMANCE PLAN

The Built Environment Performance Plan is a strategic spatial planning tool that provides an integrated investment rationale, plan and process for the implementation of priority catalytic programmes and projects within the city. Amongst its many roles, it is first and foremost a spatial transformation tool which, through the above targeted catalytic programmes and projects aims to transform the Metro's built environment into a more compact, liveable, integrated, inclusive, productive and sustainable place.

The ultimate impact of spatial transformation is anticipated to be:

- A reduction in poverty and inequality.
- Enabling of faster and more inclusive urban economic growth.
- The setting up of short term investment plans which build towards a long term coherent investment logic.

To achieve the above, the BEPP provides a common platform, which engages both municipal sector departments as well as national and provincial spheres including state owned enterprises, in order that energy, efforts and funding is pooled and aligned to create programmes and projects that are of greater collective impact. This is achieved through an ongoing interdepartmental as well as intergovernmental conversation. 'The BEPP is intended to be the reference point for national and provincial spheres and other key stakeholders to make informed decisions in the built environment, led by municipal planning. The national and provincial departments and state-owned entities will be able to see the impact of their investment as it relates to other sectors in terms of cumulative local outcome and impact.' (National Treasury Guidance Note: BEPP Framework v.5.5, 2017).

Through the above shared platform, the BEPP provides an opportunity to align various grant funding and is also an eligibility requirement / instrument for compliance and submission purposes for the following infrastructure grants:

- **ICDG:** Integrated City Development Grant, Schedule 4B (specific purpose allocations to municipalities);
- **USDG:** Urban Settlements Development Grant, Schedule 4B (supplements municipal budgets);
- **HSDG:** Human Settlements Development Grant, Schedule 5A (specific purpose allocations to provinces);

- **PTNG:** Public Transport Network Grant, Schedule 5B (specific purpose allocations to municipalities);
- **NDPG:** Neighbourhood Development Partnership Grant, Schedule 5B (Capital Grant), Schedule 6B (Technical Assistance)
- **INEP:** Integrated National Electrification Grant, Schedule 5B (specific purpose allocations to municipalities).

A2. BEPP IN RELATION TO OTHER STATUTORY PLANS

As described below, the BEPP is designed as a planning tool that will align, refine and consolidate the metro’s existing planning instruments through a focused investment strategy and implementation plan that will enable fast tracked and inclusive economic growth.

The BEPP is complimentary to the metro’s other strategic documents, including the Integrated Development Plan, the Budget, the Spatial Development Framework, the Draft Metro Growth and Development Strategy and the Human Settlement Plans. It is held that through its prioritized programmes and projects, the BEPP will become a ‘change’ instrument to effect desired changes in the City’s other strategic documents.

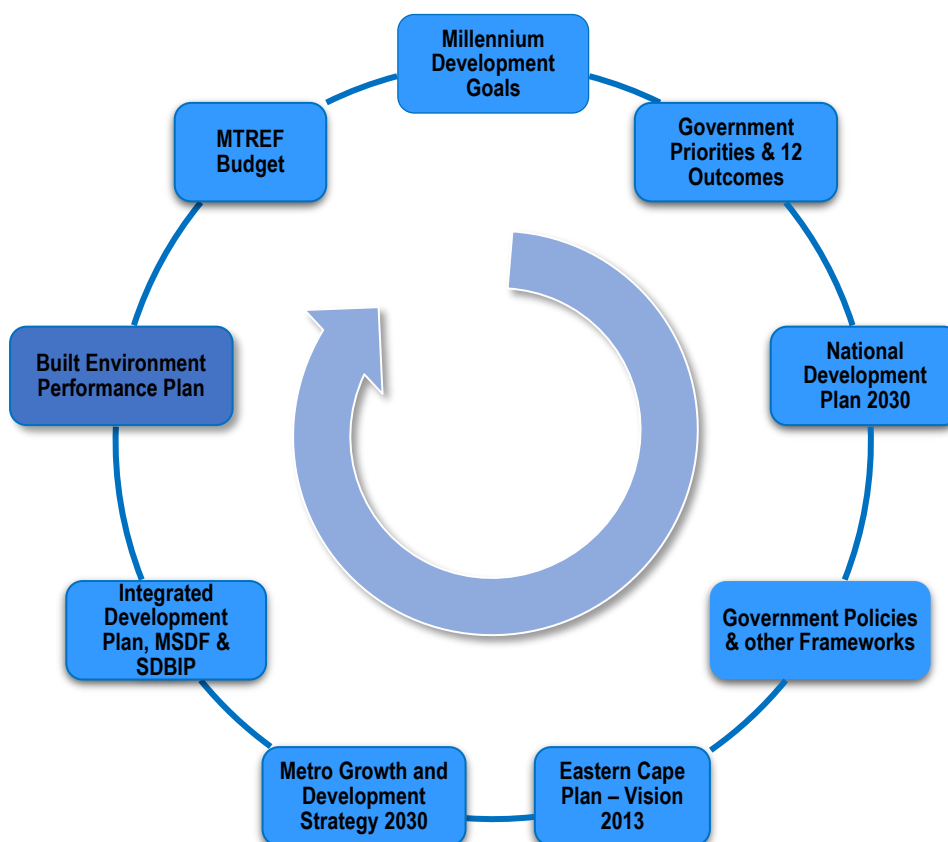


Figure A.3: Relationship with strategic documents (Source: BCMM BEPP 2017-2018)

The following documents and data sources were used in the formulation of the Draft 2018/2019 Built Environment Performance Plan: -

A2.1 BCMM Documents:

- BCM Spatial Development Framework Review: 2013
- Buffalo City Municipality's Housing Sector Plan 2010
- Buffalo City Integrated Development Plan 2016/2017
- Buffalo City Metropolitan Municipality's Integrated Sustainable Human Settlement Plan 2014
- Metro BEPP Transit Orientated Development (TOD) Alignment Review (K. Harrison: 2015)
- Buffalo City Metropolitan Municipality: MTEF 2017 Budget Proposal (PTNG) (BCMM Transport Team: 2015)
- Spatial Policy approved since 2003
- Urban Local Spatial Development Frameworks/Spatial Policy completed since SDF of 2003:
- Vincent Berea LSDF (2004)
- Mt Ruth Framework Plan (2005)
- Quenera LSDF (2005)
- Urban Edge Policy Framework (2008)
- Bonza Bay LSDF (2008)
- Duncan Village LSDF (2009)
- Beach Front LSDF (2010)
- Gonubie Main Road LSDF (2012)
- BCMM SDF Review
- Bhisho KWT LSDF (2013)
- Mdantsane LSDF Review (2013)
- Vincent Berea LSDF Review (2013)
- Mdantsane Industrial Feasibility Study (2015)
- Sleeper Site Framework Plan (2016)
- Mdantsane Hub Plan (2016)
- West Bank LSDF (2004)

- Mount Coke Dimbaza LSDF (2008)
- Kwelera LSDF (2013)
- Newlands LSDF (2015)

A2.2 National and Provincial Documents:

- National Development Plan 2010
- Spatial Planning & Land Use Management Act (Act 16 of 2013)
- National Treasury Guidance Note for the Built Environment Performance Plan, V5.5 August 2017
- Provincial Growth and Development Strategy: 2006
- Eastern Cape Provincial Spatial Development Plan: 2010
- DORA 2017 including the grant frameworks of the relevant infrastructure grants
- ICDG Framework in 2016
- The Guidelines for the Implementation of the Integrated City Development Grant, May 2013 and as updated
- Concept Note for the Built Environment Value Chain and Progression Model, 23 September 2016
- Guidance Notes, toolkits and other relevant documents relating to the Neighbourhood Development Programme
- Framework for Spatial Investment in Human Settlements prepared by CSIR, 31 March 2015 Plan, August 2014
- National Human Settlements Spatial Plan, August 2014 and as updated

A2.3 Aligning the BEPP with IDP and Budget

Circular No. 88 (Nov 2017) of the MFMA Act No. 56 of 2003, introduced a new set of integrated indicators that rationalise planning and reporting requirements for the 2018/19 MTREF. The Built Environment Performance Plan was identified as the most appropriate planning instrument to measure transformational outcomes that focus on the extent of spatial transformation in the city.

Integration and alignment between the BEPP, broader city strategies, the IDP and budget therefore becomes critical in ensuring that transformational outcomes are realised and delivered.

Circular No. 88 identifies City Transformational Outcomes as:

- Targeted investments in integration zones;

- Reduction in urban sprawl;
- New housing options with social diversity; and
- Affordable and efficient public transport services.

The key areas where the above four transformational outcomes align with BCMM’s other strategic planning documents such as the Metro Growth and Development Strategy and the IDP as well as its linkage to the 2018/19 budget is shown through the diagram below. The capital budget amounts indicated encompass the broad outcomes contained in the aligned MGDS & IDP outcome areas and are not indicative of BEPP outcomes alone.

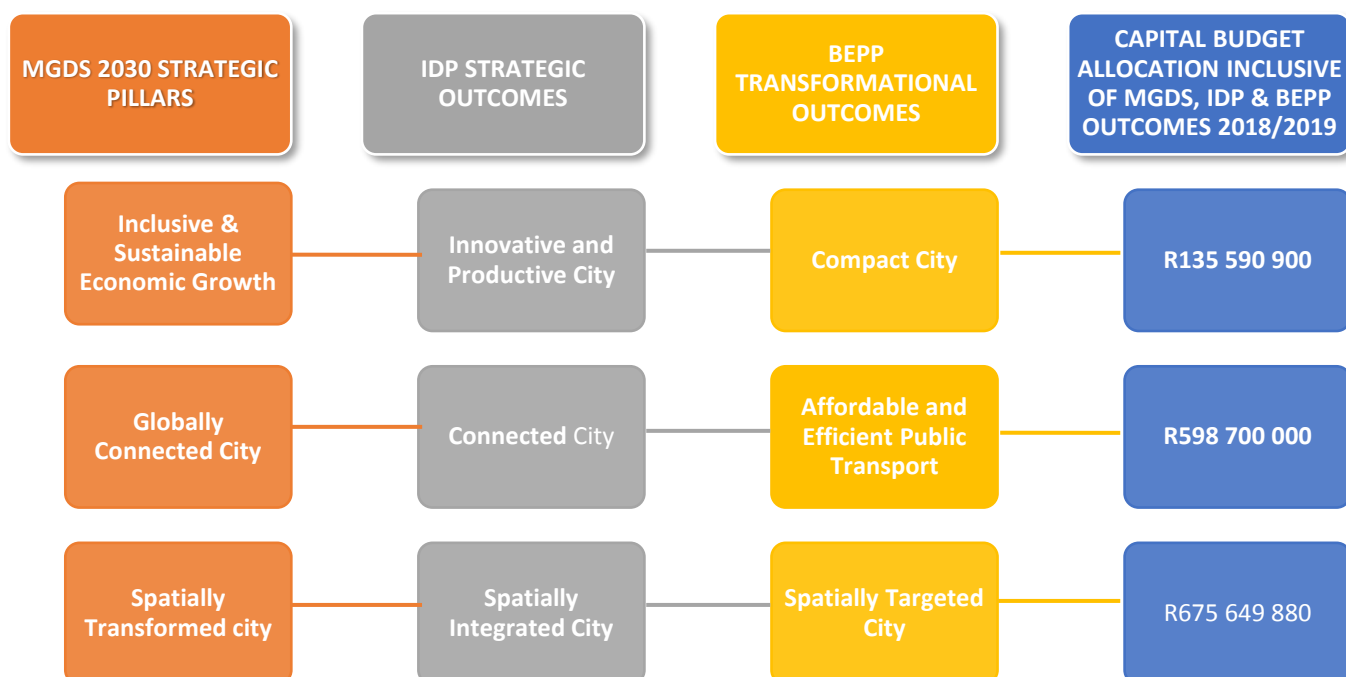


Figure A.4: Diagram representing the relationship between the BEPP, IDP, MGDS and Budget (Source: BCMM BEPP 2018-19)

A3. INSTITUTIONALISING THE BEPP

A3.1 The Influence of the BEPP on the IDP and Budget

The catalytic urban development programmes outlined in the BEPP have been confirmed as city priorities in the Mayoral and Council Lekgotla’s which set priorities for the 2018/19 financial year. In the process of formulating the 2018-19 IDP and budget, meetings have taken place between the EPMO (as the technical driver of the BEPP within BCMM), Executive Services (GM responsible for IDP) and representatives for budget planning (Finance).

Catalytic urban development programmes identified in the BEPP have been incorporated in the 2018-2019 IDP and 2018-2019 Budget processes of BCMM. The spatial targeting of areas and nature of catalytic projects within programmes however needs strengthening through enhanced coordination and integration of projects which fall within Catalytic Programme Areas.

A3.2 The Influence of the BEPP on the SDF Review

The Spatial Planning and Development Directorate, which coordinates and prepares the SDF, has representation on the BEPP Task Team which is a team of inter-departmental representatives from all sectors of the BCMM. The Urban Network Strategy of the BEPP, and the Integration Zones will be integrated into the SDF as part of the SDF Review which is scheduled to take place in March 2018.

A3.3 Institutional arrangements in place for managing transversal management priorities

Managing transversal priorities and projects within the City is achieved through the BEPP Task Team which, as mentioned above, is an inter-departmental Task Team that meets on a regular basis to discuss and coordinate Catalytic Urban Development Programmes of the BEPP. The EPMD convenes and serves as secretariat to the BEPP Task Team.

The BEPP process has also initiated the formation of an Inter-Governmental Task Team which includes representation from National Department of Public Works, Provincial Treasury, as well as state owned enterprises such as the BCMDA, the Port Authorities, SANRAL, PRASA and Eskom.

A3.4 Project Preparation for selected key catalytic urban development programmes and projects (leverage of investment through partnerships)

The Council Legkotla noted that the BCMM has been slow in moving from concept and high-level precinct planning to implementation of catalytic projects. The BCMM has little capacity and skills to plan and manage complex catalytic projects (which could result in bad investment decisions, risks around increased corruption etc.). BCMM has established an agency (BCMDA) as well as an EPMD, and institutional roles are currently being better defined. The EPMD will play a lead role in catalytic project co-ordination with the BCMDA playing a more decisive role in catalytic project investment facilitation.

A3.5 Technical support from CSP

To accelerate catalytic and strategic programme and project implementation, a significant amount of technical support is required to be assembled to assist the City. This includes support around project value assessment and management; business case development and due diligence; transaction advisory and financial structuring; as well as governance models and framework design. It is envisaged that to move catalytic projects closer to implementation, the CSP will be approached to make such support available. This will supplement the GTAC technical support being provided to the BCMM.

A further area identified for CSP support is around the City Infrastructure Delivery and Management System (CIDMS). This will assist the Metro in undertaking thorough project preparation processes in readiness for planned implementation.

A3.6 Monitoring the BEPP outcomes

Both the BEPP Task Team and the IGR Task Team will be convened every quarter to report on BEPP implementation, identify bottlenecks and solutions, and escalate those issues which cannot be resolved technically to the City Manager and Council for resolution. Quarterly BEPP Performance Reports will be prepared by the BEPP Task Team secretariat (EPMO).

A3.7 Submission of Final 2018-19 BEPP Document to Council

The Draft BEPP 2018-2019 was tabled together with the Draft IDP and Draft MTREF at the Council meeting held on 28 March 2018. The Final BEPP 2018/19 will be submitted together with the Final IDP and Final MTREF at the Council Meeting scheduled to take place on the 30th May 2018.

SECTION B : SPATIAL PLANNING & TARGETING

SPATIAL PLANNING BACKGROUND

The National Development Plan

The National Development Plan (NDP) advocated “a national focus on **spatial transformation**”. Chapter 8 was specifically called ‘Transforming Human Settlements’. The NDP introduced five broad normative principles to guide the formulation of a national spatial framework, to inform urban and rural development policies, to strengthen spatial planning instruments, and to help build institutional capabilities for spatial governance at Local, Provincial and National levels. The principles are: spatial justice; spatial sustainability; spatial resilience; spatial quality; spatial efficiency.

Beyond the broad principles, the NDP understood the spatial transformation of cities in terms of three of the elements of urban structure i.e. – jobs, housing and transport. It suggested that there were five ways in which these elements could be used to promote urban restructuring:

- i) To reduce travel costs and distances,
- ii) To prevent further development of housing in marginal places,
- iii) To increase urban densities and reduce sprawl,
- iv) To improve public transport and the coordination between transport modes, and
- v) To shift jobs and investment towards dense peripheral townships.

Spatial transformation will clearly mean different things in different local contexts, depending on the socio-economic composition and physical characteristics of the area. Nevertheless, several **general principles of urban efficiency** and good design seem relevant to most situations:

- i) Mixed-use development instead of mono-functional settlements,
- ii) Mixed-income residential schemes rather than exclusive housing schemes,
- iii) Public transport-oriented projects rather than private car-oriented projects,
- iv) Improved public spaces and opportunities for walking rather than private cars,
- v) Higher density developments rather than low density sprawl,
- vi) Brownfield (re)development, renewal and retrofitting of old buildings rather than new greenfield development,
- vii) An emphasis on affordable housing in well-located areas, i.e. in and around transport nodes

and corridors.

- viii) Public consultation and popular involvement in area-based planning to ensure more of a people-based perspective, and less of a prescriptive, top-down approach.

Integrated Urban Development Framework

The Integrated Urban Development Framework (IUDF) 2014 sets out a policy framework to guide the development of inclusive, resilient and liveable urban settlements. The IUDF identifies nine priority objective levers namely:

- i) **Integrated Urban Planning and Management** is essential for coherent development.
- ii) **Integrated transport and mobility** is vital component for economic infrastructure investment.
- iii) **Integrated and sustainable human settlements** are key to redressing the prevailing apartheid geography, restructuring cities, shifting ownership profiles and choices, and creating more humane, safe living and working conditions.
- iv) **Integrated urban infrastructure**, which is resource efficient and provides for both universal access and more inclusive economic growth.
- v) **Efficient land governance and management** that grow through investments in land and property resulting in inclusive, multi-functional urban spaces.
- vi) **Inclusive economic development.** Cities and towns that are dynamic and efficient, foster entrepreneurial and innovation, sustain livelihoods, enable economic growth and generates the tax base needed to sustain and expand public services and amenities.
- vii) **Empowered active communities.** Cities and towns that are home to socially and culturally diverse citizens, who are actively involved in the city.
- viii) **Effective urban governance** – managing the intergovernmental dynamics within the city.
- ix) **Sustainable finances** – Cities and towns that are supported by a fiscal framework that acknowledges the development potential and pressures of urban spaces, manages finances effectively and efficiently, and integrates resources and partnerships for inclusive urban growth.

BCMM Spatial Development Framework

BCMM Development Perspective

Within the Buffalo City area, the following three main land use patterns emerge:

- i) The dominant East London - King William's Town - Dimbaza urban axis. This spatially defines a principal development corridor that services the greater Amatole region.*
- ii) The peri-urban fringe and rural settlement area. This component includes the Newland's settlements, settlements that previously fell within the former Ciskei 'Bantustan', and the Ncera communal settlements located west of East London.*
- iii) The commercial farming areas confined mainly to the north-eastern and south-western (coastal) sectors. These areas are characterised by both extensive and intensive agricultural land utilisation.*

The settlement pattern demonstrates spatial fragmentation occurring within East London and King William's Town, mostly in the form of racially segregated residential areas or dormitories. These areas comprise Mdantsane, Potsdam, Ginsberg, Zwelitsha, Phakamisa, Briedbach and Ilitha. In addition, the higher order function and natural growth of the historic towns of East London and King William's Town have been impacted by attempts to create satellite or "buffer strip" residential, commercial, industrial and administrative growth nodes - i.e. Bhisho, Berlin and Dimbaza. The City recognises such spatial development pattern as a legacy of apartheid and previous Bantustan policies that require urgent attention.

In terms of the BCMM IDP, an overall concept (described below) was accepted and endorsed as strategic direction provided by the Municipal Council and is reflected in the Spatial Development Framework. In this regard, the Buffalo City IDP notes that: *"the [approach of Building on Urban and Rural Strengths] acknowledges that the urban areas of greater East London/Mdantsane and King William's Town/Bhisho and environs are likely to be focal points for significant economic growth and development within Buffalo City over an extended period of time. However, it is accepted that there is a dependency amongst a significant proportion of the residents of Buffalo City on access to peri-urban and/or rural land for basic livelihood (i.e. survival or subsistence) as well as cultural purposes, and that this is likely to continue to be so, at least in the medium term (10 years). Therefore, it is concluded that:*

- i) It must be accepted that it is most rational and economically effective to focus higher order development investment (in infrastructure, housing and a diversity of economic enterprises) in the urban core areas.*

- ii) *However, a proportion of the resources of the Buffalo City Municipality must also be targeted in areas of opportunity and areas of need in fringe rural and peri-urban areas, in order to upgrade existing settlements and create or facilitate new development opportunities in these areas.”*

Background to the SDF

The first SDF was approved in 2003. The central development concept is described as follows:

*“For the purposes of the Buffalo City SDF, the central development concept is one of ‘**beads on a string**’, with the string comprising a linear system of integrated movement modes and the beads being the intensive mixed-use nodes, around multi-modal transportation terminals. An alternative (or more technical) description of the concept would be to focus on the concepts of nodes (beads) and corridors (string).”*

The Spatial Concept of 2003 implied a need to develop:

- Intense and higher density settlements with mixed uses along the main transport routes;
- Inner city medium density residential environments surrounding the East London and King William’s Town CBD’s and medium density residential development not more than 1 kilometre from bus/taxi routes and near stations.
- Densities of at least 40 dwelling units per hectare (gross) in order to attain the minimum threshold where public transport becomes economically sustainable. The current gross density in BCMM is 7.47du/ha.

The 2013 SDF confirmed the 2003 Vision and the commitment to broad principles of Spatial Transformation espoused in the NDP as well as the general the urban design principles such as development that is transit orientated and supported by a Densification and Mixed-Use Strategy. The BCMM SDF (2013) contains the following spatial vision:

“Re-Shaping Buffalo City: The Metro in 2023”

In 2023 Buffalo City is a City-in-a-Region providing a focus for socio-economic development, services and higher order human settlement in the central part of the Eastern Cape Province. The core elements of the City are its roles as a University Town; a hub for Green energy production and innovation; a centre of Industrial development with an innovative and world-class motor industry cluster at its heart; and a city that offers a rich lifestyle experience through the

quality of its natural environment, the range of social, cultural and leisure activities offered in the area, and the excellence of its public infrastructure and social institutions.

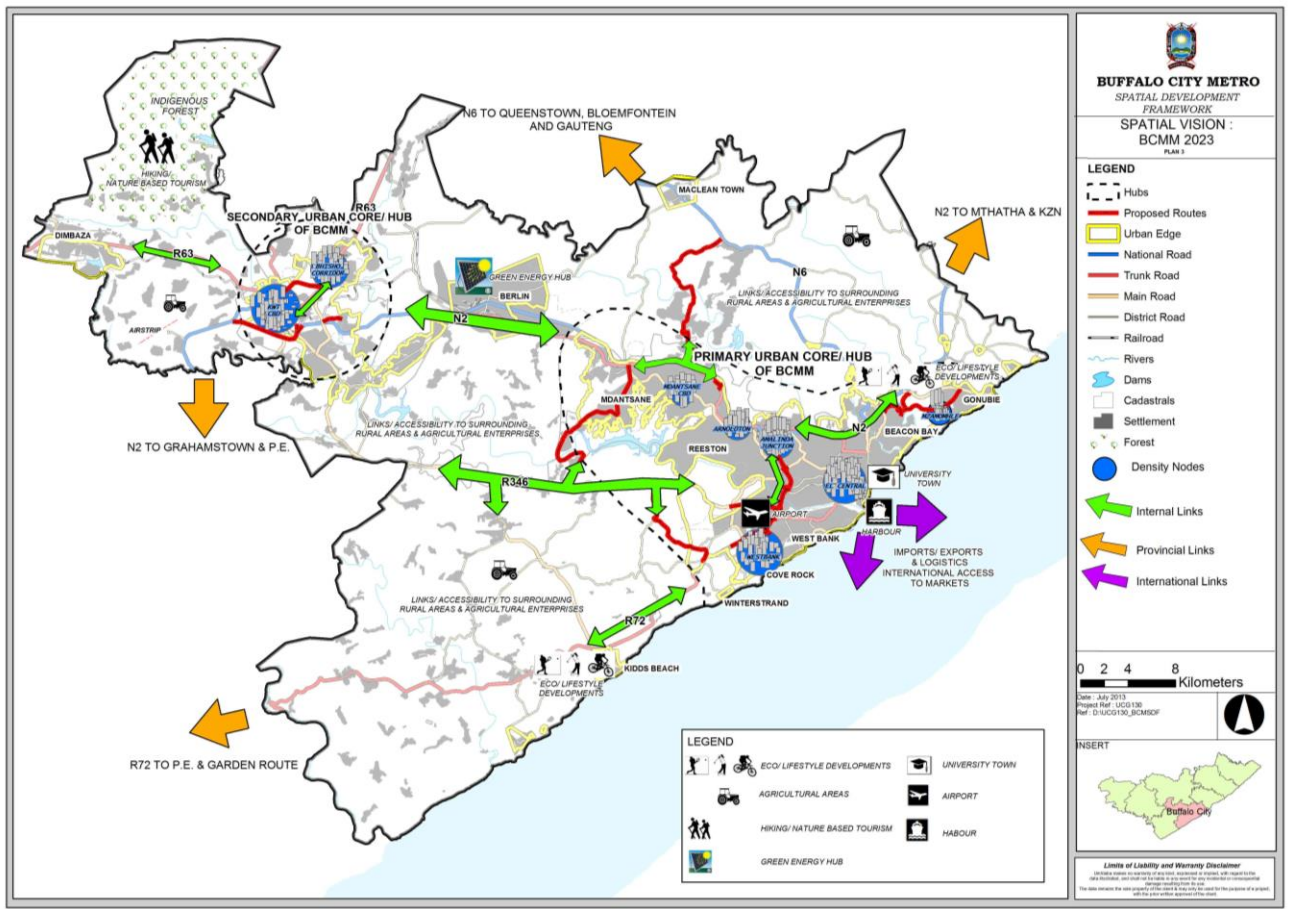


Figure B.1: BCMM Spatial Vision of 2013 (Source: BCM SDF Review, 2013)

In order to achieve the above SPATIAL VISION, the following spatial priority areas were highlighted through the BCMM SDF Review for 2013.

The SDF proposes **THREE Spatial Priority Areas** within the BCMM Urban Edge where, if focused attention is placed on implementing key catalytic projects, enormous developmental benefits can be attained over an extended period of time for the benefit of all communities and residents of Buffalo City as well as the broader region over which the socio-economic influence of BCMM extends. The three areas identified are:

- Priority Area 1: Urban Core – including East London and Mdantsane
- Priority Area 2: Westbank
- Priority Area 3a: Bhisho, King William’s Town and Berlin
- Priority Area 3b: Quenera

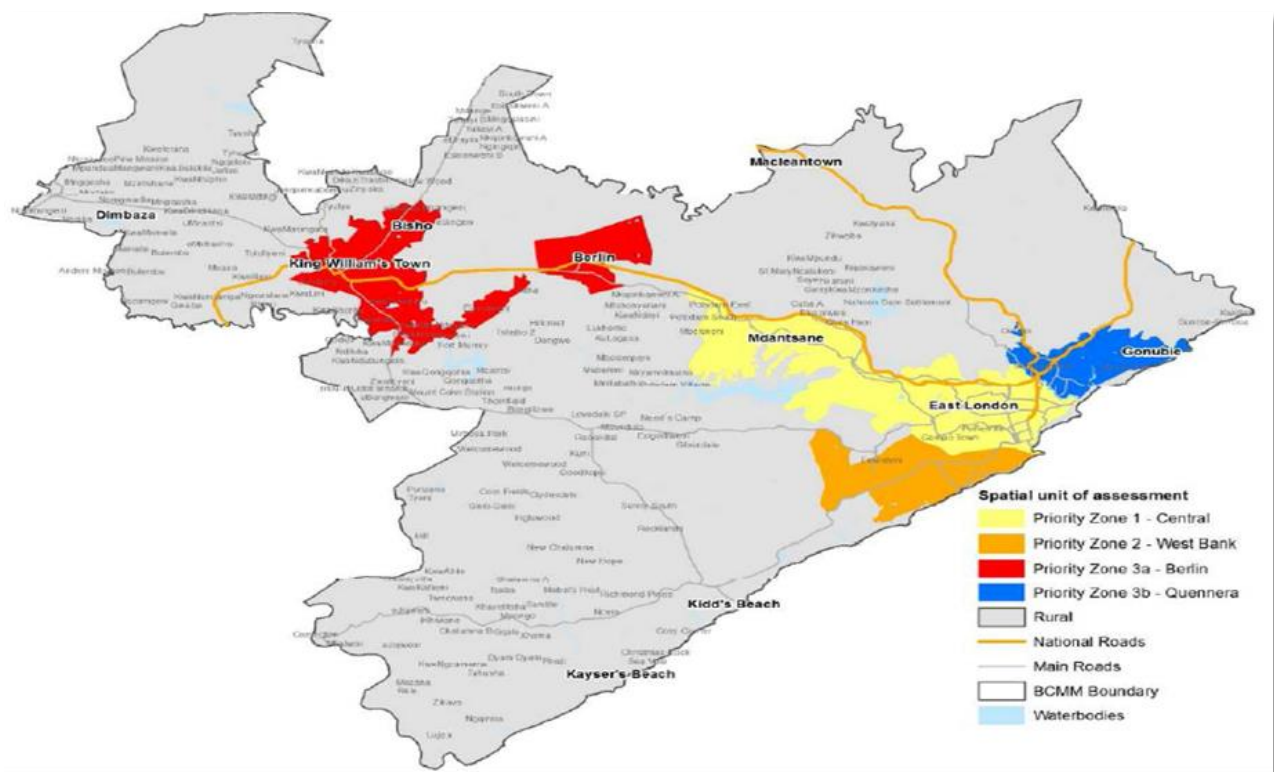


Figure B.2: BCMM Spatial Priority Areas (Source: BCM SDF Review, 2013)

These 3 Spatial Priority Areas are described below:

SPATIAL PRIORITY AREA 1: URBAN CORE

In order to provide Strategic direction to spatial development to BCMM, and in order to support investment and growth, it is proposed that the **URBAN CORE** i.e. **East London and Mdantsane** and the areas in between should be **Priority 1**. The table below outlines strategic proposals for spatial priority area1 as stipulated in the BCMM SDF:

Spatial Priority Area 1: Central Urban Core (East London-Mdantsane)	
Spatial Focus	Rationale for Priority
Investment in the URBAN CORE (EL-Mdantsane) is the focus based largely around the MELD Corridor within which the following Catalytic Projects are identified:	<ul style="list-style-type: none"> • This area is home to the majority of the BCMM population. • The “Heart” of the City-in-a-Region that is BCMM. • Potential to house 40,000 to 50,000 households at increased densities, over time.

- | | |
|---|--|
| <ul style="list-style-type: none"> • Inner City Regeneration and in particular the Redevelopment of the Sleeper Site • Duncan Village Redevelopment • Mdantsane Hub • Amalinda Junction • North West Corridor | <ul style="list-style-type: none"> • Critical infrastructure/service backlogs hindering progress. • Creating infrastructure capacity in roads and services networks will give “biggest bang for the buck” in shortest time-frame. • Opportunity to reverse Urban Sprawl by combining densification and mixed-use development with improved access to public transport |
|---|--|

This area contains the bulk of BCMM’s population and is subjected to critical infrastructure/service backlogs, which severely hinders the progress of development. The urban area within this Priority Area has the potential to accommodate between 40 000 to 50 000 households at increased densities in the future. Creating infrastructure capacity in roads and services networks will give the “biggest bang for the buck” in shortest time-frame.

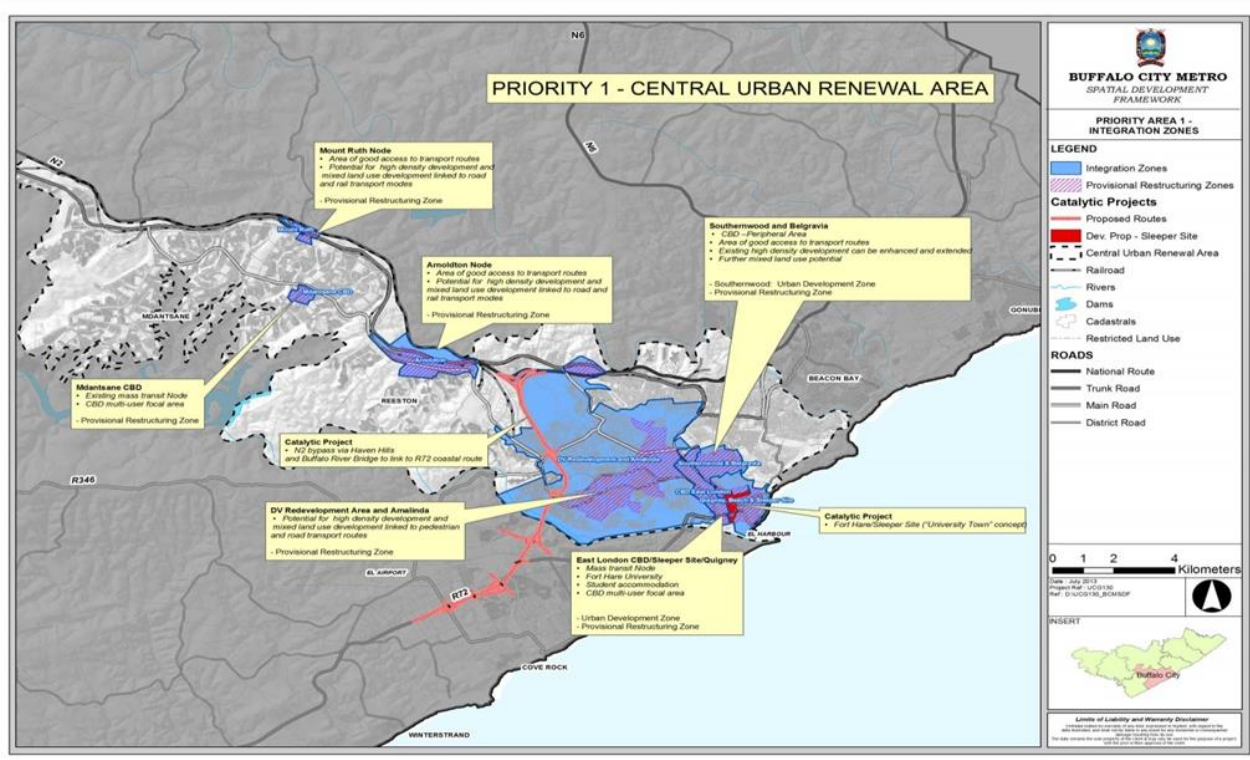


Figure B.2a: Priority Area 1 (Source: BCM SDF Review, 2013)

SPATIAL PRIORITY AREA 2: West Bank

The **West Bank area** has since the 1980's been seen as having the best potential for large-scale urbanization in the Greater East London area. Investment in the East London Industrial Development Zone (ELIDZ) is constrained from being fully realised by the lack of key infrastructure in Wastewater Treatment on the West Bank. As land prices have inflated and the developable land in close proximity to the City Centre is depleted.

The table below outlines strategic proposals for spatial priority area2 as stipulated in the BCMM SDF:

Spatial Priority Area 2: West Bank	
Spatial Focus	Rationale for Priority
<p>Catalytic Projects are identified as:</p> <ul style="list-style-type: none"> • Revitalisation of the West Bank Industrial area as a component of the Revitalisation of BCMM Industry & Industrial Areas Catalytic Project which includes: • Upgrading of Wastewater Treatment Works and Bulk Water Supply • Buffalo River Bridge and N2/R72 realignment • Harbour expansion and deepening; IDZ; Expansion of East London Airport. • Science & Technology Park as a component of the Knowledge Economy Catalytic Project 	<ul style="list-style-type: none"> • Since 1980s, West Bank area seen as having best potential for large-scale urbanisation in Greater EL area. • Investment in IDZ is constrained from being fully realised by lack of key infrastructure in Wastewater treatment on West Bank. • Potential to house 20,000 to 30,000 households at increased densities, over time. • Buffalo River Bridge is crucial to creating an integrated and better functioning city.

The West Bank has ample well-located land for integrated, higher density and mixed land use development close to the ELIDZ. It is primarily for these reasons that the West Bank has been identified as Priority 2. Critical for the success of the West Bank area is the need to complete catalytic projects that resolve the issue of Waste Water Treatment for the area as well as Roads

and Bridges to link the West Bank to the Central Urban Area and Regional linkages (i.e. the N2 with a new bridge over the Buffalo River).

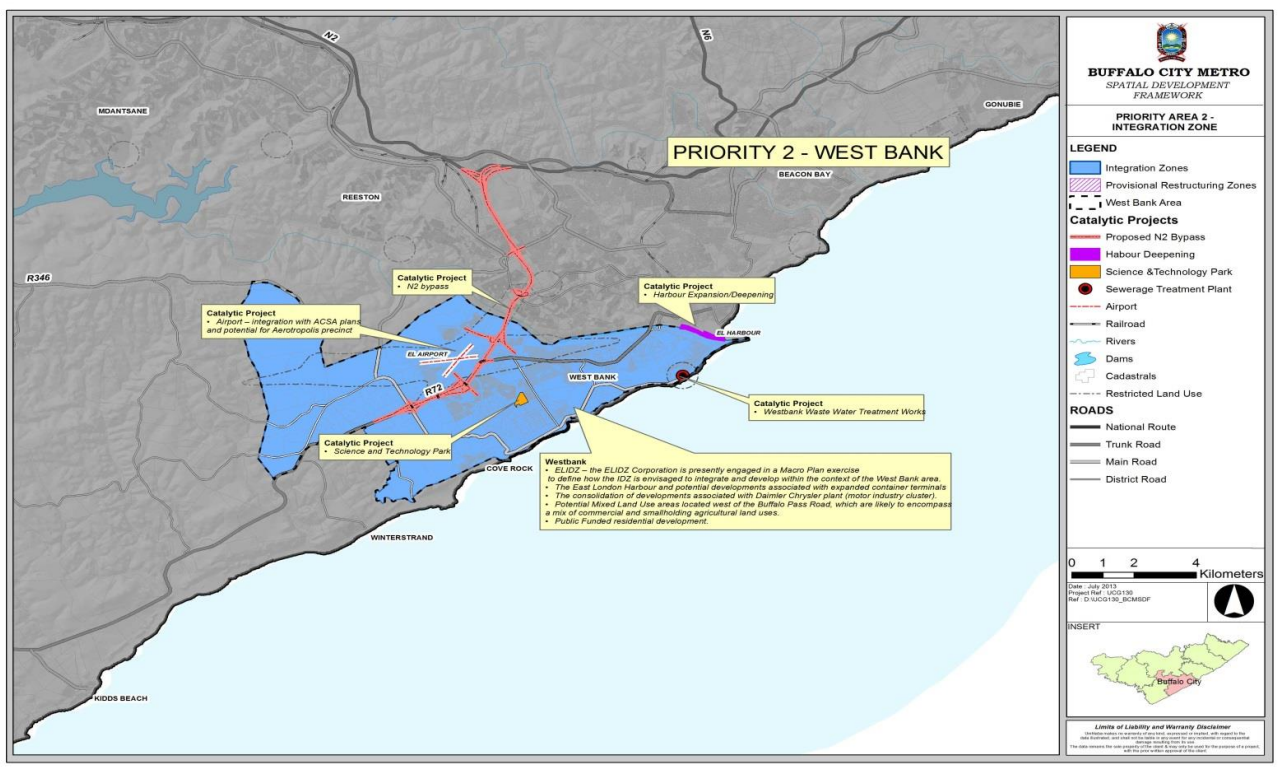


Figure B.2b: Priority Area 2 (Source: BCM SDF Review, 2013)

SPATIAL PRIORITY AREA 3: Bhisho/King Williams Town & Quenera

Priority 3 consists of two Key Focus areas both with existing developmental challenges as well as opportunities for growth and investment:

Bhisho/King Williams Town which acts as an administrative hub as well as an extended Rural Service Centre, is an important segment of BCMM. The Provincial Government is leading initiatives to consolidate Bhisho as an Administrative Capital of the Eastern Cape Province. BCMM is therefore playing a supportive role by ensuring that there is sufficient bulk infrastructure.

Strategic proposals for spatial priority area 3(a) are stipulated below.

Spatial Priority Area 3a: King William's Town & Bhisho	
Spatial Focus	Rationale for Priority
<p>Catalytic Projects are identified as:</p> <ul style="list-style-type: none"> • The Bhisho/KWT Corridor and Bhisho Revitalisation Precinct • “Green Energy” Hub located at Berlin Industrial Area as a component of the Revitalisation of BCMM Industry & Industrial Areas 	<ul style="list-style-type: none"> • Investment will serve to support the continuing function of KWT as an extended Rural Service Centre. • Support Provincial Government-led initiatives to consolidate Bhisho as the Administrative Capital of Province. • Potential to house 5,000 households at increased densities over time, many of which will be located in the Bhisho Corridor.

The second component of spatial priority area 3 is discussed below:

The second component is the **Quenera** area which consists of vacant private land between Beacon Bay and Gonubie. Within this priority area there are two informal settlements being **Mzam'omhle** and **Nompumelelo** that require upgrading. **Table illustrating strategic proposals for Spatial Priority Area 3b: Quenera**

Spatial Priority Area 3b: Quenera	
Spatial Focus	Rationale for Priority
<p>Key Project is identified as:</p> <p>The Beacon Bay-Gonubie Link Road</p>	<ul style="list-style-type: none"> • Opportunity to create an integrated sustainable higher density mixed use development that will integrate the existing communities. • Potential to house 20,000 to 30,000 households at increased densities, over time.

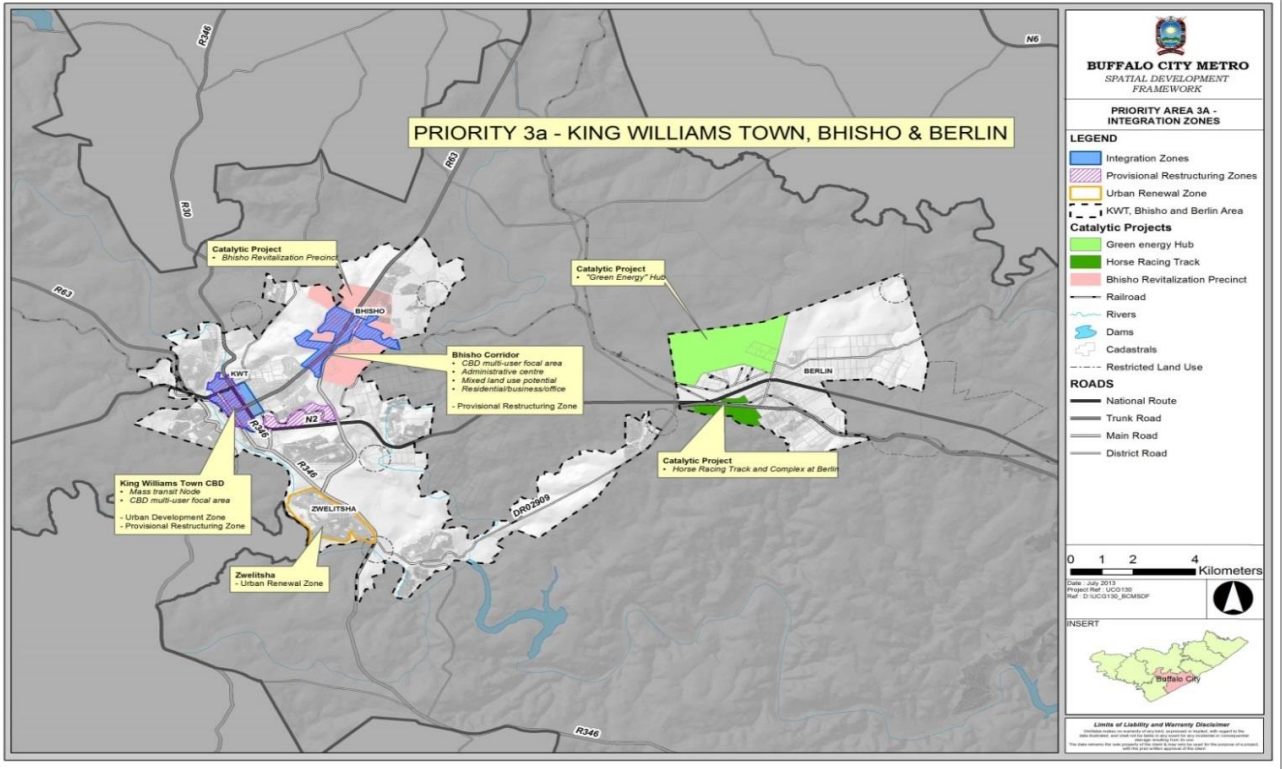


Figure B.2c: Priority Area 3a (Source: BCM SDF Review, 2013)

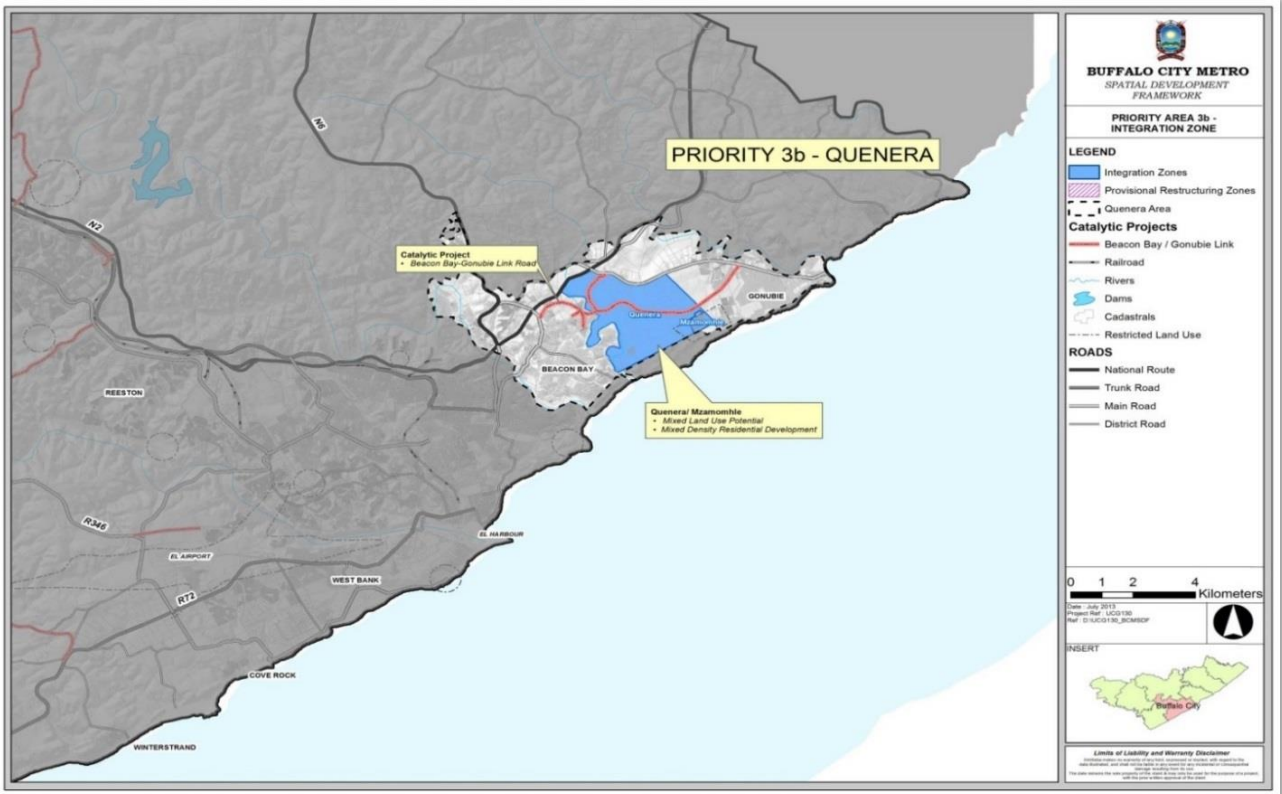


Figure B.2d: Priority Area 3b (Source: BCM SDF Review, 2013)

Spatial Structuring elements in the BCMM SDF

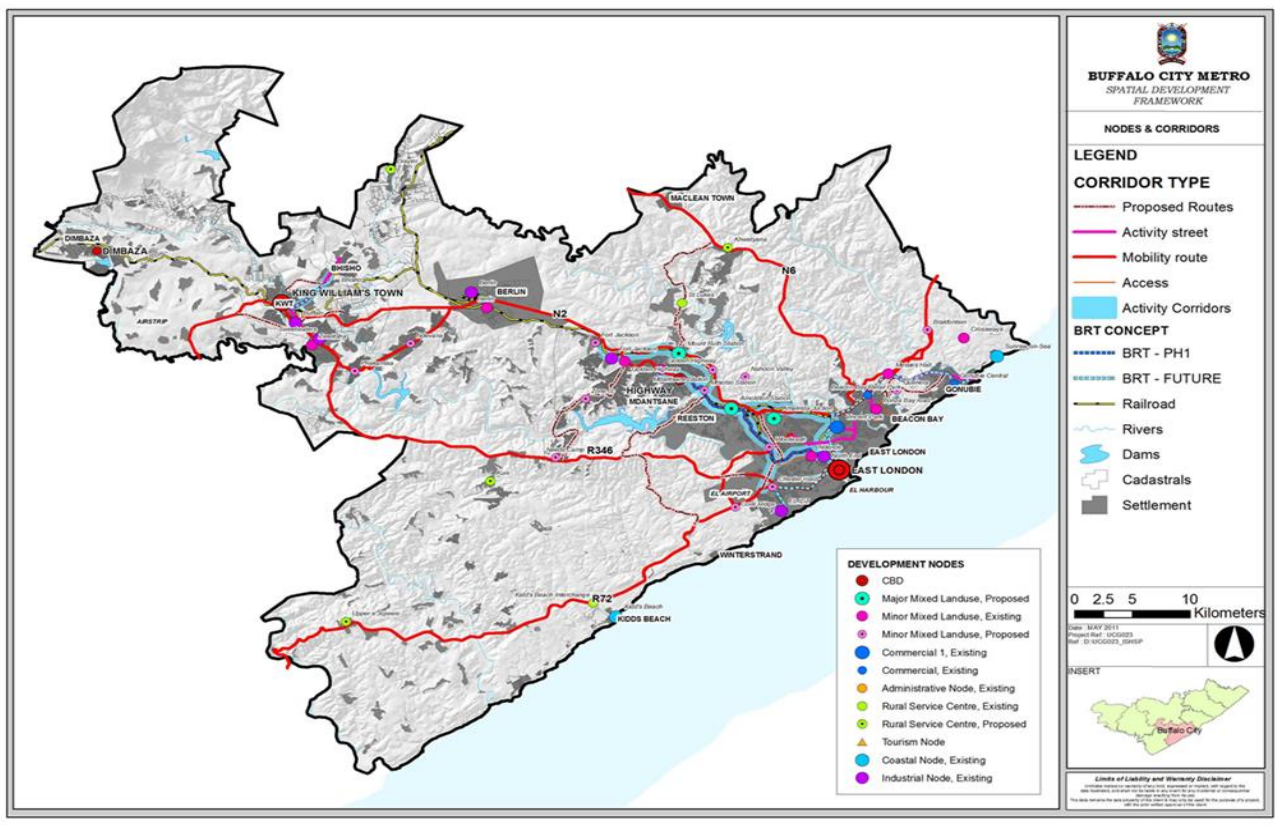


Figure B.3: Structuring Elements: Corridors (public transport) and Nodes (Source: BCM SDF Review, 2013)

The map above deals with spatial transformation in reference to public transport corridors and development nodes.

Spatial Transformation is addressed in the SDF through a strategy of densification and intensification which includes the facilitation of high density residential uses as well as mixed uses within the inner city and at identified nodes and along identified public transport corridors.

As part of the effort to consolidate the urban areas and achieve a more compact city, the Spatial Development Framework proposes that an Urban Edge be defined beyond which it is envisaged that lower density rural development will be favoured.

As part of the review of the SDF (2013), the coverage of the Urban Edge was slightly reduced to align with the Services Edge defined in the Water Services Development Plan. The Services Edge comprises a boundary (similar to the concept of an urban edge), up to which municipal infrastructure can be provided according to current resources.

B1. SPATIAL PLANNING & SPATIAL TARGETING

B1.1 BCMM URBAN NETWORK STRATEGY: PROPOSED INTEGRATION ZONES

Spatial Targeting within the Urban Network Strategy aims to bring together **three key elements** into an integrated framework. See Figure B.4 below:

1. **Economic nodes / Areas of Employment** – shown in blue and red
2. **Marginalised Residential Areas and Informal Settlements** - shown in orange
3. **Strategic Public Transport Corridor** linking the above two elements.

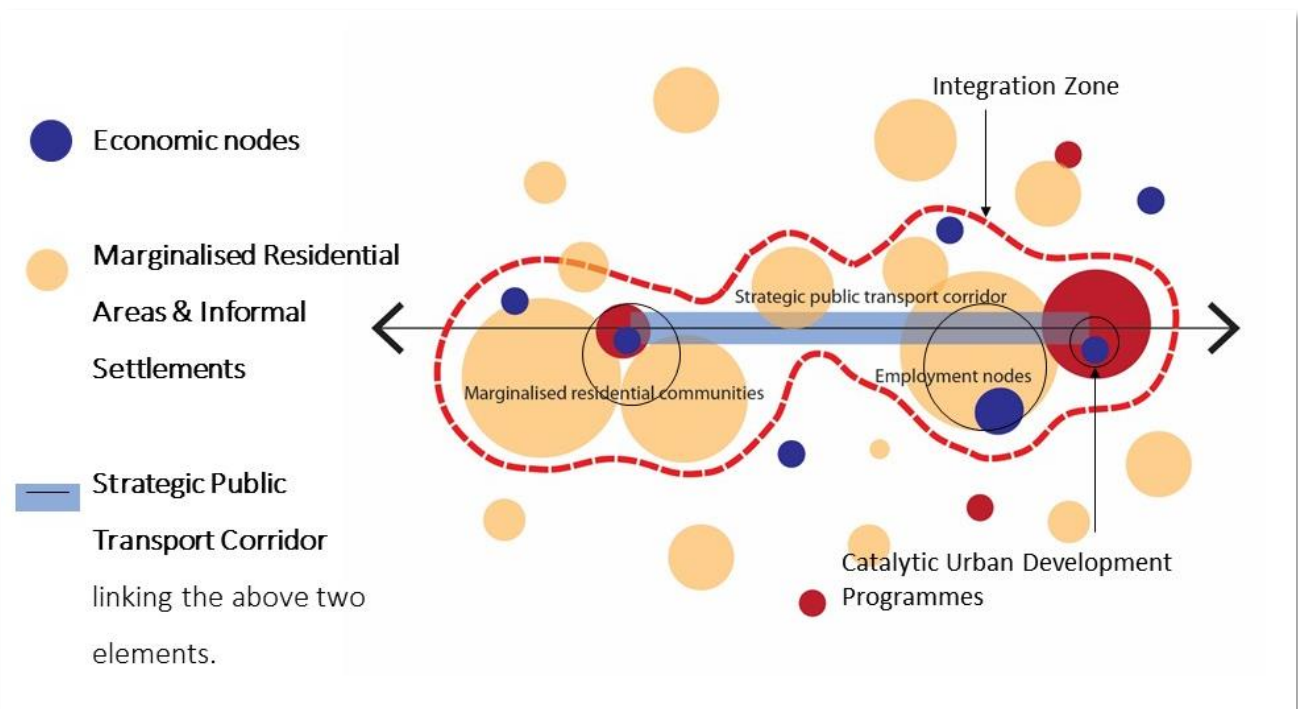


Figure B.4: Spatial Targeting Structuring Elements: Public Transport Corridors and Nodes (Source: BEPP 2018-19)

'The Urban Network Plan, and specifically the identification of prioritised spatial targeting areas, provides a mechanism for integrated planning and in particular, the spatial alignment of investments in public transport and housing' (NT Guidance Note: 2017). Along this concept, the Buffalo City Urban Network Strategy identifies two such spatially targeted areas within BCMM namely, Primary Integration Zone and Secondary Integration Zone.

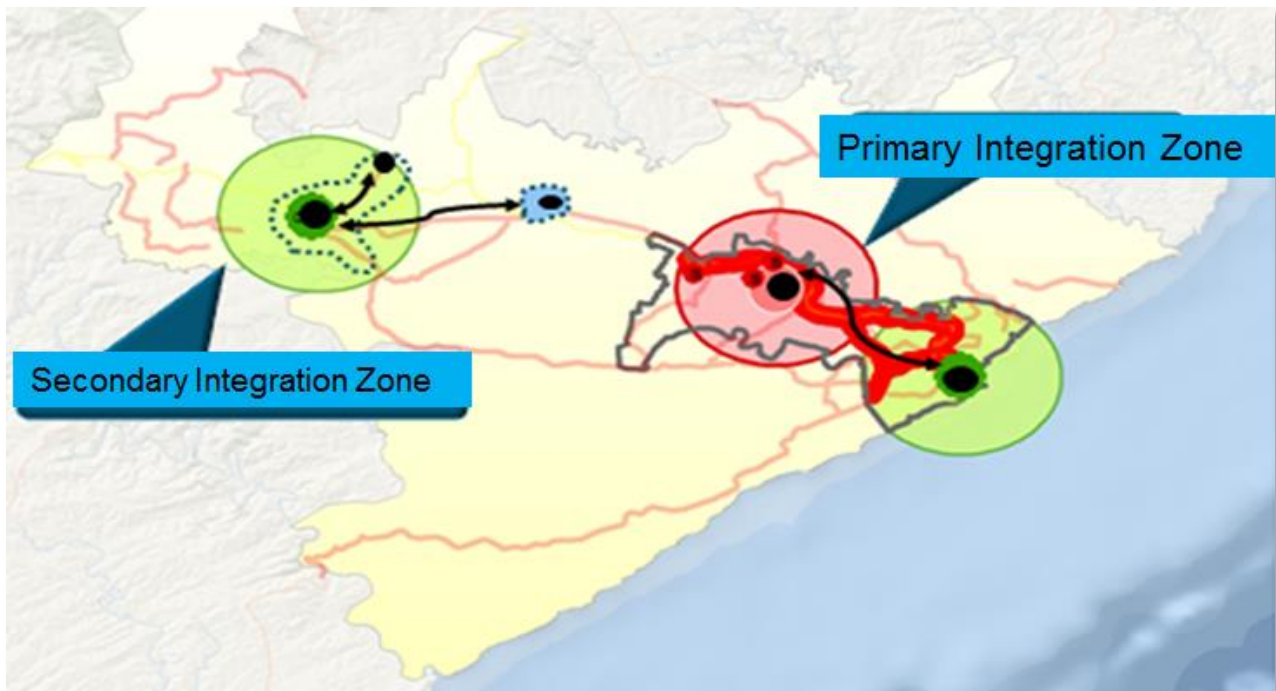


Figure B.5: BCMM Urban Network Strategy (Source: BEPP 2017-18)

The Primary Integration Zone for BCMM, is formed around and includes the following strategic focus areas:

- The East London CBD
- The MELD Corridor
- Mdantsane Urban Hub

The Secondary Integration Zone for BCMM, is formed around and includes the following focus areas;

- Bhisho
- King Williams Town
- Bhisho / KWT Corridor.

The BCMM Urban Network Strategy and consequent Primary and Secondary Integration Zones are also completely aligned with the Spatial Strategy in the BCMM SDF.

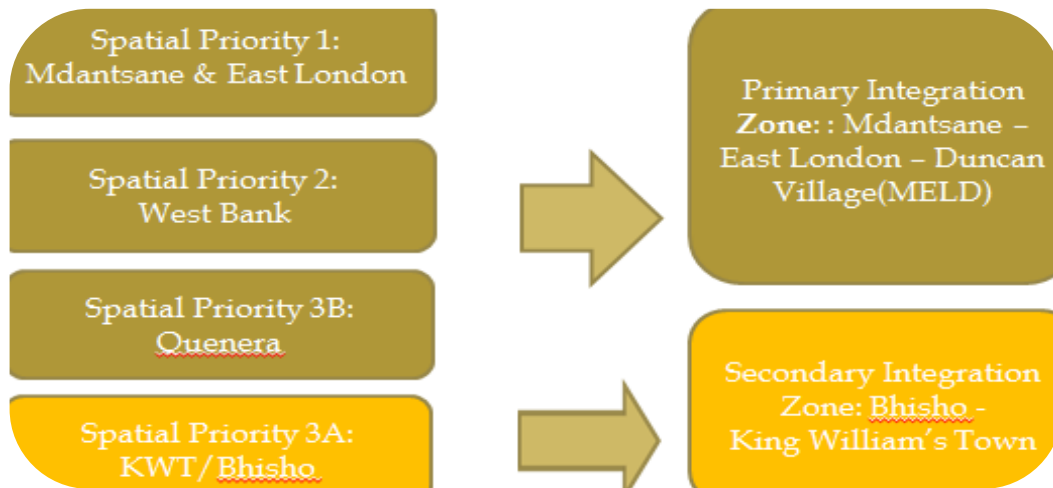


Figure B.6: Alignment of Spatial Priority Areas and Integration Zones (Source: BEPP 2017-18)

Above is a graphic representation of the relationship between SDF priority areas and integration zones.

Below is a map showing the spatial extent of the integration zones in relation to the priority areas identified above.

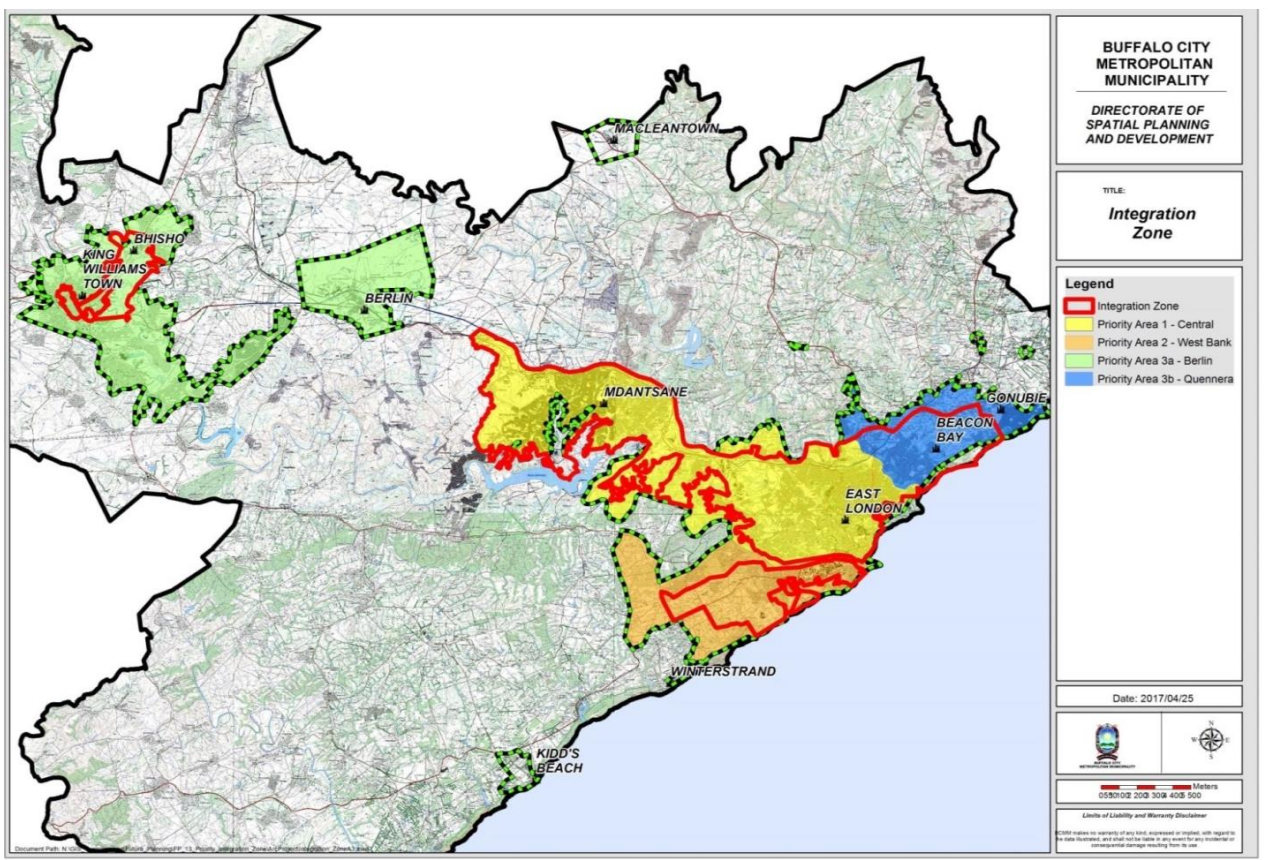


Figure B.7: BCMM Integration Zones and spatial priority areas (Source: BEPP 2017-18)

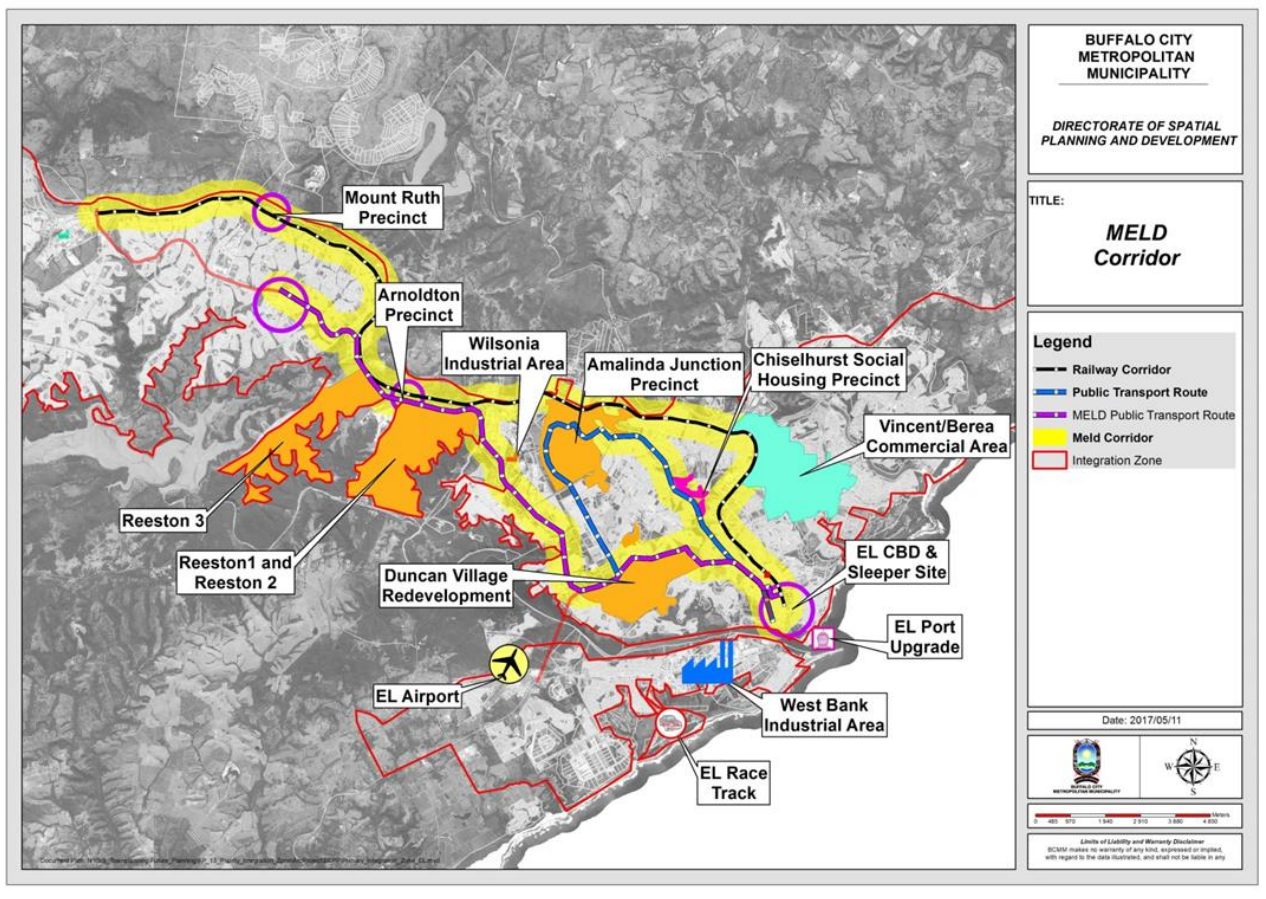


Fig B.8: Primary Integration Zone (focusing also on the MELD Corridor) (Source: BEPP 2017-18)

B1.1.1 Primary Integration Zone

The Primary Integration Zone for BCMM, includes the following strategic focus areas:

- The East London CBD / Inner City Area
- The MELD Corridor
- Mdantsane Urban Hub

The East London CBD is the central point and origin of BCMM’s movement network. The CBD is connected to outlying townships by means of a primary movement network which is formed by the MELD corridor. The Mdantsane Urban Hub forms a primary destination on the MELD corridor and is located within BCMM’s largest township, Mdantsane.

The total population for townships in the Census of 2011 was 404962. Using the average population growth rate of 0.9 based on the Census 2011, the growth in township population by 2018 is estimated at 434929. According to the Census 2011, the township population within the Primary Integration Zone was 371990, and by 2018 it is projected to be 399517.

The MELD Corridor Concept

The process of updating the Integrated Public Transport Plan (IPTN) for BCMM is currently underway. Work was commenced in June 2017 and the full system IPTN route network detailed with costing is scheduled to be complete in June 2018. Other planning elements are targeted for completion by August 2018. The stakeholder consultation on the proposed plan is scheduled for September – December 2018. Communication of processes to BCMM Council is currently ongoing.

The BCMM Transport Register which was completed in February 2018 identified the following trends in transport modal splits for work related trips.

- The predominant transport mode for work related trips in the BCMM area during a typical weekday morning peak period in 2013 was by taxi (43%), followed by private car/truck (29%), walking (21%), train (5%) and bus (2%).
- In comparison to the 2003 data, overall there has been a 5% decline in work trips via public transport, whilst there has been a 4% increase in work trips via private transport and walking respectively.
- Nearly a third of all work trips were made via private transport in 2013, which corresponds well with the provincial average of 33%.
- Considering the decline in work trips via public transport, there appears to be a modal shift from public transport to private transport and walking in the BCMM area.
- The 2013 NHTS for work related trips consisted of approximately 65 000 more trips in comparison to the 2003 NHTS.

The following trends were reported in transport modal splits for educational trips.

- The predominant transport mode for education related trips in the BCMM area during a typical weekday morning peak period in 2013 was by walking (56%), followed by taxi (25%), private car/truck (10%), bus (6%) and train (2%).
- In comparison to the 2003 data, overall there has been a 15% increase in education trips via public transport, whilst there has been a 14% decline in education trips via walking, with private transport remaining unchanged.
- The 56% of walk trips to educational facilities was lower than the provincial average of 75% in 2013.
- Considering the decline in education trips via walking, there appears to be a modal shift from walking to public transport in the BCMM area, with taxi use showing the biggest increase (+10%).

- The 2013 NHTS for education related trips consisted of approximately 53 000 more trips in comparison to the 2003 NHTS.

In terms of public transport, the area termed the East London – Mdantsane Corridor (MELD) was identified as early as 1996 as being the area straddling the main transportation routes (roads and railway) linking the township of Mdantsane and East London’s Central Business District.

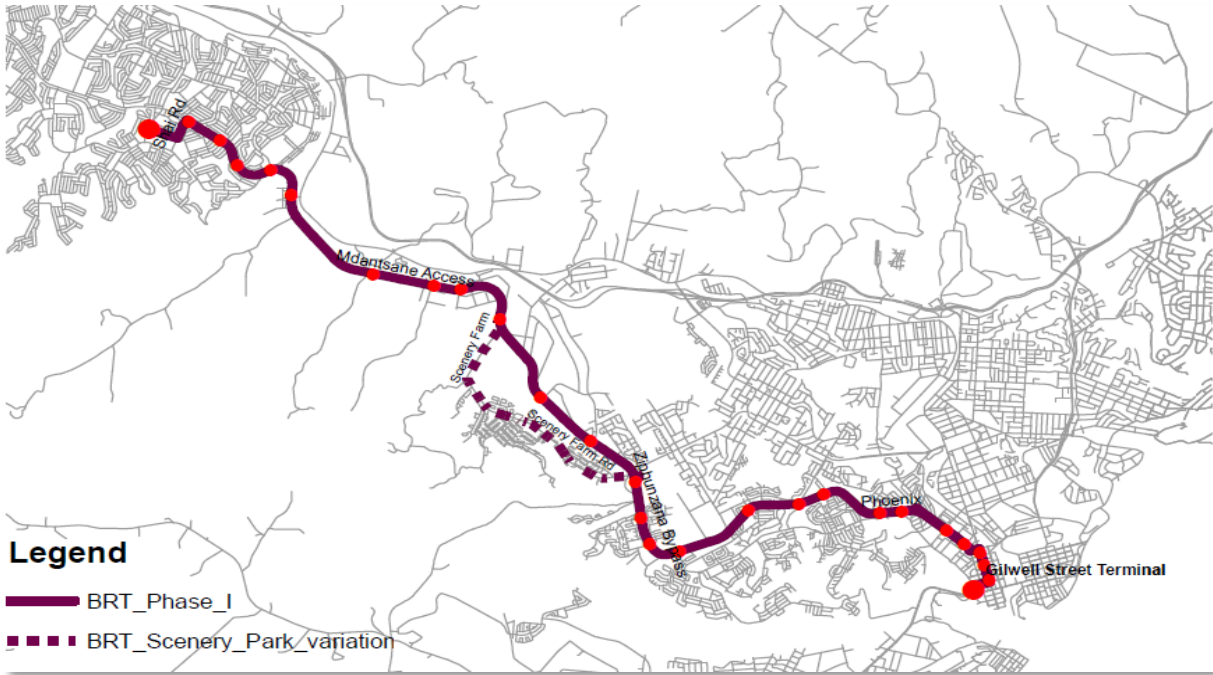


Figure B.9: MELD bus and taxi route (Source: BCMM Transport Planning)

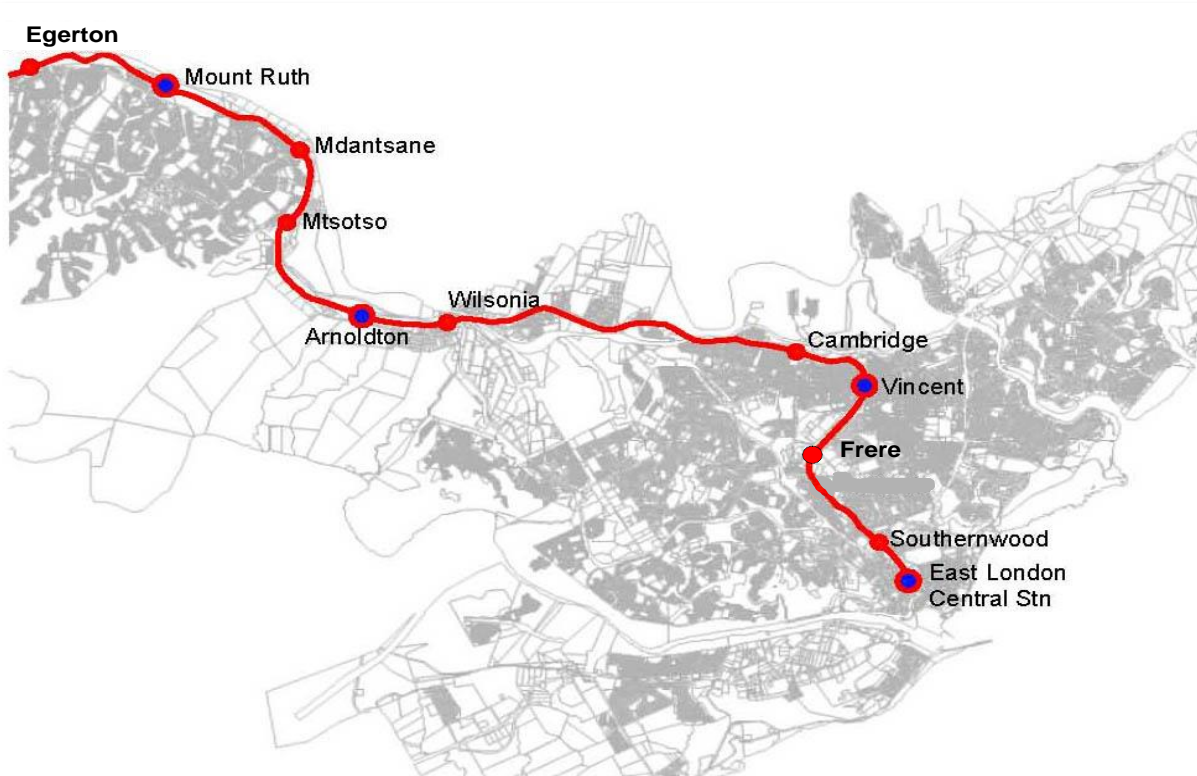


Figure B.10: MELD Rail Route (Source: BCMM Transport Planning)

The MELD Corridor stands out as the key public transport corridor within BCMM and is the busiest artery serving the Primary Integration Zone. This is based on the following criteria and characteristics:

- Existing and future public transport passenger demand – this corridor has the highest passenger demand in Buffalo City.
- Operations – this corridor also provides the most operationally efficient service within Buffalo City and therefore the most cost effective.
- In terms of the development and planning framework proposed by Buffalo City, this corridor is the key strategic transport corridor for the city.

The Rail system and the Bus and Taxi Route in combination with the rest of the public transport routes result in most residents within the Integration zone being within 1km of public transport. BCMM largest housing project being Duncan Village and Reeston are situated on the MELD Corridor. Apart from the upgrade of the MELD Corridor itself, one of the Key projects associated with the MELD concept is the N2/R72 Road realignment and the Buffalo River Bridge. The Buffalo River Bridge will reduce travel time for workers coming to the West Bank Industrial Area (Motor Industry Cluster and IDZ) from Mdantsane and Duncan Village.

Spatial Planning Policy, identified the intention of the MELD Corridor as being:

“To initiate restructuring in the East London Metropolitan area, which would result in Mdantsane and other previously disadvantaged areas being integrated with the East London core”.

It was understood that there was a clear need to use new growth to integrate the city, in order to make it more efficient. However, as the growth rate necessary to achieve this is slow, it will take a long time to achieve. Therefore, all new growth must be located strategically, so that each new development systematically contributes to an increasingly more efficient urban system over time. This should take place within a concept of a corridor that will evolve over a long time and in which short term development will take place in **concentrated points**.

The development of a mixed land use at sufficient densities in the activity corridor from Mdantsane to East London was identified as being very important for the economic growth of the city. In this regard several Local Spatial Development Framework Plans include proposals for mixed use precincts located at strategic points along the MELD corridor, primarily in areas termed ‘Development Nodes’.

The most significant of these being:

- Mdantsane Hub/CBD

- Precincts associated with the North-West Corridor
- Mount Ruth Nodal Precinct.
- Arnoldton Nodal Precinct.
- Vincent Commercial Node

North West Corridor

The North-West Corridor (NWC) when constructed will link the East London CBD to the Amalinda Junction situated on the MELD Rail route. The route then links back to Duncan Village on the MELD Corridor. The NWC is thus an integral part of the MELD Corridor as it provides critical transport linkages into the road and rail component of the MELD Corridor. Situated along the NWC are two main precincts:

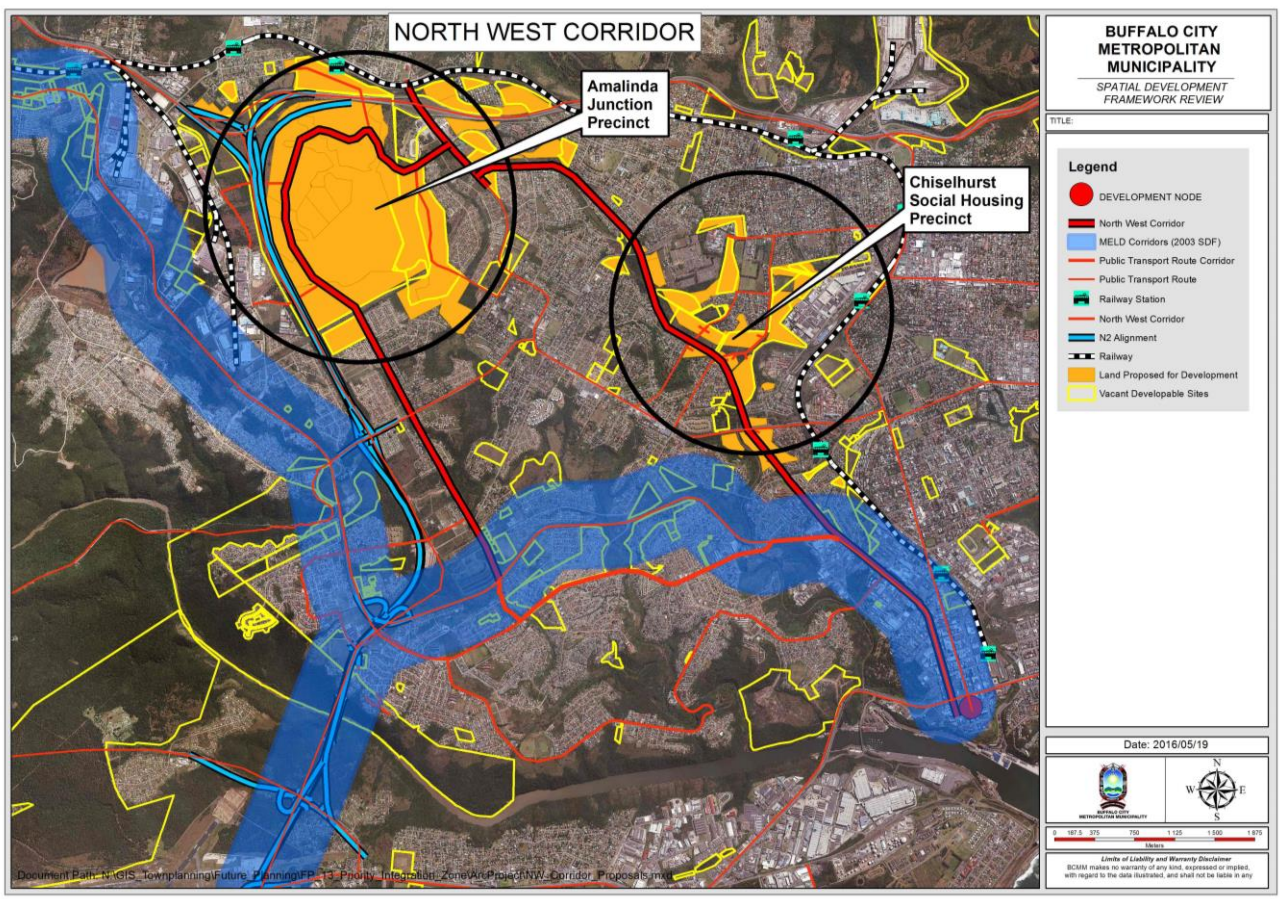


Figure B.11: North West Corridor showing the two major Precincts (Source: BCMM Spatial Framework Review, 2013)

- Chiselhurst High-Density Housing Precinct
- Amalinda Junction Precinct. This has been identified by Council as a Catalytic Project. This area will contain a mix of uses and housing types.

B1.1.2 Secondary Integration Zone:

This Integration Zone is made up primarily of KWT and Bhisho, and incorporates the Bhisho/KWT Corridor as a key component. As indicated on Figure B.12 below the Secondary Integration Zone incorporates Bhisho and the central portion of King William's Town. The Secondary Integration Zone thus includes most of the urban component of Spatial Priority Area 3a identified in the SDF.

According to the Census 2011, the township population within the Secondary Integration Zone was 32972. Using the average population growth rate of 0.9 based on the Census 2011, by 2018 it is projected to be 35412.

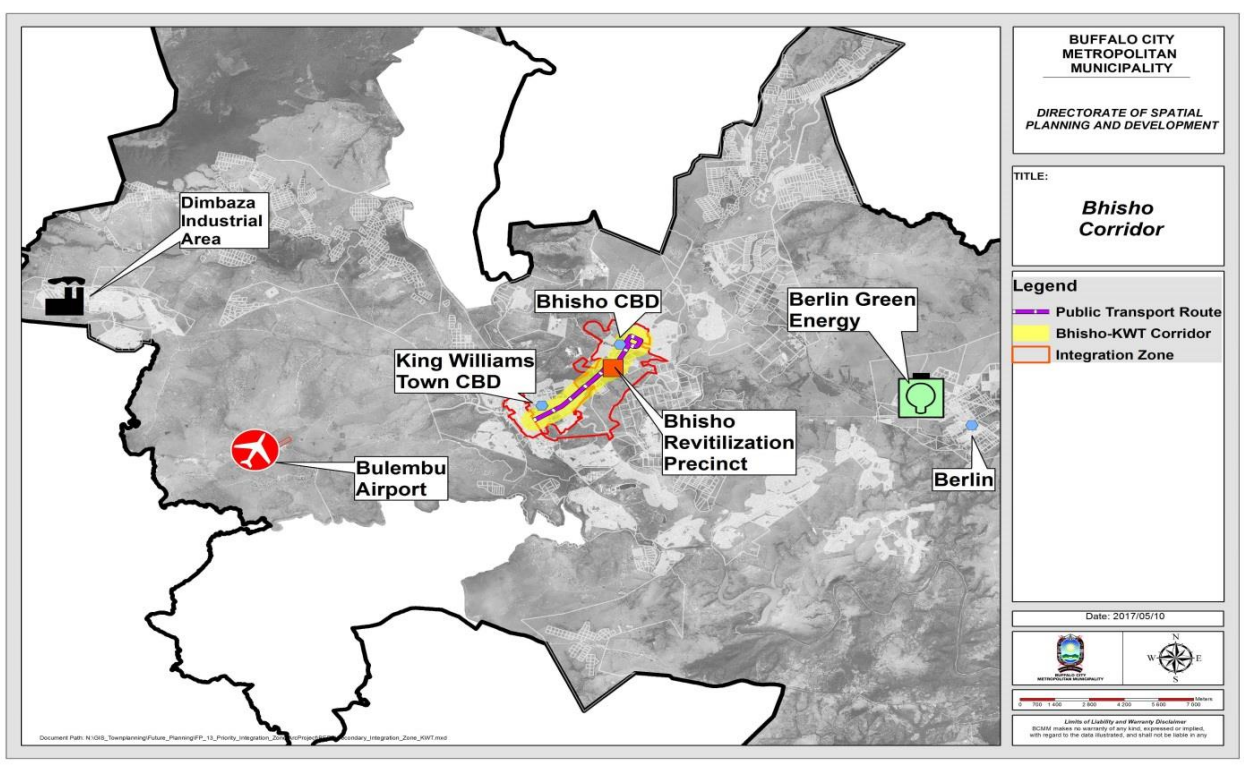


Figure B.12: Bhisho/KWT Corridor and nodes (Source: BCMM Spatial Planning and Development)

The Secondary Integration Zone is focussed around the Bhisho/KWT Corridor. Both activity corridors within the Integration Zones have been identified in the BCM SDF of 2003 and the BCMM SDF of 2013 because they contain significant transport routes that serve major employment areas.

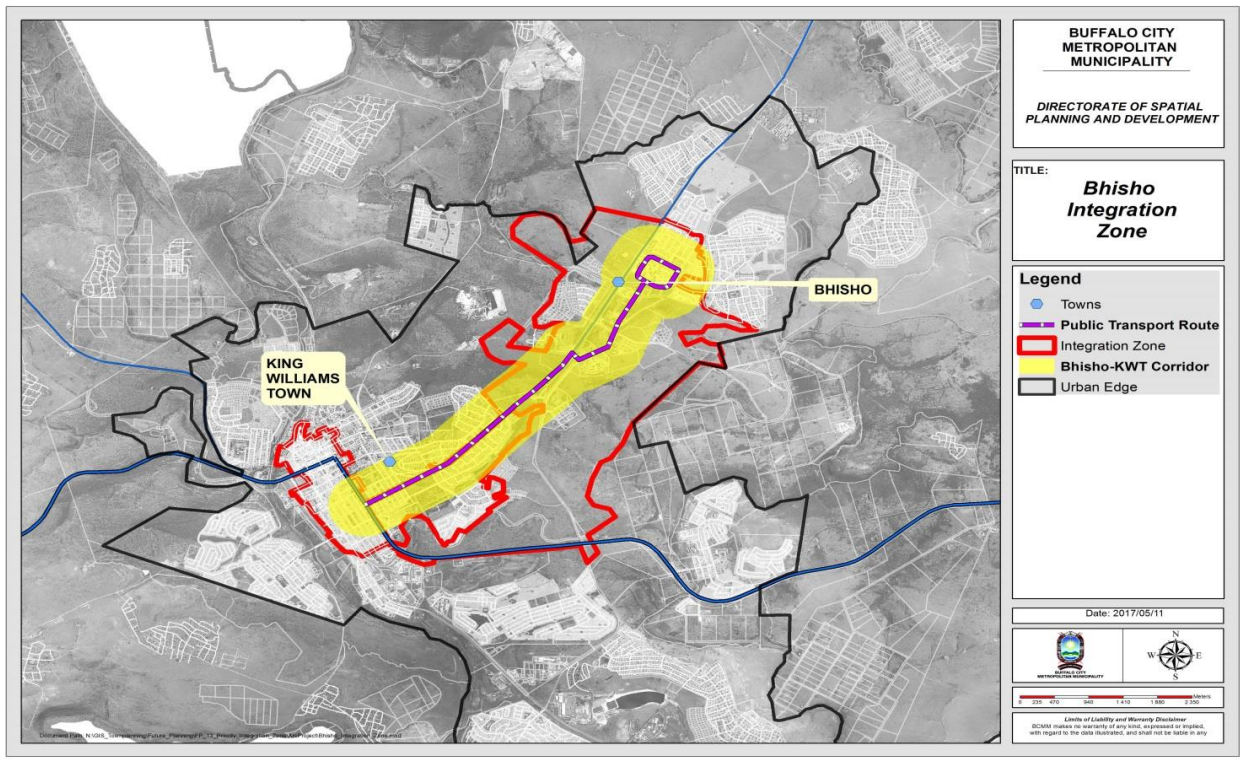


Figure B.13: Public transportation link in the Bhisho King Corridor (Source: BCMM Spatial Planning and Development)

Within its metropolitan context King William's Town is a secondary regional service node. King William's Town is a strong and vital Rural Service Centre providing goods and services to the rural hinterland areas. Bhisho retains its prominence as the Provincial Capital of the Eastern Cape and this status remains the main driver of investment in the area at this point. Of note however is that, the Bhisho/KWT area has not experienced influx to the same degree as the primary urban centre of East London-Mdantsane. The evidence is provided by the relative low number of informal dwellings in free-standing settlements (around 1,200 shacks in KWT-Bhisho versus around 43,000 in EL-Mdantsane)

The Secondary Integration Zone is subject to critical infrastructure/service backlogs, which severely hinders progress with the development of the Corridor.

The Bhisho/KWT LSDF contains the following Key objectives:

- A strong focus needs to be encouraged on improving further road linkages between the central urban areas of King William's Town and Bhisho and the rural hinterland
- The linking of King William's Town and Bhisho spatially is a priority in the short-medium term in order to attain urban coherence and functional efficiency.

- Emphasis is to be placed on the upgrading and urban renewal of existing urban environments in the study area:
- KWT CBD
- Bhisho/KWT Corridor incorporating the Bhisho Revitalisation Precinct
- Zwelitsha

B1.2 MARGINALISED RESIDENTIAL AREAS (TOWNSHIPS & INFORMAL SETTLEMENTS)

As mentioned in the National Treasury Guidance Note v.5.5, a minimum of 50% of the USDG allocation to Metros are invested towards the upgrading of informal settlements. How this funding is allocated within a broader integrated spatial logic, will determine the extent of transformation possible for these settlements. In addition to informal settlements, there are other marginalised residential areas where people are deprived and in need of opportunities. These areas are typically not the focus of private developers and are likely to require intervention from government, in order to flourish as neighbourhoods.

Buffalo City Metropolitan Municipality is currently busy with the review of its Integrated Sustainable Human Settlements Plan (ISHSP). In the absence of the finalized plan, the following information is sourced from the Human Settlements Department.

The key findings of the Informal Settlement Study (2010) are as follows:

- Total of 154 informal settlements within the Urban Edge
- Total of approx. 41,238 informal dwellings (excludes backyards dwellings)
- Duncan Village – Approx. 20,000 informal dwellings
- East London KWT – 13,352 informal dwellings
- Mdantsane – 7,886 informal dwellings
- Population: ±155,080 in informal settlements (Excluding back yards dwellings)

Figures B.14a, 14b and 14c indicate the location of all the urban and inland informal settlements.

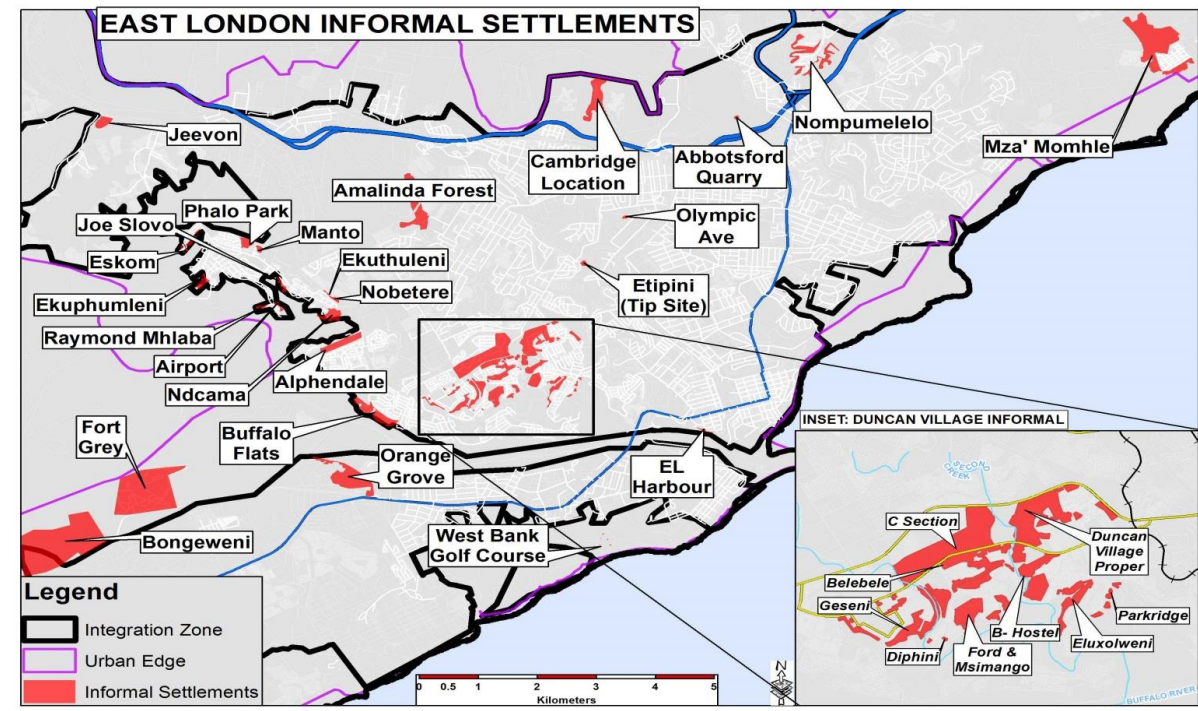


Figure B.14a: East London Urban Informal Settlements (Source: Informal Settlements Study, 2010)

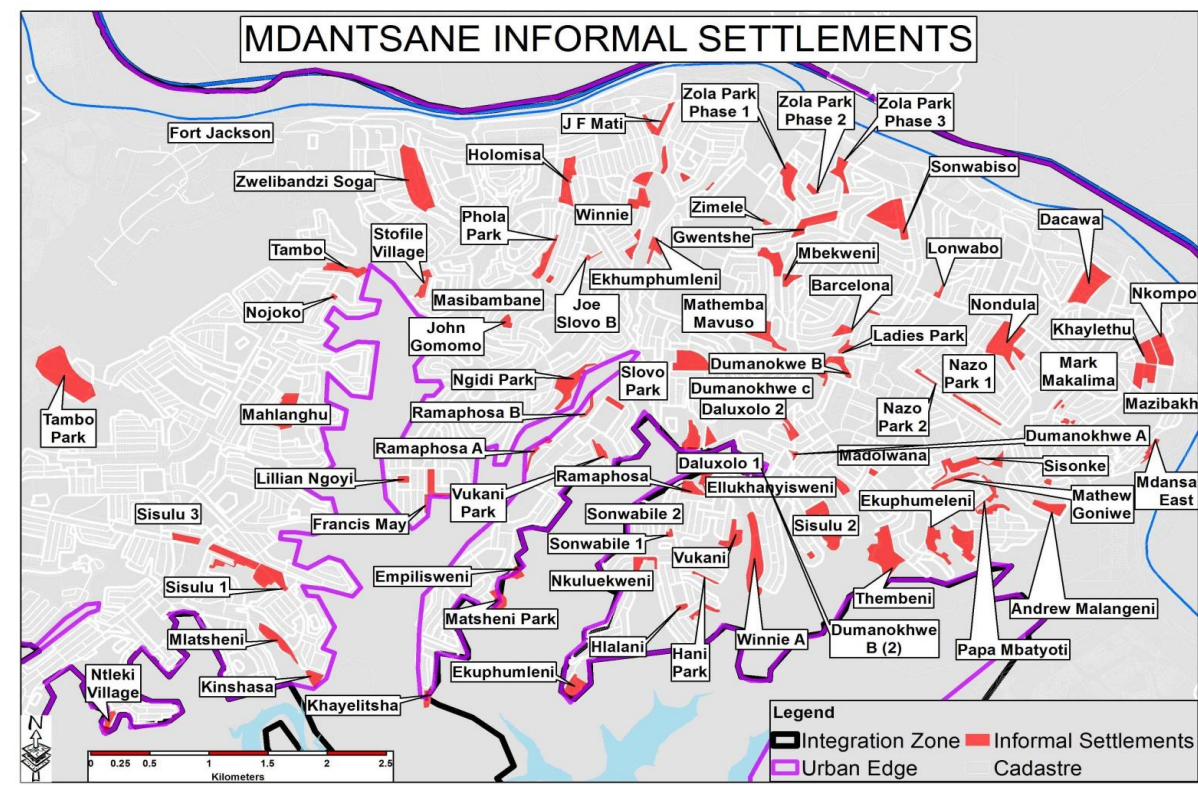


Figure B.14b: Mdantsane Urban Informal Settlements (Source: Informal Settlements Study, 2010)

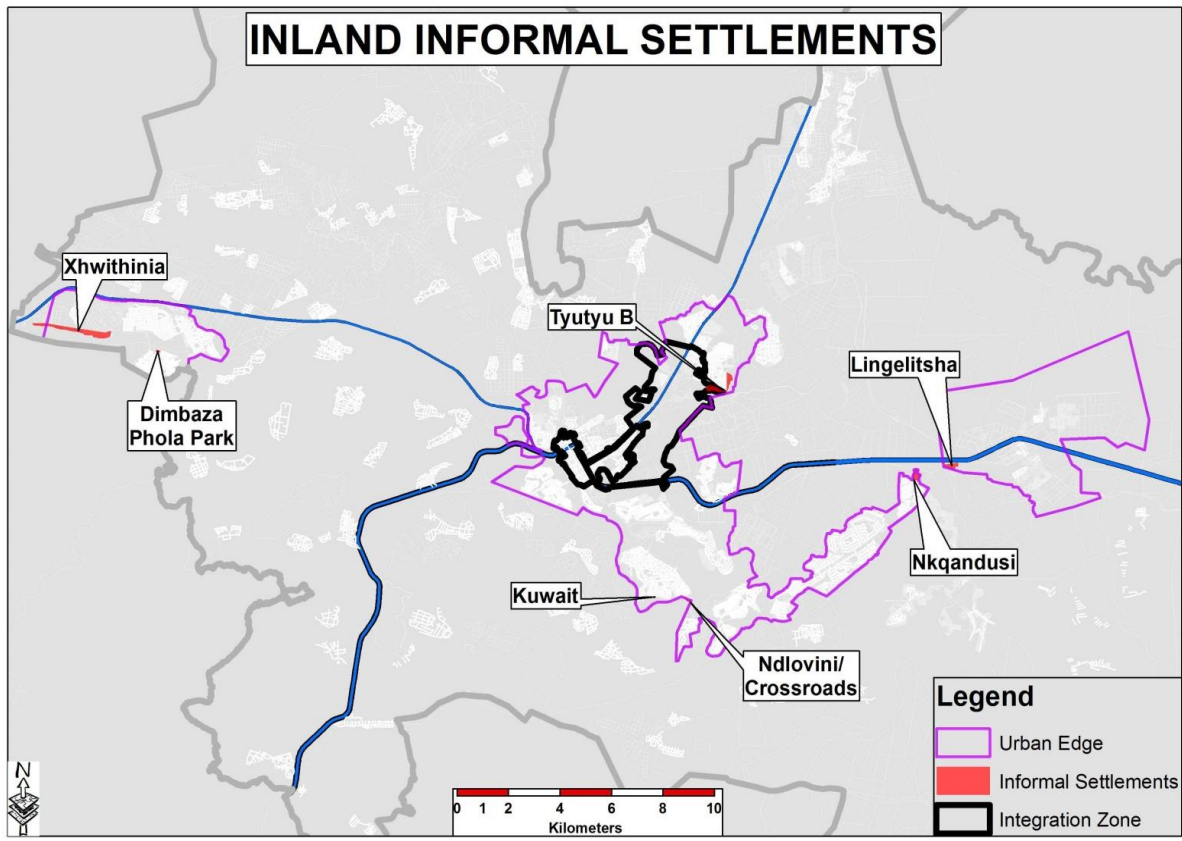


Figure B.14c: Inland Urban Informal Settlements - Secondary Integration Zone (Source: Informal Settlements Study, 2010)

B1.2.1 Marginalized Areas within the Primary Integration Zone

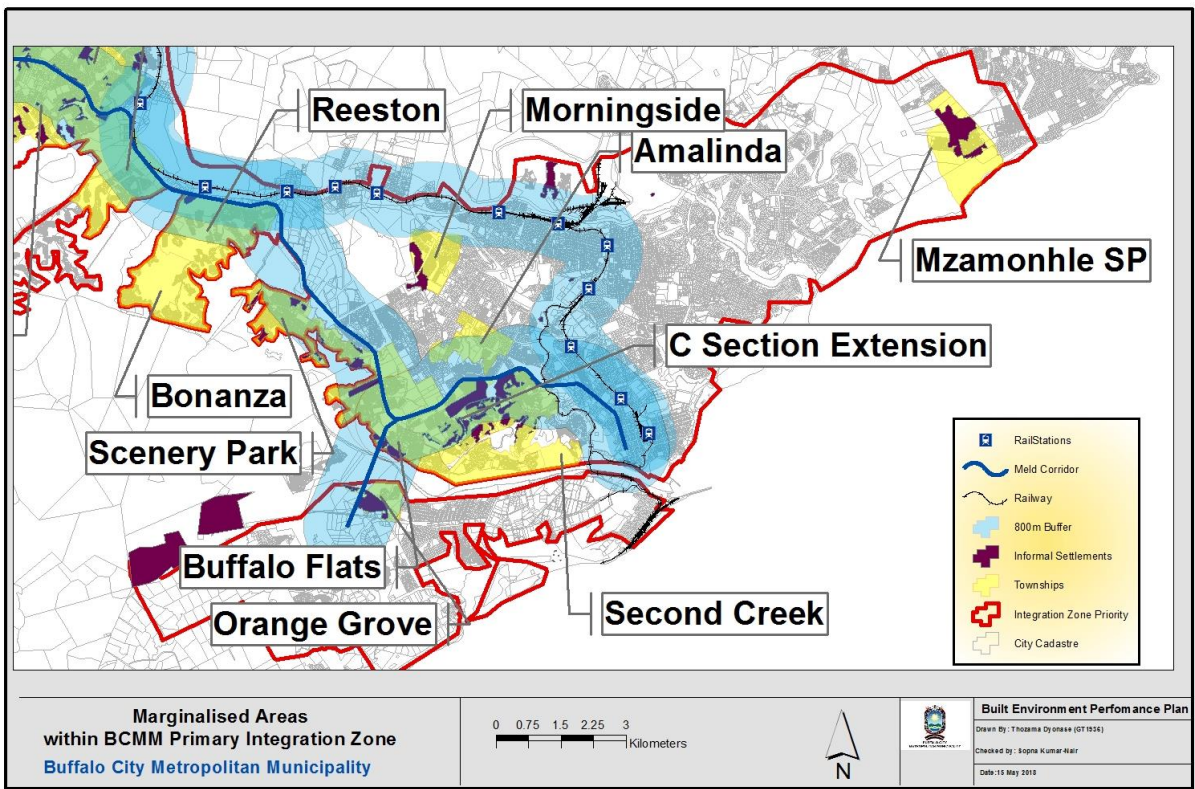


Figure B.15: Townships and Informal Settlements within the MELD Corridor (Source: BEPP 2018-19)

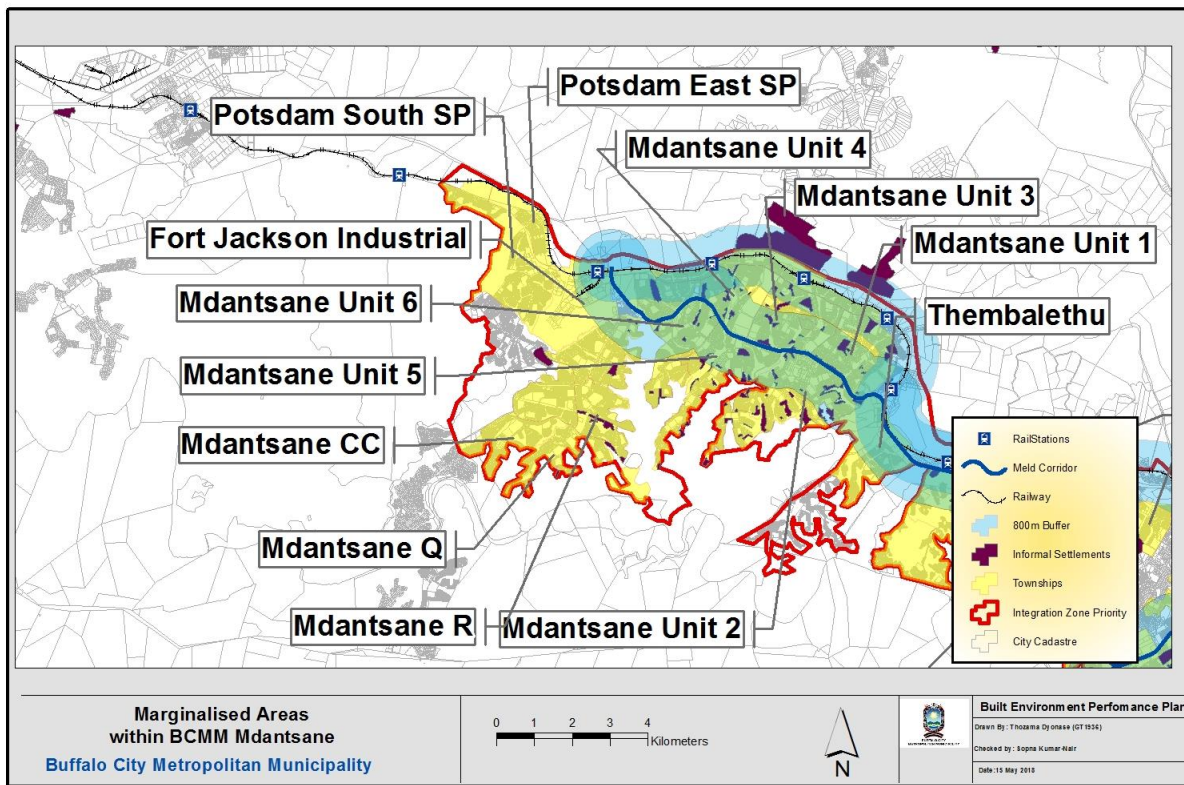


Figure B.16: Townships and Informal Settlements within Mdantsane (Source: BEPP 2018-19)

It is noted that all marginalised areas require public intervention in order to bridge the developmental gap in these areas. The following table outlines all existing townships and Informal Settlements / Informal Settlement Upgrade Projects within the Primary Integration Zone. These include ongoing projects as well as previously completed upgrade projects.

Townships	Informal Settlements
Mdantsane	Mdantsane Cluster 1 which includes: Masibambane; Masibulele; Velwano; Ilinge and Dacawa
	Mdantsane Cluster 2 which includes: Winnie Mandela; Deluxolo Village; Sisulu Village; Francis Mei;

	Mahlangu Village, Mathemba Vuso, Gwentshe
	Mdantsane Zone 18CC which includes: Overflow of Mdantsane Cluster 1 and Mdantsane Cluster 2 informal settlements
	Mdantsane: Chris Hani
Potsdam	Potsdam Unit P Stage 1
	Ikhwezi Block 1
	Ikhwezi Block 2
	North Kanana
Cambridge Location	
Reeston Phase 3 Stage 3	
Reeston Phase 1 & 2 Stage I C	
Reeston Phase 3 Stage 1	
Amalinda Co - Op P5 which includes displaced beneficiaries of corporative housing program	
Alphandale, Vergenoog and Scenery Park	
Fynbos 1; Fynbos 2; Ndancama Cluster 3	
	Ekuthuleni Polar Park
	DVRI Braelynn Ext 10 North 1056
	Duncan Village Competition Site - DVRI
	DVRI Duncan Village Proper (746) 1111
	DVRI LU Housing Pilot C Section Triangle 40
	DVRI D Hostel 166

Second Creek	Duncan Village Pilot project: Mekeni Street, Haven Hills South and Competition Site
	Nomphumelelo
	Mzamomhle
	Manyano and Tembelihle
	Airport Phase 2A
	Airport Phase 2
	Egoli

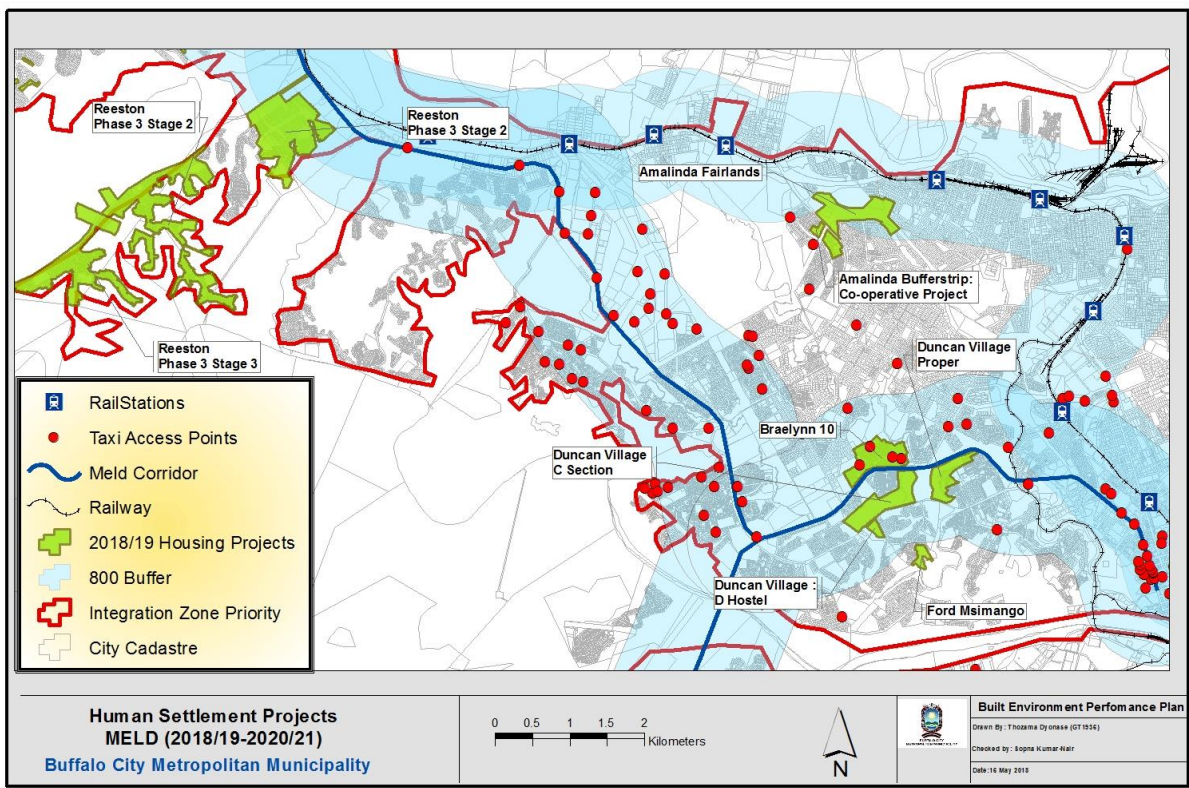


Figure B.17: BCMM's Settlement Planning Programme in relation to the MELD corridor and Public Transport facilities (Source: BEPP 2018-19)

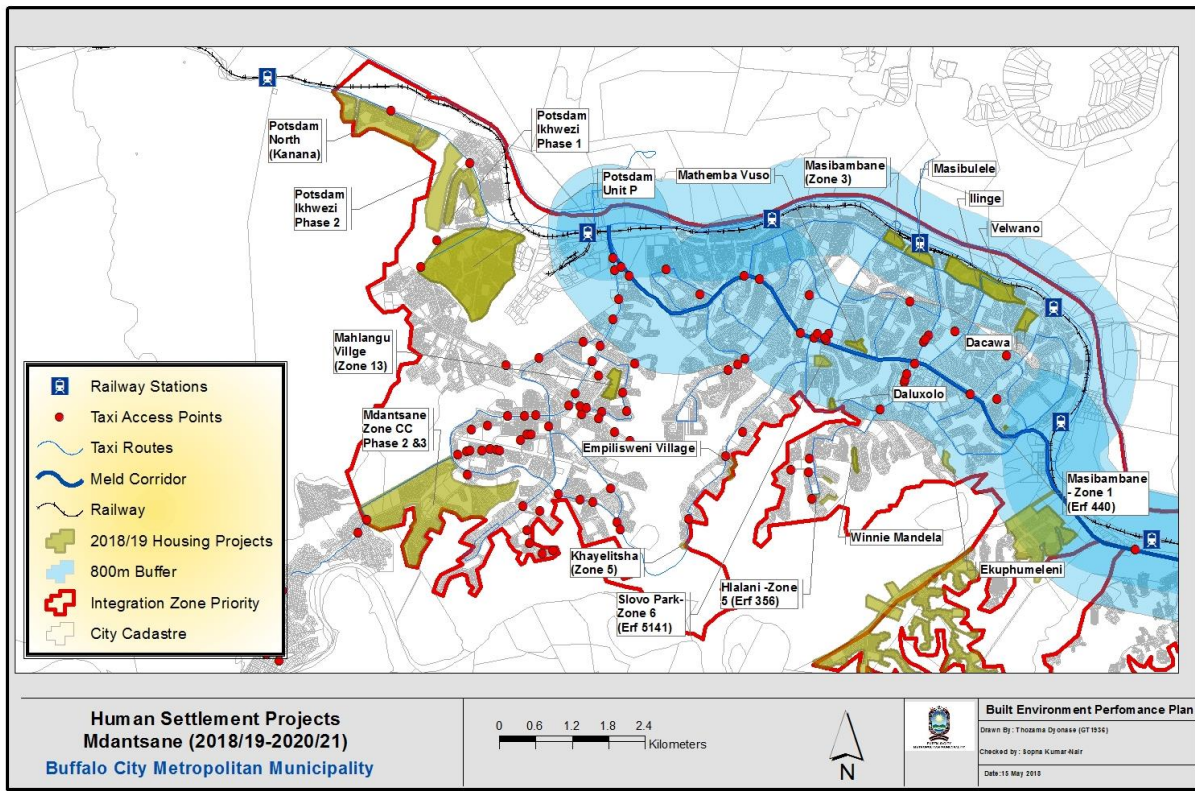


Figure B.18: BCMM's Settlement Planning Programme in relation to the Mdantsane and Public Transport facilities (Source: BEPP 2018-2019)

;pouB1.2.2 Marginalized Areas within the Secondary Integration Zone

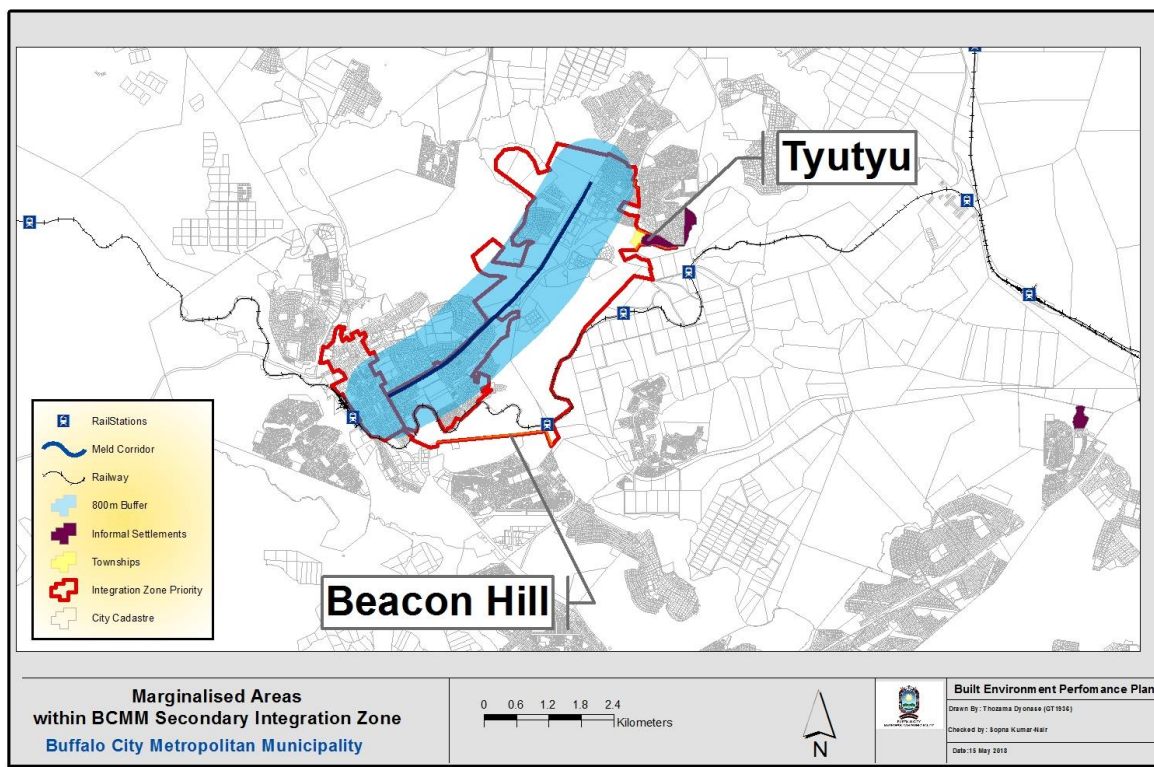


Figure B.19: Marginalised Areas within the Secondary Integration Zone (Source: BEPP 2018-19)

The following table outlines all existing townships and Informal Settlements / Informal Settlement Upgrade Projects within the Secondary Integration Zone. It is to be noted that most townships and informal settlement upgrade projects fall outside the integration zone.

Townships	Informal Settlements
Tyutyu	
	B Tyutyu Phase 3
	Tyutyu Phase 1
	Tyutyu Phase 2

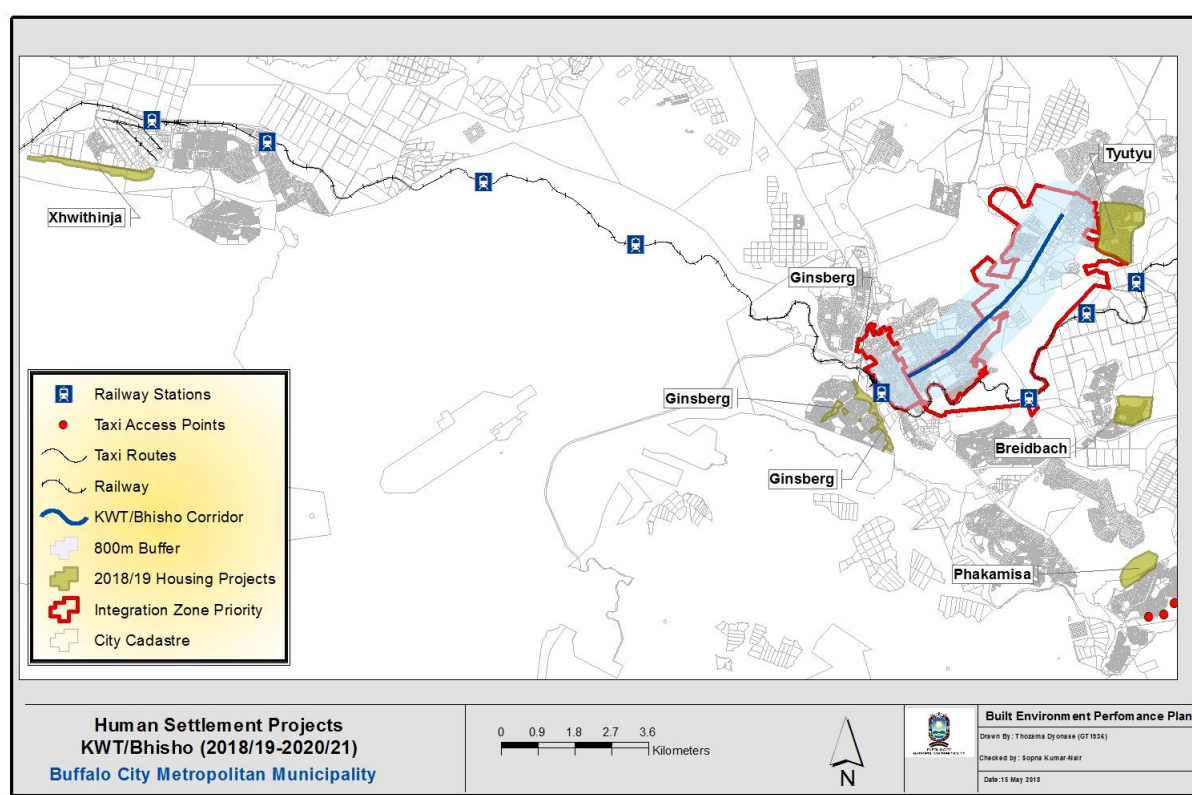


Figure B.20: BCMM's Settlement Planning Programme in relation to the Bhisho / KWT and Public Transport facilities (Source: BEPP 2018-2019)

Townships, which from part of the broader Bhisho/KWT area include:

- a. Zwelitsha: Zwelitsha is the largest of the Bhisho/KWT townships. Zwelitsha is proposed as an Urban Renewal Zone.
- b. Ginsberg
- b. Dimbaza
- c. Ilitha

d. Breidbach

B1.2.3 City wide marginalised rural communities outside the Primary and Secondary Integration Zones

Rural Townships / Villages	Informal Settlements
Potsdam Village Phase 1 & 2 -	
Tsholomnqa (Coastal Disaster Project)	
Needscamp	
Ducats	
Dongwe	
Macleantown	
Lilyvale	
Tshabo 1 & 2	
Potsdam Khayelitsha	
Peelton Cluster (Majali, Mdange, Kwatrain, Nkqonqweni, Drayini & Esixekweni)	Lingelitsha
Hanover	Nkqandusi
Skobeni	Ndlovini / Crossroads
Ginsberg	Kuwait
Phakamisa	Dimbaza/Phola Park
Sweetwater's Phase 1	Xhwithinia
Sweetwater's Phase 2	Ilitha North – 177 Units P5
Dimbaza South	
Dimbaza Phase 2	
Zwelitsha	
Breidbach	

B1.3 ECONOMIC NODES

Economic nodes are seen as significant to the functioning and performance of the urban spatial economy and maintaining sustainable livelihoods should accordingly be identified and prioritised. (NT Guidance Note, 2017).

B1.3.1 Economic Nodes / Employment Centres within the Primary Integration Zone

Established Nodes / Employment Centres	Emerging Nodes	Declining
CBD's		
East London CBD	Mdantsane CBD	
COMMERCIAL NODES		
Vincent Berea Node	Quenera/N2	
Nahoon – Old Transkei Road	Mount Ruth Station/N2	
Nahoon – Beach Road	Arnoldton Station/R102	
Beacon Bay/N2	Brakfontein/N2	
Cambridge – Queen Street node	Amalinda Junction/R102	
Amalinda Main Road		
Queen Street Cambridge		
MINOR MIXED LAND USE NODES (EXISTING)		
Bonza Bay Road/Spargs	Mdantsane - Golden Highway	
Abbotsford	Duncan Village - Ndende	
	Cove Ridge/R72	
INDUSTRIAL		
Wilsonia 213ha		Da Gama 106ha
Arcadia 46ha		Fort Jackson 104ha
Braelynn/North End 39ha		
West Bank 197ha		
East London IDZ 242ha		
Chiselhurst 10ha		
Cambridge 6ha		
Beacon Bay 6ha		
Meisies Halt 36 ha		

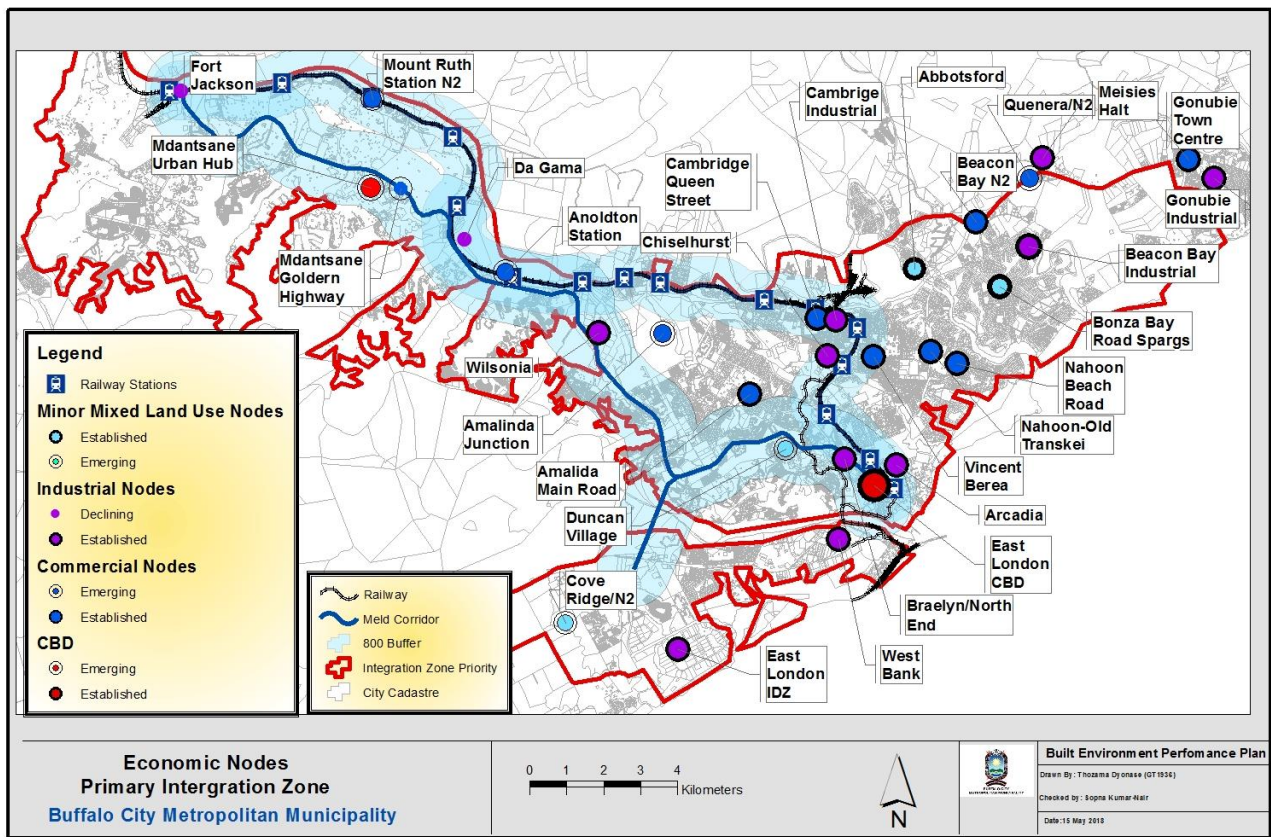


Figure B.21: Economic Nodes within the Primary Integration Zone (Source: BEPP 2018-19)

Commercial nodes

The spatial distribution of economic activities in Buffalo City has tended to be nodal in nature. East London is experiencing a trend similar to many other cities, where there is a movement of many corporate offices out of the city centres to decentralized office nodes. Letting of office space in the central business district is still fairly active and is supported by public sector demand for space. Retail trade in the central business district area of East London and King William’s Town is very strong, due to the high volume of foot traffic.

Beacon Bay has seen a great deal of interest from potential tenants, as well as the Vincent Office Park, where there is currently no vacant office space. There is vacant office space in the central business district, where tenants have found more attractive decentralized office space to relocate to. Other areas that have shown growth in the office sector are Bhisho and the Southernwood/Arcadia areas.

The following two Local Spatial Development Frameworks have been approved to guide and manage the office and retail growth:

- Vincent Bera LSDF

- Bonza Bay Road LSDF

The Vincent Berea LSDF is situated on the Rail component of the MELD Corridor and contains policy to encourage mixed uses and densification. Generally, the informal sector activities occur predominantly in two forms:

- As enterprises operating from within the home (e.g. Spaza shops, shebeens).
- As informal sector activities occurring outside major transport termini (e.g. Highway Taxi terminus in Mdantsane), outside high-visibility buildings (major supermarkets or public buildings), areas of high density in terms of captive population (the CBD), and recognised daily or occasional markets (e.g. craft and fresh produce markets).

Industrial nodes

There are 20 industrial areas in BCMM. Most of the Industrial activity in Buffalo City is concentrated on the West Bank; North End; Arcadia; Wilsonia; Berlin and Zwelitsha. Most of the industrial developments in East London are developed in proximity to the main railway system that provides links to outlying areas such as King Williams Town.

The revitalisation of Industry and Industrial areas especially those located close to marginalised residential areas and which are currently in decline will aid in enhancing livelihood generation and improving the urban economy and hence BCMM's revenue base.

Buffalo City recognises the need to further diversify the local economy especially within the manufacturing sector. This would involve the diversification of markets for manufactured products and services. It is considered important to invest in intellectual capital, creativity and technical capabilities of the labour force through skills development. More private and public investment is required to accelerate the production of all economic sectors.

West Bank Industrial Cluster

The main industrial areas on the West Bank are Gately; Woodbrook and the IDZ.

MBSA is currently located in Gately and is BCMM largest employer. MBSA has made a major contribution to industrial property take-up in East London and continues to underpin demand for companies supplying MBSA.

The East London IDZ comprises some 1,500 ha of land, which is divided into five development zones, located between the R72 and the Indian Ocean. The ELIDZ is located on Buffalo City's West Bank adjacent to the port of East London and the East London Airport. The East London Industrial Development Zone (Pty) Ltd markets and manages the industrial

land within the IDZ. The IDZ has a number of functional zones that have been created offering different marketing potentials.

The East London Industrial Development Zone established a **Science and Technology Park (STP)**. It is an innovation hub aimed at speeding up the pace of economic development in the Eastern Cape by increasing the competitiveness, efficiency and effectiveness of local industry. The ELIDZ STP is the only park of its kind in the country which is linked to an IDZ and was conceived as a catalyst for growth, collaboration.

The East London Industrial Development Zone will offer significant development potential in the medium term, which would create opportunities for the development of urban settlement extensions in that part of the East London city area (West Bank). There is a projected R14.4 billion investment in the IDZ for the next 3 – 5 years.

Inner City Industrial cluster

Another industrial cluster is found in the areas that are located off the East London CBD to the North of the CBD; these are Arcadia, North End and Braelynn. The Nestle factory is located in North End and is also a major employer. There are signs of older properties in need of refurbishment and industrial activity typified by light manufacturing and warehousing.

Wilsonia Industrial Cluster

Wilsonia and Dawn constitutes this industrial cluster and is located north west of the CBD on the MELD corridor. The Johnson and Johnson factory is situated in Dawn and is also a significant contributor to the local economy. There are Council initiatives to upgrade the area

Mdantsane Industrial cluster

Fort Jackson remains attractive for industrialists seeking large spaces located in close proximity to a semi-skilled workforce.

A new industrial area situated adjacent to Mount Ruth and the N2 has been identified and is intended to cater for the growing logistics industry in the region.

B1.3.2 Economic Nodes / Employment Centres within the Secondary Integration Zone

Established Nodes / Employment Centres	Emerging Nodes	Declining
CBD's		
King Williams Town CBD	None	None

Commercial nodes		
Schorville		
Minor Mixed Land Use Nodes (Existing) - None		
Administrative Node		
Bhisho -		

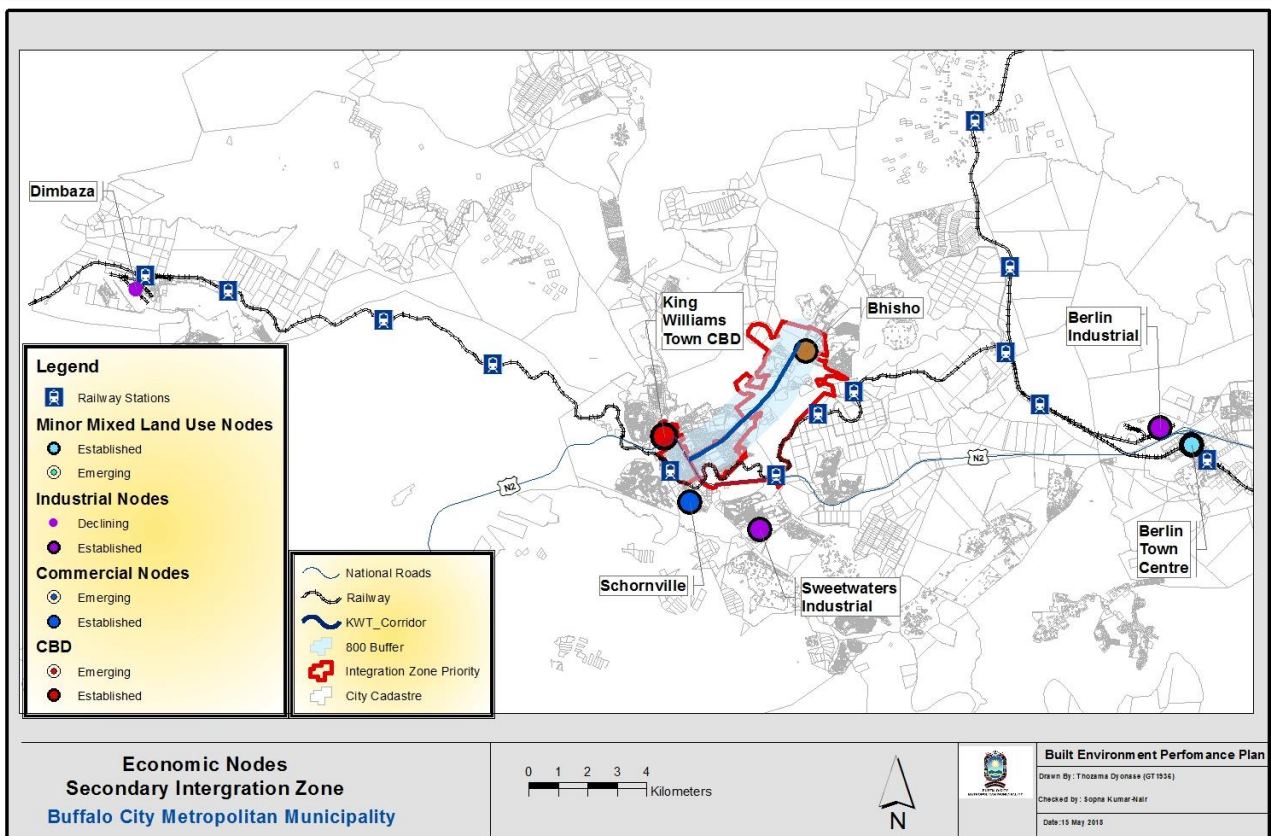


Figure B.22: Economic Nodes within and around the Secondary Integration Zone (Source: BEPP 2018-19)

In King Williams Town, industrial properties are located in close proximity to the station and generally serve the needs of the local market. There are Council initiatives to upgrade the area to attract more investments and create more employment opportunities.

The Dimbaza industrial node, which has suffered high levels of urban decay, has, over the past few decades largely become functionally obsolete. However, the node offers significant infrastructure and the question remains whether the node could not be retrofitted to provide housing opportunities with a component of industrial use.

Berlin Industrial Area

This is one of the largest industrial areas by size but is largely vacant. Berlin has been identified as a Green Energy Hub focussed on Renewable Energy, to broaden the energy mix as well as transform and diversify the economy. The Hub proposals include:

- Manufacturing and **agro-processing** as part of a green energy hub concept.
- **Solar Farm proposal by IDZ.**
- **Solar (Manufacture panels and geysers)**
- Wind(Turbines)
- The waste to energy programme (Biogas) is aimed at converting waste into bio-fuel as part of a green energy manufacturing project. Contribution towards energy in support of the BCMM.

B1.3.3 Economic Nodes / Employment Centres in Other Areas

Established Nodes	Emerging Nodes	Declining
Commercial areas		
Gonubie Town Centre		
Minor Mixed Land Use Nodes (Existing)		
Berlin Town Centre	Zwelitsha Town Centre	Dimbaza Town Centre
Crossways		
Industrial		
Berlin 150ha		
Sweetwaters 99ha		Dimbaza 144ha
Gonubie 4ha		

B2. PLANNING FOR SPATIALLY TARGETED PRECINCTS

B2.1 Local Area Planning / Precinct Plans for Priority Precincts: Primary Integration Zone

B2.1.1 East London Central Business District (CBD)

Metropolitan or Primary Nodes are nodes that are of such significance in terms of scale, location, diversity and agglomeration of function (facilities, services and economic activities),

that they impact on the metropolitan region as a whole (or have potential to do so in the context of the SDF). The Urban Network Strategy identifies the East London CBD as the primary CBD for the Buffalo City Metropolitan Area.

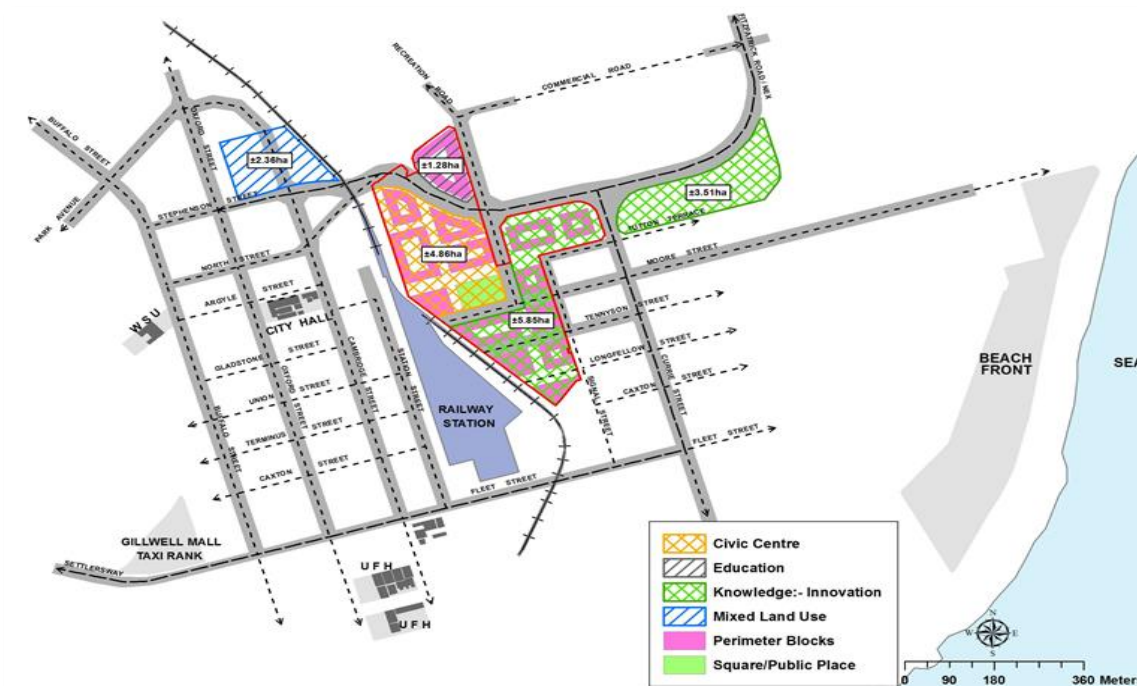


Figure B.23: Sleeper Site Conceptual Framework (Source: Best use concept for the development of the Sleeper Site, 2015)

Sleeper Site Framework Plan

The Sleeper Site Framework Plan was approved by Council in December 2016 and contains a comprehensive Implementation Plan.

The following developmental **objectives** were identified:

- a) Build an inner city that is functional and liveable
- b) 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.
- c) 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.
- d) Establish a walkable network in the inner core that conveniently connects public transportation in a legible and effective way.
- e) To promote economic sustainability and high intensity activity all year round;

- f) A framework for engaging the various stakeholders in the CBD along with a CBD management model to ensure and oversee the transformation of streetscapes and to manage maintenance activities and promotion of the CBD

The Implementation Plan includes the following projects:

<p>Initiating CBD Revitalisation</p>	<ul style="list-style-type: none"> As a precondition to the successful implementation of the Hub it was identified that the Establishment of an appropriate institutional vehicle would be essential to oversee the Central EL/CBD Revitalisation as well as the development of the Sleeper site.
	<ul style="list-style-type: none"> Building effective partnerships by beginning a process of ongoing structured engagements with key stakeholders in the development process as well as partners in the Knowledge Economy Catalytic Project
	<ul style="list-style-type: none"> Back to Basics - Commence upgrade & clean-up of CBD (Oxford Street and Environs)
	<ul style="list-style-type: none"> Establishment of a City Improvement District (CID)
<p>Precinct Design Civic Centre Complex and ancillary uses</p>	<ul style="list-style-type: none"> A BCMM Workplace Study is needed to define the needs of BCMM for accommodation at the Civic Centre.
	<ul style="list-style-type: none"> Based on the information from the Workplace study, prepare a Precinct Plan that will locate the Civic Centre and Municipal Library/ICT Learning Centre as well as other associated public facilities such as open spaces. As part of the process a concept architectural design for the Civic Centre must be completed. Precinct Plan must identify a suitably integrated and functional Public Square or Memorial Square (which, conceptually, should be linked back to the EL City Hall to strengthen a potential Heritage and History Theme for the Civic Heart and linkages to City)
	<ul style="list-style-type: none"> Subdivision of land for Civic Centre
<p>Development of remainder of vacant land</p>	<ul style="list-style-type: none"> Identification of institutions aligned with the Knowledge Economy Catalytic Project who require land in the Sleeper Site

Road/Pedestrian Network	<ul style="list-style-type: none"> • Inner City Traffic Study
	<ul style="list-style-type: none"> • Plan for Sea to City Boulevard
Infrastructure Development	<ul style="list-style-type: none"> • Infrastructure Study (to be based on the Development Scenario estimate of likely amount of building floor area to be developed.)
	<ul style="list-style-type: none"> • Infrastructure development

East London CBD Inner City Areas

Council has identified Inner City Regeneration as a Catalytic Project. The Inner City comprises of the East London CBD; Quigney; Beach Front; Southernwood; Belgravia and the Arcadia and North End Industrial areas.

The following Spatial policy is applicable to the Inner-City Area:

Inner City Area	Relevant Spatial Policy Plan
EL CBD and Sleeper site	Sleeper Site Framework Plan (2016)
Quigney and Beach Front	Beach Front LSDF (2010)
Southernwood and Belgravia	Policy plan currently underway

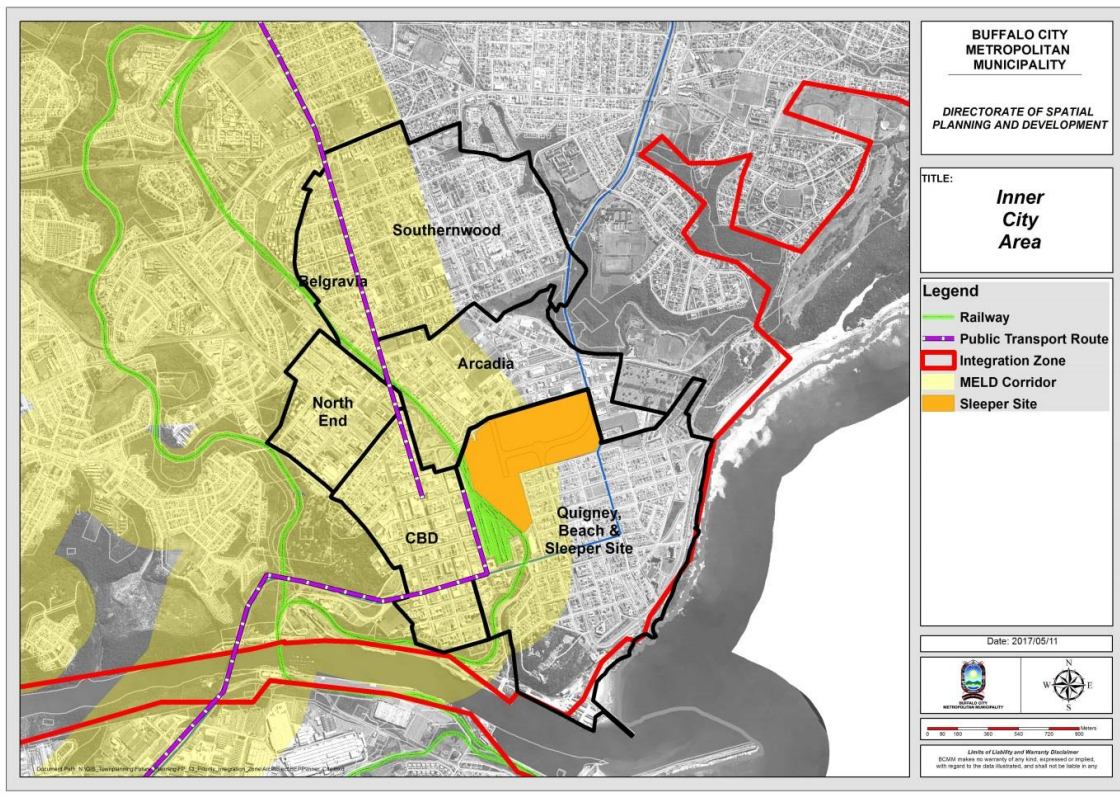


Figure B.24: Plan depicting the Inner City (Source: BCMM Spatial Planning and Development)

Southernwood and Belgravia

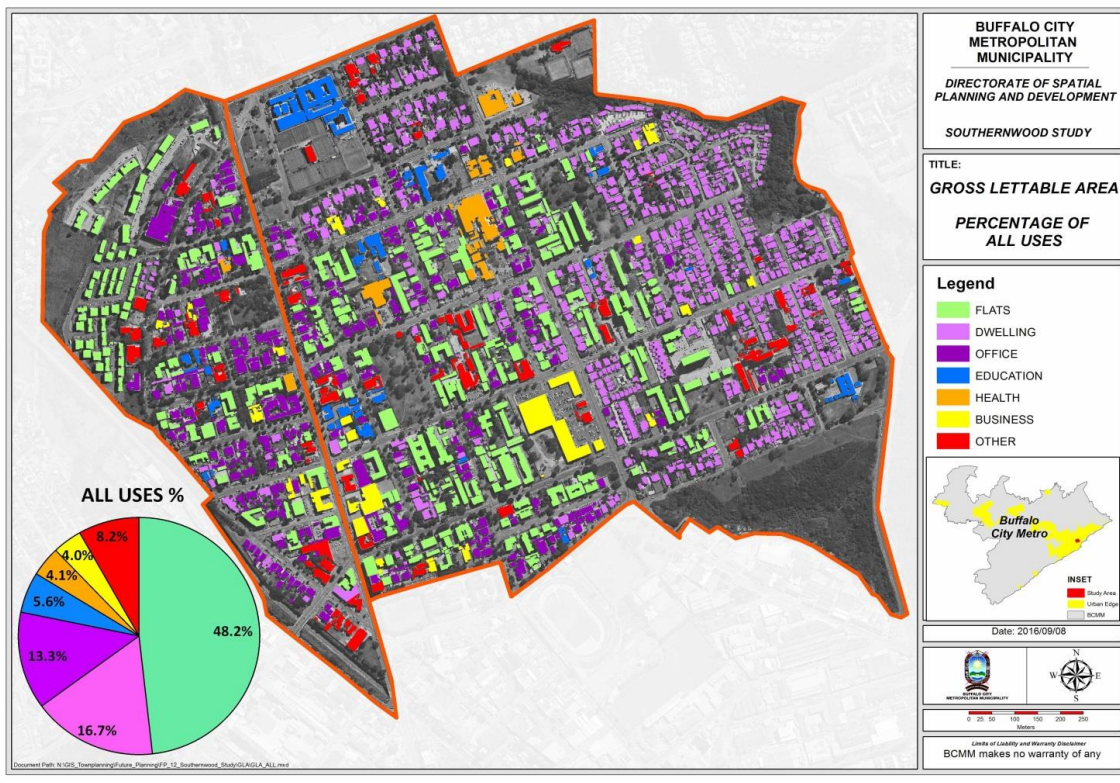


Figure B.25: Southernwood, Belgravia Inner city land use plan (Source: BCMM Spatial Planning and Development)

The BCMM SDF has identified the Inner-City areas of Southernwood, Belgravia and Quigney as Urban Renewal Areas. These areas have good access to transport routes and are areas with existing high-density development. Southernwood and Belgravia may be described as composite areas comprising non-residential land uses, including offices and commercial/retail complexes (largely located west of Gately Street), and a variety of residential dwellings, ranging from high density, multi-storey dwellings to single residential dwellings (mainly located east of Gately Street).

Given its strategic location relative to the East London CBD and the burgeoning Commercial/Office district of Vincent/Berea, these areas are identified as having good potential for urban renewal, specifically aimed at prioritizing its residential component. These areas have been identified as Provisional Restructuring Zones in the BCMM SDF.

The rationale behind such a move would be to use existing infrastructure to create an improved urban environment that has the potential to house people at relatively high densities in an inner-city location. This would contribute towards meeting the strategic goal of prioritising the CBD area, but is also likely to lead to other positive outcomes, including: -

- Increasing operating thresholds for business in the surrounding areas of the CBD and Vincent/Berea;
- Provide relatively high-density housing areas for people seeking well-located accommodation with good access to areas of opportunity by maximising the use of existing buildings (including high-rise buildings) in need of rehabilitation;
- A Partnership Approach between the Buffalo City Metropolitan Municipality and local land owners/landlords in the area, which could set a precedent for further such partnerships in other parts of the Metropolitan Municipality.

Draft proposals for Southernwood Belgravia area have been formulated and are included as follows:

The vision inspiring these proposals follows substantial qualitative and quantitative data and physical assessment of Southernwood/Belgravia:

Infrastructure efficiency is central to the success of the regeneration of the Southernwood/Belgravia precinct. The current-, but also future density and sustainability of the area depends heavily on the bulk infrastructure capacity being sufficient and efficient. This is particularly important in the eastern sub-precinct where informality and backyard slumming are trending.

Backyard dwellings:

This precinct has become a magnet for affordable student accommodation based on the education anchor institutions found there. Research has found that the **affordability factor** and economic survival also come into play when one considers the **multi-cultural character** of the area. The city has an opportunity to go beyond mere policing of illegal activities to the actual solving of the root cause issues. This reinvention strategy could go a long way in ensuring inclusive urbanization.

The **Opportunity Infrastructure Framework/ Strategy** unpacked below offers opportunities to address and manage the slumming issues in an orderly fashion.

“Economic/ business slumming”: research has revealed how local property owners in the precinct are sub-letting poorly-maintained residential buildings to multiple foreign-national second economy entrepreneurs at blown-up rental prices. Two hairdressers, a laundry, a general dealer, a fish and chips shop, a nail bar and a fashion designer would be sharing a small building with dire consequences for refuse collection and water infrastructure capacity.

The **Opportunity Infrastructure Framework/ Strategy** unpacked below offers opportunities to address and manage the “business slumming” issues in an orderly fashion.

An **Opportunity Infrastructure Framework/ Strategy** is proposed as a new governance tool to address issues in the precinct.

It could, amongst a range of issues, inform and guide the urban land market and its required reform as far as especially municipal land is concerned. In this instance a **Land Assembly Plan** becomes critical too.

Included in the strategy could also be a **Special Incentive Scheme and Special Permissions Guidelines** in targeted and strategic areas. **Special tariffs for land leases and sales in strategic places** could be tied down in the framework as part of the enabling toolbox of municipal policy.

The **multipurpose use of spare space** is worthwhile exploring as part of a possible “tactical urbanism” initiative between the anchor institutions and residents of the neighbourhoods. Terms and conditions and funding mechanisms for these could be mutually negotiated and tied down in the framework.

Other measures contained in the framework could address issues around **vacant and abandoned building with huge rates and tax account backlogs**. Opportunities for

regeneration and rehabilitation of such properties could fight blight and **regenerate revenue collection** in the area.

The aim is to promote a spatially enabling environment that would contribute towards the vision of a liveable resilient city with built-in sustainability features and neighbourhoods of solid community.

Backyard slumming and “Business slumming”, as much as they present problems, also present opportunities for the resolution of those problems in the longer term, instead of just applying a “Band Aid Strip approach” which does not address the root cause of the problem. **Measures could involve amnesty periods; reduced tariffs for formalizing (e.g. building plan- and building line departure fees, densification incentives, etc.)**

The current **student housing** need outweighs the available supply and creates a 50% backlog in the family unit demand according to research conducted. Former residential flats on St Marks – and St Georges Roads have been bought and refurbished into high-end student units that are contracted to Fort Hare University.

Social Housing is therefore proposed on the Thorburn Terrace vacant land parcel.

However, a new formula is proposed for the **composition of the tenant mix**. Traditionally the precinct has had a significant senior population. This is evident from the number of senior citizen facilities present. The Opportunity Infrastructure Framework/Strategy could propose **ratio’s in terms of student-, family- and senior citizen occupancy**. This would honour the inherent character of the precinct, create healthy intergenerational community and manage the supply and demand processes.

The terms for **a new model of participatory planning** for the precinct could also be in the framework.

Pedestrian mobility and Pedestrian corridors

Walkability has informed these proposals based on the degree of foot traffic observed in the precinct. Extra wide road reserves could be used to create widened sidewalks on student routes. This would be in keeping with the observation that student circulation does not happen singularly, but in groups during breaks, lunch time over changing venues between lectures. Students were observed walking in the middle of roads to avoid congestion on the sidewalks and uncollected solid waste and garden refuse on the sidewalks. The conspicuous absence of any street furniture and limited trees capes in a dense precinct which has social housing,

education and various higher order medical services as its anchor institutions, will be guided by an **urban design framework**.

An Anchor Institution Strategy with the potential accompanying financial incentives and contributions opens the door for a **comprehensive and continuous Communication Strategy** instead of reactive Ad hoc discussions.

The **Anchor Institution Strategy** could entertain efforts to synergise the anchor institution's Research and Development Agenda with the city's talent and innovation needs

The city gets to speak to the education partners and establish/ highlight what the city's innovation needs are and the universities, in turn, can market their niche research and innovation products. Together a **BCMM Knowledge Strategy** will be crafted as part of the city's long-term **Knowledge Economy** economic vision.

Crime and grime feature high on the list of urban blight in the area. Engagement with the anchor institutions, **as part of the Opportunity Infrastructure Framework** could explore the possibility of a joint entity that could address these shortcomings in a sustainable manner.

B2.1.2 Precinct Plan for the Mdantsane Urban Hub

The Urban Network Strategy identifies the Mdantsane CBD as the Urban Hub within the Primary Integration Zone of the Buffalo City Metropolitan Area.

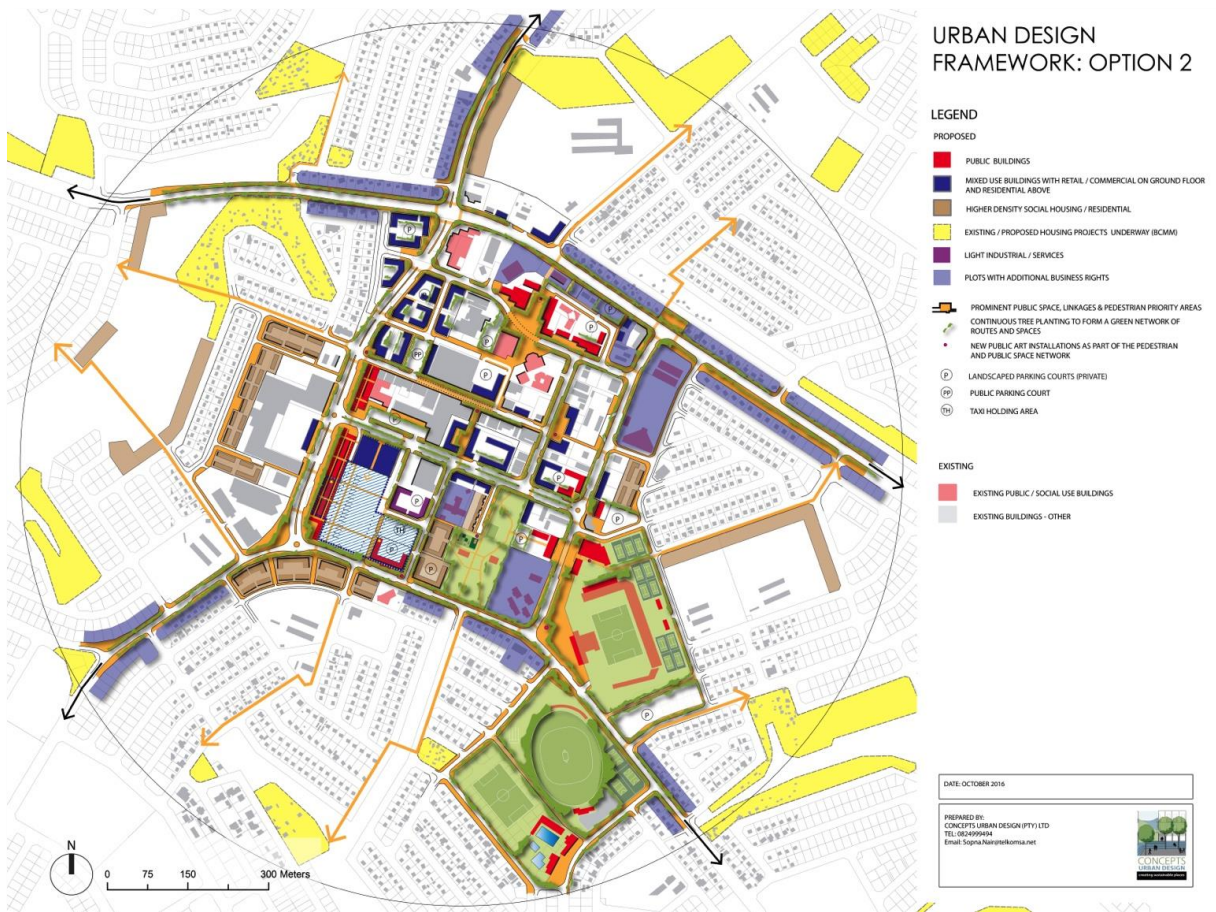


Figure B.26: Mdantsane Urban Hub Precinct Concept Plan (Preferred Option) (Source: Precinct Plan for the Mdantsane Urban Hub, 2016)

The Mdantsane CBD can be classified as a high opportunity, low performance urban area. It is a classical example of a township revitalisation model. This should be understood within the context of revitalising a densely populated, former marginalised area. It is important that interventions in this area need to be based on and address the underlying drivers and causes (including types of market failures) of urban development trends (including property market performance, investment, dis-investment etc.).

The greatest challenge in the CBD is arguably to re-establish a sense of order, cleanliness, safety and security in the area as well as to improve the quality of the environment so that people will be encouraged to live, work and visit the CBD. The heart of, and reason for the existence of the CBD is undoubtedly the Public Transport Interchange.

All significant formal and informal retail activity is spatially linked to the taxi interchange precinct. The other key activity areas in the CBD are linked to certain anchors such as the Youth / Cultural Centres, the Department of Home Affairs and the Checkers Shopping Mall on the R308 as well as the Sisa Dukashe Stadium on event days. These anchors currently exist as disconnected

and discreet areas, which are poorly connected to each other. It is important that the character of each of these areas are reinforced and given a new positive identity.

The following **Vision** for the Mdantsane CBD was identified:

- *A self-sustaining, attractive and vibrant economic hub*
- *A place that celebrates the creative arts, culture, history and identity of Mdantsane*
- *A place that cultivates sports and sports development as a youth & community builder*
- *A place of learning & skills development*
- *A place that show cases quality urban life and urban living*
- A well managed precinct.

The **objectives** of the Urban Design Framework are therefore to:

- Reinforce and improve the CBD's existing attractions and destinations, in particular the Taxi Interchange Sub-Precinct, the Cultural Sub-Precinct, the Shopping Sub-Precinct well as the Sisa Dukashe Stadium Precinct.
- To introduce new anchors and areas of activity to expand and improve the functionality of the CBD.
- Create a clear hierarchy of public urban spaces linked through a well-connected network of routes for pedestrians
- To improve general access and connectivity through the area.
- Upgrade and improve buildings and features of cultural / historic significance and value in order to create a strong identity for the area.
- Encourage a high standard of urban design that places significance on the public realm and relationships between buildings and streets.
- Create an urban form that assists in creating a safer and pedestrian friendly environment.

The study calculated that there was opportunity to develop:

- 2040 Social Housing Units
- 1279 High Density Hosing units
- 50000m² of Retail and Commercial Space

The Implementation Plan for the Mdantsane Urban Hub includes the following Programmes with associated Projects:

Programme	Project
Institutional Support Programme	As a precondition to the successful implementation of the Hub it was identified that the Establishment of an appropriate institutional vehicle would be essential to undertake Precinct Management that will address: Engaging with local community and stakeholders; Safety and Security; Cleansing; Management Informal traders; Management Informal traders; Management Informal traders; Assist with fast-tracking of building plans.
Public Transport Programme	Upgrading and improving access and movement to and within the CBD.
Public Realm Upgrade Programme	Upgrading of the Public Realm Formulation of Urban Design Guidelines
Housing Programme	Mixed Use and High Density Housing Development Projects
Local Economic Development Programme	Local economic development initiatives such as developing space for Hawkers to operate
Infrastructure Development Programme	Infrastructure upgrading projects
Land Release Programme	Rectifying Cadastral and Property Registration issues

B2.1.3 Precincts which form part of the MELD Corridor

Duncan Village Redevelopment Initiative

The redevelopment of Duncan Village is considered a high priority for the Buffalo City Metropolitan Municipality (BCMM). **The Duncan Village LSDF (2009)** was formulated to provide a spatial and developmental solution to the issues such as the overcrowding experienced in Duncan Village.

The Duncan Village LSDF acknowledged the central location of Duncan Village and attempted to retain as many families in Duncan Village as possible but recognised that Reeston and other areas within BCMM would be required to address the overcrowding. In order to retain as many families as possible various housing typologies and densities were workshopped. Ultimately the only typology accepted by the communities was the RDP house with 80m² erven. This option provided a density of 80du/hectare and was considered satisfactory in terms of public transport viability thresholds.

The DV LSDF addresses entire the redevelopment of the entire Duncan Village i.e. residential units to be constructed, social amenities, recreational facilities, public transport, pedestrian movement, small & micro economic activities, informal trading of the area supporting infrastructure and economic job opportunities.

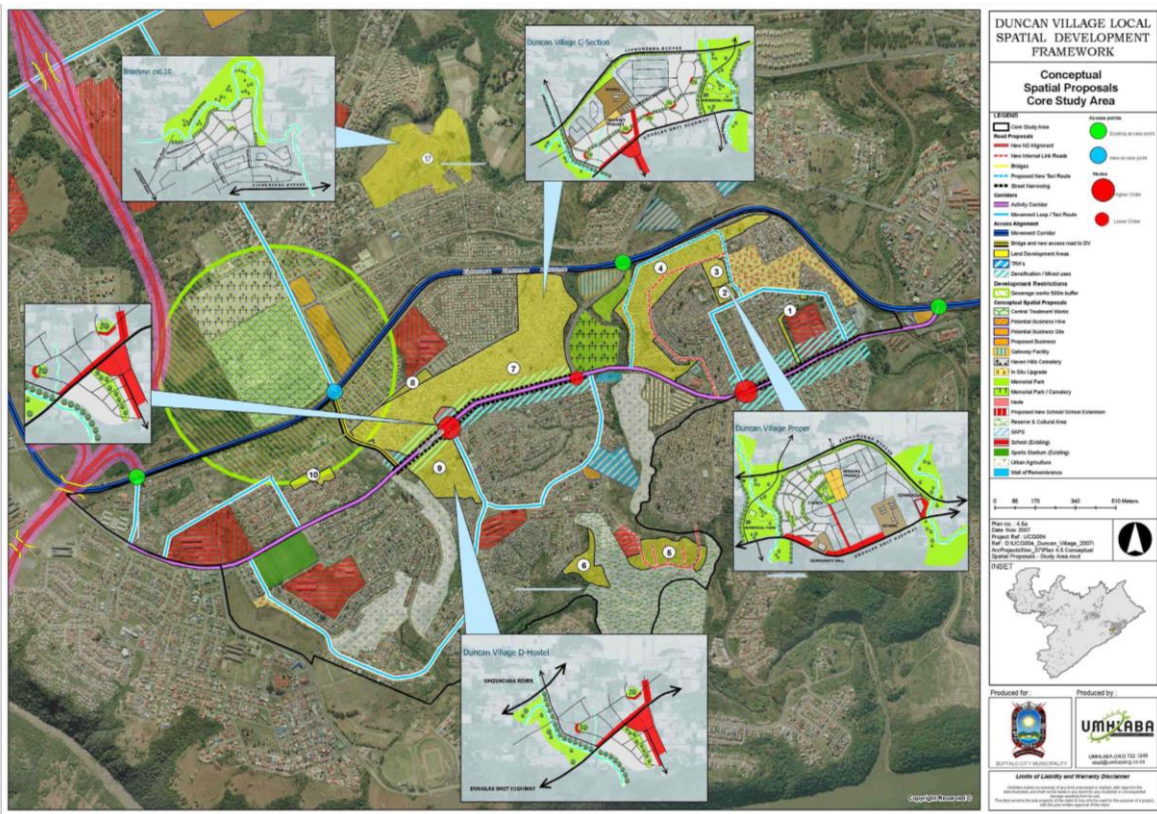


Figure B.27: Duncan Village Spatial Proposals (Source: Duncan Village LSDF, 2009)

The DV LSDF identified the following Projects which have subsequently been grouped into programmes by the MDGS Township Revitalisation Work Stream:

Programme	Project
Infrastructure Development Programme	Second Creek Catchment Water loss Management Programme
	Reeston Waste Water Works extension
	Queens Park Substation
	Waste Water Diversion Tunnel
Institutional Support Programme	Precinct Management for DV
Housing Development Programme	Duncan Village Proper; C Section; D Hostel; Braelyn 10 Ext Proper & Reeston including layout planning; Survey; Housing. The Ndende pilot housing project demonstrated erven that are 80m ² and the construction phase is complete.
	Preparation of TRAs and remaining land parcels for development in support of the DV de-densification process
Public Transport Programme	Public Transport Plan in support of all aspects of the DVRI redevelopment process which includes Reeston's requirements and the issue of transporting children to school
	Upgrade of Douglas Smit Highway to support public transport and new link to Ziphunazana at Sunnyside Road
Economic Development Programme	Acquisition and Release of land at Ndende and Jabavu for Mixed use development in support of the Township Economy
	Small enterprises training and management support, Construction and IT skills training, urban agriculture
Social Facilities and Services Programme	Engaging with the Dept of Education to formulate a programme for School development to support the all areas involved in the DVRI re development.

	Engaging with Provincial Department of Health regarding provisioning of Clinics in support of all areas involved in the DVRI re development.
Natural Environment and Cultural Heritage Preservation Programme	Training residents to preserve the ecosystem and to be waterwise.
	Piloting alternative energy and recycling initiatives

Mdantsane Urban Renewal

The major development nodes identified in the **Mdantsane LSDF** include the Mdantsane CBD (Highway) and the immediate area surrounding the Mount Ruth station. The areas surrounding the stations of Fort Jackson, Mdantsane and Mtsotso, were classified as minor nodes. Additionally, the area in between Highway and the Mount Ruth station was identified for intensification and mixed land uses including higher density residential land uses.

Upgrading of the Mdantsane CBD was identified as a catalytic intervention that would boost the economy of the surrounding township of Mdantsane. The Mdantsane CBD is an existing mass regional transit node and will be further developed with the support of the Neighbourhood Partnership Development Grant.

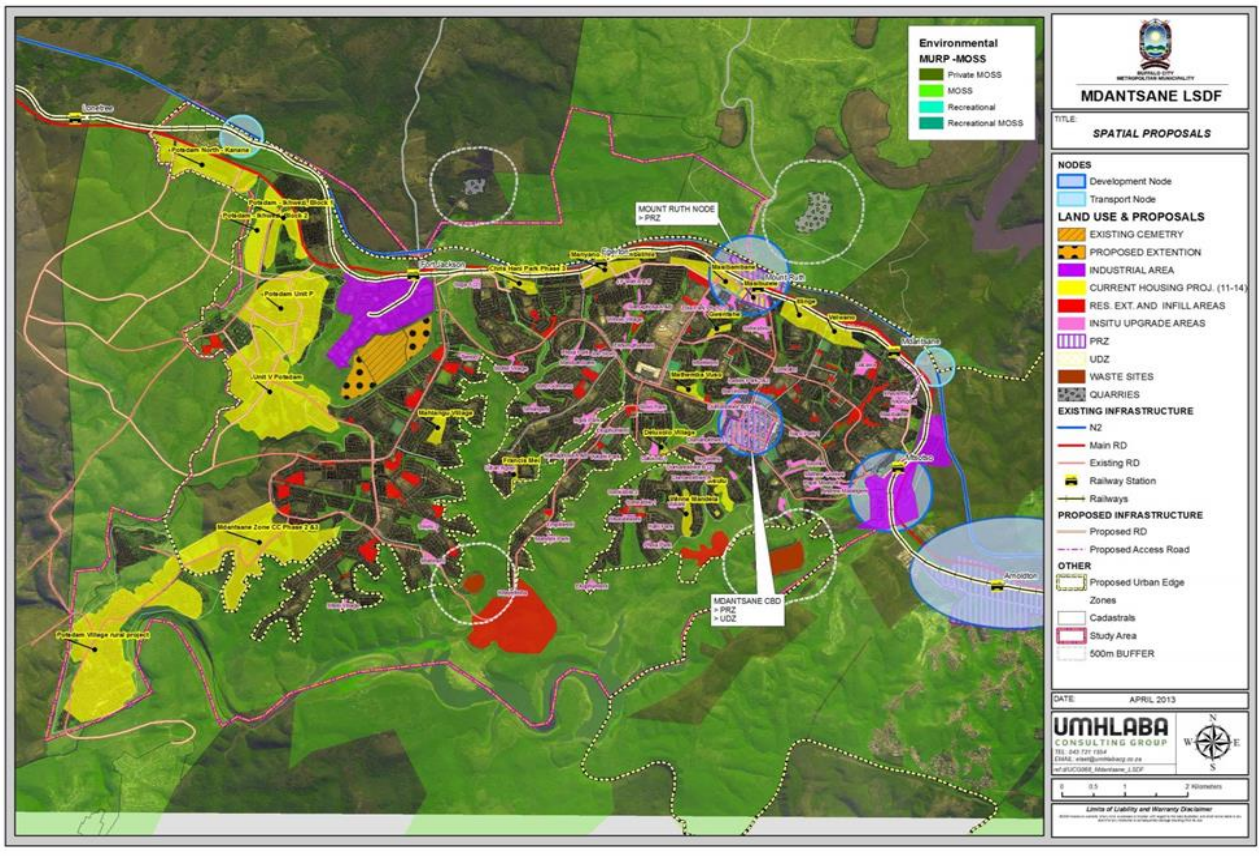


Figure B.28: Mdantsane Township: Spatial Proposals (Source: Mdantsane LADF Review, 2013)

The Mdantsane LADF identified the following Projects which have subsequently been grouped into programmes by the MDGS Township Revitalisation Work stream:

Programme	Project
Land Acquisition and Development Programme	Feasibility Study for High Density/Social Housing Pilot Project Feasibility Study at Mdantsane CBD and Mount Ruth
	Finalise the Upgrading of Land Tenure from Deed of Grant to Freehold Title for NU2(CBD)
	Informal Settlement Upgrade (See details in Settlement
	Land Acquisition Bufferstrip, Mount Ruth, Mdantsane Industrial Precinct and CBD
	Transfer of State land to State as a result of Donation of Farm 1404 to BCMM

Infrastructure Development Programme	Upgrade of Water Supply Network: Mdantsane, Mt Ruth, CBD, Mdantsane Industrial
	Upgrade of Waste Water Treatment Network and Capacity: Mdantsane, Mt Ruth, CBD, Mdantsane Industrial
	Upgrade of Mount Ruth Substation and construction of Zone 17 substation: Mdantsane, Mt Ruth, CBD, Mdantsane Industrial
Institutional Support Programme	Precinct Management for CBD/Highway and Mount Ruth
Housing Development Programme	Bufferstrip housing And informal Settlement upgrading and NUSP
Public Transport Programme	Feasibility study re the proposed link between the N2 and Mdantsane at the Nahoon Dam off ramp
	Upgrade of Public Transport Facilities at Mdantsane CBD with feeder route to Mount Ruth Station
	Feasibility studies for Needs Camp Potsdam bridge
	Feasibility Study Station at Potsdam for WSU
	Road Network Development to support public transport
	Upgrade of Mt Ruth Station
Urban Agriculture Programme	Urban Agriculture Extension services
	Area to west of Potsdam to be formalised for dryland agriculture
	Acquisition, release and development of land around the Mount Ruth Station for hawker stalls and small business purposes

Economic Development Programme	Acquisition, release of land at Mount Ruth for a light industrial park
Social Facilities and Services Programme	One-stop service centre at Mdantsane CBD with Wifi
	Multi purpose centre at Mt Ruth with Wifi
	Sharing of public and educational recreational facilities
	Extension of Fort Jackson Cemetery
Waste Management Programme	New Cell at Roundhill Regional Waste Site
	New Depots & transfer stations
	Replacement of Fleet
	Waste Reduction/Buy back centres

B2.2 Local Area Planning / Precinct Plans for Priority Precincts: Secondary Integration Zone

B2.2.1 The KWT/Bhisho Revitalisation Precinct

In 2010 the Department of Roads and Public Works commissioned a Strategic Implementation Plan for the project to be called the Master Plan for KWT/Bhisho Revitalisation. The Bhisho precinct is a key component of the KWT/Bhisho Corridor.

The land use proposals include a mix of offices because this is administrative hub of the province, retail and high density residential uses. Most of the land within the precinct is state owned. There are some portions that are BCMM owned.

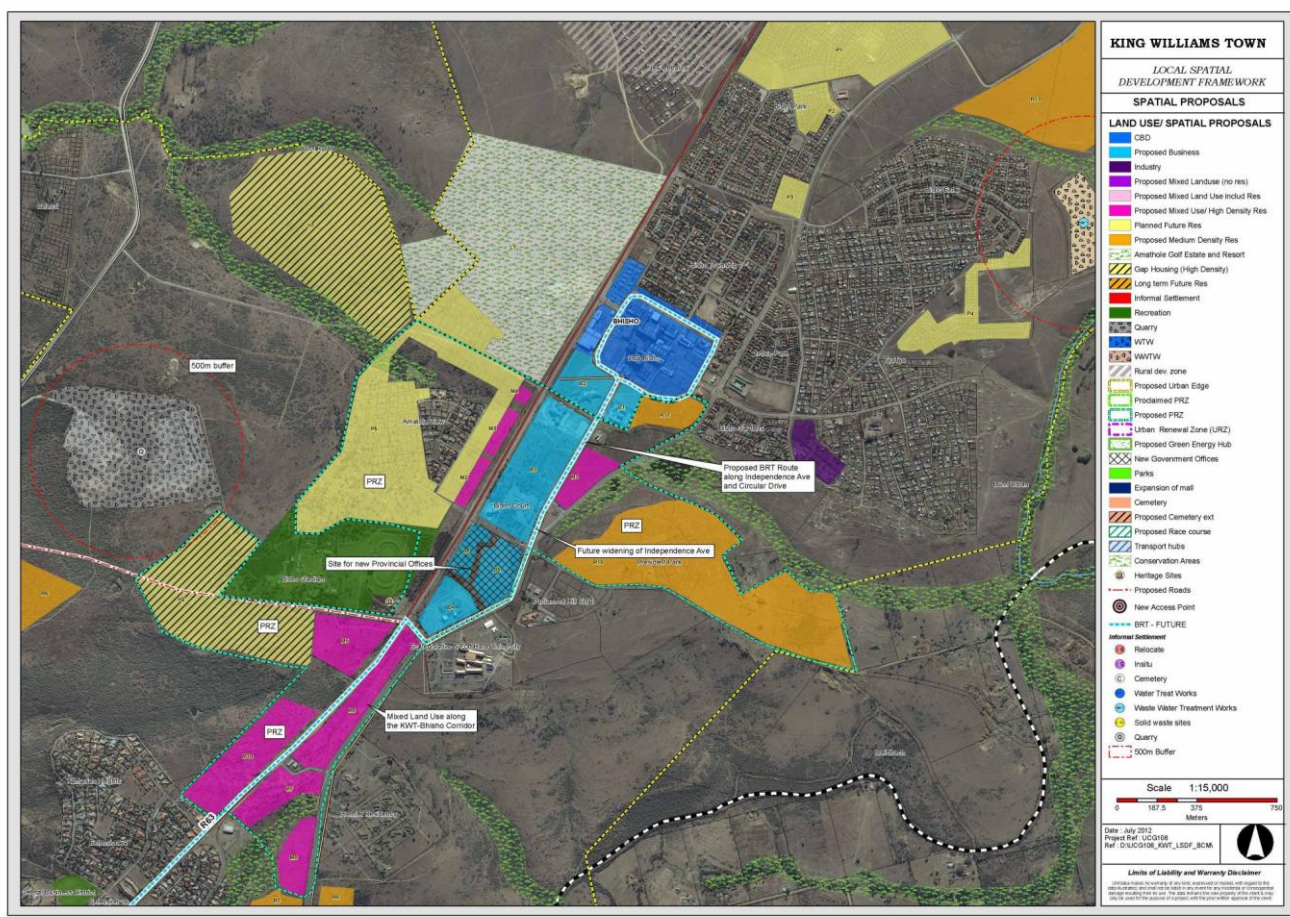


Figure B.29: Bhisho Revitalisation Precinct (Source: Bhisho King William’s Town LSDF, 2013)

The revitalisation of Bhisho is to be implemented through a number of Anchor Projects categorised into “quick wins” and medium to long term projects. These include the following projects:

Timeframe	Project
Quick Wins Projects (< 2 Years)	Upgrading of Bhisho Memorial
	Pedestrianisation of portion of Independence Avenue
	Waste Recycling
	Signage
	Marketing and Communication Strategy
	1. Strategic Spatial Implementation Framework
	2. Bhisho CBD Upgrade and Parking Strategy
	Independence Avenue Ceremonial Boulevard
	New Office Precincts: Phase 1

Short to Medium Term Projects (2-5 years)	Residential Development (Social, Rental and Gap / Affordable Housing)
Long Term Projects (+5 years)	Office Precinct
	Affordable and Bonded Housing
	Partially subsidised Rental Social Housing,
	High value privately funded housing projects
	CBD Upgrading (Public realm and existing retail facilities)
	Sports, Recreational and Caravan Park Upgrading into a Multi-Purpose Node

One of the key challenges to the implementation of the proposals including the release of land is the bulk water and sanitation availability. Notable planning and implementation efforts are underway to resolve the service backlog issues:

- Bulk water supply to the KWT-Bhisho core areas
- A regional solution to Wastewater Treatment (the Zwelitsha WWTW upgrade)

A key project that is part of the Urban renewal process of KWT CBD is the upgrade of the KWT Public Transport Facility which represents the KWT component of the Corridor. Figure B.27 below indicates the proposed public transport route within the Bhisho Precinct side of the Corridor.



Figure B.30: Bhisho Precinct with proposed public transport route (Source: Bhisho King William's Town LSDF, 2013)

B2.3. Precinct Planning and Policy Around Economic Nodes:

Economic Development

One of the key objectives of local government in carrying out its developmental mandate is to create a conducive environment for economic development. This relates to a number of areas ranging from creating a business-friendly regulatory environment, providing competitive costs of doing business, ensuring the provision of economic infrastructure, swift and predictable turn-around times for approval processes, etc.

Buffalo City Metropolitan Municipality is faced with a myriad of economic challenges, including amongst others:

- Stubborn levels of high unemployment, especially amongst the youth
- Poverty
- Stagnant economic growth with a few economic sectors that are making a meaningful contribution. The manufacturing sector, in particular, is in decline and has seen a lot of job-shedding.
- Dis-investment followed by job-shedding in certain instances
- Skills flight
- Low levels of entrepreneurial activity and low levels of innovation
- Limited economic infrastructure
- Slow turnaround times for approval processes which eventually increase the cost of doing business

On the contrary, the city is full of potential in areas that require significant levels of public sector investment through infrastructure to leverage private sector participation. This ranges from tourism, agriculture and agro-processing, maritime sector, renewable energy, aquaculture, information and communication technology, to name a few. The state of these sectors and investment opportunities are outlined below.

Economic Policies and Strategies

Creating a conducive economic climate for economic development requires clear and robust strategies and policies, amongst others. The city will therefore focus on the development of key strategies, which include:

- (i) **Investment Promotion and Incentive Strategy:** The city currently does not have a robust and coherent investment promotion strategy. Further to this, the city also does not have

comprehensive incentives package, with the exception of concessions given to the East London Industrial Development Zone. Coupled with the investment promotion strategy will be the incentives strategy, which will investigate the types of incentives that the city can provide to complement the investment incentives available at the national level.

- (ii) Finalisation of the Business Needs Assessment Plan. This current project will clarify areas where the city can intervene and support to improve competitiveness and reduce the cost of doing business in the industrial areas.
- (iii) Finalisation of the Integrated Agriculture and Rural Development Strategy. There is a draft that requires finalization and adoption by Council.
- (iv) Tourism Strategy review. The strategy was adopted by the Council in 2006 and is due for review.
- (v) Finalization of the SMME Strategy
- (vi) Finalization of the BCMM Cooperative Development Strategy
- (vii) Development of the Informal Sector Strategy
- (viii) Development of the BCMM Heritage Policy
- (ix) Development of the Arts, Culture and Heritage Strategy

B2.3.1 Westbank Industrial Node:

East London industrial development zone (EL IDZ)

The East London IDZ's key mandate is to ensure that jobs are created by attracting foreign direct investment. As a shareholder, BCMM is playing its part to ensure an enabling environment for the IDZ to operate in conditions that allow them to realize their strategic goals by making available an additional 870 hectares of land in the Berlin area. This area, in particular, is an existing industrial area and has been earmarked as the Renewable Energy Hub. It is envisaged that a cluster of activities covering the entire value chain including other complementary industries will be developed in this area. The EL IDZ will tap into its existing Renewable Energy Training Centre for skills.

The EL IDZ has already played a major role in the economy and has so far achieved the following:

- Created about 3 435 direct jobs with an annual salary bill of R521million
- Companies in the zone generate R7,6 billion turnover per annum
- Exports 36% of its products

- Signed four (4) new investments in 2016/17 to the value of just over R1 billion and 1 400 jobs in the pharmaceutical, aquaculture, green economy and ICT sectors.
- Expansion by three existing investors including renewable energy.

There is currently a process underway to renegotiate the incentives which would be applicable to the IDZ over the medium term. The next three years will also see the implementation of the various co-operation agreements dealing with matters of mutual interest and broader community benefit such as waste to energy initiatives, aquaculture incubation, research and development as well as innovation through the Science and Technology Park (STP).

An arterial road (3km) linking the EL IDZ, MBSA and the Port is also on the cards to reduce the distance and time and improve efficiencies in preparation for the production of the W206 Model.

There is currently a process underway to renegotiate the incentives which would be applicable to the IDZ over the medium term. The next three years will also see the implementation of the various co-operation agreements dealing with matters of mutual interest and broader community benefit such as waste to energy initiatives, aquaculture incubation, research and development as well as innovation through the Science and Technology Park (STP).



Figure B:31: Proposed expansion of the Mercedes Benz Plant

An arterial road (3km) linking the EL IDZ, MBSA and the Port is also on the cards to reduce the distance and time and improve efficiencies in preparation for the production of the W206 Model.

B2.3.2 Port of East London

The Port of East London has outlined a pipeline of projects to the value of R515m in the next three years and over R2, 9bn over a ten-year period. These projects include replacement of the Buffalo Bridge, expansion of the Car Terminal, Signal Hill development, tourism and leisure facilities, ship building and repairs facility as part of Operation Phakisa.

Transnet will also establish a Maritime Training Centre and a site has already been identified within the port precinct. This will further add to the current maritime studies offered by Ngwenyathi and George Randell high schools located in Buffalo City

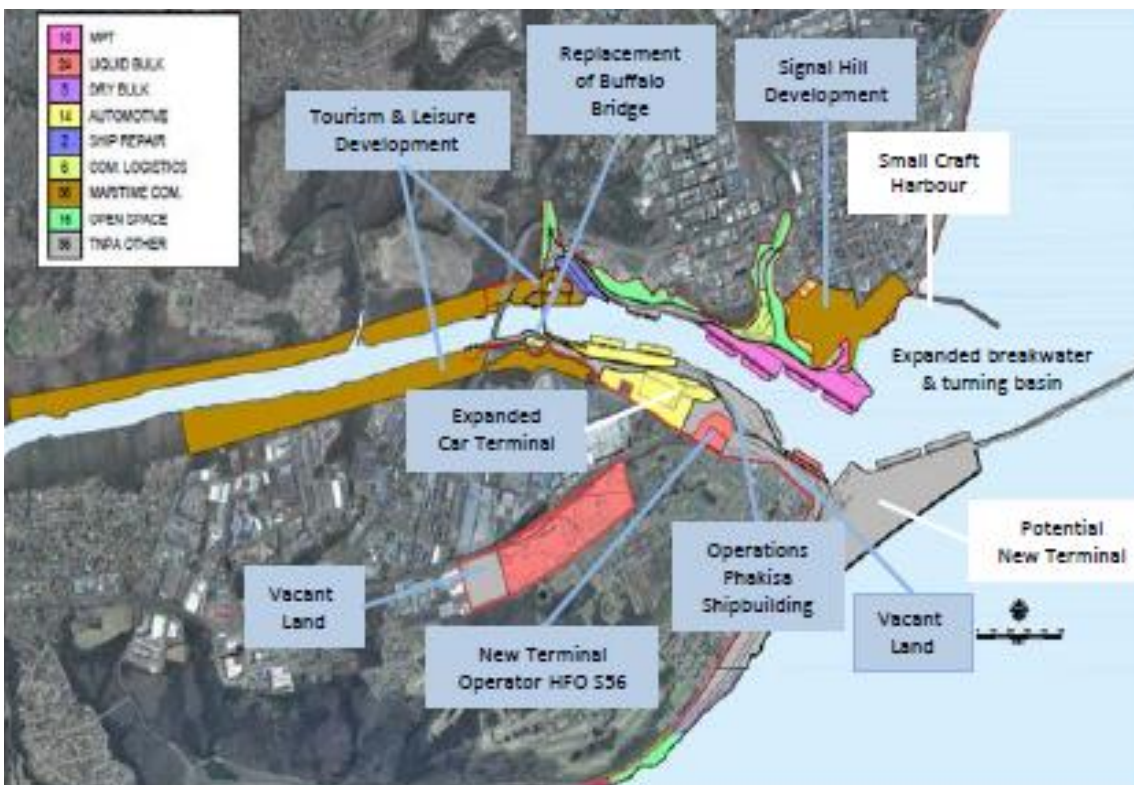


Figure B.32: Proposed Port expansion – Medium to Long Term (Source: Port of East London)

Whilst the above plans are afoot, the deepening of the port to accommodate bigger vessels is not on the cards yet. This has resulted in several companies incurring extra costs in faring goods from the Ngqura Deep Sea Port back to East London by a feeder vessel or by road.

This has increased the transport and logistics costs significantly and contributed massively to the loss of R11, 7 billion worth of investment to the Coega IDZ in the past couple of years.

A series of strategic engagements amongst business stakeholders, Transnet, Department of Public Enterprises and other State-Owned Companies are ongoing to lobby for the deepening

of the East London Port as the lack therefore has far reaching implications for the entire regional economy.

Commercial nodes

B2.3.3 Central Business District Revitalization

The city has taken huge strides in re-establishing BCMDA, which is an entity that will, amongst others, drive tourism infrastructure and real estate investment. This in the backdrop of the somehow strong performance of the tourism sector in the city, its strategic location, rich heritage and cultural assets, scenic beauty and unspoilt beaches.

The BCMDA has been allocated the following projects as part of the Beachfront Upgrade:

- Marina Glen A
- Court Crescent
- Seaview Terrace
- Heroes Acre Memorial
- Esplanade
- Water World

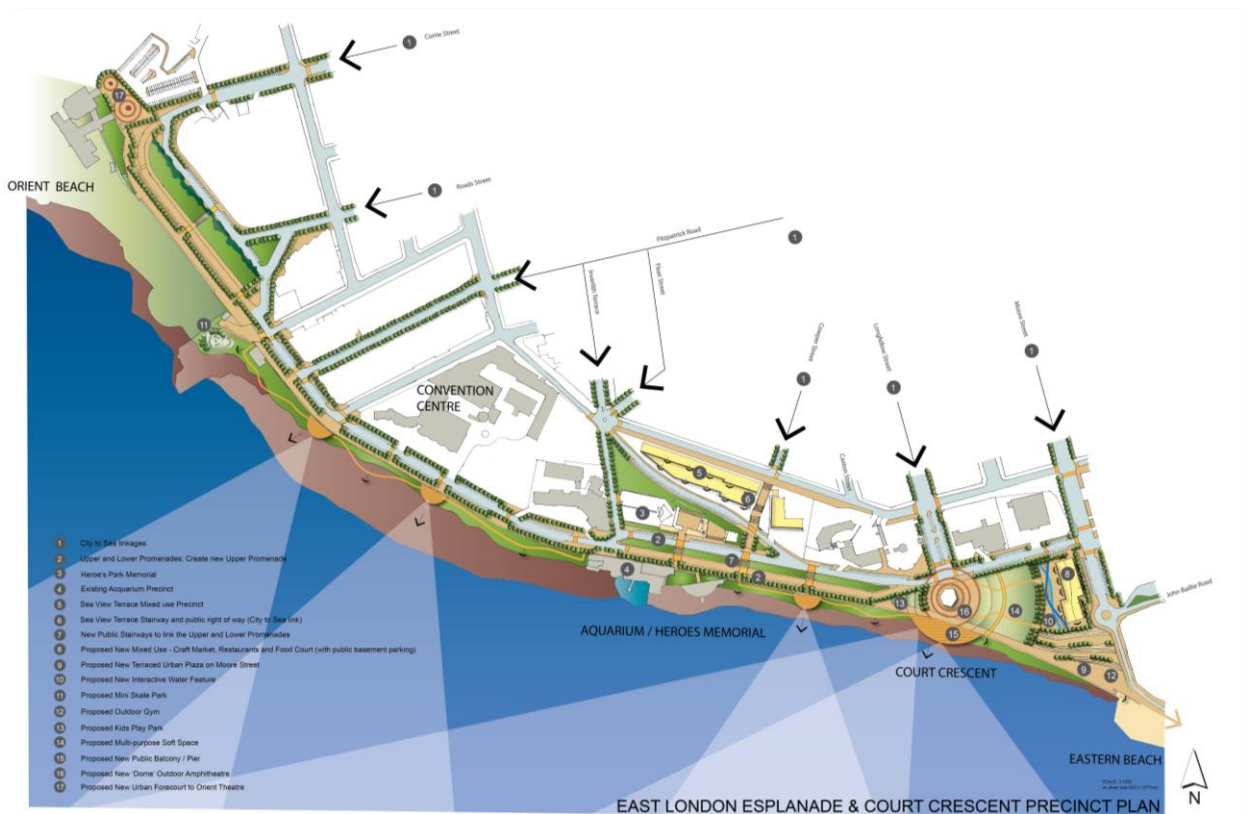


Figure B.33: Proposals for the East London Beachfront (Source: Precinct Plan for the East London Beachfront, 2017)

The above-mentioned projects, in the main, will contribute immensely to the tourism product offerings in the city. Furthermore, the focus on the Esplanade will bring about the much-needed facelift to the city's main beachfront area.

It is recognised that the metro needs to create an environment which is conducive for private business investment. This environment needs to have stability in terms of various transport options.

A potential "game changer" which has occurred in the 2014/15 financial year is the successful completion of a property transaction for the purchase of land called "The Sleeper Site" which is situated in the centre of the central business district. This land was purchased from Transnet at a market related value.

One of the interventions earmarked as part of the CBD revitalization is the centralization of informal trade areas. The main areas targeted in the next three years is East London and Mdantsane. This will contribute towards improving the ambience of the city, ease of cleaning, provision of and sharing of infrastructure to similar type of enterprises or informal traders, improvement of safety and security to the traders and citizens, enable effective law enforcement and finally provide a conducive trading environment for trading.

Informal Trading

The city is formulating a policy for street trading and informal sector trading. The aim is to formalise the sector as a growing sector in the economy of Buffalo City Metropolitan Municipality. The fresh produce market is an example of the supporting infrastructure for this particular sector.

The Fresh Produce Market, which is owned by Buffalo City and based in Wilsonia envisages the development of a feasibility study and a master plan in 2017/18 to investigate the expansion of the trading area to create a larger distribution centre and any other complementary business activity.

B2.3.4 Township Industry Revitalisation

Township Economy

The Township Economy has been identified as a major development priority. Businesses in the township are marginalised from the mainstream economy. BCMM is fully committed to revive the township economy by focusing on SMME development. The City will partner with the Department of Small Business Development and DTI to turn township from mainly areas of

consumption to areas of productivity. This will best be achieved by intervention in the value chain of production to ensure products are produced and sold in the townships, infrastructure development will act as an enabler to reviving the township economy.

Another intervention is focusing on developing, supporting and promoting township tourism. BCMM is home to a number of townships with rich culture and heritage which can be developed and promoted. In promoting township tourism, BCMM developed a township tourism route which links up a number of sites located in the following areas: Duncan Village, Mdantsane, Berlin, Zwelitsha and Dimbaza. These seeks to promote the lifestyle, culture and heritage of the local people.

Finally, the metro will continue and expand its investment in urban agriculture. The city has supported emerging farmers with infrastructure such as greenhouses or hydroponic structures, which have shown some success.

Dimbaza Agri-Park

A fully-fledged business case has been developed for the revitalization of the Dimbaza Industrial area which is championed by the Eastern Cape Development Corporation (ECDC) as the landlord, supported by the DTI, Department of Rural Development and Land Reform (DRDLR). BCMM has pledged its support for this initiative, which is envisaged to be executed over a 10-year period with an investment of approximately R1, 3 billion. About R865 million is anticipated from the private sector whilst the rest is expected to come from the public sector through infrastructure upgrade, business development support, etc. Over 3 000 direct jobs are anticipated from this development.

Over and above the Agri-Park, the Dimbaza Industrial Park will also attract investors from other sectors such as plastics, chemicals, steel and construction related industries. Ikusasa Green (Pty) Ltd, which manufactures eco cooler boxes and supplies Massmart has already established itself in the 2016/17 financial year. Other investors are conducting due diligence and raising capital to set-up in the coming year or two.

This area has been faced with growing socio-economic challenges, such major infrastructural decay, job losses, and flight of industries, amongst others. Part of the plan to revive this industrial area has been to develop the economic infrastructure in the surrounding communities and human settlements for increased economies of scale.



Figure B.34: Proposals for the Dimbaza Eco-Industrial Park

B2.3.5 Revitalization of Industrial areas

The institution has identified a number of existing areas which it considers as business development nodes and, as such, areas which it considers as having huge benefits to potential investors. These areas are:

- 1) West Bank
- 2) North end
- 3) Wilsonia
- 4) Fort Jackson
- 5) Berlin
- 6) Zwelitsha
- 7) Dimbaza

All these areas have existing infrastructure, some of which, with minimal investment in terms of infrastructure upgrades, could yield significant benefits for the local economy and contribute to the local GDP. It further needs to be recognised that these are effectively business nodes which could be developed to be closer to areas of labour resulting in reduced travelling costs for the labour force.

These industrial areas are the backbone of the Buffalo City Metro economy and house some of the major manufacturers and well known international brands such as Mercedes Benz, Nestle, Johnson & Johnson, First National Battery, Summerpride Food (Pineapple processing), Da Gama Textiles, Pro-glove, etc.

B2.3.6 East London Airport



Figure B.35: Proposed airport expansion plan

The current capacity of the Airport can accommodate up to 1, 2 million passengers and currently the traffic is around 800 000 passengers per annum. In terms of projections an expansion is required in the next three years, which will also accommodate air freight requirements and a provision for intercontinental flights. This requires the extension of the runway, which regrettably is illegally occupied as a squatter camp.

DEVELOPMENT AND SUPPORT OF KEY PRIORITY SECTORS

1. Automotive Sector

Buffalo City Metro is working hard to ensure that it supports the automotive sector by developing and maintaining infrastructure in order for this sector to operate efficiently. The Metro is very keen to maintain its niche in the auto sector by leveraging on the opportunities presented by the planned expansion of the Mercedes Benz South Africa (MBSA) and introduction of new models. It is envisaged that this opportunity will lead to creation of new SMMEs on the supplier development and localization front.

Further to the manufacturing side, the city is also supporting the after-market. The city will continue its support to the Auto Incubator in Mdantsane and subsequently contribute towards reviving the township economy.

2. Manufacturing Sector

The manufacturing sector is a vital sector for the city and the prosperity of the services sector is dependent upon a strong manufacturing base. Currently the non-automotive sector has experienced challenges which have led to de-industrialisation and job losses. BCMM is determined to play a positive role to assist the non-automotive sector to be a thriving economic role player and major employer. BCMM will also look at implementing incentives for the non-automotive sector as a stimulus package, working closely with the department of trade and industry (*the DTI*). Electricity incentives will be the base line for interventions as it the main cost of production to the sector. BCMM is fully determined to play its role in an effort to reindustrialise the City and create sustainable jobs.

3. Marine Sector

Some scoping and investigations are currently being undertaken with DEDEAT, EL IDZ, BCMM, Transnet and other key players to package opportunities for ship building and repairs. There are also several ocean economy opportunities that are being investigated to ensure the city optimises its coastal location and enable investment, skills and job creation.

4. Tourism Sector

The city will review its tourism strategy and amongst others will re-inforce the heritage, arts, culture, infrastructure and events pillars. Significant efforts will also be redirected towards marketing which will be done domestically and internationally in conjunction with key players such as South African Tourism (SAT), Eastern Cape Parks and Tourism and Agencies (ECPTA) and tourism industry.

As the Buffalo City Metro Development Agency will be focussing on the Quigney and main beachfront area, the Department will focus on developing the much needed infrastructure in rural areas and townships. This will further enhance visitor experiences in the city by presenting diverse offerings. A homestay programme targeting rural tourism nodes will be piloted in 2017/18 financial year in partnership with the Jinhua City from China, which is BCM's sister city. This will bring income, skills transfer and knowledge sharing to rural areas. Once well established, the homestay will assist in increasing the number of beds in the city, which is estimated at 7 500.

This is way under the threshold required for hosting some of the international events, which sometimes require around 10 000 beds.

Other new establishments include a boutique hotel in Ncera village, which will promote agro-tourism as this is the location for the Ncerha Macadamia Farm.

Major heritage projects will be identified and packaged in the 2017/18 financial year and will include, amongst others, the following:

- The Boxing Arena and Hall of Fame
- Freedom Boulevard, linking the Bhishe Massacre site (Stadium) and the Steve Biko Museum.
- Other sites include Mount Coke, where the first translation of the Bible to Xhosa took place, Pirie Mission caves,

The city will continue with the drive to attract major events, including international sporting events to optimise the use of existing facilities, good climatic conditions and pristine coastal environment. This also assists in breaking the seasonality of the tourism by ensuring there are events and activities all year round.

5.Agriculture and Agro-processing

Over the past couple of years, Buffalo City with key stakeholders has invested in the revitalization of key industries such as the dairy, tomatoes, food & beverages, macadamia, etc. Whilst the dividends are paying off well, a lot more investment is requirement in key infrastructure such as Irrigation Scheme, Livestock Improvement, mechanisation, etc. to improve the level and quality of output. The Dimbaza Agri-Park on its own requires mass production, one dairy processing requires 3 million litres per month, etc.

In 2017/18 Buffalo City in partnership with the Department of Rural Development and Agrarian Reform will pilot a Rural Enterprise Hub (RED) Hub focussing mainly on maize production in Dongwe, all three Tshabo Villages and Mhlabathi Village. An initial budget of R14m has been set aside for this purpose.

Aquaculture is also being piloted in Buffalo City, including Aquaponics which combines fish and vegetable farming techniques. Extensive training and incubation is planned in partnership with the Office of the Premier and the East London IDZ.

PARTNERSHIPS

In realising the mammoth task of dealing with the unprecedented high levels of unemployment in the city, persistent poverty, decline in manufacturing activity and the limited entrepreneurial activity overall, the Buffalo City Metropolitan Council approved several partnerships including, amongst others:

1. Eastern Cape Development Corporation (ECDC)

- In an endeavour to revitalize the Dimbaza Industrial area which used to be a vibrant industrial hub and employed thousands of people, the Buffalo City Metro partnered with ECDC for the establishment of the Dimbaza Agri-Industrial Park
- Another initiative will focus on providing support to emerging exporters by exposing them to relevant international markets and capacity building initiatives.

2. Business/ Private Sector

Partnership with the Border Kei Chamber of Business on the Invest Buffalo City, which is a platform aimed at providing support to retain existing businesses and attracting new investors into the city. Amongst others, this initiative will assist in positioning the city as an investment destination of choice and work closely with the city in improving its competitiveness in terms of ease of doing business.

3. National Heritage Council

The partnership with the National Heritage Council (NHC) whose main object, amongst others, is to:

- Facilitate planning, development and promotion of the liberation Heritage Route in Buffalo City
- Development of arts, culture and heritage policy framework and integrated management plan for heritage sites in Buffalo city
- Conducting research and knowledge production, route development, declaration of heritage sites, restoration of heritage sites, infra-structure development and mobilization of the required resources.
- Developing a motivation for nomination, grading and declaration of Liberation Heritage sites.
- Facilitating the inclusion of Buffalo City in the development of the Liberation Heritage Route and its World Heritage listing Process.

- Provide capacity and expertise to conduct necessary processes for the above.

4. Tourism Agencies

To boost tourism in the city, BCMM also partnered with a number of players including the following:

- Eastern Cape Parks & Tourism Agency (ECPTA) and will be hosting the provincial chapter of the Lilizela Awards over a period of three years.
- Three-year agreement to host the Harley-Davidson Africa Bike Week which will attract 10 000 visitors into the city for four days
- Hockey Masters Championship which attracted 1 500 visitors for a period of four days
- Supporting several events over the Summer Season to create a platform for local artists to grow and showcase their talent

5. Agricultural Research Council

BCMM also collaborates with and receive support from the Agricultural Research Council (ARC) as well as Dohne Agricultural Research Institute to inform and direct its Agriculture and Rural Development Programme.

- This intervention will be coupled by institutions of higher learning partnering with the City in conducting research to find new value adding industries.

6. BCMM collaborates with a number of SETAS and other key stakeholders in developing and improving the skills which are as follows:

- CATHSETA (Culture, Arts, Tourism, Hospitality, Sport, Education and Training Authority)
- Wholesale and Retail SETA
- Primary Agriculture Education and Training Authority
- Institutions of higher learning and education
- East London Science and Technology Park

B3. INSTITUTIONAL ARRANGEMENTS

The National Treasury Guidance Note is very clear on the intention of better alignment both horizontal in the institutional but also vertically between the spheres of government and State Owned Enterprises.

It states that the alignment of provincial infrastructure to metropolitan priorities will be done via the relevant Provincial Treasuries who co-ordinate the IDP's and IDMS with guidance from National Treasury.

Effort has been made to initiate and engage with other spheres of government and some state-owned enterprises that have been part of the BEPP process to date but with varying degrees of participation and commitment.

Both the BEPP Task Team and the IGR Task Team will be convened every quarter to report on BEPP implementation, identify bottlenecks and solutions, and escalate those issues which cannot be resolved technically to the City Manager and Council for resolution. Quarterly BEPP Performance Reports will be prepared by the BEPP Task Team secretariat (EPMO).

With the establishment of the BEPP Intergovernmental Task Team, it is believed that a genuinely interactive, joint planning and budgeting process that respects the boundaries of spheres and functions in terms of the Constitution, has been initiated.

Organizations and representatives that form part of the above two Task Teams are identified in Annexure 5 and Annexure 6 of this document.

SECTION C : CATALYTIC URBAN DEVELOPMENT PROGRAMMES & PREPARATION

C1 CATALYTIC URBAN DEVELOPMENT PROGRAMME PREPARATION

Refer to Annexure 1: Catalytic Urban Development Programmes. The annexure contains details of projects planned and budgeted for within the Primary and Secondary Integration Zones.

C1.2 Catalytic Urban Development Programme Identification

The four Catalytic Urban Development Programme Areas identified for the BCMM are;

1. East London CBD Revitalization
2. MELD Corridor (Mdantsane East London Development Corridor)
3. Mdantsane Urban Hub
4. Bhisho – King Williams Town and Corridor

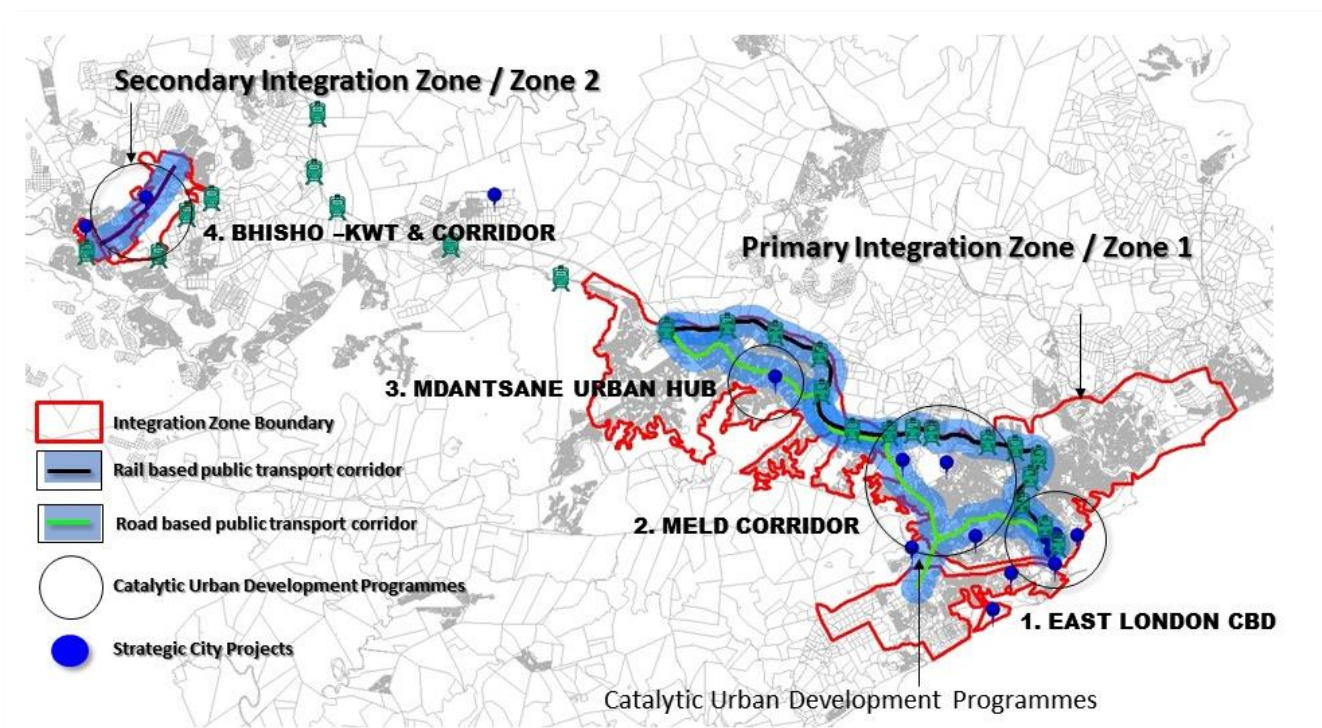


Figure C.1: BCMM: Catalytic Urban Development Programmes (Source: BEPP 2018-19)

East London CBD Revitalization: The East London CBD is the starting point of the MELD Corridor. The initiative represents visible investment in the CBD and inner-city area and is anticipated to spur additional investments. High impact projects would focus on improving the quality of the area which would in turn strengthen investor confidence and growth.

The innovation knowledge management cluster, educational and economic resources will be supported. An improved quality of life through the creation of vibrant city spaces, cleaning and greening will seek to enhance city image. Public transport and connectivity will be improved, through improvement of key pedestrian spaces and streets. Key projects in the CBD Revitalization are the Sleeper Site development and CBD upgrades. Opportunities for transit oriented development through encouraging of quality affordable infill housing and promotion of mixed land uses, will be looked at. Linkages to the beachfront and other potential recreational areas will be strengthened and improved. Details of current and planned projects within the above Urban Development Programme are found in Annexure 1.

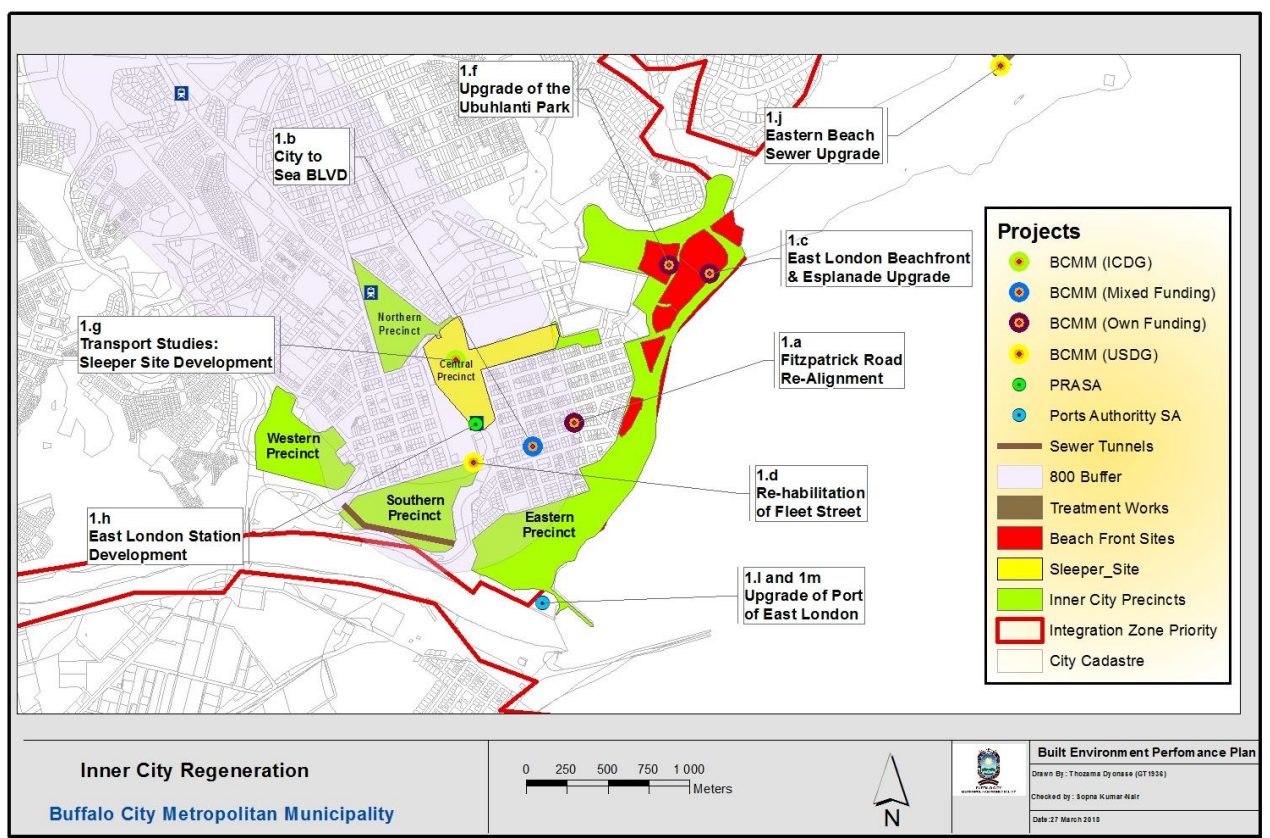


Figure C.2: BCMM: Current and planned projects within the East London CBD Urban Development Programme (Source: BEPP 2018-2019) Refer Annexure 2 and project numbering for cross reference and project details.

MELD Corridor: This is the area straddling the main transportation routes (roads and railway) and links the townships of Mdantsane and other previously disadvantaged areas to East London’s Central Business District. Well located marginalized settlement areas include: Duncan Village and Amalinda Junction. Details of current and planned projects within the MELD Corridor Urban Development Programme are found in Annexure 1.

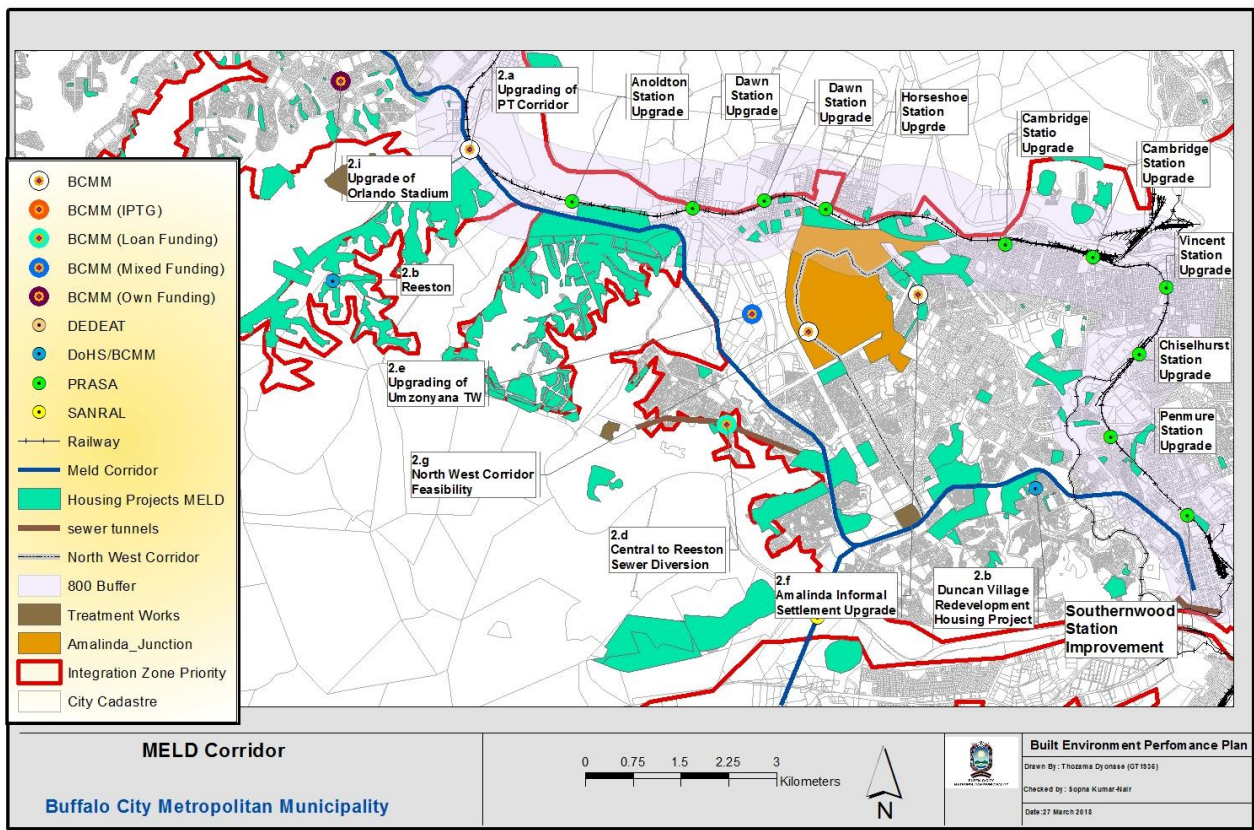


Figure C.3: BCMM: Current and planned projects within the MELD Corridor Urban Development Programme. (Source: BEPP 2018-19) Refer Annexure 2 and project numbering for cross reference and project details.

Mdantsane Urban Hub: This project focuses on the creation of a self-sustaining, attractive and vibrant Economic Hub that showcases the creative arts, sports, cultural history and identity of Mdantsane. Improved circulation and connectivity in and around the taxi rank, improved social facilities and the development of mixed use and social housing are key projects envisaged for the area. Details of current and planned projects within the above Urban Development Programme are found in Annexure 1.

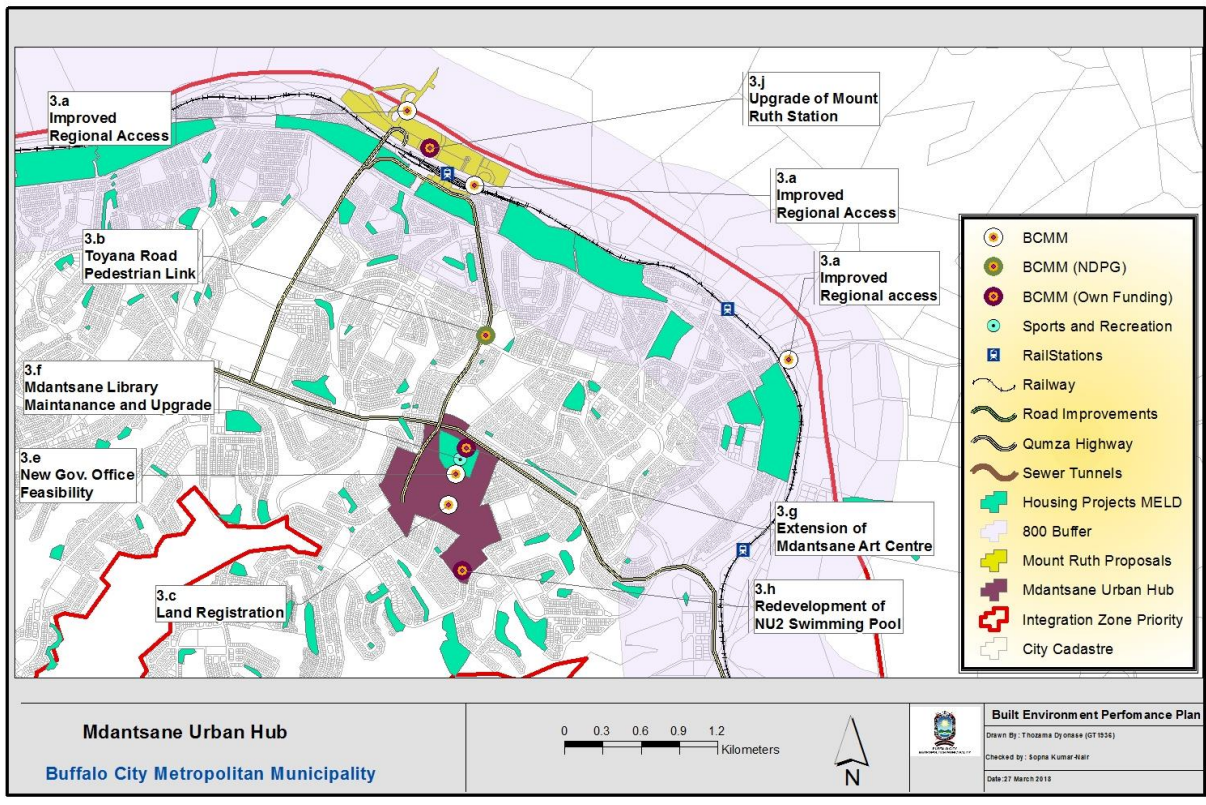


Figure C.4: BCMM: Current and planned projects within the Mdantsane Urban Hub Urban Development Programme. (Source: BEPP 2018-19) Refer Annexure 2 and project numbering for cross reference and project details.

King Williams Town - Bhisho Corridor: The Bhisho/KWT Corridor will provide a public transport link between KWT and Bhisho. Vacant BCMM and State land will be developed for high density housing and mixed land uses. A large part of the corridor is made up of the Bhisho Revitalisation Project and will enhance Bhisho as the capital of the provincial administration. The development of land along the Corridor is dependent on the completion of the Zwelitsha Regional Bulk Sewage Scheme.

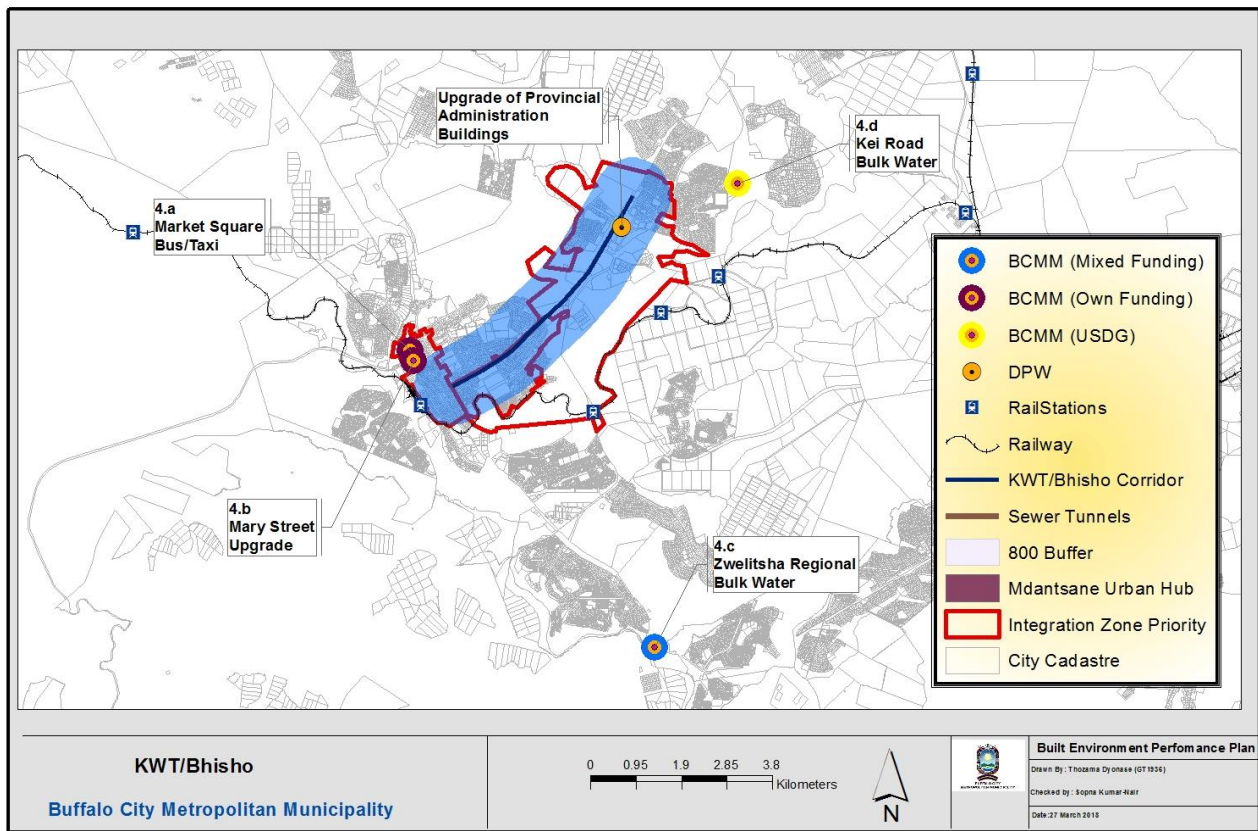


Figure C.4: BCMM: Current and planned projects within the King William’s Town / Bhisho Urban Development Programme. (Source: BEPP 2018-19) Refer Annexure 2 and project numbering for cross reference and project details.

C1.3 Project Preparation: Catalytic Urban Development Programme

The project preparation processes for the four programme areas are at various stages of development, though it can be highlighted that all programmes are in the early stages of aligned planning and preparation. Refer Annexure 1 for details of stage at which each project is at.

C2. INTERGOVERNMENTAL PROJECT PIPELINE

Refer to Annexure 2: Intergovernmental Project Pipeline. The annexure contains details of projects planned and budgeted for through the IGR Pipeline.

C3. INSTITUTIONAL ARRANGEMENTS

C3.1 Project Preparation for selected key catalytic urban development projects (leverage of investment through partnerships)

The Council Legkotla noted that the BCMM has been slow in moving from concept and high-level precinct planning to implementation of catalytic projects.

The BCMM has little capacity and skills to plan and manage complex catalytic projects (which could result in bad investment decisions, risks around increased corruption etc.). BCMM has established an agency (BCMDA) as well as an EPMO, and institutional roles are currently being better defined. The EPMO will play a lead role in catalytic project co-ordination with the BCMDA playing a more decisive role in catalytic project investment facilitation.

C3.2 Risk Mitigation Strategies

Risk Committee meets on a quarterly basis chaired by Chief Risk Officer and departments report on progress made using the Risk Register. As departments identify projects, they identify risks. The risk committee will consider the following identified risks in their quarterly meeting.

Risks identified and possible actions to mitigate the risks:

Sewer diversion from central to Reeston:

Risk	Possible Action
<ul style="list-style-type: none"> • Land invasion 	<ul style="list-style-type: none"> • Cordon off area for development • Write a report to council for possible relocation

Mdantsane Urban Hub:

Risk	Possible Action
<ul style="list-style-type: none"> • Land ownership and registration 	<ul style="list-style-type: none"> • Committee will be formed, BCMM, Deeds, COGTA and conveyancer to cancel deed of grants and move them to alternative land • The deed of grants was granted by former Ciskei and from the new government • There is a duplication of grants • Possible relocation

Inner City Revitalisation-Sleeper Site:

Risk	Possible Action
<ul style="list-style-type: none"> • Possible land invasion if the site is cleared. 	<ul style="list-style-type: none"> • Refrain from clearing the land until the time of project commencement.
<ul style="list-style-type: none"> • Financial risks infrastructure: borrowing money (tariffs might not cover the loan). 	<ul style="list-style-type: none"> • Risk study of tunnel project available.

Human Settlements:

Risk	Possible Action
<ul style="list-style-type: none"> • Delays signed agreements with province. 	<ul style="list-style-type: none"> • Adherence to procedures. • Proper monitoring of the procedures. • Interdepartmental coordination.
<ul style="list-style-type: none"> • BCMM owned land unavailability for housing development. 	<ul style="list-style-type: none"> • Engagement of intergovernmental stake holders to discuss possible land acquisition.
<ul style="list-style-type: none"> • Vandalism 	<ul style="list-style-type: none"> • Re-establishment of beneficiary allocation committee.
<ul style="list-style-type: none"> • Forced occupation. 	
<ul style="list-style-type: none"> • Challenges in beneficiary registration. 	
<ul style="list-style-type: none"> • Internal services and internal connections and top structures at different levels of planning (USDG and HSDG not always aligned). 	<ul style="list-style-type: none"> • Align the implementation of the USDG and HSDG projects
<ul style="list-style-type: none"> • Integrated planning for human settlements to provide for social amenities. 	<ul style="list-style-type: none"> • Engage different stakeholders at the conceptual and planning stages of the human settlement projects.
<ul style="list-style-type: none"> • Possible litigations. 	
<ul style="list-style-type: none"> • Incapacity of service providers. 	<ul style="list-style-type: none"> • Due diligence of service providers.
<ul style="list-style-type: none"> • Land acquisition and release. 	

<ul style="list-style-type: none">• Land owned by Ciskei government: release is recommended by council and approved by COGTA.• RSA: Land is approved by council.	
<ul style="list-style-type: none">• Non-adherence to EPWP processes.	

SECTION D : CATALYTIC URBAN DEVELOPMENT PROGRAMME RESOURCING

D1. LONG TERM FINANCIAL SUSTAINABILITY

D1.1 Investment Strategy for Catalytic Urban Development Programme

The institution receives conditional capital grants from National Government through the Urban Settlement Development Grant (USDG). The Urban Settlement Development Grant (USDG) is a Schedule 4 grant and is defined in the Division of Revenue Act (DoRA) as “Supplements the Capital Revenues of metropolitan municipalities to support the national human settlements development programme focusing on poor households”. Further conditions of the grant state that “a minimum of 50 per cent of the USDG allocation must be spent on the provision of individual basic services to households living in informal settlements either through in-situ upgrades, relocation or integrated development projects.”

The largest capital grant received from National Government is the USDG grant. The institution has identified a concern with aging infrastructure and hence developing a proactive maintenance plan through the assistance of CSP.

To alleviate the challenge and risk the institution implemented a Generally Recognised Accounting valuation policy of revaluing infrastructure. This policy is specifically focused on ensuring the depreciation charged against the yearly tariff associated with the current cost of replacement. As this represents a non-cash expenditure charged to the statement of financial performance it results in these funds being accumulated in cash. The benefit of this is:

1. It encourages cost containment in other operating expenditure items which is in line with National guidance and is considered a good strategy in the current economic conditions.
2. It allows for the generation of cash which would improve the liquidity ratios of the institution.
3. The improved liquidity allows for an alleviation of challenges that may be associated with poor working capital performance.
4. The additional cash can be focused on replacing and refurbishing existing infrastructure.

The replacement and refurbishment of existing infrastructure would allow for the reduction of both electricity and water losses and should contribute to reducing operational funding required for repairs and maintenance.

The increased cash being generated by the depreciation will then be focused on the replacement and refurbishment of existing infrastructure. The allocation of the funds is to be undertaken based on Asset Management Plans. The replacement funds can be supplemented with loan funding in order to maintain the revenue being generated from service delivery. This strategy is assessed as appropriate as it reduces the risk on the institution by generating internal funds for investment in upgrading in infrastructure but without an additional cost associated with the funding.

The Urban Settlement Development Grant, supplemented with Long Term Loan Funding, will be utilised to fund infrastructure assets being constructed for expansion of the city.

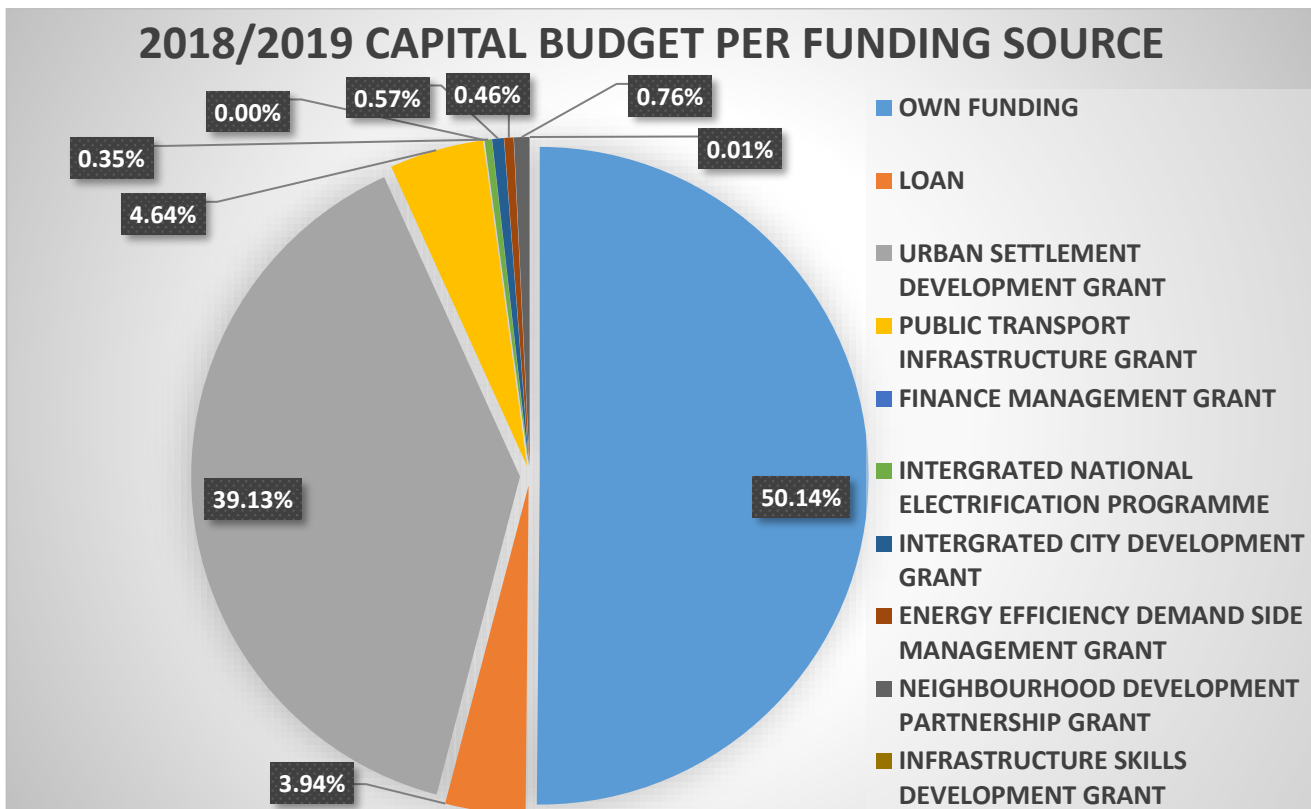
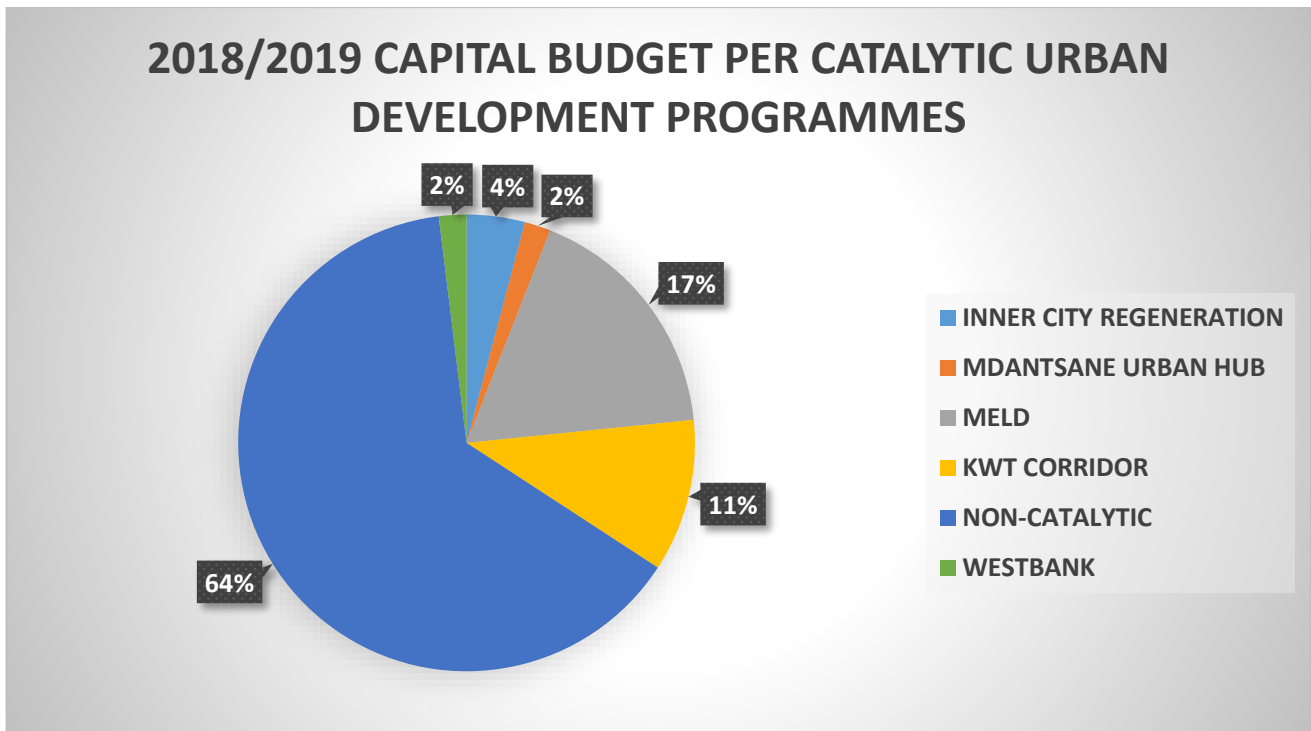
The below table details the progression of potential loan funding that could be obtained, excluding the repayment consideration, based on National Treasury norms and standards.

	2016	2015	2014	2013
Capital Cost (Interest Paid and Redemption) as a percentage of total operating expenditure				
Debt (Total Borrowings) as a percentage of revenue				45%
				NT Norm 6% - 8%
Capital Cost (Interest Paid and Redemption) as a percentage of total operating expenditure				
Interest Paid and Capital Repayment	100 974 907	115 307 268	115 746 841	108 792 236
Operating Expenditure	5 464 435 191	5 121 582 300	4 528 006 167	3 969 170 859
BCMM Calculated Percentage	2%	2%	3%	3%
Calculated Amount Assuming Norm of 7%	382 510 463	358 510 761	316 960 432	277 841 960
Present Value of 20 year loan @ 12% per annum	2 857 140 342	2 677 875 918	2 367 518 076	2 075 324 858
Debt (Total Borrowings) as a percentage of revenue				
Total Debt	496 476 706	545 312 006	599 990 365	648 863 757
Total Revenue	6 103 957 504	5 572 982 624	5 176 401 678	4 437 786 534
BCMM Calculated Percentage	8%	10%	12%	15%
Calculated Amount Assuming Norm of 45%	2 746 780 877	2 507 842 181	2 329 380 755	1 997 003 940
Maximum Borrowings which can be considered assuming NT criteria	2 700 000 000	2 500 000 000	2 300 000 000	2 000 000 000
Less: Current Borrowings	(496 476 706)	(545 312 006)	(599 990 365)	(648 863 757)
Borrowing Capacity (excluding repayment considerations)	2 203 523 294	1 954 687 994	1 700 009 635	1 351 136 243

The above reflects that the institution can incur additional long-term loan funding within the confines of the National Treasury guidelines. The institution does consider the impact on the cash flows of the institution and the repayment requirements prior to considering entering into additional long-term loans. Long Term loans will be considered in instances of either creating efficiencies or generating additional revenue for the institution.

D2. RESOURCING THE METRO'S PROJECT PIPELINE / SPATIAL BUDGET MIX

BCMM's final Capital Budget 2018/19 as it relates to the BEPP's Strategic Programmes is outlined below. Refer to Annexure 3 for the Inter-governmental Spatial Budget Mix.



BCMM FINAL MTREF BUDGET (2018-19)

FOCUS AREA	CATALYTIC PROGRAMMES	FUNDING SOURCE	2018/2019 BUDGET	2019/2020 BUDGET	2020/2021 BUDGET
PRIMARY INTEGRATION ZONE	INNER CITY REGENERATION		R 72,003,000.00	R 79,994,000.00	R 99,014,803.00
		LOAN	R 0.00	R 18,000,000.00	R 30,000,000.00
		OWN FUNDS	R 39,000,000.00	R 36,000,000.00	R 31,880,803.00
		USDG	R 23,000,000.00	R 14,500,000.00	R 25,000,000.00
		ICDG	R 10,003,000.00	R 11,494,000.00	R 12,134,000.00
	MDANTSANE URBAN HUB		R 32,250,000.00	R 24,120,000.00	R 46,210,000.00
		NDPG	R 13,250,000.00	R 14,120,000.00	R 21,210,000.00
		OWN FUNDS	R 1,000,000.00	R 5,000,000.00	R 25,000,000.00
		USDG	R 18,000,000.00	R 5,000,000.00	R 0.00
	MELD		R 304,065,950.00	R 699,114,000.00	R 772,959,197.00
		LOAN	R 69,000,000.00	R 359,000,000.00	R 176,000,000.00
		OWN FUNDS	R 25,850,000.00	R 31,000,000.00	R 139,939,197.00
		PTIG	R 81,165,000.00	R 218,614,000.00	R 247,020,000.00
		USDG	R 128,050,950.00	R 90,500,000.00	R 210,000,000.00
SECONDARY INTEGRATION ZONE	KWT CORRIDOR		R 188,664,290.00	R 250,303,840.00	R 94,030,000.00
		OWN FUNDS	R 17,470,000.00	R 31,000,000.00	R 31,500,000.00
		USDG	R 171,194,290.00	R 219,303,840.00	R 62,530,000.00
CITY WIDE PROJECTS	NON-CATALYTIC		R 1,119,867,000.00	R 1,160,045,000.00	R 1,100,189,420.00
		EEDSMG	R 8,000,000.00	R 10,000,000.00	R 10,000,000.00
		FMG	R 0.00	R 0.00	R 0.00
		INEP	R 6,200,000.00	R 22,400,000.00	R 32,000,000.00
		ISDG	R 100,000.00	R 0.00	R 500,000.00
		OWN FUNDS	R 769,630,000.00	R 759,100,000.00	R 606,630,000.00
		USDG	R 335,937,000.00	R 368,545,000.00	R 451,059,420.00
	WESTBANK		R 34,000,000.00	R 61,000,000.00	R 62,000,000.00
		OWN FUNDS	R 25,000,000.00	R 50,000,000.00	R 50,000,000.00
		USDG	R 9,000,000.00	R 11,000,000.00	R 12,000,000.00
GRAND TOTAL			R 1,750,850,240.00	R 2,274,576,840.00	R 2,174,403,420.00

D3. INSTITUTIONAL ARRANGEMENTS

Managing, planning and resourcing of catalytic programmes and projects within the City will be coordinated through the EPMO which will serve as the secretariat to the BEPP Task Team as well as the IGR Task Team.

The EPMO will play a lead role in identifying, coordinating and budgeting for projects of an integrated nature, which are cross-cutting, and bring together transversal elements of urban space, public transport and mixed / residential uses. The role of the BEPP as a 'change' agent has been recognized by top management, led by the City Manager, who has proposed that the issues from the BEPP be tabled at every top management meeting as a standing item.

To accelerate catalytic and strategic programme and project implementation, a significant amount of technical support is required to be assembled to assist the City. This includes support around project value assessment and management; business case development and due diligence; transaction advisory and financial structuring; as well as governance models and framework design. It is envisaged that to move catalytic projects closer to implementation, the CSP will be approached to make such support available. This will supplement the GTAC technical support being provided to the BCMM.

SECTION E : CATALYTIC PROGRAMME IMPLEMENTATION

E1. LAND RELEASE STRATEGY

Background

The Buffalo City Metropolitan Municipality's Land Release Programme is the central driving force for Urban and Rural Regeneration. The programme aims to redress effectively the injustices of forced removals and the historical denial of access to land. It aims to ensure security of tenure for rural dwellers and in implementing the programme and through the provision of support services, the municipality will build the economy, provide housing, increase rural incomes and eliminate overcrowding.

Access to land is a prerequisite for a successful urban and rural development programme.

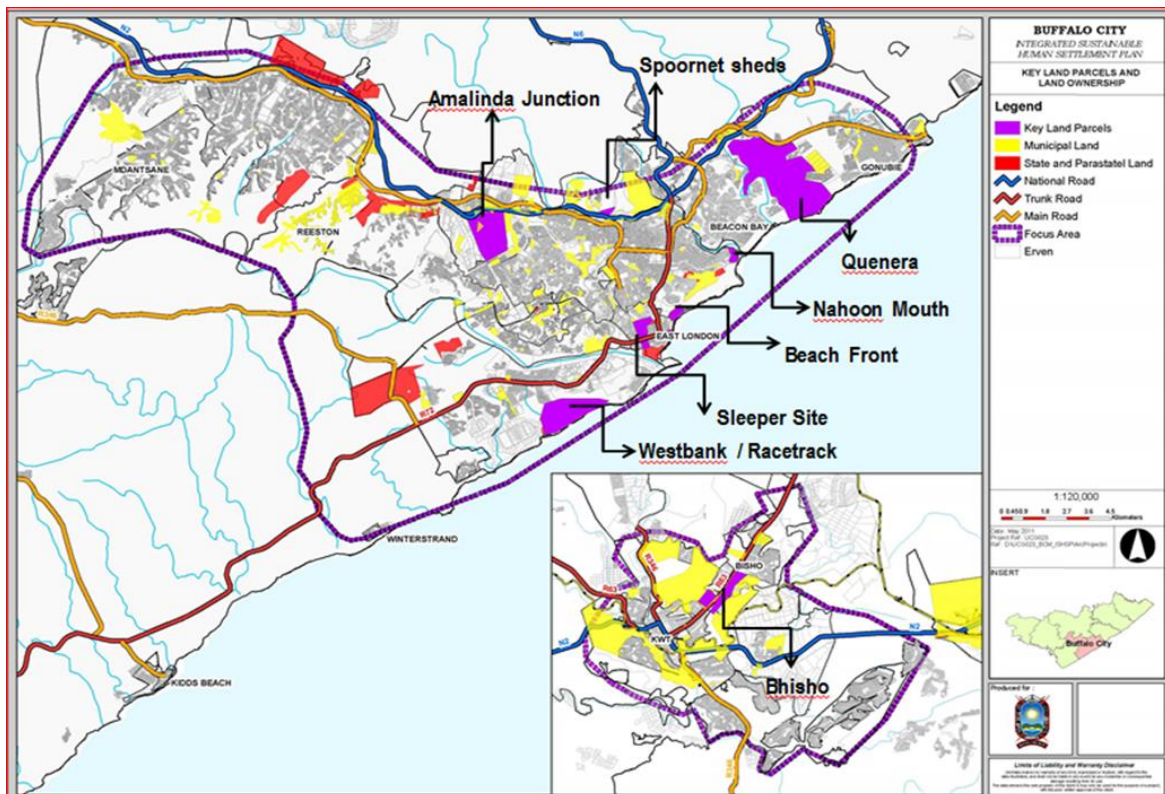


Figure E1: key land parcels identified for both primary and secondary integration zone (Source: ISHSP, 2014)

Objectives

The objectives of the Land Release Programme are:

- Support the Spatial Transformation objectives of the BCMM SDF
- Redress effectively the injustices of forced removals and the historical denial of access to land.
- Increase revenue for the city

- To provide an appropriate choice of land and housing options and assist in the provision of affordable housing
- Provide people with access to land so that they can participate in and boost the economy
- The promotion of social development and integrate communities
- To promote and support economic growth as well as industrial development
- Ensure security of tenure for rural dwellers

Land Release Programme for Catalytic Urban Development Programmes

The Catalytic Urban Development Programmes and subcomponents require release of BCMM land as part of the implementation process:

Catalytic Urban Development Programme	Precinct / Focus Area	Status of land release
1. East London CBD Inner City Revitalization	Sleeper Site	Erven acquired from Transnet will be further subdivided and rezoned based on the outcome of the Civic centre Precinct Plan
	East London Beachfront	4 Key land parcels will be released for development through this process.
2. MELD Corridor	Amalinda Junction Precinct including Wilsonia Industrial area	BCMM land will be subdivided and rezoned once the Sewer Tunnel project is nearing completion
	North West Corridor Precincts	BCMM land will be subdivided and rezoned for release based on the outcome of the NWC Feasibility Study
	Duncan Village Redevelopment	Some of the land parcels identified in the DV redevelopment are awaiting the completion of the Sewer Tunnel project
3. Mdantsane Urban Hub Precinct	CBD Land regularization	At present there is a project underway to deal with the registration of unregistered land in the Hub.

		<p>This project will delay the release of vacant land parcels.</p> <p>BCMM and state owned land is intended to be released in phases according to the priority zones indentified.</p>
	High density social housing	Land for high density housing and is also in the process of being identified.
4. KWT/Bhisho Corridor		Land has been released for the development of the office hub. The process of subdividing and rezoning will comence once the Bulk wwater and sewer capacity projects near completion.

Further well located land within the integration zones will be identified. The city will evaluate the economic potential of each land parcel and determine the future land uses.

Land Disposal Policy

The Land Release Programme is governed by the Land Disposal Policy which is based on the following:

- Land will only be disposed if its not required for basic service delivery needs.
- No land may be released unless it complies with the SDF.
- The BCM and/or its Municipal Entities shall only transfer ownership as a result of a sale or other transaction or otherwise dispose of any of its immovable capital assets in compliance with the provisions of, inter alia, Sections 14 and 90, read with Chapter 11 Part 1 of the MFMA and this policy after the Council of the BCM, in a meeting open to the public:
 - has decided on reasonable grounds that the asset is not needed to provide the minimum level of basic services; and
 - has considered the fair market value of the asset and the economic and community value to be received in exchange for the immovable capital asset. (Section 14(2) and Section 90(2) MFMA).

Land Acquisition Programme

The Land Acquisition Programme is a key component of the land Release Strategy so that the land can be made available for development in support of the objectives of the Land Release Programme.

Obtaining State land for proposed/future developments has been problematic and Buffalo City Metropolitan Municipality has been proactive and requested the assistance of the HDA. The HDA is currently working on an extensive list of land supplied by BCMM some of which is required for the implementation of Catalytic Projects. See list below.

	PROJECT	AREA	PROPERTIES
1	Mdantsane Urban Renewal Programme	Potsdam Phs 1 & 2	REMAINDER OF FARM 840 FARM 840/1 FARM 840/3 FARM 840/4 (4 properties)
		Mdantsane Buffer Strip (Mount Ruth Development Plan)	FARM 623 FARM 627 Pts 13 & 15 of Farm 303, RE Farm 616, Farm 619, Farm 620 and RE Farm (8 properties)
2	MELD Corridor/Duncan Village	Reeston Phase 3	REMAINDER OF FARM 832 FARM 832/3 FARM 832/8 FARM 832/14 FARM 832/23 (5 properties)
		Arnoldton/Reeston High Density 1	FARM 832/11 (1 property)

		Arnoldton/Reeston High Density 2	ERF 19 ERF 20 ERF 45 ERF 56 ERF 57 ERF 58 (6 properties)
		Arnoldton/Reeston High Density 3	ERF 5 ERVEN 58227-58234 (8 properties)
		Arnoldton/Reeston High Density 4	ERVEN 56593-56594 ERVEN 56600-56609 (2 + 10 properties)
		Milner Estate	ERF 7141 (1 property)
		Cambridge West	ERF 639 (1 property)
		Haven Hills Transnet Land	ERF 1019 (1 property)
		Cambridge West	ERF 4481

Obtaining State land for proposed/future developments has been problematic and Buffalo City Metropolitan Municipality has been proactive and requested the assistance of the HDA. The HDA is currently working on an extensive list of land supplied by BCMM some of which is required for the implementation of Catalytic Projects.

E2. PROCUREMENT APPROACH

As a city, we had three committees to procure infrastructure projects namely;

- Bid Specification Committee (BSC),
- Bid Evaluation Committee(BEC) and;
- Bid Adjudication Committee (BAC).

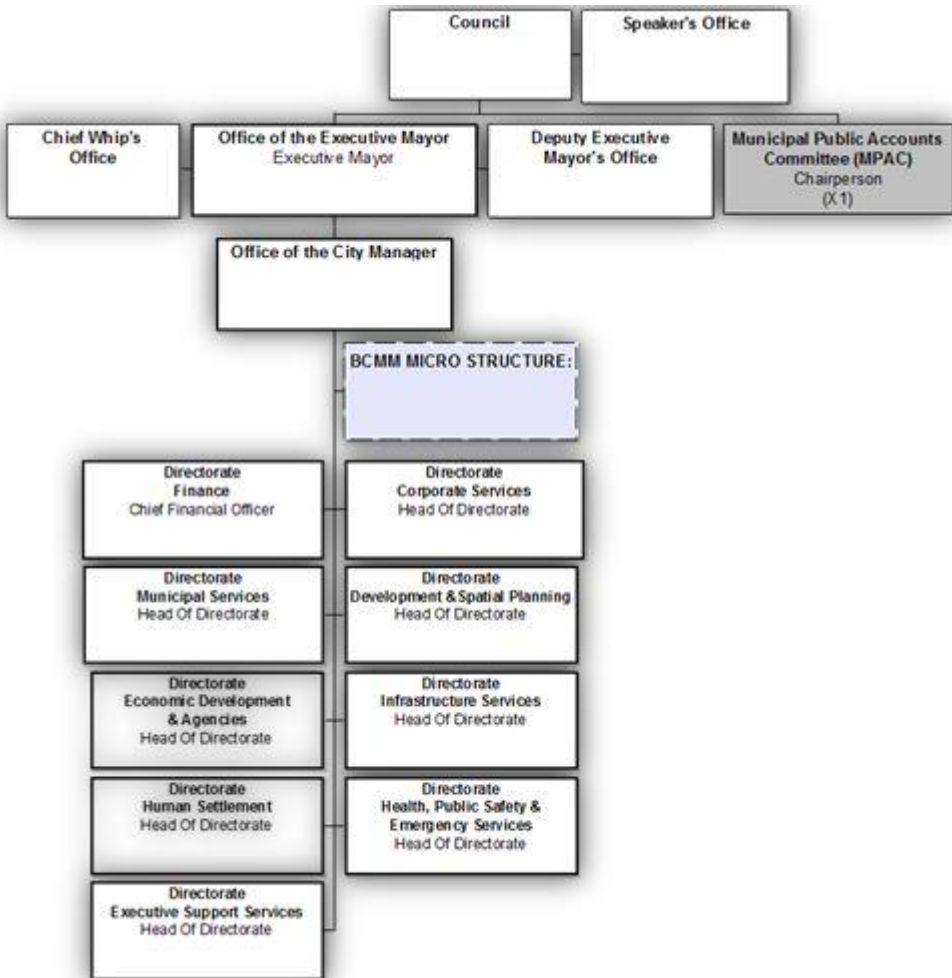
Three additional committees (BSC, BEC and BAC) were established in order to fast track the growing demand on infrastructure projects and to mitigate against slow implementation of catalytic projects.

In addition to the above, it is proposed that a list of all Catalytic Urban Development Programmes and projects be circulated at SCM in order that projects which fall within this list are mandated with fast tracked adjudication processes.

E3. REGULATORY REFORM PROGRAMME

E4. INSTITUTIONAL ARRANGEMENTS AND OPERATING BUDGET

The highest decision making body is the Council. The Council has got its committees of which the administrative arm is lead by the City Manager. The structure below illustrates the interplay of both the political and the administrative arm.



Current Fora in BCMM with other Departments:

- Transport Forum attended by BCMM coordinated by Public Works
- Water and Sanitation Provincial Forum
- Amathola Reconciliation Strategy headed National Department of Water and Sanitation
- Association of Municipal Electricity Utililies Department of Energy and Metro Electrification Forum
- Rep forum as part of the IDP
- MGDS Workstreams
- Youth Council
- HIV Forum
- IGR
- Disabled Forum
- Government Communicators Forum
- Capital Spending Committee

A State land disposal committee has been established to oversee state land disposal. IGR coordination and alignment will be strengthened through the IGR Task Team which will be convened every quarter to report on BEPP implementation, identify bottlenecks and solutions, and escalate those issues which cannot be resolved technically to the City Manager and Council for resolution. The EPMO will form the secretariat for IGR coordination on the BEPP.

SECTION F: URBAN MANAGEMENT

F1. URBAN MANAGEMENT

Urban management operates at various levels of city development. At the highest levels good urban management at the municipal level ensures a well functioning land use management system which is supported by regulatory frameworks such as the Local Area Spatial Development Frameworks as well as Zoning Schemes. These assist with the demarcation and regulation of private spaces. Urban management also includes the adequate provision of services such as water and electricity and the consistent maintenance and upgrade of this infrastructure.

At the precinct level, urban management is mostly concerned with regulation of public spaces so that these are free of crime and abuse. It also includes the maintenance of public spaces and infrastructure so that these continue to be attractive and useful to people. The governance of these spaces is also key to the successful urban management of spaces and precincts. Combined government, private and community inputs contribute to a greater sense of ownership of spaces (Urban Landmark, 2009).

F1.1 Central East London and Settlers Way

Concerted precinct management efforts in BCMM are largely driven by the BCMDA who, through the Call-2-Action Programme deliver on various modalities which rely on partnerships between business, government and civil society. The four pilot areas covered by the above programme are:

- Airport to Oxford Circle
- Oxford Circle and Western Avenue
- East London Beachfront
- Southernwood, St George's Road

These initiatives largely fall within the East London CBD and surrounds catalytic programme area (with the exception of Airport to Oxford Circle which concentrates on the N2, Settler's Way).

Areas of focus include greening and beautification, maintenance, physical upgrading and the creation of special rating areas (SRA's) and urban development zones (UDZ). The Quigney Beachfront area is identified and prioritized as an Urban Development Zone.

Multi-funded urban management projects in the pipeline coordinated by the BCMDA include:

- Cleaning and securing the East London Beachfront: R1million
- Waste Management Systems with DEA: R15million. The sub components of this project include the upgrading of the East London buy-back centre (BBC), development of eight waste collection and sorting facilities (WCSF) in eight residential areas, and street cleaning in three strategic areas of East London including Settler's Way, Quigney and Nomumelelo.

F1.2 Mdantsane Urban Hub

A precinct management model for the Mdantsane Urban Hub was developed in 2016. The founding principles of the model are premised on the following characteristics:

- Create a catalytic precinct that is liveable, secure and provides a conducive urban environment for its users,
- Create enabling conditions for new investments through sound urban management,
- Ensure the sustainability of existing and new public assets by supplementing the normal municipal urban management services, and
- Contribute to "Place-making" and the creation of a strong neighbourhood identity

The model outlines a multipronged approach to the long term urban management of the CBD. The initial stage involves the appointment of a Municipal Legislated Precinct Management Authority to improve management and operations in the CBD. This is coupled with the long term goal of strengthening private sector involvement in the day to day management and operations of the area so that the CBD ultimately operates similarly to a Special Rating Area (SRA) which can financially sustain its own management operations.

There are various processes that need to take place before such a model can become operational. The diagram below outlines some of the processes involved.

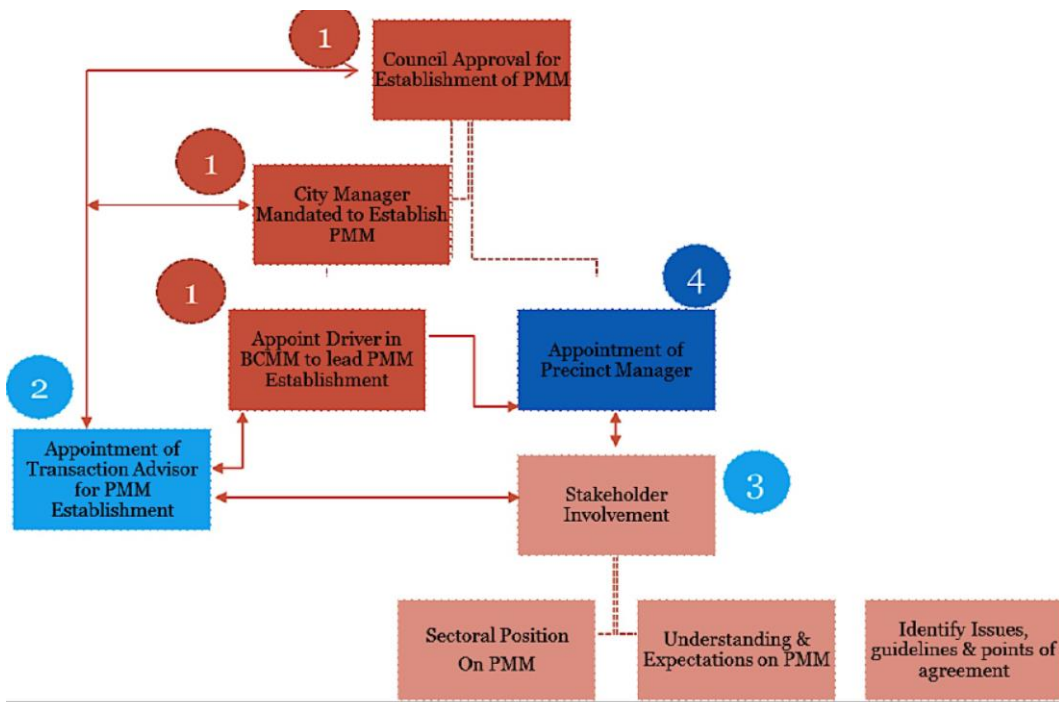


Figure F.1: Proposed Action Plan for the Mdantsane Project Management Model

F2. INSTITUTIONAL ARRANGEMENTS AND OPERATING BUDGET

At a city-wide level, service delivery and management is currently undertaken by the respective municipal departments of BCMM.

The proposed management model for the Mdantsane Urban Hub is yet to be passed through Council and remains a priority that needs to be taken forward.

The BCMDA currently plays a lead role in terms of precinct management initiatives for the Central City Areas through the Call-2-Action Programme which relies on partnerships between business, government and civil society. Greater integration and mutual support between the BCMDA and the EPMO (as the coordinating office of Catalytic Urban Development Programmes) is seen as instrumental in providing further impetus to these initiatives. An improved working relationship between the BCMDA and the City through the office of the EPMO, can lead to similar systems and models being initiated and rolled out in various Catalytic Programme Areas of the City.

SECTION G: REPORTING & EVALUATION

G1. REPORTING

Circular No. 88 (Nov 2017) of the MFMA Act No. 56 of 2003, introduced a new set of integrated indicators that rationalise planning and reporting requirements for the 2018/19 MTREF. Emphasis has been placed on measuring functional outcomes, which when delivered directly become measurable indicators of the extent of spatial transformation in the city. The Built Environment Performance Plan was identified as the most appropriate planning instrument to measure the extent of spatial transformation in the city. City Transformational Outcomes were identified as:

- Targeted investments in integration zones;
- Reduction in urban sprawl;
- New housing options with social diversity; and
- Affordable and efficient public transport services.

The above built environment outcomes, indicators & targets are further analysed and elaborated in Annexure 4 of this document.

CONCLUSION

From the foregoing discussion, it is clear that BCMM has made a conscious decision to enhance and coordinate investments within its identified Primary and Secondary Integration Zones, as well as its Economic Nodes and Marginalised Areas.

In this respect, the Catalytic Urban Development Programmes of the BEPP serve to prioritise and integrate interdepartmental as well as intergovernmental investment within the City through implementation of projects that seek to align public transport and marginalised areas with areas of economic significance. Ongoing partnerships from programme initiation through to project implementation will ensure greater collective impact with the aim of transforming BCMM's urban environment into an inclusive, productive and sustainable city.

Through the City-wide projects of the BEPP, BCMM is also ensuring, socio-economic development, improvement of the lives of its residents, and redressing of backlogs, in order that all its residents have access to necessary basic services including water, electricity and sanitation.

It is thus evident that BCMM is serious about and is actively pursuing plans to revitalise the municipality in order for the City to become a preferred place to live, work and play.

List of Annexures

1. Annexure 1: Catalytic Urban Development Programmes
2. Annexure 2: Intergovernmental Project Pipeline
3. Annexure 3: Spatial budget Mix
4. Annexure 4: Built Environment Outcomes Indicators & Targets / Intentions
5. Annexure 5: BEPP Task Team Representatives, Attendance Register and
Minutes of BEPP Task Team Meeting
6. Annexure 6: Attendance Register and Minutes of IG BEPP Task Team Meeting

ANNEXURE 1: Catalytic Urban Development Programmes

Annexure 1: Catalytic Urban Development Programmes

PROJECT LIST		FUNDING SOURCE (TOTAL PROJECT VALUE)											PROGRAMME STATUS (% OF PROJECT COMPLETE)											
Metro	Integration Zone	Name of Catalytic Programme	Catalytic Projects & Mega Projects	Total				Municipal			Provincial /SOE		Private Funding				Planning / Inception / Tender	Concept	Pre Feasibility	Feasibility	Project Packaging	Implementation / Finalization		
				Total Value (R'm)	Own (2018-19)	Loan (2018-19)	Grant (2018-19)	Province (2018-19)	SOE (2018-19)	PPP	SPV	Private Sector Only	Private Sector Leverage %											
BCMM	Priority Integration Zone	1. East London CBD Rehabilitation	a. Fitzpatrick Road Re-alignment	R 60,000,000	R 10,000,000										√									
			b. City to Sea Boulevard	R 255,000,000	R -																			
			c. East London Beachfront and Esplanade Upgrade	R 5,087,250	R 1,500,000																	√		
			d. Rehabilitation of Fleet Street	R 65,000,000			R 65,000,000										√	√	√	√	√	√	50%	
			e. Orient Theatre Upgrade	R 4,000,000	R 1,000,000																			
			f. Upgrade of Ubuhlangi Park & Little Mauritius	R 1,250,000	R 1,000,000																			
			g. Traffic and Transportation Studies: Sleeper Site	R 1,800,000																				
			h. East London Station Development: Railway Station Precinct	R 133,897,800							R 5,000,000						√							
			i. Cleaning and Greening	No current projects																				
			j. Eastern Beach Sewer Upgrade	R 138,000,000			R 33,880,803										√	√	√	√	√	√	To be re-tendered	
			k. Electricity: Upgrade and replacement of existing network	R 300,000,000	R 40,000,000																			
			l. Port of East London: Extend Main Breakwater and Deepen Entrance	R 1,500,000,000								R 1,500,000,000								85%				
			m. Port of East London: Rehabilitation of Latimer's Landing	R 80,000,000								R 80,000,000									85%			
			Secondary Integration Zone	4. Revitalization of KWT-Bhisho & Corridor	a. Upgrading of the Public Transport Corridor from East London to Mdantsane	R 500,000,000				R 81,165,000									√					
					b. Duncan Village Redevelopment Housing Project			R 34,500,000			R 6,341,000													
	c. Reeston Housing					R 2,500,000																	The project has been completed but excludes 66 sites that need to be transferred from Amathole land to BCMM -Land Department to advise	
	Central to Reeston Sewer Diversion, WWTW Tunnel and Civil Works	R 500,000,000					R 69,000,000									√	√	√	√	√	√	To be re-tendered		
	d. Upgrading of the Mzoyana Treatment Works	R 300,000,000							R 78,950,950							√	√	√	√	√	√	80% Current Phase at construction		
	e. Amalinda Informal Settlements Upgrade	Budgets available for 2021																						
	f. North West Corridor: Feasibility for extension of NW Expressway and link to Amalinda Main Road. This includes a feasibility study for the Chishehurst High Density Housing					R 40,000,000																		
	3. Mdantsane Urban Hub	a. Improved Regional Access			R 8,000,000	R -																		
		b. Toyana Road Pedestrian link to Station			R 13,250,000				R 13,250,000															
		c. Land registration and regularization within the Mdantsane Urban Hub			Allocate dedicated funding from city-wide budget for Land Regularization																			
		d. Mixed Use and High density infill projects			Prioritise and take forward one site and project	R -																		
		e. New Government Offices: Feasibility Ongoing			Engagements with NDPW underway																			
		f. Mdantsane Library Maintenance and Upgrade				R 561,000,000						R 150,000,000						Engage with Province						
		g. Extension of Mdantsane Arts Centre				R 3,600,000	R 1,600,000																	
		h. Redevelopment of Mdantsane Sport Precinct NU2 Swimming Pool				R 4,000,000	R 1,000,000											√						
		i. Orlando Stadium: Construction of the ablutions Refurbishment of boundary wall and gates Caretaker Cottage, Installation of floodlights, Rehabilitation of playing surface		R 4,000,000	R -											√								
	2. MELD	j. Upgrade of Mount Ruth Substation			R 100,000,000																			
k. Upgrade replacement of the 132/33/11 kV network				R 80,000,000																				
a. KWT Public Transport Interchange, Market Square Bus Rank, Market Square Taxi Rank			R 12,000,000	R 40,000,000																	√			
b. Mary Street Upgrade				R 16,000,000																	√			
c. Zwellisha Regional Bulk Sewage Scheme			R 700,000,000				R 86,294,290	R 200,000,000							√	√	√	√	√	√	Phase 2 under construction at R 430 Million			
d. Kei Road Bulk Water Scheme		R 500,000,000				R 6,000,000								√	√	√	√	√	√	Completing detail design and tender documentation				
e. Upgrade of the KWT Electrical Network		R 10,000,000	R 10,000,000																					

ANNEXURE 2: Intergovernmental Project Pipeline

INTERGOVERNMENTAL PROJECT PIPELINE: BEPP 2018-2019

Annexure 2: Intergovernmental Project Pipeline

PRIORITY INTEGRATION ZONE: THE EAST LONDON CBD & INNER CITY AREA, THE MELD CORRIDOR AND THE MDANTSANE HUB PRECINCT.		DESCRIPTION: The Primary Integration Zone is informed by National Treasury's Urban Network Strategy, which is a strategy to enable the long term restructuring of larger urban settlements with the aim of ultimately eradicating spatial inequality in South African Cities. For East London, the area termed the East London – Mdantsane Corridor (MELD Corridor) was identified as being the area which could "initiate restructuring in the East London Metropolitan area, which would result in Mdantsane and other previously disadvantaged areas being integrated with the East London core". This area straddles the main transportation routes (roads and railway) linking the township of Mdantsane and East London's Central Business District.											
CATALYTIC URBAN DEVELOPMENT PROGRAMME	PROJECTS: ENABLERS & SUB-COMPONENTS	CATEGORY	DESCRIPTION	MUNICIPAL (2018-19)	TOTAL VALUE	PROVINCIAL (2018-19)	NATIONAL (2018-19)	PRASA (2018-19)	SANRAL (2018-19)	ESKOM (2018-19)	PRIVATE SECTOR/ OTHER	TOTAL	
<p>1. East London CBD & Inner City Revitalization:The East London inner city is the starting point of the MELD Corridor. The initiative represents visible investment in the inner city area and anticipated to spur additional investments. The increased tourism could strengthen the zone growth. (Commercial areas and other attractions in the area could be strengthened to provide additional economic opportunities. The innovation knowledge management cluster as educational and economic resources will be supported. An improved Quality of life through - vibrant city life, and green spaces and city image building will be enhanced. Transit oriented development through encouraging quality infill affordable housing and promotion of mixed uses, will be provided. Connectivity will be improved, through pedestrianisation of identified streets. Key Projects in the Inner City Revitalization are the Sleeper Site and CBD upgrades.</p>	Sleeper Site Development	Catalytic	This will include development of key inner city land and the upgrading of roads and infrastructure. The proposed Civic Centre development will be a key component of this precinct and will require a complete financial assessment for viability of consolidating all Municipal functions into a central area / building.					23000000				R 23,000,000.00	
	Sleeper Site Re-furbishment			R 4,000,000.00									
	a. Sleeper Site: Fitzpatrick Road Re-alignment	Engineering / Infrastructure	This is the first project related to the strategic Sleeper Site development and involves the realignment/re-routing of the section of the R72 between Commercial Road and Fleet Street. The road will bisect the Sleeper Site and open the area up for development.	R 10,000.00	R60,000,000.00							R 60,000,000.00	
	b. CBD: City to Sea Boulevard	Other: Integrated Public Space Project	Feasibility Study required for the City to Sea Boulevard which will link up the city center and the Quigney, connecting Oxford Street to the Esplanade. This project will include provision of street furniture, pedestrian walkways, street lights, sidewalks, cyclists paths, greening and art effects through the upgrading and extension of Moore Street. Projected total cost relected.	R -	Proposed R255m							R 255,000,000.00	
	c. CBD: East London Beachfront & Esplanade Upgrade	Other: Integrated Public Space Project	Phase 1: Precinct Planning and Implementation Plans for the development of the East London Esplanade including key BCMM land parcels along the beachfront is currently underway coordinated by the BCMDA. Funds for implementation of projects are in the process of being sourced by BCMDA.	R 25,000,000.00	TBD							R 25,000,000.00	
	d. CBD: Re-habilitation of Fleet Street	Engineering / Infrastructure	Rehabilitation of Fleet Street roadway and sidewalks currently underway including removal and relaying of the water, sewerage, stormwater management, subsoil drainage, telecommunications and electrical services. Included in this project and already completed is the re-surfacing of Cambridge, Lower Oxford, Buffalo and Commercial Roads	R -	R 65,000,000.00							R 65,000,000.00	
	e. CBD: Orient Theatre Upgrade	Other: Integrated Public Space Project	This project falls within the precinct of the Beachfront Upgrade Project. Planning and design should therefore be coordinated in order to achieve integration.										
	f. CBD: Upgrade of the Ubuhlantzi Park & Little Mauritious	Other: Social Amenity	Upgrade of the ablution blocks and parking area	R 1,000,000.00	R 2,000,000.00								R 2,000,000.00
	g. CBD: Traffic and Transportation Studies	Public Transport	Required in order to determine the feasibility of concept proposals contained in the Sleeper Site Framework Plan.	R 1,800,000.00									
	h. CBD: East London Station Redevelopment : Railway Station Precinct & Multi-modal Public Transport Interchange	Public Transport	This study conducted by PRASA will have a major impact on the public transport operations within the CBD. Details of projects, plans and budgets are to be obtained from PRASA.					R 5,000,000.00					R 5,000,000.00
	i. CBD: Cleaning and Greening	Other: Public Space Upgrade	Phase 1: Cleaning of the public environment, provision of street furniture, including litter bins, seating and tree-planting. The private sector are keen to contribute via the 'Call to Action' project driven by the Border Kei Chamber of Commerce.	No current projects			TBD						
	j. CBD: Eastern Beach Sewer Upgrade	Engineering / Infrastructure	Refurbishment of the Eastern Beach gravity sewers	R 33,000,000.00	R138,000,000		R 33,880,803.00						R 138,000,000.00
	k. CBD: Electricity: Upgrade / replacement of the existing 132/33/11kV network.	Engineering / Infrastructure	Replacing of old infrastructure and to allow for additional capacity to stabilise the electrical network and to cater for growth.	R 40,000,000.00	R 300,000,000.00								R 300,000,000.00
	l. Port of East London: Extend Main Breakwater and Deepen Entrance	Other										R 1,500,000,000.00	R 1,500,000,000.00
m. Port of East London: Rehabilitation of Latimer's Landing	Other										R 80,000,000.00	R 80,000,000.00	
n. CBD: Development of BCMM land adjacent to North Street	Other: Mixed use	Mixed use development											
SUB-TOTAL: INNER CITY REVITALISATION					R565,000,000.00		R 33,880,803.00				R 1,580,000,000.00	R 2,453,000,000.00	

INTERGOVERNMENTAL PROJECT PIPELINE: BEPP 2018-2019

Annexure 2: Intergovernmental Project Pipeline

CATALYTIC URBAN DEVELOPMENT PROGRAMME		PROJECTS: ENABLERS & SUB-COMPONENTS	CATEGORY	DESCRIPTION	MUNICIPAL (2018-19)	TOTAL VALUE	PROVINCIAL (2018-19)	NATIONAL (2018-19)	LOAN (2018-19)	PRASA (2018-19)	SANRAL (2018-19)	ESKOM (2018-19)	PRIVATE SECTOR/ OTHER	TOTAL	
PRIORITY INTEGRATION ZONE: THE EAST LONDON CBD & INNER CITY AREA, THE MELD CORRIDOR AND THE MDANTSANE HUB PRECINCT.				DESCRIPTION: The Primary Integration Zone is informed by National Treasury's Urban Network Strategy, which is a strategy to enable the long term restructuring of larger urban settlements with the aim of ultimately eradicating spatial inequality in South African Cities. For East London, the area termed the East London – Mdantsane Corridor (MELD Corridor) was identified as being the area which could "initiate restructuring in the East London Metropolitan area, which would result in Mdantsane and other previously disadvantaged areas being integrated with the East London core". This area straddles the main transportation routes (roads and railway) linking the township of Mdantsane and East London's Central Business District.											
2. MELD Corridor: This is the area straddling the main transportation routes (roads and railway) and links the townships of Mdantsane and other previously disadvantaged areas to East London's Central Business District.	a. Corridor: Upgrading of the Public Transport Corridor from East London to Mdantsane	Engineering / Infrastructure	Road expansion from single to dual roadway.	R 2,500,000.00	R 500,000,000.00		R 81,165,000.00							R 581,165,000.00	
	b. Duncan Village Redevelopment	Human Settlement Catalytic	New planned settlements and upgrading of informal settlement – Upgrading of C Section; D Hostel; DV Proper; and Braelynn 10 ext.	R 34,500,000.00			R 6,341,000.00								
	c. Reeston Housing	Human Settlement Catalytic	High density Housing within the Corridor as part of the Duncan Village dedensification process.	R 2,500,000.00	R 100,000.00	R 1,500,000.00	R -								
	N2/ R72 Realignment (Is this part of MELD, should it not fall under Citywide projects -see below)	Engineering / Infrastructure	The project will enhance the connectivity and will have a multiplier effect on the BCMM economy. Negotiations are underway with SANRAL as the relevant authority.												
	Arnoldton Node	Other: Public Transport/ Mixed use	Mixed use multi-modal node			No financing									
	Mount Ruth Node	Other: Public Transport/ Mixed use	Mixed use multi-modal node			No financing									
	Reeston Waste Water	Engineering / Infrastructure	Treatment works to create capacity for Reeston and other housing programmes which still need to be completed.		R 200,000,000.00										R 200,000,000.00
	d. Upgrading of the Mzonyana Treatment Works	Engineering / Infrastructure	Upgrading of water supply to the Central East London Area		R 300,000,000.00		R 78,950,950								R 300,000,000.00
	Amalinda Junction Precinct:	Catalytic	Substantial centrally located Greenfield site situated between the road and rail component of the MELD Corridor with potential high density mixed land use development. The Amalinda Junction Precinct cannot be developed until the Central to Reeston Tunnel project (Bulk infrastructure project has been completed. The project will contribute towards spatial reconfiguration, through mixed land use development with proposed residential units, retail and education facilities.												
	d. Central To Reeston Tunnel Project	Engineering / Infrastructure	Central to Reeston Tunnel project: The project is required in order to create more capacity within the existing central urban areas of Amalinda; Summerpride and Haven Hills The project will unlock the land within the Amalinda Junction	R -	R 500,000,000.00		R -	R 69,000,000.00							R 500,000,000.00
	Amalinda Junction Mixed Use Housing	Human Settlement Catalytic	BCM has designated 3000 mixed use units and commercial uses for tertiary institutions in support of the knowledge economy.	R 40,000,000.00	TBD										
e. Amalinda Informal Settlement Upgrade	Human Settlement Catalytic	Upgrading of informal settlement – including Amalinda Co-op, Amalinda Fairlands, Cluster 3 and West Bank Restitution.	Budget available 2021	R 218,000,000.00	R 500,000.00	R 8,000,000.00								R 218,000,000.00	
f. Feasibility Study for the Extension of North West Expressway	Engineering / Infrastructure	The North West Expressway is a public transport route that will link the CBD to Amalinda Junction and open up vacant land for High density housing. The road will provide access to significant parcels of land along its length. Amalinda Junction Precinct and Chiselhurst high density housing precincts are two of the most important nodes along the corridor. This project includes a feasibility study for high density housing at Chiselhurst.			No financing										
SUB-TOTAL: MELD CORRIDOR														R 1,799,165,000.00	

INTERGOVERNMENTAL PROJECT PIPELINE: BEPP 2018-2019

Annexure 2: Integovernmental Project Pipeline

PRIORITY INTEGRATION ZONE: THE EAST LONDON CBD & INNER CITY AREA, THE MELD CORRIDOR AND THE MDANTSANE HUB PRECINCT.		DESCRIPTION: The Primary Integration Zone is informed by National Treasury's Urban Network Strategy, which is a strategy to enable the long term restructuring of larger urban settlements with the aim of ultimately eradicating spatial inequality in South African Cities. For East London, the area termed the East London – Mdantsane Corridor (MELD Corridor) was identified as being the area which could "initiate restructuring in the East London Metropolitan area, which would result in Mdantsane and other previously disadvantaged areas being integrated with the East London core". This area straddles the main transportation routes (roads and railway) linking the township of Mdantsane and East London's Central Business District.											
CATALYTIC URBAN DEVELOPMENT PROGRAMME	PROJECTS: ENABLERS & SUB-COMPONENTS	CATEGORY	DESCRIPTION	MUNICIPAL (2018-19)	TOTAL VALUE	PROVINCIAL (2018-19)	NATIONAL (2018-19)	PRASA (2018-19)	SANRAL (2018-19)	ESKOM (2018-19)	PRIVATE SECTOR/ OTHER	TOTAL	
3. Mdantsane Urban Hub: A self-sustaining, attractive and vibrant Economic Hub that showcases the Creative Arts, Sports, Cultural History and Identity of Mdantsane.	c. Mdantsane Urban Hub Land Regularization	Catalytic	Land regularization processes currently underway		TBD								
	a. Improved Regional Access	Engineering / Infrastructure	New Access off and across the N2 at Billie Road, New access from R102 onto Toyana Road.		R 8,000,000.00							R 8,000,000.00	
	b. Network of public squares, activity streets and pedestrian routes.	Other: Integrated Public Space Project	Upgrade of pedestrian facilities on Toyana Road, linking the CBD to the Mt Ruth Station.		R 13,250,000.00		R 13,250,000.00					R 13,250,000.00	
	Upgrade of the Public Transport Facility at the Hub	Public Transport	Proposed facility to be put out to tender and should include, a shopping mall and informal traders facilities		No Financing: Proposed: R385m								
	d. Mixed Use and High Density Infill projects in the precinct	Human Settlement Catalytic	Approximately 3000 new mixed use units / higher density units can be accommodated within the CBD.		No financing: Identify priority land parcel.								
	e. New Government Offices Node	Other: Integrated Project	Proposed on the Eastern end of Makinana Road - further investigations and institutional engagements required with SASSA & Department of Home Affairs		Discussion with NDPW in process								
	f. Mdantsane Library Upgrade	Other: Social Amenity	Discussions with Provincial Treasury to be initiated.		R561,000,000	R 150,000,000.00							R 150,000,000.00
	g. Extension of Mdantsane Arts Centre			R1,600,000	R1,600,000								
	h. Redevelopment of Mdantsane Sport Precinct NU2 Swimming Pool	Other: Social Amenity	Underway	R 1,000,000.00	R 4,000,000.00								R 4,000,000.00
	j. Orlando Stadium: Constuction of the Ablutions, Refurbishments of Boundry wall and gates, Caretakers cottage, Installation of foodlights, Rehabilitation of Playing surface	Other: Social Amenity	Underway	R -	R 4,000,000.00								R 4,000,000.00
i. Upgrade of Mt Ruth Substation	Engineering / Infrastructure	Required to provide additional capacity for the development of the Mdantsane CBD/ Mt Ruth/Buffer Strip areas.	R 100,000,000.00									R 100,000,000.00	
j. Upgrade replacement of the 132/33/11 kV network	Engineering / Infrastructure	Required to provide a stable supply for the whole of Mdantsane and to rationalizing intake points into BCMM. This will be the second phase of the main BCMM 132/33/11 kV network for East London.	R 80,000,000.00									R 80,000,000.00	
SUB-TOTAL: MDANTSANE URBAN HUB				R 182,600,000.00		R 150,000,000.00						R 359,250,000.00	
TOTAL: PRIORITY INTEGRATION ZONE												R 4,611,415,000.00	

INTERGOVERNMENTAL PROJECT PIPELINE: BEPP 2018-2019

Annexure 2: Integovernmental Project Pipeline

SECONDARY INTEGRATION ZONE: THE BISHO & KING WILLIAMS TOWN CBD's, INCLUDING THE BISHO- THE KING- WILLIAMS TOWN													
PRIORITY FOCUS AREAS	ENABLERS & SUB-COMPONENTS	CATEGORY	DESCRIPTION	MUNICIPAL (2018-19)	TOTAL VALUE	PRIVATE SECTOR	PROVINCIAL (2018-19)	NATIONAL (2018-19)	PRASA (2018-19)	SANRAL (2018-19)	ESKOM (2018-19)	TOTAL	
<p>I. KING WILLIAMS TOWN-BISHO CORRIDOR: The Bisho/KWT Corridor will provide a public transport link between KWT and Bisho. Vacant BCMM and State land will be developed for high density housing and mixed land uses. A large part of the corridor is made up of the Bisho Revitalisation Project and will enhance Bisho as the capital of the provincial administration.</p> <p>The development of land along the Corridor is dependant on the completion of the Zwelitsha Regional Bulk Sewage Scheme</p>	a. KWT Public Transport Interchange	Public Transport	The expansion and renewal of the existing three taxi and bus ranks in the CBD of King William's Town and integrating into one multi modal facility to serve the entire needs of the public transport users in the area and surroundings.	R 29,000,000.00	R 120,000,000.00							R 120,000,000.00	
	a. Market Square Bus Rank	Public Transport		R 7,000,000.00	R 10,000,000.00							R 10,000,000.00	
	a. Market Square Taxi Rank	Public Transport		R 15,000,000.00	R 56,000,000.00							R 56,000,000.00	
	b. Mary Street Upgrade	Public Transport		R 6,000,000.00	R 16,000,000.00							R 16,000,000.00	
	Road Network within Taxi Facilities	Public Transport			R 18,000,000.00							R 18,000,000.00	
	Taxi City Taxi Rank	Public Transport		R 7,000,000.00	R 51,500,000.00							R 51,500,000.00	
	Bisho revitalisation Precinct	Catalytic	which is a EC Prov Govt initiative but includes BCMM land.			No financing							
	c. Zwelitsha Regional Bulk Sewage Scheme(Bulk infrastructure project)	Engineering / Infrastructure	The project is required in order to create more capacity within the existing central urban areas such as Bredibach, Zwelitsha, Bisho, Schornville, Pakamisa and Ilitha unlocking of the mixed housing development in the Bisko/King Willaims Town area.		R 700,000,000.00		R 200,000,000.00	R 86,294,290.00					R 986,294,290.00
	d. Kei Road to Bisho Bulk Water Scheme	Engineering / Infrastructure	The project is required in order to create more capacity within the existing Bisho and King William's Town as well as surrounding peri-urban areas of Berlin, Zinyoka, Tyutyu, etc		R 500,000,000.00			R 6,000,000.00					R 500,000,000.00
	Upgrade of the Bisho Switch house and the electrical network	Engineering / Infrastructure	To allow for growth in the Bisho Precinct.			No funding at this time.							
	e. Upgrade of the KWT electrical network (Power Station switch house)	Engineering / Infrastructure	to allow for growth and stabilise the network into KWT . Funding used is own funding from the electricity department capital project Estimate for first phase R6 to 10 million May 2017 to May 2018	R 10,000,000.00	R 10,000,000.00								R 10,000,000.00
	f. SANRAL: Resurfacing from KWT to Bisho & Bredibach	Infrastructure									R 186,000,000.00		
	g. N2 Upgrade Bulembu Airport to King Williams Town & Interchange												
h. Upgrade of Povincial Administration Buildings: Bisho					R 255,543,000.00								
SUB-TOTAL: SECONDARY INTEGRATION ZONE				R 45,000,000.00			R 200,000,000.00	R 92,294,290.00		R 450,000,000.00		R1,767,794,290.00	

INTERGOVERNMENTAL PROJECT PIPELINE: BEPP 2018-2019

Annexure 2: Intergovernmental Project Pipeline

MARGINALISED AREAS - TOWNSHIP & INFORMAL SETTLEMENTS																			
DESCRIPTION: Table IN PROGRESS - HSDG Funding projects need to be added to this table.																			
FOCUS AREAS	ENABLERS & SUB-COMPONENTS	CATEGORY	DESCRIPTION	MUNICIPAL(2018-19)	MUNICIPAL TOTAL	PRIVATE SECTOR	PROVINCIAL (2018-19)	(2018-19)	NATIONAL (2018-19)	PRASA (2018-19)	SANRAL (2018-19)	ESKOM (2018-19)	TOTAL						
TOWNSHIPS & INFORMAL SETTLEMENTS	BCMM Ongoing Informal Settlement Upgrade / Housing projects within the East London and Mdantsane Areas:	Human Settlement	New planned settlements and upgrading of informal settlement – including Zone 18cc, Cluster 1, Cluster 2 and Potsdam Ikhwezi Block 1 & 2: Includes provision of internal services and top structures	R	-	R	-	R	40,950,000.00	R	55,143,600.00	R	-	R	-	R	96,093,600.00		
			Mdantsane Zone 18cc					R	-	R	8,000,000.00					R	8,000,000.00		
			Cluster 1 (Velwano, Ilinge, Masibambane, Masibulele, Dacawa)					R	3,000,000.00	R	5,000,000.00					R	8,000,000.00		
			Cluster 2 (Chris Hani, Winnie Mandela, Daluxolo, Sisulu)					R	7,200,000.00	R	14,000,000.00					R	21,200,000.00		
			Cluster 3 (Fynbos Informal)					R	15,000,000.00	R	5,000,000.00					R	20,000,000.00		
			POTSDAM VILLAGE PHASE 1 & 2 - P5					R	10,000,000.00							R	10,000,000.00		
			Potsdam Ikhwezi Block 1 - P5					R	5,750,000.00	R	23,143,600.00								
			Potsdam Ikhwezi Block 2 - P5							R	-	R	-				R	-	
			Potsdam North Kanana							R	-	R	9,164,200.00				R	9,164,200.00	
			BCMM Ongoing Informal Settlement Upgrade / Housing projects within the Bhisho / King Williams Town Area	Human Settlement	New planned settlements and upgrading of informal settlement	R	-	R	-	R	500,000.00	R	8,410,000.00	R	-	R	-	R	8,910,000.00
			Ilitha North						R	-	R	5,410,000.00					R	5,410,000.00	
			Tyutyu						R	500,000.00	R	3,000,000.00					R	3,500,000.00	
			Ginsberg								R	100,000.00					R	100,000.00	
			Breidbach								R	100,000.00					R	100,000.00	
			SUB-TOTAL: TOWNSHIPS & INFORMAL SETTLEMENTS														R	190,477,800.00	
TOTAL MARGINALISED AREAS														R	190,477,800.00				

INTERGOVERNMENTAL PROJECT PIPELINE: BEPP 2018-2019

Annexure 2: Integovernmental Project Pipeline

ECONOMIC / EMPLOYMENT NODES			DESCRIPTION: ECONOMIC NODES -Table in progress: BCMM Information is required to be verified and updated.										
PRIORITY FOCUS AREAS	ENABLERS & SUB-COMPONENTS	CATEGORY	DESCRIPTION	MUNICIPAL (2018-19)	MUNICIPAL TOTAL	PRIVATE SECTOR	PROVINCIAL (2018-19)	NATIONAL (2018-19)	PRASA (2018-19)	SANRAL (2018-19)	ESKOM (2018-19)	TOTAL	
<p>Revitalization of BCMM Industry and Industrial Areas: The intention is to support and promote the growth and development of BCMM's industrial economy with a focus on the following areas:</p> <ul style="list-style-type: none"> • West Bank • Wilsonia • Fort Jackson • Dimbaza • Berlin • Mdantsane Industrial Node <p>This catalytic project will work in combination with Knowledge Economy Project and will be revenue enhancing in the long term.</p>	Revitalisation of the West Bank Industrial area/Motor industry cluster.	Other: Industrial	The project entails augmentation of bulk infrastructure, upgrade of road network and landscaping of city entrance. Will ensure sufficient infrastructure capacity is available to accommodate commercial and industrial employment growth forecasts and will support retention and expansion of the manufacturing initiatives. Project also involves the upgrading and use of Race Track that will link to the motor industry and sport tourism.										
	West Bank Race Track	Other: Motor Sport	The project is a private sector initiative that entails developing an internationally recognised motor sport venue that attracts new investment in the precinct through motor sport facilities and motor sport related industries in a quality environment. The project will require the Harbour arterial route to be extended so that the track can be used full time for motorsport activities										
	West Bank WWTW		This project will be part of the process of opening up the area (Spatial Priority 2) for development.					R 4,000,000.00					
	West Bank Bulk Water Supply		This project will be part of the process of opening up the area (Spatial Priority 2) for development to provide serviced land for workers on the West Bank					R 5,000,000.00					
	West Bank: Upgrade of Settlers way as the gateway to the City		Restoration of Settlers Way (Arts and Culture Project)	R 600,000.00									
			Feasibility for alternative water supply for bulk mains. Project planned for 2021	R 15,000,000.00									
	Dimbaza – Small Industries; agro processing.												
	Fort Jackson - agro processing												
	Mdantsane Industrial Node adjacent to Mt Ruth & N2		Ideally located land for Logistics/Warehousing and light industry to support the growing logistics industry in the region. Requires well as bulk water and sewer capacity										
	N2 Wild Coast Project		This will link BCMM to Kwa Zulu-Natal and boost regional economy.										
	East London Harbour upgrade		The project is a Transnet initiative that entails upgrading and expansion of the port. The freight and logistics supports SIP2. The Transnet investment will contribute towards revitalising the economy of EL. This project has been included in the East London CBD Urban Development Programme										
	East London Airport upgrade		The project is an ACSA initiative that entails upgrading of the East London Airport and involves the lengthening of the main runway to allow bigger airplanes. This will open up opportunities to export goods and will contribute towards revitalising the economy of EL.										
	Bulembu Airport revitalisation												
	Berlin- Green Energy Hub	Other: Industrial	Focussed on Renewable Energy, to broaden the energy mix, transforms and diversify the economy. Research and Development component.										
			<ul style="list-style-type: none"> • Includes manufacturing and agro-processing as part of a green energy hub concept. • Solar Farm proposal by IDZ. • Solar (Manufacture panels and geysers) 										
Bisho Airport	Transport Operations						R 3,500,000.00						
Dimbaza – Industrial Park	Infrastructure Investment						R 34,591,000.00						
SUBTOTAL: ECONOMIC NODES													

INTERGOVERNMENTAL PROJECT PIPELINE: BEPP 2018-2019

Annexure 2: Integovernmental Project Pipeline

CITY-WIDE PROJECTS												
DESCRIPTION: Table in progress - BCMM projects are required to be verified and updated.												
PRIORITY FOCUS AREAS	ENABLERS & SUB-COMPONENTS	CATEGORY	DESCRIPTION	MUNICIPAL (2018-19)	PRIVATE SECTOR	PROVINCIAL (2018-19)	NATIONAL (2018-19)	PRASA (2018-19)	SANRAL (2018-19)	ESKOM (2018-19)	TOTAL	
Invest in the Knowledge Economy: Roll out of broadband infrastructure, Science and Technology Park, Partnership with Tertiary Institutions to support: Green Energy, Motor Industry, Maritime Economy and Medical Sector	Science and Technology Park	Other: Cross-cutting	This project is an IDZ initiative that involves the Science and Technology Park which will serve to link business with local Universities. This project is a key component of the University Town initiative in the MGDs.									
	BCMM Integrated ICT project. Broadband infrastructure roll out (backbone and access networks)	Other: Cross-cutting	This project will fast-track the realisation of achieving 100% connectivity and encourage the potential of the local ICT industry to promote economy revitalisation and extend ICT connectivity to facilitate e-service. The project will ensure that the residents have equitable access to evolving computer technologies and opportunities to develop their techno-literacy skills	R	100,000,000.00							
	N2: East London: N2/R72 Bypass		Sanral is willing to consider implementation of this project on condition that SANRAL, BCMM, DRPW & East London IDZ jointly fund this project: Issue Land acquisition									
	R72 Upgrade between Fish River and Birch River								R	450,000,000.00		
	R72 Upgrade between Birch River and Open Shaw								R	400,000,000.00		
	Road Reseal from Alice to King Williams Town									TBC		
	Upgrade R63/N6 Intersection to R63/N2 Intersection								R	380,000,000.00		
	National Station Improvement Programme		Improvement of all Railway Stations within BCMM - Over 3 financial years						R	50,883,026.00		
	National Station Upgrade Programme		Station Commercialisation Programme for revenue generating purposes - Over 3 financial years						R	23,000,000.00		
	Partnership with tertiary institutions	Other: Cross-cutting										
SUBTOTAL: CITY-WIDE PROJECTS									R	1,303,883,026.00		

ANNEXURE 3: Spatial Budget Mix

SPATIAL BUDGET MIX: BEPP 2018-2019

Annexure 3: Spatial Budget Mix: 2018-2019

SPATIAL BUDGETING MIX: 2018-2019								
ENTITY	COMMENT	SPATIAL TARGETING AREAS		OUTSIDE INTEGRATION ZONES			OTHER	TOTAL (WITHIN LIMITATIONS OF AVAILABLE INFORMATION)
		Integration Zones	Prioritised Integration Zone Precincts (incl Informal Settlements & Economic Nodes)	Informal Settlements	Marginalised Areas	Established Economic Nodes		
Metro	Own / loan funds	R64,420,000.00	R290,872,900.00		R60,082,000.00	R48,950,000.00	R482,625,100.00	R946,950,000.00
Provincial	Information received covers projects within Integration Zones of BCMM.	R754,536,000.00	R 56,271,024.00					R810,807,024.00
National	Grants allocated to the City	R191,794,290.00	R360,075,750.00	R0.00	R125,610,000.00	R59,387,840.00	R67,032,360.00	R803,900,240.00
SANRAL	Budget information received includes the Total project value spread over 3 financial years.						R1,728,000,000.00	R1,728,000,000.00
PRASA	Budget information received is consolidated for the entire metro						R24,801,956.00	R 24,801,956.00
TOTAL		R1,010,750,290.00	R707,219,674.00	R0.00	R185,692,000.00	R108,337,840.00	R2,302,459,416.00	R4,314,459,220.00

ANNEXURE 4: Built Environment Outcomes Indicators & Targets / Intentions

BUILT ENVIRONMENT OUTCOME INDICATORS & TARGETS: BEPP 2018-2019

Annexure 4: Built Environment Outcome Indicators and Targets

Outcome	Indicator code	Indicator Name	Baseline year	Baseline value	17/18 data	18/19 target	19/20 target	20/21 target	21/22 target	City Contact person	Contact number	Email	Notes	Formulas
T1: TARGETED INVESTMENTS IN INTEGRATION ZONES	WG13	Percentage change in the value of properties in Integration Zones	2016/17	4%	4%	5%	5.10%	5.20%	5.30%	Vella Maretioane & Dean Peters	043 705 1125	VellaM@buffalocity.gov.za		$((\text{Value of privately owned buildings in integration zones on year 3}) - (\text{Value of privately owned buildings in integration zones in year 1})) / (\text{Value of privately owned buildings in integration zones on year 1}) \times 100$
	CC2	Number of land use applications processed in integration zones as a percentage of the total number of land use applications submitted city-wide.	2014/15	81%	82%	83%	84%	85%		Nzondelelo Mbongo	043 705 3363	NzondeleloM@buffalocity.gov.za		$(\text{Number of land use applications processed in integration zones}) / (\text{Total number of land use applications processed citywide}) \times 100$
	CC3	Number of building plan applications processed in integration zones as a percentage of the total number of building plan applications city-wide	2016/17	1582	1431	1672	1955	2286	2672	Zamuxolo Nyama	043 705 2114	ZamuxoloN@buffalocity.gov.za		$(\text{Number of building plan applications processed in integration zones}) / (\text{Total number of building plan applications processed citywide}) \times 100$
	PC4	Commercial and industrial rateable value within integration zone for a single metro as a % of overall commercial and industrial rateable value for that same metro.	2016/15	93.72%	94.65%	95.00%	95.00%	95.00%	95.00%	Vella Maretioane & Dean Peters	043 705 1125	VellaM@buffalocity.gov.za		$((\text{Commercial rateable value of land in integration zone in metro}) + (\text{Industrial rateable value of land in integration zone in metro})) / ((\text{Commercial rateable value of land in metro}) + (\text{Industrial rateable value of land in metro})) \times 100$
T2: REDUCTION IN URBAN SPRAWL	CC1	Total hectares allocated for future development as defined by the 2015 SDF	2014/15	106,393 ha inside the Urban Edge, 663.99 outside the Urban Edge = 15.9%	10.40%	10%	9.50%	9%	8.50%	Raymond Foster	043 705 2269	RaymondF@buffalocity.gov.za		$(\text{Hectares approved for future development outside the 2015 urban edge}) / (\text{Total hectares allocated for future development as defined by the 2015 SDF}) \times 100$
T3: NEW HOUSING OPTIONS WITH SOCIAL DIVERSITY	IC1	New subsidised units developed in Brownfields developments as a percentage of all new subsidised units city-wide	2016/17	53%	85%	85%	85%	85%	85%	Thomakazi Magqaza	043 705 1130	ThomakaziM@buffalocity.gov.za		$(\text{Number of new subsidised housing units in brownfields development}) / (\text{Total number of newly provided subsidised housing units city-wide}) \times 100$
	IC2	Gross residential unit density per hectare within integration zones	2017/18	7.47du/ha	7.47du/ha	7.5du/ha	7.6du/ha	7.6du/ha	7.7du/ha	Dean Peters/Thozama Dyonase	043 705 3121	DeanP@buffalocity.gov.za	Port of Entry Integration Zone used excluding the Rail points within the 800m Radius	$(\text{Number of households in integration zones}) : (\text{area of integration zones (hectares)})$
	IC3	Ratio of housing types in integration zones								Thomakazi Magqaza, Raymond Foster & Justine Mudimbu	043 705 1130	ThomakaziM@buffalocity.gov.za	Need for study identified as data is unavailable	$(\text{Number of subsidised units in integration zones}) : (\text{including Social Housing, CRU, BNG, and FLSP/Gap units}) \text{ and private market units, located in integration zones}$
	IC4	Ratio of housing tenure status in integration zone								Stats SA GHS and GIS	043 705 3121/ 722 0250	DeanP@buffalocity.gov.za	Work in progress: Information to be filtered from StatsSa, some other information available after the study on housing types	$(\text{Number of fully owned households in integration zones}) : (\text{Number of partially owned households in integration zones}) : (\text{Number of rented households in integration zones}) : (\text{Number of households with other tenure arrangements in integration zones})$
	IC5	Ratio of Land use types (residential, commercial, retail, industrial) in integration zones	2014/15	8216ha of Residential, 699 ha of Commercial, 428 ha of Retail, 9941 ha of Industrial = 82:6.9:4.2:9.9	77.7:7.1:4.4:2:10.77	80:7.4:10:	80:7.4:11	80:7.4:11.5	81:7.4:11	Raymond Foster	043 705 2269	RaymondF@buffalocity.gov.za		$(\text{Number of households}) : (\text{GLA of commercial space}) : (\text{GLA of retail space}) : (\text{GLA of industrial space})$
	IC6	% households accessing subsidy units in integration zones that come from informal settlements	2017/18	75%	85%	85%	85%	85%	85%	Thomakazi Magqaza	043 705 1130	ThomakaziM@buffalocity.gov.za		$(\text{Number of households from informal settlements accessing subsidy units in integration zones}) / (\text{Number of subsidy units provided in integration zones})$
T4: AFFORDABLE & EFFICIENT PUBLIC TRANSPORT SERVICES	IC7	Number of all dwelling units within Integration Zones that are within 800 metres of access points to the integrated public transport system as a percentage of all dwelling units within Integration Zones	2014/15	28%	80%	80%	80%	85%	85%	Dean Peters	043 705 3121	DeanP@buffalocity.gov.za		$(\text{Number of all dwelling units within Integration Zones that are within 800 metres of access points to the integrated public transport system}) / (\text{Number of dwelling units within Integration Zones}) \times 100$
	IC8 (National)	Percentage share of household income spent on transport costs for different household income quintiles city-wide												
	IC9 (National)	Capital expenditure on intergrated public transport network as a percentage of the municipal capital expenditure	2016/17	1.46%	Data not available as yet	10.68%	14.34%	15.43%		Ayanda Skwebu	043 705 2834	AyandaSk@buffalocity.gov.za	Projected values for the 2018/19 (2018/19, 2019/20 and 2020/21) MTRF calculated based on the budgeted expenditure for those years	$\text{Capital expenditure on integrated public transport networks} / (\text{Total actual capital expenditure}) \times 100$
	IC 11a (National)	% of learners travelling for longer than 30 minutes to an education institution.	2013	46%	41%	35%	30%	25%	15%	Ayanda Skwebu	043 705 2834	AyandaSk@buffalocity.gov.za		$(1) \text{ Number of learners travelling longer than 30 minutes to an educational institution} / (2) \text{ Total number of learners travelling to an educational institution} \times 100$
	IC 11b (National)	% of workers travelling for longer than 30 minutes to..	2013	47%	40%	35%	30%	25%	15%	Ayanda Skwebu	043 705 2834	AyandaSk@buffalocity.gov.za		$(1) \text{ Number of workers travelling longer than 30 minutes to a place of work} / (2) \text{ Total number of workers travelling to a place of work} \times 100$

ANNEXURE 5: Task Team Representatives, Attendance Register and Minutes of BEPP Task Team Meeting

ANNEXURE 6: Attendance Register and Minutes of IG BEPP Task Team Meeting