



BUILT ENVIRONMENT PERFORMANCE PLAN 2019-20



28 MAY 2019

ACRONYMS

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

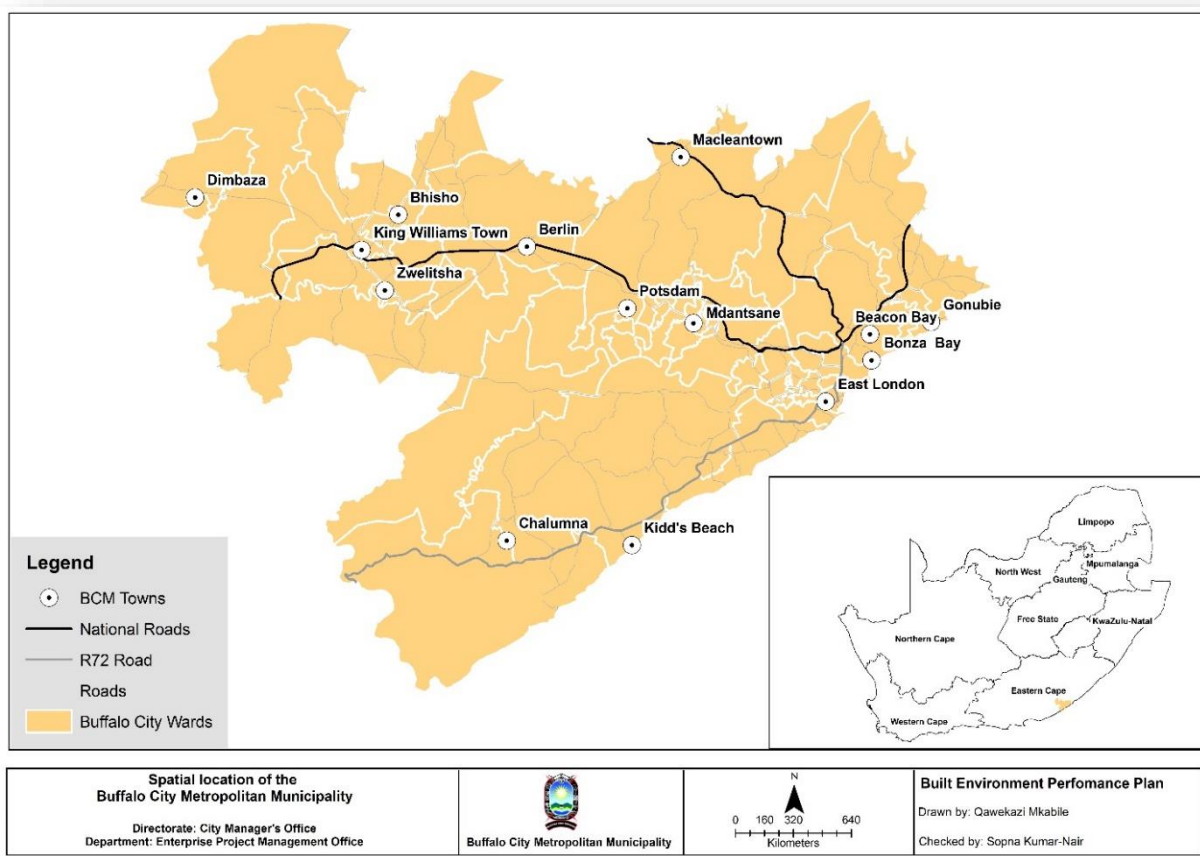


Figure A.1: Spatial location of BCMM (Source: BEPP 2019-2020)

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.

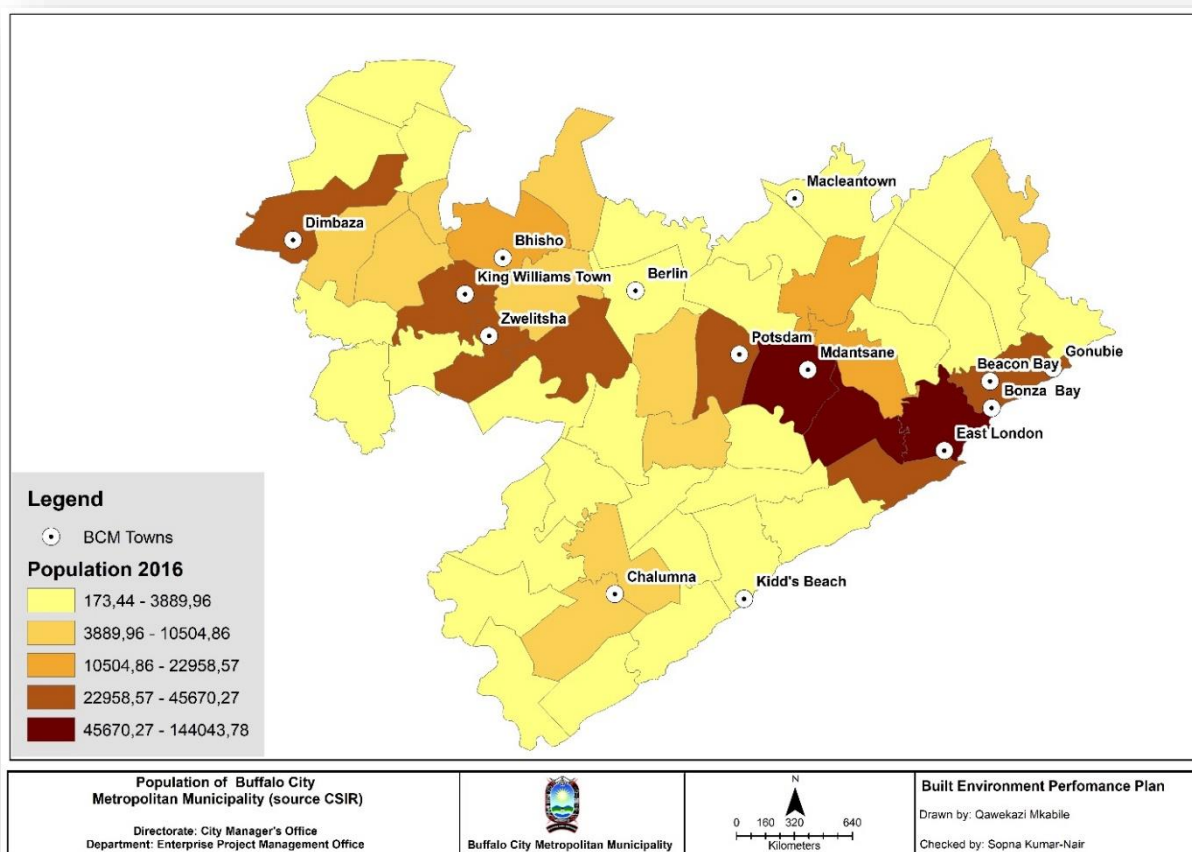


Figure A.2: Population distribution in Buffalo City Metropolitan Municipality (Source: Council of Scientific and Industrial Research 2016)

The following is a summary of the Socio-Economic profile of BCMM according to the Eastern Cape Socio-Economic Consultative Council (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 the 2019-2020 Built Environmental Performance Plan, BCMM continues 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. The 2019-2020 BEPP further introduces a key sustainability dimension into its sphere of influence viz. that of holistic planning for and integrating Climate Response Priorities into its strategic planning and budgeting processes. The National Treasury Supplementary Guidance Note for the BEPP 2019/20 – 2020/22 provides a framework for the phased integration of these priorities into each of the focus areas of the BEPP (CSP, 2018).

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. As per the revised National Treasury Supplementary Guidance Note (2018), this section also includes the web-link to existing Climate Change documents that have been prepared by BCMM as well as the institutional arrangements in place for the incorporation of CR&R experts into the transversal processes of the BEPP.

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. This section also outlines the current regulatory reforms underway within the city which aim to remove barriers to investment within spatially targeted areas and precincts of BCMM.

The document concludes with the consolidation of all BEPP sections into a Theory of Change. This section also reports 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.
- Improved quality of life, through access to: public and social amenities, safe and efficient public transport and diverse housing options.

The BEPP is envisaged to achieve the above through the setting up of short term investment plans which build towards a long term coherent investment logic. The institutional role of the BEPP is to create 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), which will include the newly ringfenced Upgrading Informal Settlements Programme Grant.
- **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) – now to be integrated into the USDG in 2019-2020.

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 Metro Growth and Development Strategy which provides the strategic frame and vision for the city, the Municipal Spatial Development Framework, the Integrated Public Transport Network Plan, the Integrated Human Settlements Plan all of which align with and feed into the Integrated

Development Plan and Budget. It is held that through its spatially targeted programmes and projects, the BEPP will become a cyclical ‘change’ instrument which can effect desired changes in the City’s other strategic documents.

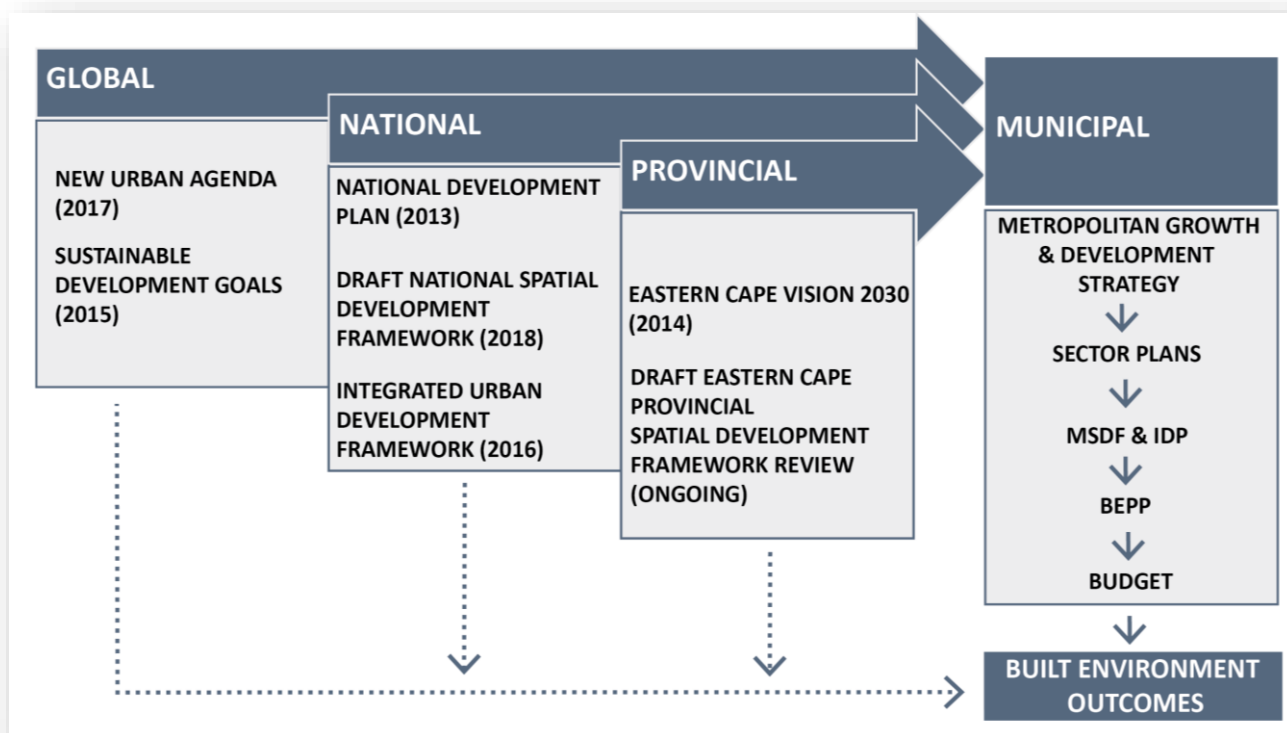


Figure A.3: Relationship with strategic documents (Source: BCMM BEPP 2019-2020)

The following documents and data sources were used in the formulation of the 2019-2020 Built Environment Performance Plan:

BCMM Documents:

- BCMM Draft IDP Review 2019/20.
- Metropolitan Growth and Development Strategy 2015.
- BCMM Spatial Development Framework Review 2013.
- BCMM Urban Settlements Development Grant Plan 2019.
- BCMM Draft Integrated Sustainable Human Settlement Plan 2018.
- BCMM Integrated Public Transport Network Plan 2018.
- BCMM Transport Register (2016-17) 2018.
- BCMM Climate Change Strategy 2014.
- BCMM Integrated Environmental Management Plan 2015.
- BCMM Sub-National Cost of Doing Business 2018.

- BCMM ULI Advisory Services Panel Report, 2014.
- BCMDA - A University Town in Buffalo City, Concept Note and Implementation Proposal, 2019

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).
- Bhisho KWT LSDF (2013).
- Mdantsane LSDF Review (2013).
- Vincent Berea LSDF Review (2013).
- Mdantsane Industrial Feasibility Study (2015).
- Sleeper Site Framework Plan (2016).
- Mdantsane Urban Hub Precinct Plan (2016).
- West Bank LSDF (2004).
- Mount Coke Dimbaza LSDF (2008).
- Kwelera LSDF (2013).
- Newlands LSDF (2015).

National and Provincial Documents:

- National Development Plan, 2013.
- Spatial Planning & Land Use Management Act (Act 16 of 2013).
- National Treasury Core Guidance Note for the Built Environment Performance Plan v5.5, 2017.
- National Treasury Supplementary Guidance Note for the Built Environment Performance Plan (BEPP) 2019-20 – 2020-2022: Integrating Climate Response Priorities into BEPP, 2018.
- Mainstreaming Climate Responsiveness into City Plans, Budgets and Grant Conditions, BEPP Guidance Note, 2018.
- Concept Note for the Built Environment Value Chain and Progression Model, 23 September 2016.
- DORA 2019 including the grant frameworks of the relevant infrastructure grants.

- The Guidelines for the Implementation of the Integrated City Development Grant, May 2013 and as updated.
- 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.
- Framework for the Urban Settlements Development Grant, 2019.
- National Human Settlements Spatial Plan, August 2014 and as updated.
- Eastern Cape Vision 2030, 2014.
- Draft Eastern Cape Provincial Spatial Development Plan, 2018.

A3. 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 MTREF budget cycle. 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 and broader city strategies 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 above transformational outcomes align with BCMM's Key Strategic Pillars found in the Metro Growth and Development Strategy (MGDS) as well as the Integrated Development Plan (IDP). These include: an innovative and productive city, a green city, a connected city, a spatially integrated city and a well-governed city. In addition to the above the 2019-20 IDP review introduces 47 Key Focus Areas (KFAs) which further promote each of the five key strategic outcomes.

The transformational outcomes of the BEPP are cross-cutting and have an impact on the five strategic outcomes as well as emerging KFAs in areas that relate to the performance of the built environment. The key areas where the four transformational outcomes of the BEPP align with BCMM's strategic planning outcomes contained in the MGDS and the IDP as well as its linkage to the 2019-20 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.

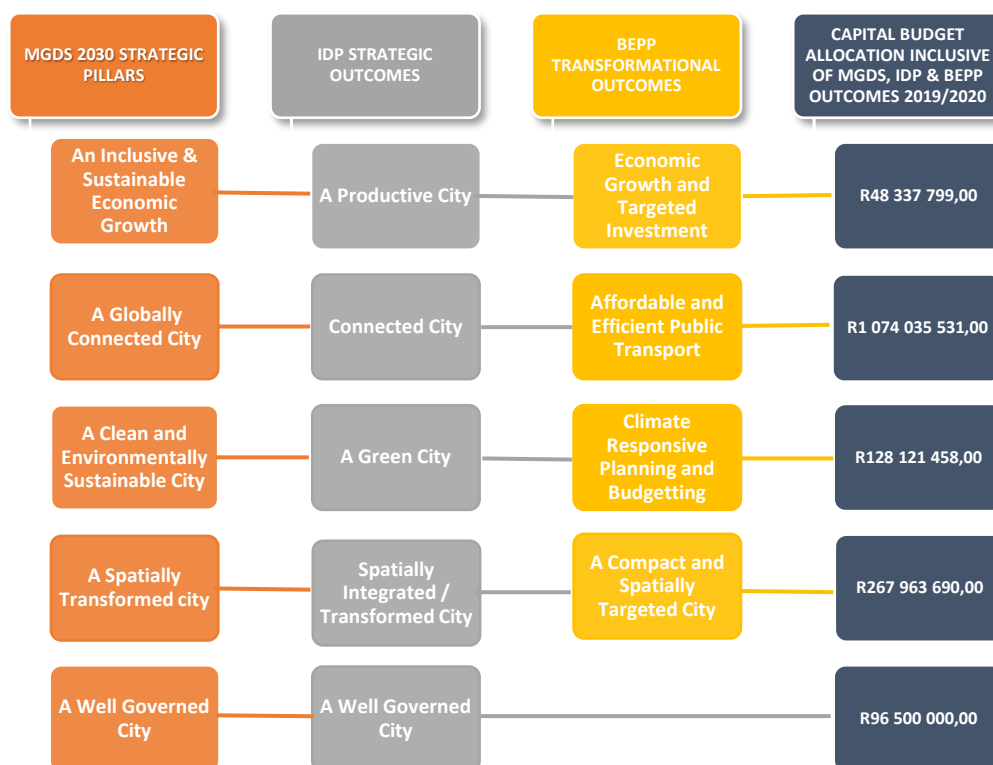


Figure A.4: Diagram representing the relationship between the BEPP, IDP, MGDS and Budget (Source: BCMM BEPP 2019-20)

A4. INTEGRATING CLIMATE CHANGE RESPONSIVENESS INTO THE BEPP

The Supplementary Guidance Note for the BEPP 2019/20 to 2020/2022 (October 2018) outlines the guidelines for integrating Climate Change priorities into the BEPP. BCMM’s Integrated Environmental Management Planning (IEMP) unit, under Executive Support Services has prepared a BCMM Climate Change Strategy in 2014. The study outlined climate change impacts, risks and associated responses for BCMM. The study also included a climate change impact and risk matrix which provides a rating for the key risks, adaptive capacity and vulnerability within BCMM. The study is however at a high level and further detailed assessments are necessary in order to identify, map and plan for areas of risk and vulnerability. The IEMP unit is currently busy with a Coastal Areas Risk and Vulnerability Assessment.

BCMM’s Disaster Management Unit under the Health and Safety Directorate has similarly prepared a broad-based Risk and Vulnerability Assessment which covers both natural and manmade risks and adaptive measures for BCMM. The department identified the need for a focused climate change related risk and assessment study for which a draft Terms of Reference has been prepared.

In order to align and integrate the work of the two workstreams, the EPMO, as secretariat to the BEPP has invited and co-opted representatives from the above two departments into the BEPP Task Team. An integrated Terms of Reference for a city-wide Climate Change Risk and Vulnerability Assessment is currently being crafted through joint inputs from the Integrated Environmental Planning and Sustainable Development Unit (IEMP) as well as the Spatial Planning and Asset Management Departments of the City. In order to integrate projects arising from this study into the BEPP, the EPMO will serve as secretariat to this process and it has been agreed that the Disaster Management Unit together with IEMP will manage and run the project through a Project Steering Committee comprising of the above-mentioned departments. The outputs from the above study once implemented will need to further inform spatial targeting areas of the BEPP.

A5. INSTITUTIONALISING THE BEPP

A5.1 The Influence of the BEPP on the IDP and Budget

The catalytic land development programmes outlined in the BEPP have been confirmed as city priorities in the Mayoral and Council Lekgotla's which set priorities for the 2019/20 financial year. In the process of formulating the 2019/20 IDP and budget, meetings have taken place between the EPMO (as the technical driver of the BEPP within BCMM), Executive Support Services (GM responsible for IDP) and representatives for budget planning (Finance). The IDP Strategic Workshops for 2019/20 included a budget checklist in which Directorates were required to prioritise projects based on Mayoral Lekgotla priorities, BEPP linkage to Catalytic Programmes and Projects, linkage to Audit Improvement Plans and Auditor General findings.

Catalytic land development programmes identified in the BEPP have through the above processes been incorporated into the 2019-2020 IDP and 2019-2020 Budget processes of BCMM. The spatial targeting of areas and budgeting for catalytic projects within programmes has been strengthened through enhanced coordination and integration of projects within individual Catalytic Programmes.

A5.2 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 currently underway and scheduled to be completed by September 2019.

A5.3 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 Land Development Programmes of the BEPP. The EPMD convenes and serves as secretariat to the BEPP Task Team.

The 2018-19 BEPP process 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, ACSA, SANRAL, PRASA and Eskom.

Strategic activities planned and undertaken as part of preparing for the 2019-20 BEPP are outlined in the approved process plan table below. All scheduled BEPP Task Team and IGR meetings as per the BEPP Process Plan and timelines have been conducted with fair attendance from invited stakeholders (see minutes of meetings attached in Annexures 6 & 7). Additional meetings were held in order to convene with stakeholders who were unable to attend the first IGR session which was conducted in September 2018. Where stakeholders attended and took part in meetings, genuinely interactive sessions were had and discussions on joint planning and budgeting were fruitful.

BEPP 2019-2020 PROCESS PLAN		
QUARTER 1 ACTIVITIES: JULY -SEPTEMBER 2018	RESPONSIBLE	DATES
Update BCMM Task Team Representatives Database	BCMM BEPP Secretariat (EPMD)	August 2018
Update IGR Task Team and Stakeholder Database	EPMD	August 2018
National Treasury BEPP Evaluation and Initiation of 2019/20 BEPP Process	National Treasury & EPMD	29 August 2018
Preparation of Draft BEPP Process Plan	EPMD	September 2018

BCMM BEPP Technical Task Team Meeting 1: <ul style="list-style-type: none"> Report back on National Planning Reforms (NT) Feedback on BEPP 2018/19 Treasury Evaluation ISHSP & IPTNP Presentation & Process timelines 	BCMM BEPP TASK TEAM	14 September 2018
BCMM IGR Task Team Meeting 1 <ul style="list-style-type: none"> Feedback on BEPP 2018/19 Evaluation Feedback on IGR Partner Projects Integration of Catalytic Programmes and Budgeting 	BCMM BEPP IGR Task Team	28 September 2018
QUARTER 2 ACTIVITIES: OCTOBER – DECEMBER 2018	RESPONSIBLE	DATES
C-88 Metro-support Forum Workshop on Transformational Indicators.	National Treasury	11-12 th October 2018
BEPP inputs into the Mayoral Lekgotla Session: <ul style="list-style-type: none"> Review of strategic objectives for service delivery and development. 	Executive Mayor's Office	18-20 th October 2018
BEPP Technical Task Team Meeting 2: <ul style="list-style-type: none"> Review and update of the BEPP Integration Zones in terms of National Treasury Guidelines. Team member updates on Catalytic Programme Projects. Update on BEPP Targets and Indicators in terms of updates to C-88 (Incorporation of Climate Change Indicators) Strategic Planning: Public Transport, Housing, LUMS (Land release) & Economic Development projects. Update on Regulatory Reform Action Plan 	BEPP Task Team & Departments	22-31 st October 2018
BEPP Catalytic Programmes: Inputs into Budget Workshops	Budget and Treasury	12-16 th November (as per IDP Process Plan)
BEPP Catalytic Programmes: Inputs into IDP & MGDS Workstreams	EPMO/ IDP Workstreams	15-21 November 2018 (As per IDP Process Plan)
BEPP IGR Session 2 & bi-laterals as required	EPMO	November – December 2018

QUARTER 3 ACTIVITIES: JANUARY – MARCH 2019	RESPONSIBLE	DATES
BEPP Task Team Meeting 3: <ul style="list-style-type: none"> • Team member Update on progress with Catalytic Programmes and Projects • Update: Aligned Public Transport, Housing & Economic Development projects. • Update: Land release Strategies • Update: Regulatory Reform Actions 	EPMO / BEPP Task Team	07th-11 th January 2019
Top Management Technical Planning Session: BEPP input into 2019/20 MTREF Budget and mid-year adjustment budget.	EPMO	11 th -22 nd January 2019
BEPP Task Team to prioritise Programmes and Projects	BEPP Task Team	05 th to 07 th February 2019
BEPP Inputs into the 2018/19 Mid-year budget and Performance Assessment Review by National Treasury	BTO/Compliance Office	11 th -12 th February 2019
Top Management Meeting: Consideration of the Draft BEPP Work in Progress	EPMO	25 th February 2019
BCMM IGR Task Team Meeting 2	BCMM BEPP IGR Task Team	01 st -07 th March 2018
Council Workshop: <ul style="list-style-type: none"> • Draft 2019/20 BEPP 	EPMO & BTO	11 th -12 th March 2018
BEPP inputs into the National Treasury 2019/20 MTREF Budget in terms of the National Treasury Reporting Requirements.	BTO	13 th March 2018
Council Meeting: Tabling and Adoption of the Draft BEPP 2019/20	BTO	27 th March 2019
Submit Draft BEPP to National Treasury	EPMO	31 March 2019
QUARTER 4 ACTIVITIES: APRIL – JUNE 2019	RESPONSIBLE	DATES
BEPP Task Team Meeting 4: <ul style="list-style-type: none"> • Final Update BEPP Targets and Indicators in terms of updates to C-88. • Final Update: Progress with Catalytic Programmes and Projects 	EPMO / BEPP Task Team	April 2019

<ul style="list-style-type: none"> • Update: Aligned Public Transport, Housing & Economic Development projects. • Update: Land release Strategies • Update: Regulatory Reform Actions 		
Top Management Meeting: Consideration of final 2019/20 BEPP	EPMO	15 May 2019
Council Workshop on Final 2019/20 BEPP for Adoption	EPMO & BTO	13-14 th May 2019
Council Meeting: Review Approval of the BEPP	EPMO & BTO	29 th May 2019
Submit Final 2019/20 BEPP to National Treasury with Council Resolution	EPMO	31 st May 2019

A5.4 Project Preparation for selected key catalytic land development programmes and projects (leverage of investment through partnerships)

In order to move towards accelerated implementation of catalytic programmes and projects, the EPMO is looking at restructuring its existing resources in order to enhance capacity dedicated to planning and management of complex catalytic programmes. BCMM has established an agency (BCMDA) who has been mandated to plan and implement a number of strategic projects which fall within Catalytic Programme areas of the city. The EPMO and the Agency are currently working jointly in a complementary manner on a number of initiatives which are envisaged to result in implementable projects which aim to deliver visible impacts in the short to medium term. The EPMO will play a strategic coordinating role in catalytic programme preparation focusing on internal BCMM coordination, budgeting and implementation of projects which are largely grant funded, with the BCMDA playing a more decisive role in catalytic project implementation relating to those requiring the leveraging of private investment and promotion of partnerships.

A5.5 Technical support from CSP

In order to support and accelerate catalytic and strategic programme and project implementation, strategic 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. In order to move catalytic projects closer to implementation, the CSP has been approached to make such support available. This will supplement the GTAC technical support being provided to the BCMM.

The CSP with the support of external consultants is currently busy with the preparation of a detailed scoping report for the Sleeper Site sub-programme of the BEPP. The Sleeper Site falls within the East London CBD and Inner-City Regeneration Programme of the City. The Buffalo City Development Agency (BCMDA) has been mandated by BCMM to develop the Sleeper Site. Through effective working partnerships with the City and the EPMO as convenor of Catalytic Programmes, it is envisaged that a streamlined, aligned and integrated project pipeline and programme for the Sleeper Site can be developed.

Further areas identified for CSP support are around the roll out of the City Infrastructure Delivery and Management System (CIDMS) for BCMM. The CIDMS hasn't been effectively implemented in the city and training of project managers and other relevant officials is seen as essential in unlocking CIDMS in the Metro.

A further proposed area of support to the metro would be to assist with undertaking a residential property market study in order to enable the city to have a better understanding of the dynamics of the local residential property market, as well as to map out existing supply vs need for the different residential properties offerings in the Metro over and above fully subsidised housing. These include the analysis of the Social Housing, CRU, BNG, and FLISP/Gap unit market. This gap is required to be closed in order to inform the completion of the draft Integrated Human Settlements Plan which has been prepared by the City.

A5.6 Monitoring the BEPP outcomes

Both the BEPP Task Team and the IGR Task Team will be convened quarterly and twice yearly respectively 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 are prepared by the BEPP Task Team secretariat (EPMO).

A5.7 Submission of Final 2019-20 BEPP Document to Council

The Draft BEPP 2019-2020 was tabled together with the Draft IDP and Draft MTREF at the Council meeting held on 27 March 2019. The Final BEPP 2019-20 will be submitted together with the Final IDP and Final MTREF at the Council Meeting scheduled to take place on the 29th May 2019.

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:

- To reduce travel costs and distances,
- To prevent further development of housing in marginal places,
- To increase urban densities and reduce sprawl,
- To improve public transport and the coordination between transport modes, and
- 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:

- Mixed-use development instead of mono-functional settlements,
- Mixed-income residential schemes rather than exclusive housing schemes,
- Public transport-oriented projects rather than private car-oriented projects,
- Improved public spaces and opportunities for walking rather than private cars,
- Higher density developments rather than low density sprawl,
- Brownfield (re)development, renewal and retrofitting of old buildings rather than new greenfield development,

- An emphasis on affordable housing in well-located areas, i.e. in and around transport nodes and corridors.
- 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 (IUDF)

The IUDF is the government's policy position to guide the future growth and management of its urban areas. It seeks to foster a shared understanding across government and society about how best to manage urbanization and achieve goals of economic development, job creation and improved living conditions for all.

The IUDF is a response to and builds on various chapters in the National Development Plan, more specifically Chapter 8 which deals with "Transforming human settlements and the national space economy". To achieve this transformative vision, four strategic goals are introduced.

- **Spatial Integration:** To forge new spatial forms in settlement, transport, social and economic areas.
- **Inclusion and access:** To ensure people have access to social and economic services, opportunities and choices.
- **Growth:** To harness urban dynamism for inclusive, sustainable economic growth and development.
- **Governance:** To enhance the capacity of the state and its citizens to work together to achieve spatial and social integration.

The above strategic goals give rise to a series of policy levers, the implementation of which depends on its integration into municipal development planning tools such as the SDF, IDP and BEPP. The nine policy levers include:

- **Integrated Urban Planning and Management:** the prudent use of land and natural resources to build sustainable communities.
- **Integrated transport and mobility:** the development of efficient urban form centred around integrated transport, which supports economic and social development.
- **Integrated and sustainable human settlements:** redressing the prevailing apartheid geography, restructuring cities, shifting ownership profiles and choices, and creating more humane, safe living and working conditions.

- **Integrated urban infrastructure:** the development of resource efficient urban infrastructure that provides for both universal access and more inclusive economic growth.
- **Efficient land governance and management:** growing investments through land and property resulting in inclusive, multi-functional urban spaces.
- **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.
- **Empowered active communities:** Cities and towns that are home to socially and culturally diverse citizens, who are actively involved in the city.
- **Effective urban governance:** Managing the intergovernmental dynamics within the city.
- **Sustainable finances:** Cities and towns that are supported by a fiscal framework that acknowledges the developmental potential and pressures of urban spaces and manages finances effectively and efficiently in order to access necessary resources and partnerships for inclusive urban growth.

BCMM given its jurisdiction within a predominantly rural development context, the IUDF's emphasis on the rural-urban continuum and the ability of urban areas to respond to in-migration in a manner that optimises the urban dividend stresses the need to focus on poverty alleviation, job creation and the creation of more liveable settlements especially for marginalised and informal settlements within the metropolitan area.

Metropolitan Growth and Development Strategy Vision 2030 (MGDS)

The Metropolitan Growth and Development Strategy identifies five strategic pillars for the realisation of realistic, achievable and measurable goals for the Metro:

- An inclusive and sustainable economic growth.
- A globally connected city.
- A clean and environmentally sustainable city.
- A spatially transformed city and a well governed city.
- A well governed city.

Key city initiatives pertaining to each of the above strategic pillars are summarised in the Table below:

STRATEGIC PILLAR	KEY CITY INITIATIVES
An inclusive and sustainable economic growth	<ul style="list-style-type: none"> • Improving the Sub-national cost of doing business to unlock property investments (automation and investment centre/one-stop shop). • Investment strategy with GTAC (to build on improved investor sentiment towards the city (MBSA, Yekani, ELIDZ). • Sleeper site development (project preparation and financing model) through BCMDA with CSP. • Youth employment initiative (with Harambee). • New property development to build revenue base (eg.Kidds Beach). • Blue flag beaches for tourism.
A globally connected city	<ul style="list-style-type: none"> • Continued roll-out of free wifi hotspots. • Optimize benefit of IOX undersea cable and proposed data centre (align to SMART City concept). • Procure and institutionalize enterprise resource planning system and related automation of key business processes (aligned to MsCOA). • Continued engagements with Transnet and DPE on container terminal and port expansion funding model. • Engage SANRAL on N2-R72 by-pass (key for Integration Zone 1 / Primary Integration Zone).
A clean and environmentally sustainable city	<ul style="list-style-type: none"> • Institutional reconfiguration (new service delivery model for waste management). • Re-tool waste management (fleet, skips, mobile transfer stations etc.) • Design and funding model for integrated waste management facilities (transfer stations). • Waste economy development (buy-back centres and SMMEs). • Define new approach to energy Independent Power Producers.
A spatially transformed city	<ul style="list-style-type: none"> • Development of EPMO for transversal integration and catalytic programme co-ordination. • Reeston Tunnel to unlock NW Corridor development (Amalinda Junction). • Fitzpatrick Road re-alignment and City-to Sea Boulevard (for Sleeper Site development). • Finalization of and integration between IPTNP, ISHSP, and SDF. • SPLUMA readiness (Implementation of Tribunals). • New capacities leveraged for PPPs, innovative funding models (through BCMDA and partnerships with CSP) • Development of new nodes for revenue enhancement (Kidds Beach, Quenera).

A well governed city

- Audit improvement plan and risk management.
- Automation (enterprise resource planning system).
- City branding and communications.
- Culture change and performance excellence (partnership with MBSA and GTAC) including for Council.
- Roll-out of revenue enhancement strategy (including billing system improvements, aggressive strategy to reduce municipal debt, and cost-cutting measures).
- Integrated customer relations management system.

Source: BCMM Executive Support Services and GTAC

BCMM Spatial Development Framework: BCMM SDF Review 2013

The 2013 SDF Review envisages Buffalo City in 2023, as 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.

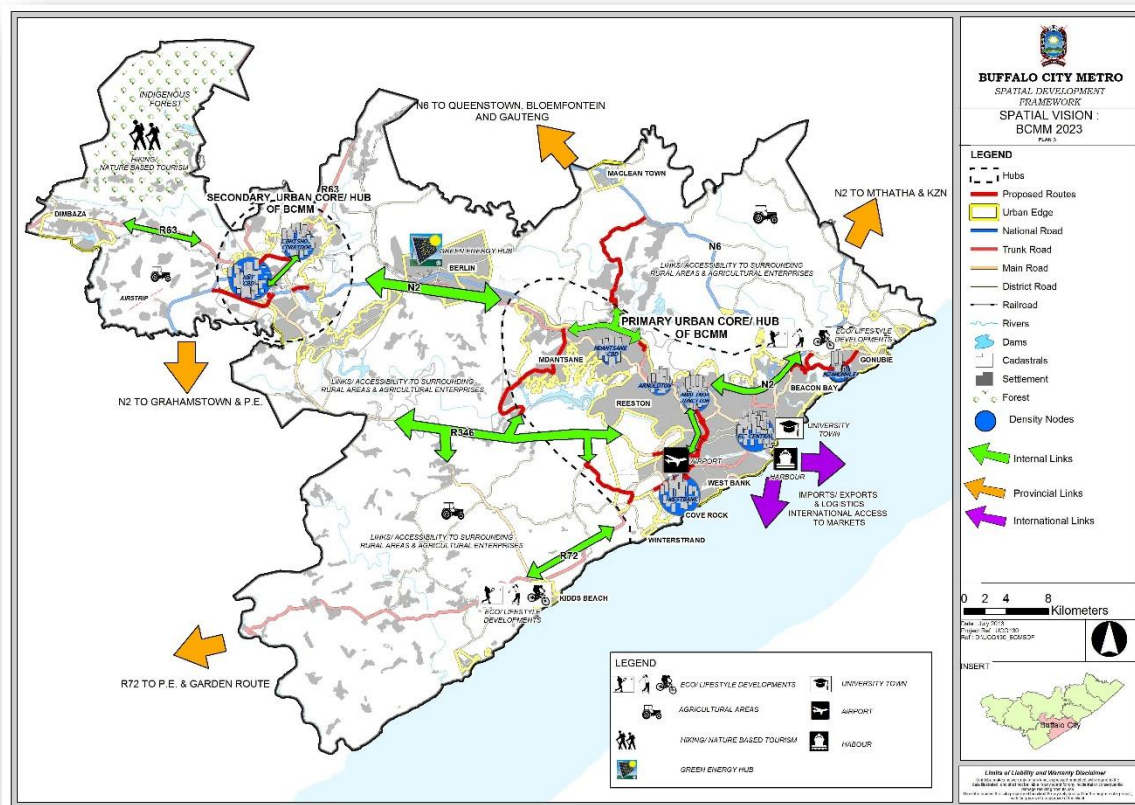


Figure B.1: BCMM Spatial Vision of 2013 (Source: BCM SDF Review, 2013)

The 2013 SDF vision remains relevant in the present context. The SDF is currently under review and the updated SDF is scheduled for completion by September 2019.

B1. SPATIAL PLANNING & SPATIAL TARGETING

B1.1 BCMM Urban Network Strategy: Proposed Integration Zones

The existing spatial proposals contained in the 2013 SDF provide the spatial backdrop against which a further layer of strategic prioritization is undertaken through the application of the Urban Network Strategy concept as defined by National Treasury. The Urban Network Strategy aims to bring together **three key elements** into an integrated framework (NT Guidance Note, 2017). See Figure B.4 below:

1. **Economic nodes / Areas of Employment**
2. **Marginalised Residential Areas and Informal Settlements**
3. **Strategic Public Transport Corridor** linking the above two elements.

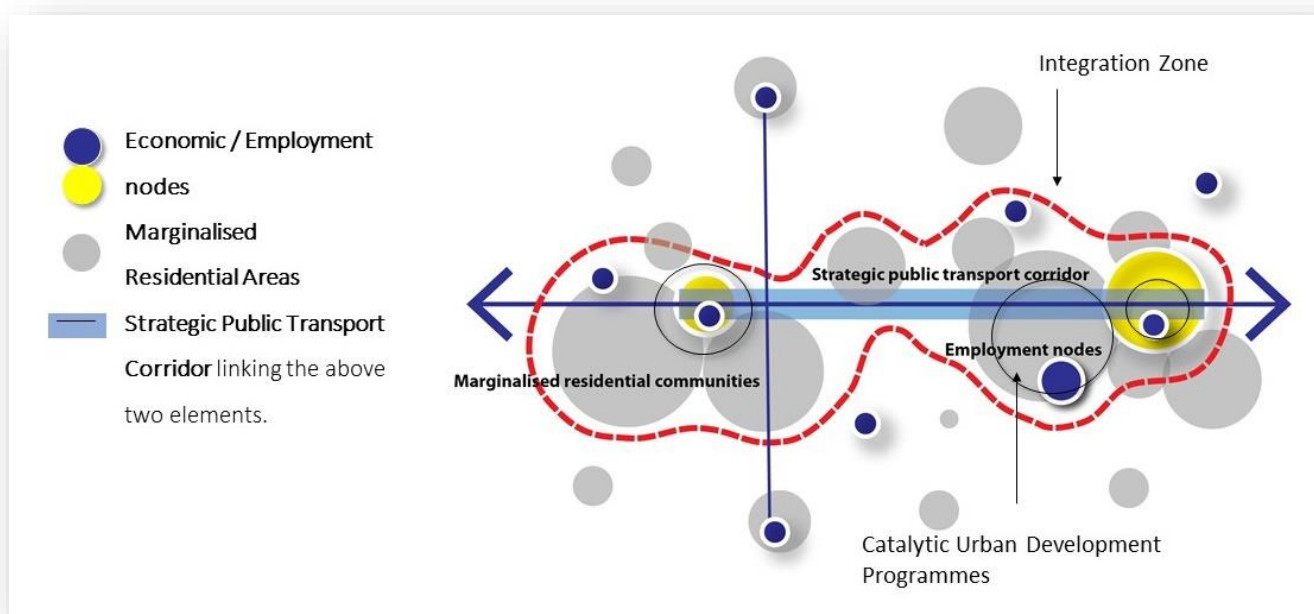


Figure B.4: Spatial Targeting Structuring Elements: Public Transport Corridors and Nodes (Source: BCMM BEPP 2019-20)

‘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.

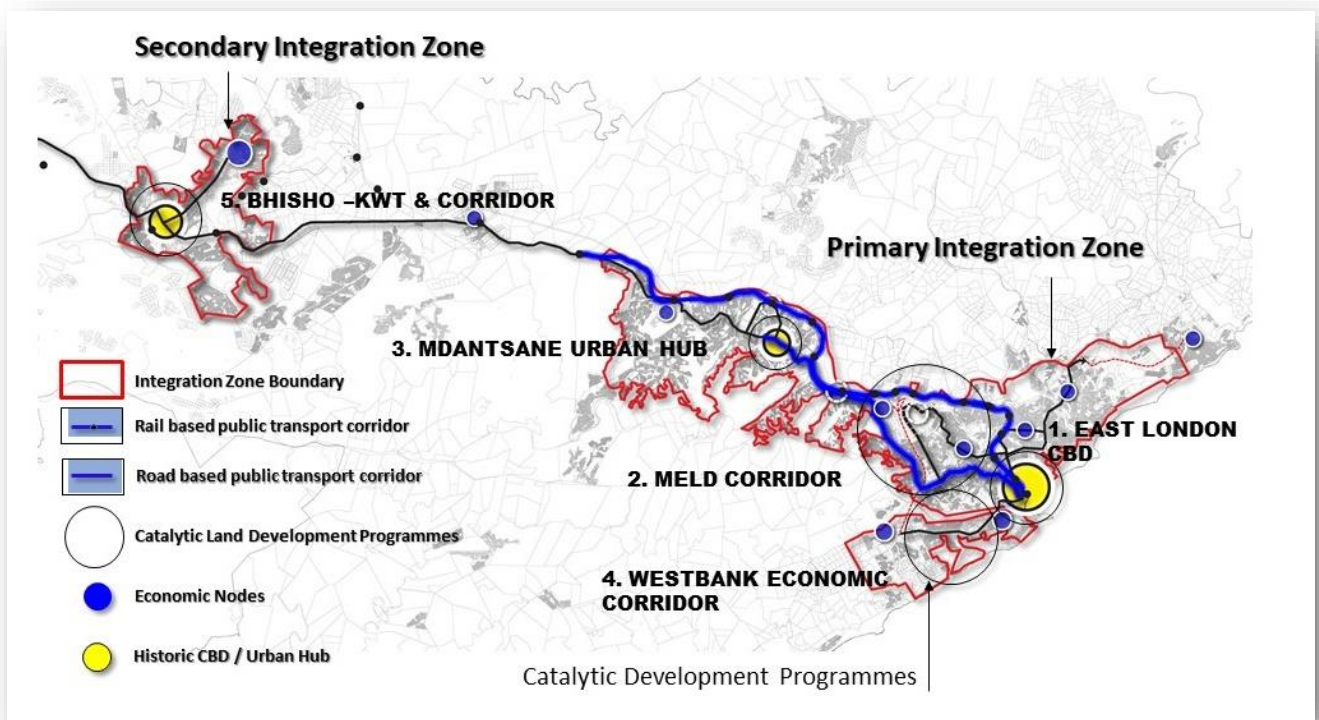


Figure B.5: Spatial Targeting: BCMM Urban Network Strategy (Source: BCMM BEPP 2019-20)

B1.1.1 Strategic Changes in the 2019-20 Integration Zones

Following a meeting and discussions with National Treasury, Neighbourhood Development Planning (NDP) on the 24th October 2018, the Integration Zones for BCMM were reworked to better respond to current contextual needs and informants as well as to address comments from NDP and Treasury arising from the 2018-19 BEPP submission.

The rework around the integration zones acknowledges that a number of key corridors over and above the **MELD Corridor** influence and hold potential for the future spatial and economic transformation of the City. An acknowledgement of key strategic and investment related hubs structured along Settler's Way / the R72 westwards from the CBD, highlights the **Port – MBSA – IDZ – Airport** hub as an additional catalytic programme area within the primary integration zone. This programme is broadly termed in this BEPP as the **West Bank Economic Corridor**.

The City – Vincent – Beacon Bay – Gonubie link corridor is also acknowledged as a key future growth corridor within the primary integration zone. The integration zone boundaries for the primary integration zone remain largely the same though the boundaries have been streamlined and shrunk where possible to strengthen spatial targeting objectives. At a city-wide level, though

outside the Primary Integration Zone, the **Kidds Beach** development is acknowledged as a new **strategic node** for revenue enhancement.

The secondary integration zone has also been amended along similar principles of that of the primary integration zone. The boundaries now include marginalised residential areas and townships as with the case of the primary integration zone. These were previously neglected in the previous iteration of the Secondary Integration Zone.

B1.1.2 Primary Integration Zone

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

1. The East London CBD & Inner City
2. The MELD Corridor (Central)
3. Mdantsane Urban Hub
4. West Bank Economic Corridor (Port – MBSA – ELIDZ – Airport).

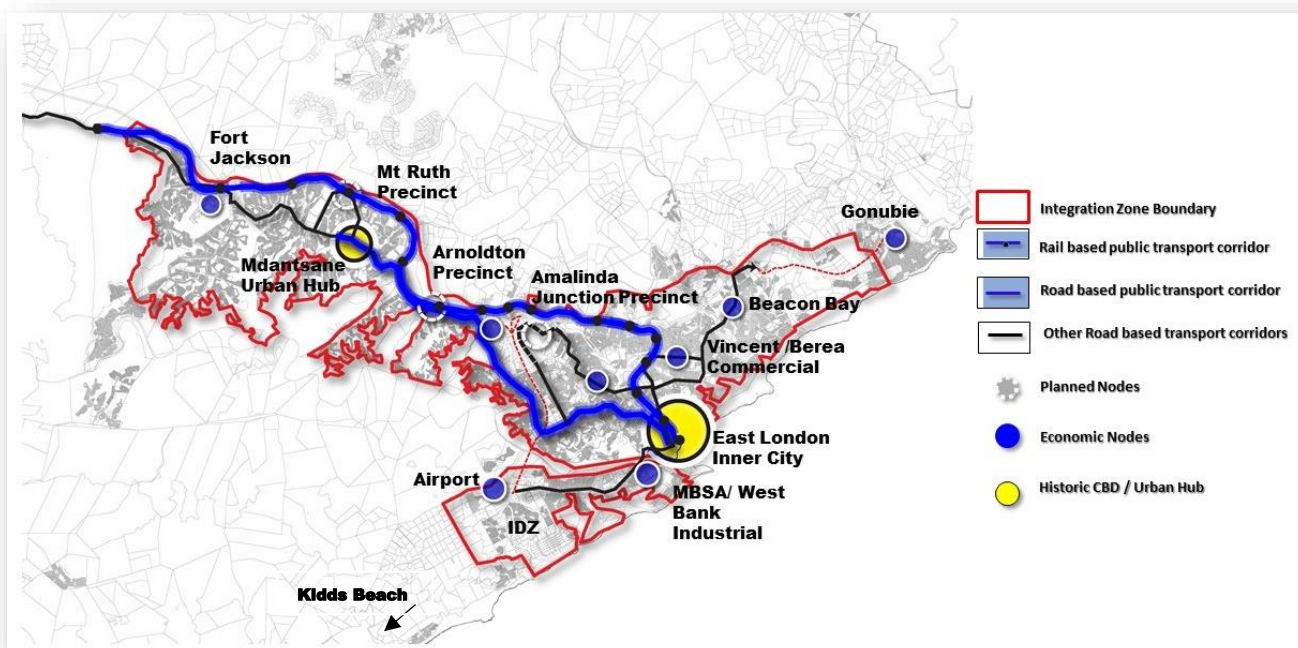


Fig B.8: Spatial Targeting: Primary Integration Zone (Source: BCMM BEPP 2019-20)

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 area contains the bulk of BCMM's population and is subjected to critical infrastructure backlogs, which severely hinder the progress of development.

Other Strategic Integrated Public Transport Routes identified in the recently completed (2018) BCMM Integrated Public Transport Network Plan (IPTN) particularly of significance to the Primary Integration Zone include the **East London CBD - R72 / Settler's Way- to Airport link** as well as the **R72- Devereaux Avenue, Beaconhurst Drive link** eastwards to **Gonubie**.

Strategic investments along the West Bank R72 / Settler's Way corridor include **Mercedes Benz South Africa (MBSA)**, the **East London Industrial Development Zone (ELIDZ)** and the **Airport**. These nodes as well as the logistics link between these and the **Port of East London** form a key strategic programme within the Primary Integration Zone.

The MELD Corridor

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.

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 bypass** 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.

The total population for townships in the Metro area according to 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.

B1.1.3 Secondary Integration Zone

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

- King Williams Town (KWT) – Bhisho – Zwelitsha zone including the R63 corridor between KWT and Bhisho

This Integration Zone is made up primarily of the historic CBD / hub of King Williams Town (KWT) and surrounding townships of Ginsberg, Zwelitsh and Breidbach. As indicated in Figure B.12 below the Secondary Integration Zone incorporates the administrative hub of Bhisho which forms a strategic employment node within this Zone. The **R63 KWT- Bhisho Corridor** forms an important public transport route within the Secondary Integration Zone. Other strategic economic nodes surrounding the Secondary Integration Zone include **the Dimbaza Industrial Area** to the west and the **Berlin Green Energy Hub** to the East. Both the above areas though outside the secondary integration zone, are located close to Railway station nodes within the area and are earmarked as areas for the promotion for investment and enhanced job creation.

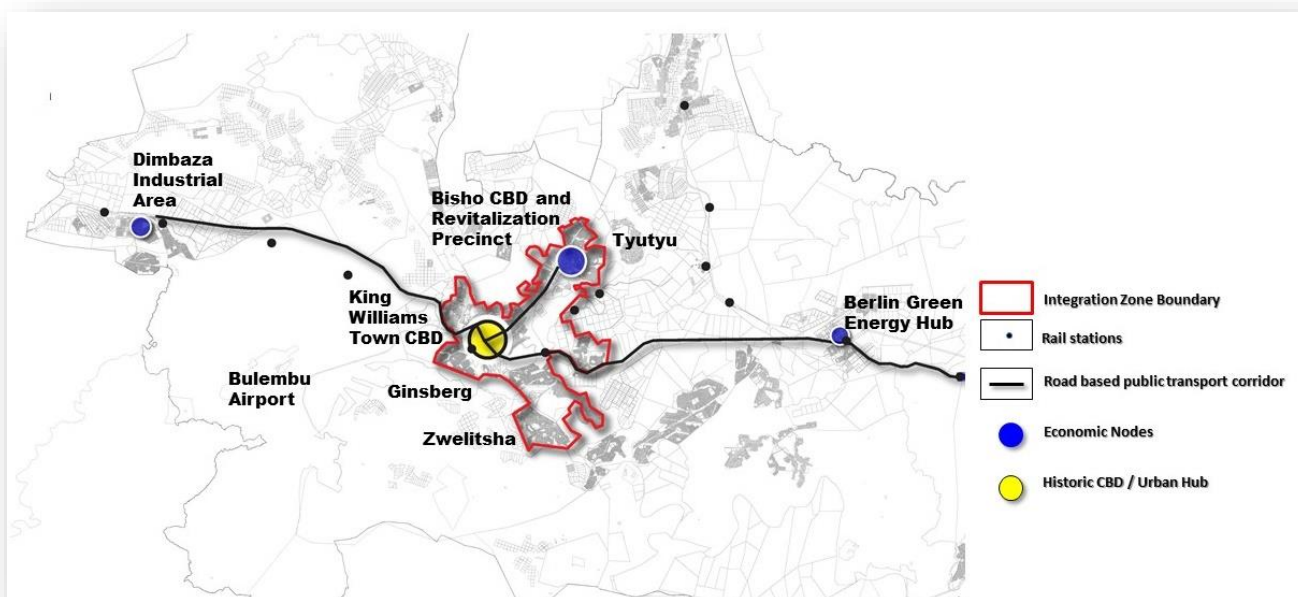


Figure B.12: Spatial Targeting: Secondary Integration Zone (Source: BCMM BEPP 2019-20)

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 35 412. This area is additionally surrounded by and serves a large rural hinterland population therefore plays an important role and function within the rural to urban continuum as envisaged in the IUDF.

King William's Town has been identified as a key secondary regional service node within the metropolitan context. As noted in the 2013 SDF, 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.

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 public transport and 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 townships and urban environments in the area.

B1.2 BCMM Integrated Public Transport Plan

B1.2.1 BCMM Transport Register

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.

B1.2.2 BCMM Integrated Public Transport Network Operations and Implementation Plan (2018)

The BCMM IPTN Operations and Implementation Plan has undergone a series of consultative processes from May 2018 to date. Various proposals and options have been considered for implementation. Based on the budget implications of the various options and the non-availability of funding for the implementation of a full-fledged IPTN system, a hybrid approach has been favoured over the roll out of a full-fledged IPTN Network in the Metro. The hybrid approach considers the provision of Trunk Services only with feeder routes being serviced by existing independent operators, through the coordination of an operating company. The current proposal looks at a 3-year transition phase and 8-year period for the roll out of IPTN services. The first

phase of the project is planned to cover the MELD Corridor and the second phase will cover the Zwelitsha – Bisho – King William’s Town Corridor.

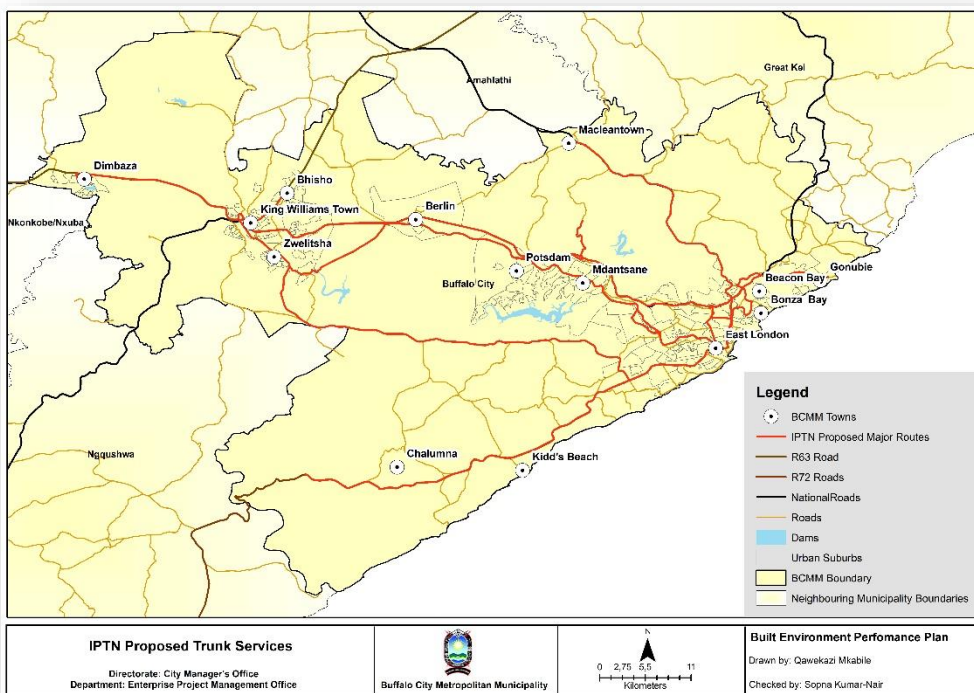


Figure B.13a: Proposed Trunk Services only IPTN (Source: BCMM IPTN: 2018)

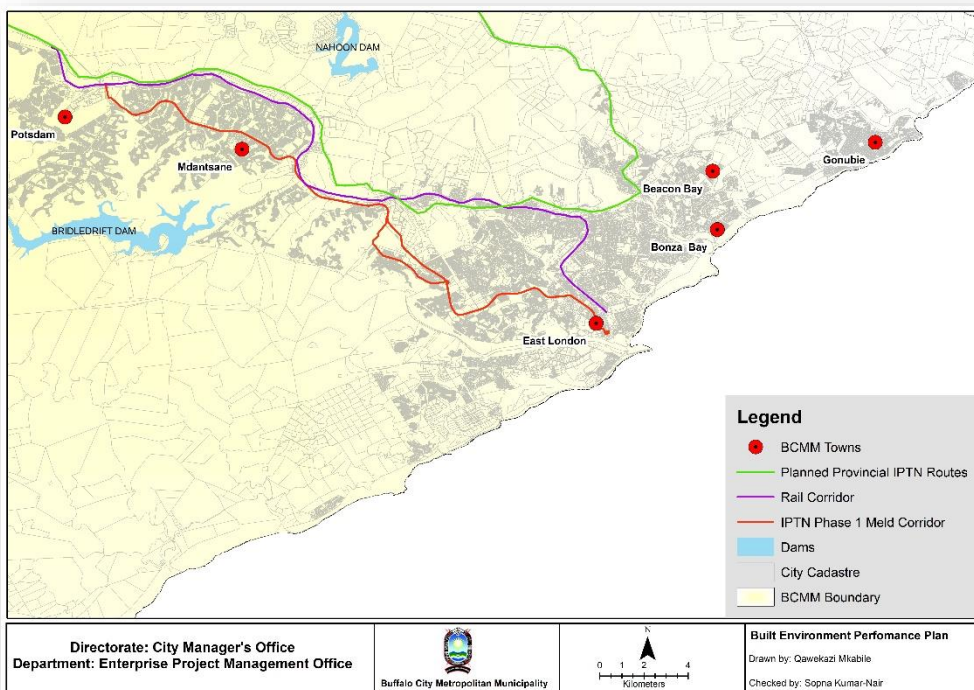


Figure B.13b: IPTN Trunk Services: Phase 1 MELD Corridor (Source: BCMM IPTN: 2018)

Green routes indicate planned Provincial IPT Routes, Red routes indicate the BCMM IPTN and Purple indicates the Rail Corridor

B1.3 Marginalised Residential Areas

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's draft review of its Integrated Sustainable Human Settlements Plan (ISHSP) has largely focused on the demand and needs around state subsidised housing. It has been noted that further extensive work on the analysis of needs around the remaining residential property market is vital in order to promote the development of a greater mix of housing types and options within the Metro. This will align the needs of the residential market as well as provide a holistic vision to meet desired impacts of spatial transformation. The draft document has therefore not been finalised. In the absence of the finalised 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.

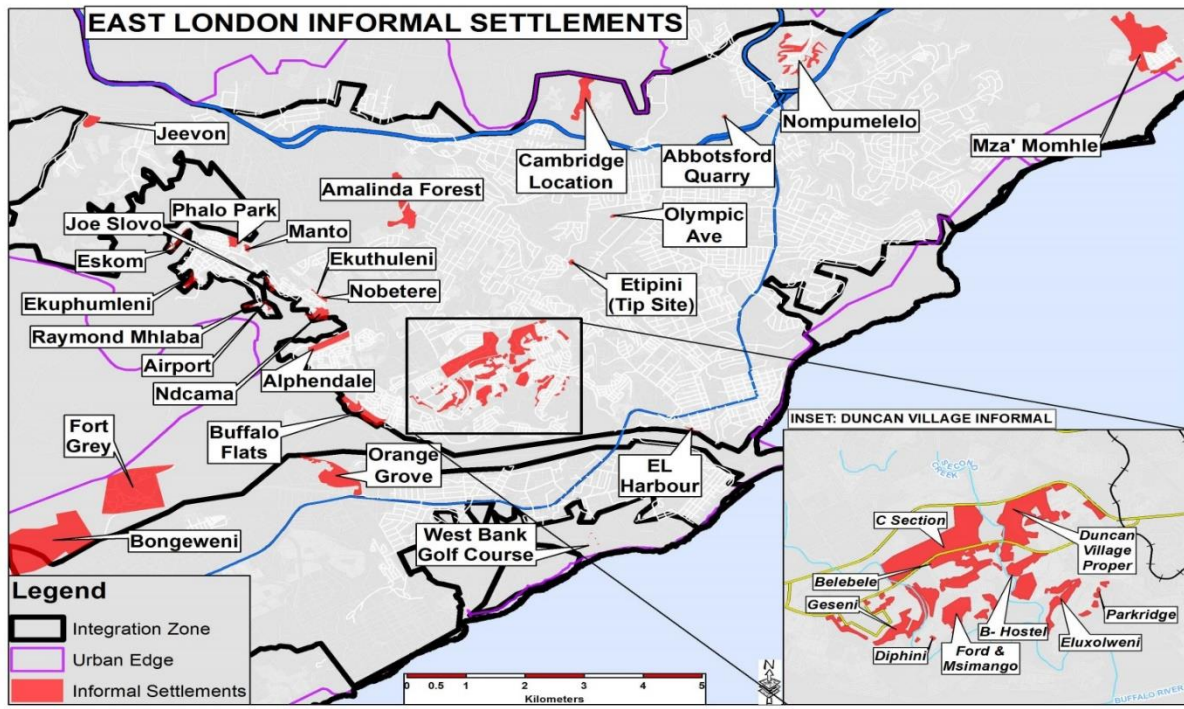


Figure B.14a: East London Urban Informal Settlements (Source: Informal Settlements Study, 2010)

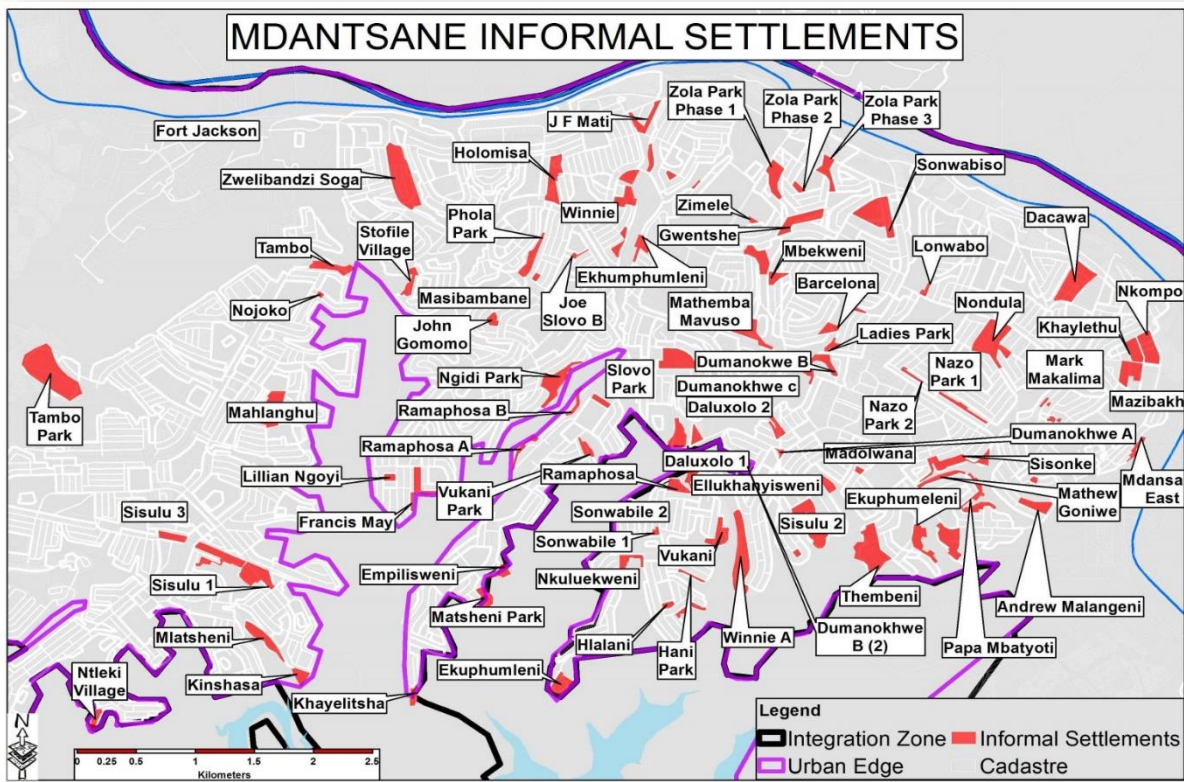


Figure B.14b: Mdantsane Urban Informal Settlements (Source: Informal Settlements Study, 2010)

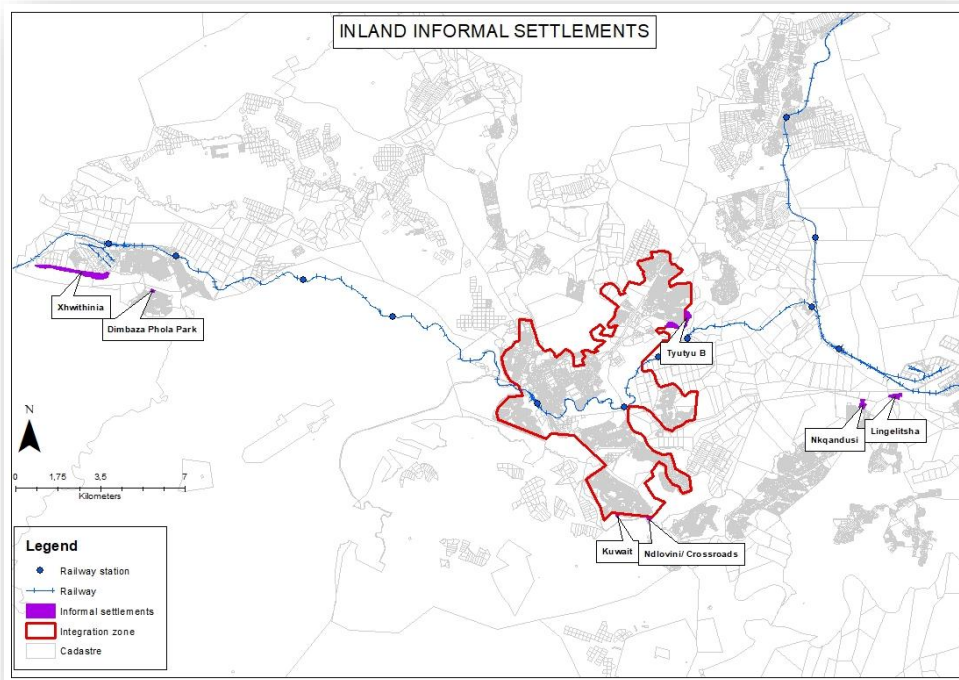


Figure B.14c: Urban Informal Settlements within the Secondary Integration Zone
 (Source: Adapted from the Informal Settlements Study, 2010)

B1.3.1 Marginalized Areas within the Primary Integration Zone

It is noted that all marginalised areas require public intervention in order to bridge the developmental gap in these areas. Through transversal engagement both within the municipality and with provincial and national spheres it is required that resources are aligned in order to impact on quality of living within marginalised 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, Potsdam, Reeston	Zola Park 1,2,3; Sonwabiso; JF Mati; Holomisa; Winnie; Zimele; Gwentshe; Mbekweni; Barcelona; Lonwabo; Dacawa; Nkompo; Khaylethu; Nondula; Ladies Park; Nazo Park 1,2; Mark Makalima; Mazhibakh; Mdanstane East; Mathew Goniwe; Sisonke; Dumanokhwe A; Andrew Malangeni; Papa Mbatyoti; Thembeni; Dumanokhwe B(2); Winnie A; Sisulu 2; Ekuphumeleni; Madolwana; Elukhanyisweni; Daloxolo; Dumanokhwe B, C; Vukani; Hani Park; Sonwabile 1 & 2; Nkululekweni; Hlanlani; Ekuphumeleni; Empilsweni; Ramaposa; Ramaposa A, B; Vukani Park; Joe Slovo B; Slovo Park; Phola Park; Masibambane; John Gomomo; Stofile Village; Tambo; Zwelibandzi

	Soga; Nojoko; Mahlangu; Lillian Ngoyi; Tambo Park; Sisulu 1,3; Mlatsheni; Kinshasa; Khalelitsha; Ntleki Village; Tambo Park
West Bank	Orange Grove; Fort Grey; Bongweni; East London Harbour; West Bank Golf Course;
MELD Corridor Central: Amalinda; Braelyn; Scenery Park; Second Creek; Bonanza	Cambridge Location; Amalinda Forest; Phalo Park; Manto; Etipini; Abbotsford Quarry; Manto; Phalo Park; Eskom; Jeevon; Joe Slovo; Ekhumeleni; Ekuthuleni; Nobetere; Olympic Avenue; Buffalo Flats; Alphendale; Airport; Raymond Mhlaba; Ndcama;
Duncan Village	Duncan Village Proper; C Section; Parkridge; Eluxolweni; B-Hostel; Ford & Msimango; Diphini; Geseni; Belebele
Other	Nompumelelo; Mzamomhle

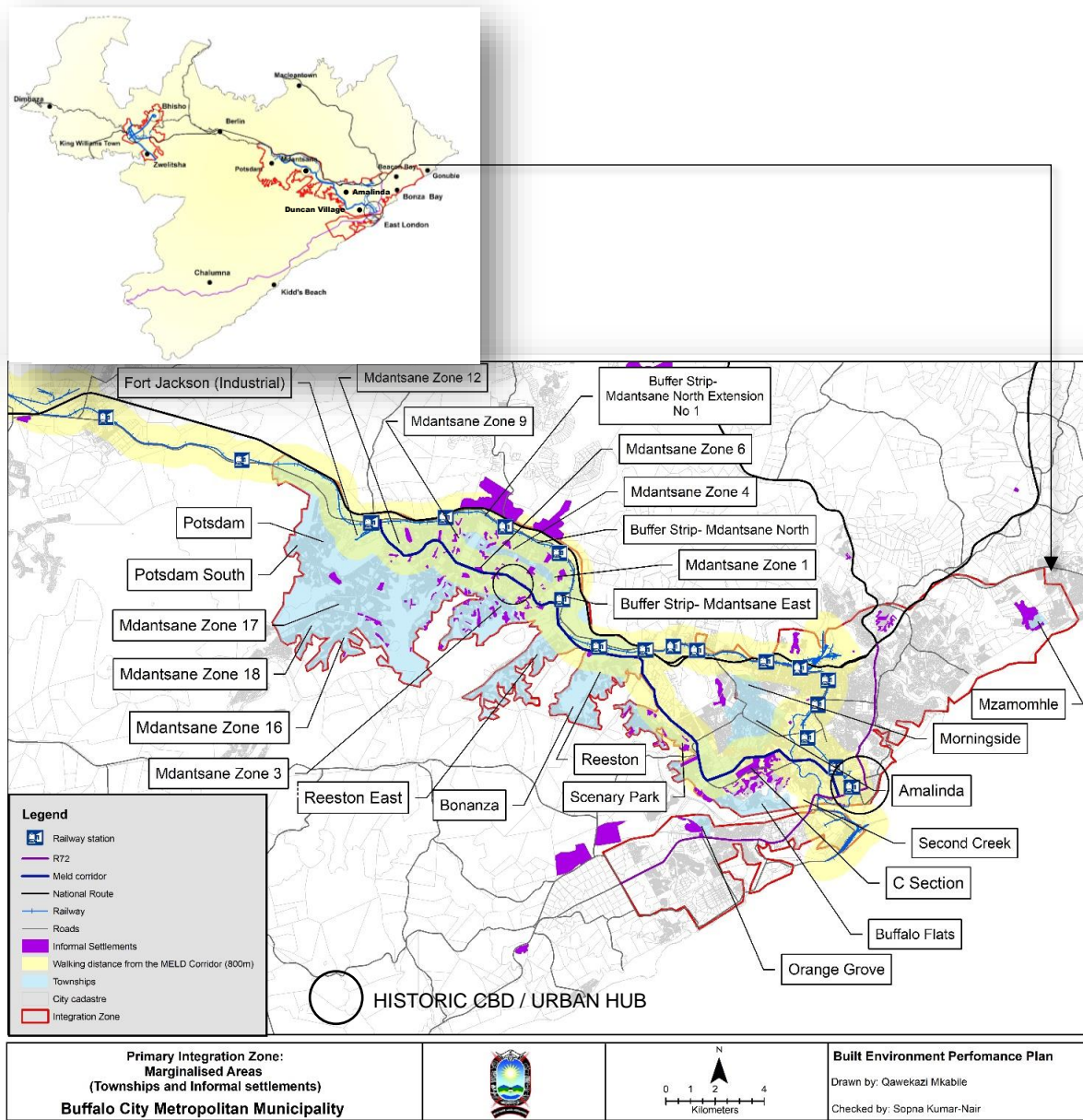


Figure B.15: Townships and Informal Settlements within the Primary Integration Zone (Source: BCMM BEPP 2019-20)

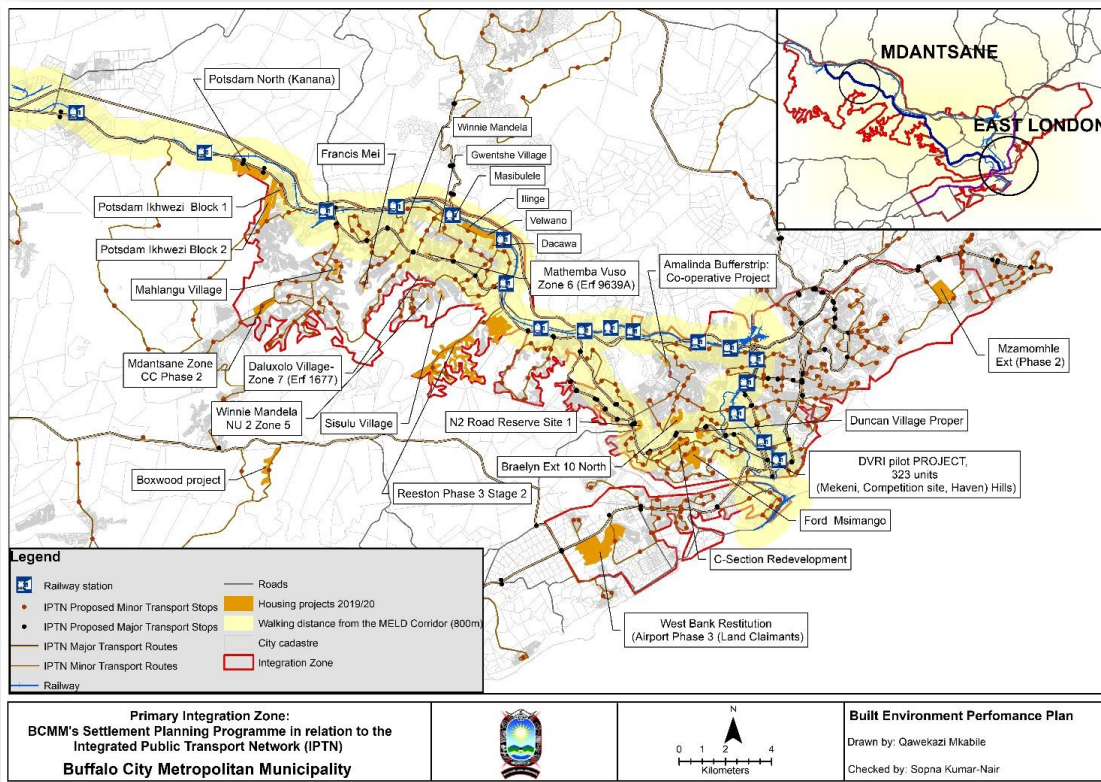


Figure B.16: Primary Integration Zone: BCMM's Settlement Planning Programme in relation to the IPTN (Source: BCMM BEPP 2019-20)

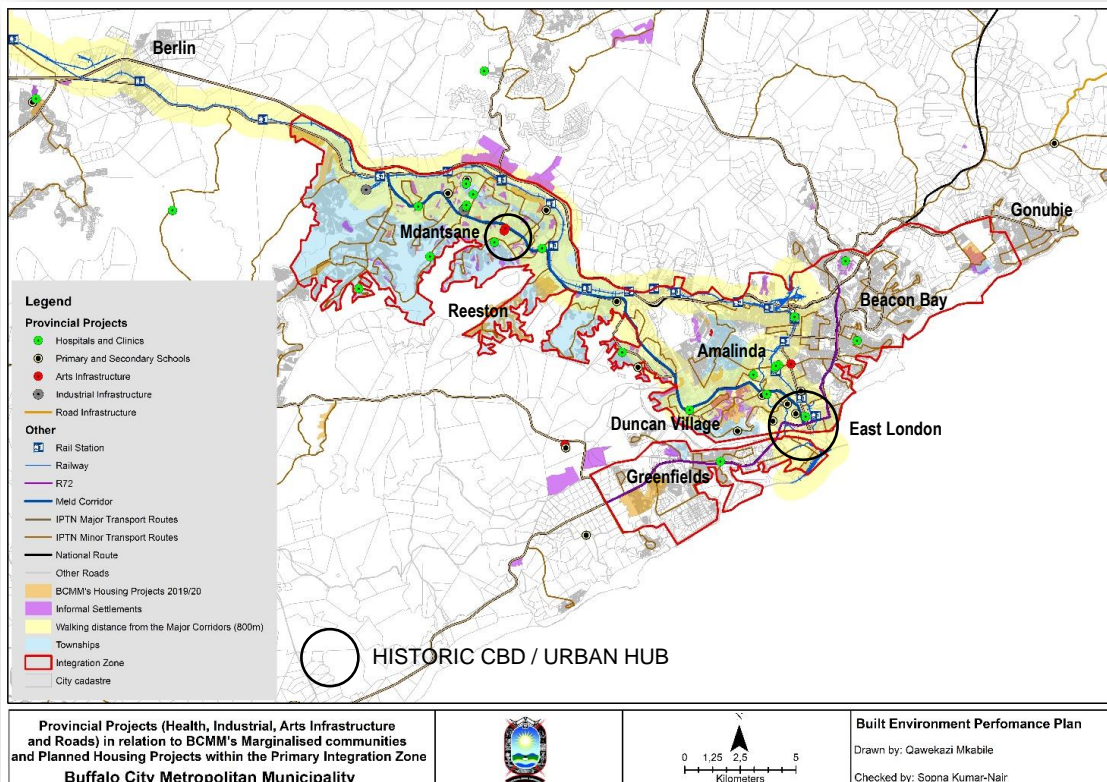


Figure B.17: Primary Integration Zone: Provincial Projects in relation to BCMM's Settlement Planning Programme (Source: BCMM BEPP 2019-20)

B1.3.2 Marginalized Areas within the Secondary Integration Zone

The following table outlines existing townships and Informal Settlement within the Secondary Integration Zone. Berlin, Dimbaza, Phakamisa and Ndevana are townships within the immediate surrounds of the secondary integration zone.

Townships	Informal Settlements
Ginsberg; Zwelitsha; Breidback;	Tyutyu; Kuwait; Ndlovini; Crossroads

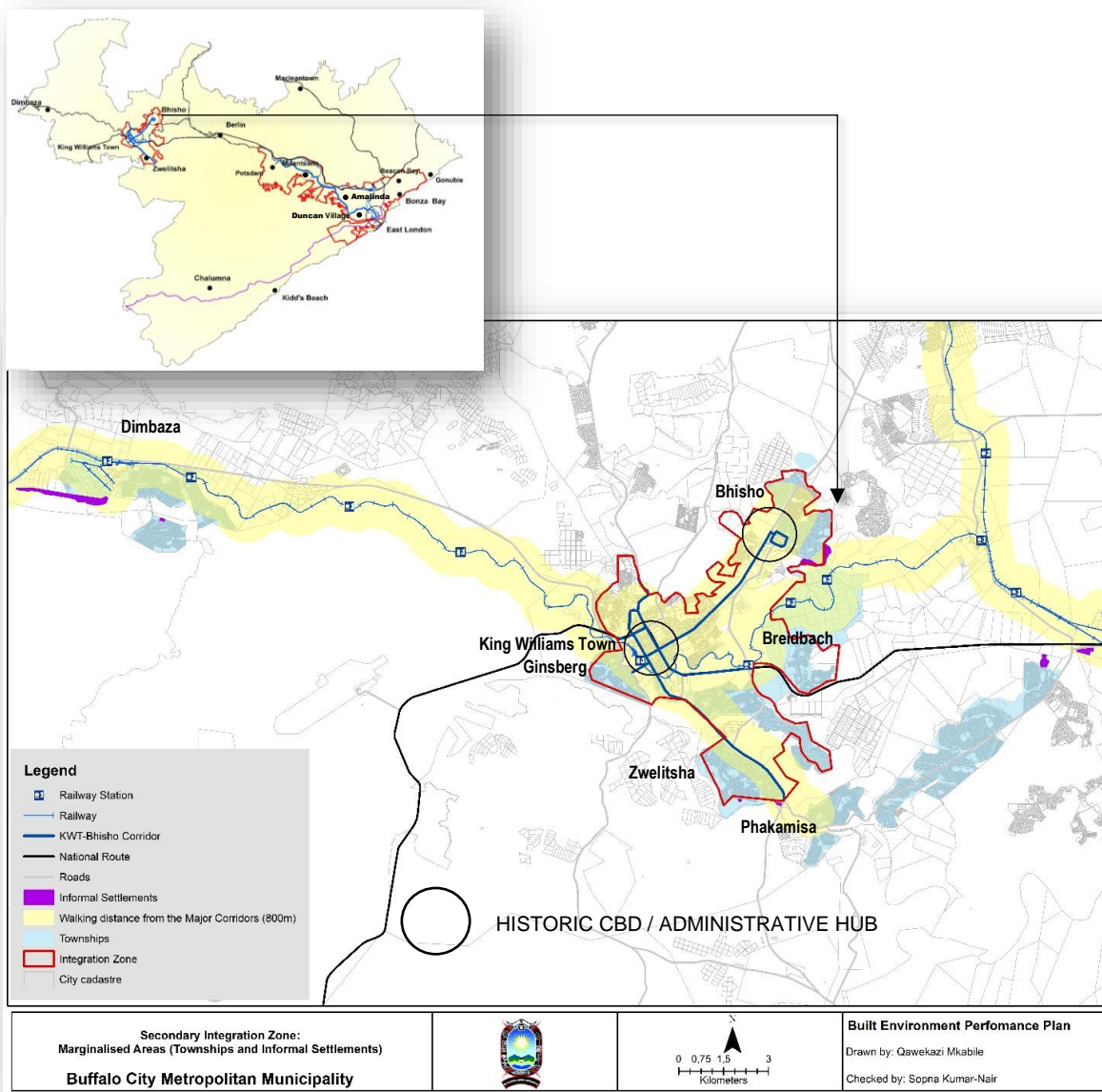


Figure B.18: Marginalised Areas within and surrounding the Secondary Integration Zone (Source: BCMM BEPP 2019-20)

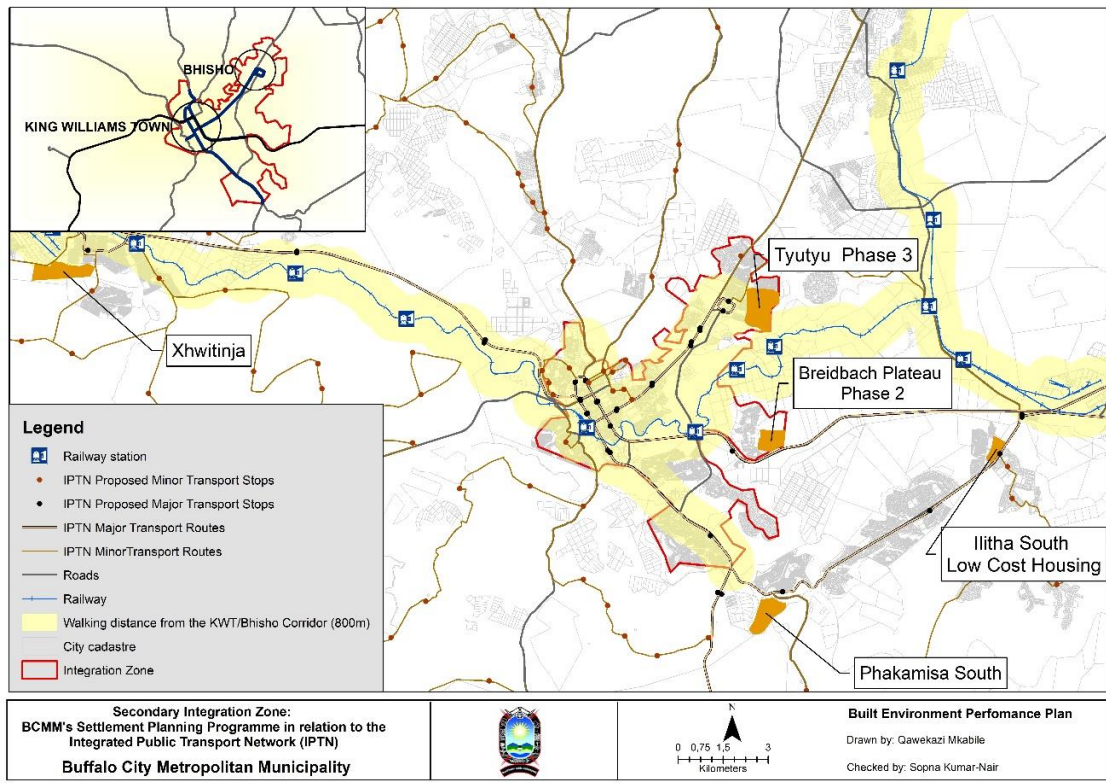


Figure B.19: BCMM's Settlement Planning Programme within the Secondary Integration Zone (Source: BEPP 2019-2020)

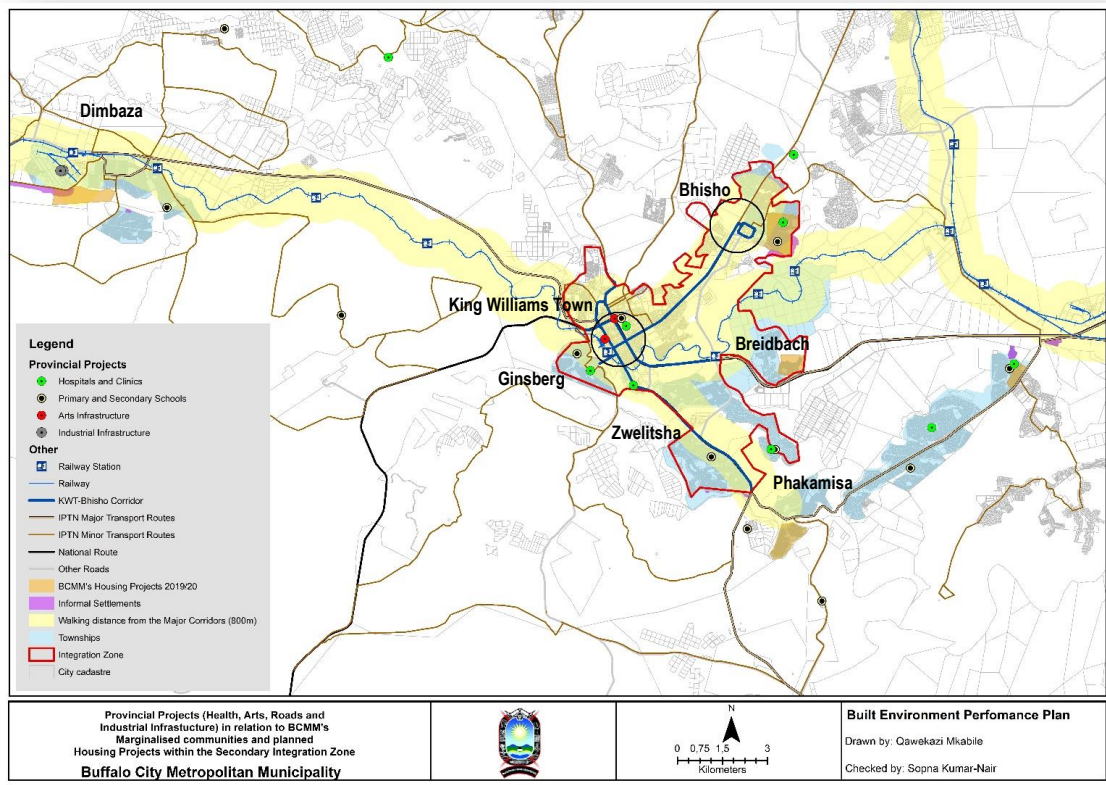


Figure B.20: Secondary Integration Zone: Provincial Projects in relation to BCMM's Settlement Planning Programme (Source: BCMM BEPP 2019-20)

B1.3.3 City wide marginalised rural communities outside the Primary and Secondary Integration Zones

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

B1.3.4 Planning for the Upgrade of Informal Settlements

The following Table highlights the key initiatives that BCMM has progressed with in terms of planning for the upgrade of informal settlements. A further set of projects have been prioritised through the National Upgrading Support Programme (NUSP).

Informal Settlements: Planning Activities		Status of Detailed Planning	Key Issues
1.	West Bank Restitution	Planning has been completed and the Township Establishment has been approved. The area has been surveyed and the general plan has been approved.	
2.	East Bank Restitution	Planning has been completed and Township Establishment has been approved. EIA processes are currently underway.	Awaiting schedule of beneficiaries from the Regional Land Claims Commission so that extent of land to be

			acquired can be determined.
3.	Kwatshatshu Township Establishment	Subdivision and Rezoning of supported through Council.	Awaiting approval of COGTA and list of beneficiaries through DRDLR.
4.	Xhwitinja Township Establishment	Subdivision and Rezoning of supported through Council.	Awaiting approval of COGTA and list of beneficiaries through DRDLR.
5.	Ndondula	Planning has been completed and Township Establishment has been approved.	
6.	Ginsberg Township Establishment	Township Establishment underway.	Awaiting approval of Basic Assessment Report (BAR).
7.	Nompumelelo Area: Feasibility Study	Feasibility Study for a portion of the land has been approved, a feasibility study for a wider area is required to be done.	
8.	Smiling Valley Feasibility Study for Township Establishment	Township Establishment processes underway.	Land acquisition processes need to take place.
9.	Quenera Area: Feasibility Study	Draft Feasibility Study completed.	Township Establishment processes need to take place, which will be followed by land acquisition.
10.	Sonwabiso Informal Settlement: Feasibility Study	Feasibility Study completed, awaiting	Township Establishment processes need to take place, which will be followed by land acquisition.
11.	Cuba and Eluxolweni Township Establishment	Feasibility Study and Township Establishment requires to be done.	Transfer of land from Amatohle District Municipality to BCMM needs to be done.
12.	Emajantiyeni / Berlin / Lingelitsha Ph 1 and Ph 2.	Planning has been completed and the Township Establishment has been approved.	
13.	Mzamomhle Phase 3	Planning has been completed and the Township Establishment has been approved.	
14.	Hlahani Park	Planning has been completed and the Township Establishment has been approved.	

Source: BCMM Human Settlements and Spatial Planning Directorates

B1.3.5 Prioritised Projects from the National Department of Human Settlements

The National Department of Human Settlements (NDoHS) through the National Upgrading Support Program (NUSP) made funds available to municipalities, including BCMM, to develop an Informal Settlement Upgrading Policy and Strategy and to complete development plans for the in-situ upgrading of identified informal settlements. NUSP Round 1 in BCMM covered 32 identified informal settlements and through public participation from the affected communities, 32 development plans for the in-situ upgrading were developed. BCMM Informal Settlement Upgrading Policy and Strategy was also developed. Council approved both the Informal Settlement Upgrading Policy and Strategy and Development plans on the 25th of November 2015. Implementation of the approved development plans has however been a challenge due to departments indicating that the development plans are not in line with their requirements in order to implement. Below is the list of informal settlements included in NUSP Round 1.

NUSP Round 1 Informal Settlements		No. of Informal Structures
1.	Amalinda Forest	1184
2.	Andrew Mlangeni	89
3.	Barcelona	37
4.	Bisho-Tyutyu	465
5.	Cambridge Location	1341
6.	Dimbaza South ext. 3 Phola Park	35
7.	Duncan Village -Gesini	185
8.	Duncan Village – New Rest	250
9.	Eluxolweni	701
10.	Holomisa	120
11.	Reeston- Jevon	115
12.	Zwelitsha- Ndlovini / Crossroads	65
13.	Ladies Park	41
14.	Lonwabo	31
15.	Mahlangu	214
16.	Mbekweni	53
17.	Mdantsane- Dacawa	253

18.	Mdantsane – Daluxolo 1	111
19.	Mdantsane - Khaylethu	150
20.	Mdantsane – Mark Makalima	40
21.	Mdantsane - Masibambane	35
22.	Mdantsane - Nkomponi	172
23.	Mdantsane – Phola Park	150
24.	Mdantsane – Slovo Park	280
25.	Mdantsane – Stofile Village	75
26.	Scenery Park - Airport	39
27.	Scenery Park - Eskom	79
28.	Scenery Park - Ekuphumleni	98
29.	Scenery Park - Manto	96
30.	Scenery Park – Phola Park	209
31.	Winnie	164
32.	Zola Park 1,2 and 3	97
	TOTAL	6974

Source: BCMM Human Settlements Directorate

A second round of projects were further identified for upgrade as part of the NUSP. As in the case with NUSP Round 1, National Department of Human Settlements appointed a service provider to prepare development plans to upgrade the additional informal settlements. Below is the list of informal settlements included in NUSP Round 2.

NUSP Round 2 Informal Settlements		Ownership / Property description	No. of units	Est. Population 2008
1.	Diphini - Duncan Village	Erf 34876; RE/32680	816	3100
2.	Bebelele - Duncan Village	To be confirmed	1028	3906
3.	Nondula - Mdantsane	Erf 3053 - 3056; 3099; 3100; 3098	445	1691
4.	Nazo Park 1 & 2 - Mdantsane	(To be confirmed) - Erf 3046	33	125
5.	Gwentshe - Mdantsane	(BCMM) - Erf 9626	28	106
6.	Ekhupumleni 2 - Mdantsane	(BCMM) - Erf 3394	53	201
7.	Ramaphosa A - Mdantsane	(To be confirmed) - Erf 1369; 1394	60	148
8.	Ramaphosa B - Mdantsane	(To be verified)	90	342

9.	Ramaphosa - Mdantsane	POS next to erf 2542 & 2589	60	228
10.	Lilian Ngoyi - Mdantsane	(BCMM) - Rem erf 4976	60	228
11.	Mlatsheni – Mdantsane	(BCMM) - Farm 1404	96	365
12.	Masibakhe - Mdantsane	(BCMM / Private) Erf 9945; 9946; 9941; 921; 10114; 907; 908; 909; 910; 911	195	741
13.	Elukhanyisweni - Mdantsane	(BCMM) - Erf 5102	27	102
14.	Zimele - Mdantsane	(BCMM) - Erf 10446 - 10448; Rem 9614; 10441; 10442	11	42
15.	Mathemba Vuso-Mdantsane	(BCMM) - Erf 9548; 9637; 9638; 9639	180	684
16.	Ekhuphumleni - Mdantsane	(To be verified) - Erf 1107; 1108; 1202	70	266
17.	JF Mati - Mdantsane	(BCMM/Private) - Erf 58; 79; 91; 92; 93	72	273
18.	Duma Nokhwe A - Mdantsane	(BCMM) - Erf 6169	20	76
19.	Duma Nokhwe B -Mdantsane	(BCMM) - Erf 6172	89	338
20.	Duma Nokhwe C -Mdantsane	To be confirmed	54	205
21.	Vukani Park - Mdantsane	To be confirmed	32	121
	TOTAL		3519	13288

Source: BCMM Human Settlements Directorate

B1.3.6 BCMM's Prioritised Informal Settlements Programme

BCMM's Prioritised Informal Settlements Upgrade Programme of projects for 2019-20 funded through the USDG is outlined in the Table below.

Approved Projects for Implementation	Description	Allocated Budget (2019-20)	Status of Detailed Planning
Boxwood Project	Green field relocation from Orange Grove	R 20 000 000.00	Planning
Breidbach Services Project	Green field relocation from backyard dwellers from Breidbach and Qalashe informal settlement	R 3 000 000.00	Implementation
Potsdam Ikhwezi BI 1		R 20 000 000.00	
Potsdam Ikhwezi BI 2		R 250 000.00	
Reeston Phase 3 Stage 2	Green field relocation from Duncan village	R 30 000 000.00	Project complete
Reeston Phase 3 Stage 3	Green field relocation from Duncan village	R 5 000 000.00	Project complete

Potsdam North Kanana		R	3 000 000.00	
Ilitha North 177 Units	Informal settlement upgrade	R	10 000 000.00	Implementation
D Hostel	Informal settlement upgrade	R	2 500 000.00	HDA implementation processes
Duncan Village Proper	Informal settlement upgrade	R	3 500 000.00	HDA implementation processes
Mdantsane Z 18 Cc Ph 2	Green field relocation from Mdantsane infill areas	R	35 000 000.00	Implementation
Amalinda Co- Op	Green field relocation from Amalinda coop TRA	R	8 000 000.00	Procurement
Amalinda Fairlands	Green field relocation from Duncan Village	R	-	Planning
Cluster 1	Informal settlement upgrade	R	16 000 000.00	Project stalled
Cluster 2	Informal settlement upgrade	R	25 476 590.00	Project stalled
Cluster 3	Informal settlement upgrade	R	16 805 000.00	Implementation
Duncan Village Comp/Site	Informal settlement upgrade	R	3 000 000.00	HDA implementation processes
Block Yard TRA	Informal settlement upgrade	R	3 250 000.00	Project resuscitation process underway
Braelyn Ext 10	Informal settlement upgrade	R	3 000 000.00	Design stage
Tyutyu Phase 3	Informal settlement upgrade	R	7 000 000.00	Implementation
West Bank Restitution	Green field relocation around East London (restitution project)	R	12 000 000.00	Procurement stage
C Section & Triangular Site	Informal settlement upgrade	R	3 550 000.00	HDA implementation processes
Mzamomhle: Peoples Housing Process	Green field relocation from Mzamomhle back yard dweller and overflow from projects that are close by.	R	2 000 000.00	Planning
Ford Msimango	Informal settlement upgrade	R	2 500 000.00	HDA implementation processes HDA
N2 Road Reserve	Informal settlement upgrade	R	1 000 000.00	HDA implementation processes
Xhwitinja	Green field relocation.	R	500 000.00	Planning
Phakamisa South	Green field and Informal settlement upgrade	R	8 000 000.00	Infrastructure upgrade

The following Informal Settlement Upgrade Projects are being prepared for implementation in the current (2019-20) financial year, with implementation scheduled to take place in 2020-21. These projects will be funded through the Upgrade of Informal Settlements Programme (UISP) Grant.

UISP Approved Projects (2020-21)	Allocated Budget
Amalinda Co- Op	R 2 000 000.00
Amalinda Fairlands	R 500 000.00
Berlin Lingelitsha	R 3 000 000.00
Block Yard Tra	R 500 000.00
Braelyn Ext 10	R 32 000 000.00
C Section & Triangular Site	R 15 000 000.00
D Hostel	R 10 000 000.00
Duncan Vill Comp/Site	R 4 912 500.00
Duncan Village Proper	R 18 000 000.00
East Bank Restitution	R 1 500 000.00
Ekuphumleni	R 1 500 000.00
Empilisweni	R 1 500 000.00
Ethembeni	R 1 500 000.00
Ford Msimango	R 10 000 000.00
Ginsberg	R 1 500 000.00
Hani Park	R 1 500 000.00
Hlalani	R 1 500 000.00
Iiitha Sportsfield	R 1 500 000.00
Khayalitsha	R 1 500 000.00
Kwatshatushu	R 1 500 000.00
Matsheni Park	R 1 500 000.00
N2 Road Reserve	R 5 000 000.00
Phola Park	R 1 500 000.00
Potsdam Ikhwezi BI 2	R 16 575 500.00
Potsdam North Kanana	R 35 500 000.00
Slovo Park	R 1 500 000.00

Risks associated with Human Settlement upgrade programmes and projects:

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. 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. 	

B1.4 Economic Nodes

Economic nodes are seen as vital to the functioning and performance of the urban spatial economy as well as for maintaining sustainable livelihoods. Economic nodes should accordingly be identified and prioritised. (NT Guidance Note, 2017). The City is currently busy with assembling **incentive schemes to promote private sector investment** within strategic economic nodes as well as within its catalytic programmes and strategic city-wide initiatives.

B1.4.1 Economic Nodes / Employment Centres within the Primary Integration Zone

The Table below classifies all key economic nodes within the city into three categories: established nodes, emerging nodes and declining nodes. Spatial targeting implies that all

economic nodes which fall within corridors of accessibility in close proximity to marginalised areas need to be prioritised and promoted for consolidation.

The Port, the Mercedes Benz South Africa complex, the ELIDZ and Airport together form a strategic corridor of investment which drives the economy of East London. As such it is an area of focus which is introduced into the 2019-20 BEPP as a catalytic programme for further consolidation.

Established Nodes / Employment Centres	Emerging Nodes	Declining Nodes
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		

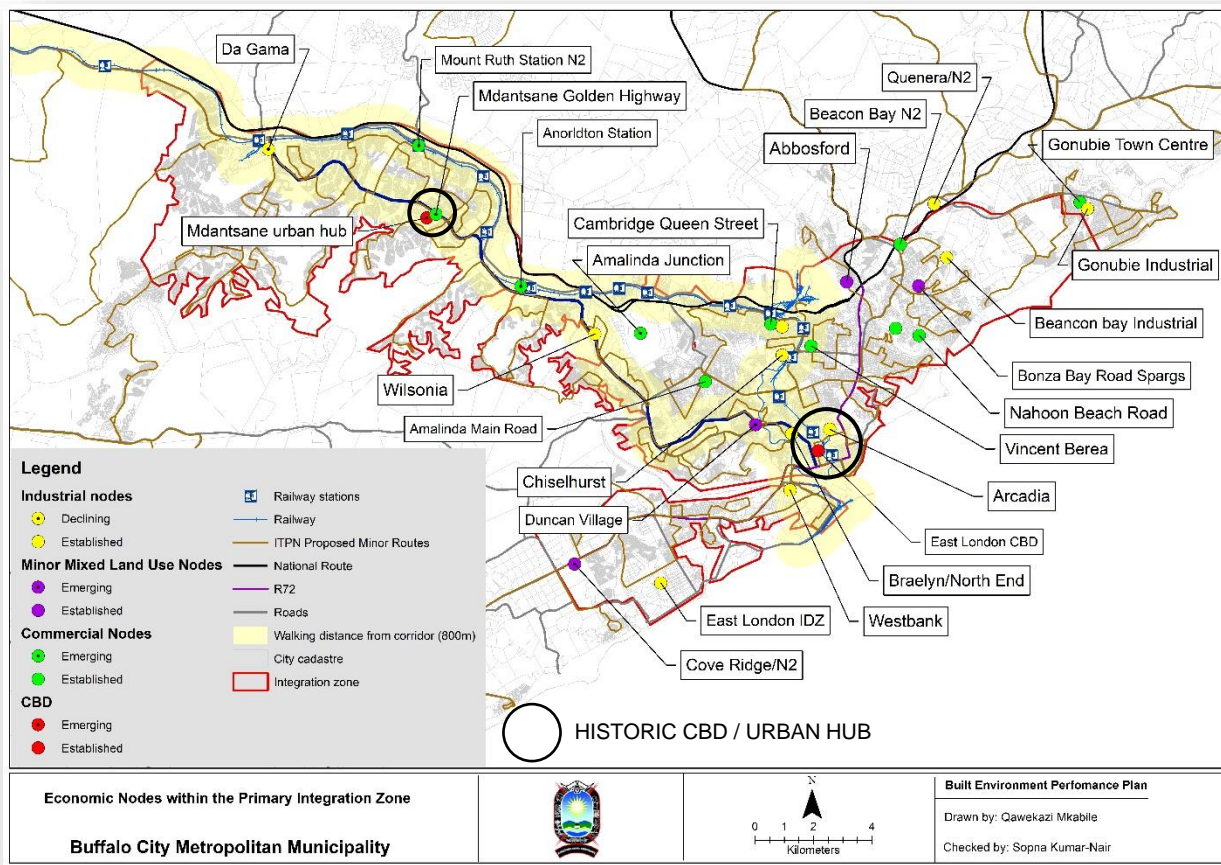


Figure B.19: Economic Nodes within the Primary Integration Zone (Source: BCMM BEPP 2019-20)

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).

Current initiatives and projects of the ELIDZ include:

Project name	Project description	Budget allocation for 2019-20	Budget Source	Phase of project
IOX International Sea Cable	Landing of an international sea cable	R63m for meet-me-room phase 1	Provincial Treasury/DTI	Advanced
KGI Holdings	BPO Facility of 300 seats then a move to 3000 seats (9000 jobs)	Budget currently awaited from the DTI. To be adjudicated on the 29 th March 2019.	DTI	Advanced. Pilot already running. Phase 2 to commence as soon as funding is secured. Will create 900 jobs and there is a need for BCMM assistance with transport, housing, schooling.
SMME Factory Units	Factory units for the SMME sector	Application with the DTI lodged but outcome currently unknown.	DTI	Application submitted.
Multi-Purpose ICT Hub	A multi-purpose facility for the 3000-seater BPO facility, a 1000-seater disaster recovery center and an ICT academy	R701m is the funding requirement but it has not yet been sourced.	Funders not yet approached.	Concept and feasibility concluded.
Clari-Cluster	Part of the Factory Units project with the need for 5 SMME's to be created to support raw material supply	No funding secured yet, but application is in with the DTI.	DTI	Application submitted.

	and off-take from Clariter's processes			
Energy Manufacturing Cluster	Another entity to be located in the Factory Units project.	Application to DTI submitted and DTI have already funded the cluster via their cluster program.	DTI funded the cluster and now a request has been submitted for them to fund the Factory Units.	Pilot already established and cluster is operational. The ELIDZ now needs a facility to house the cluster in the zone itself.
Smart Park/City Program	Conversion of the ELIDZ into a Smart Industrial Park with the potential to roll out services into the city	Concept prepared and the ELIDZ is currently seeking budget	USTDA have rejected funding the project but the DBSA and GEF are considering this now.	Concept complete and fundraising activities have commenced.

Source: East London IDZ

Prioritized Revitalization of Industrial areas

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.

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. Over and above the West Bank, these areas are; The North End, Wilsonia, Fort Jackson, Berlin, Zwelitsha and 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.

Other Industrial nodes

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. The node has been earmarked for further investment by the Eastern Cape Development Corporation (ECDC).

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.

B1.4.2 Economic Nodes / Employment Centres within the Secondary Integration Zone

Established Nodes / Employment Centres	Emerging Nodes	Declining Nodes
CBD's		
King Williams Town CBD	Zwelitsha Town Centre	None
Commercial nodes		

Schornville		
Minor Mixed Land Use Nodes (Existing)		
None		
Administrative Node		
Bhisho		

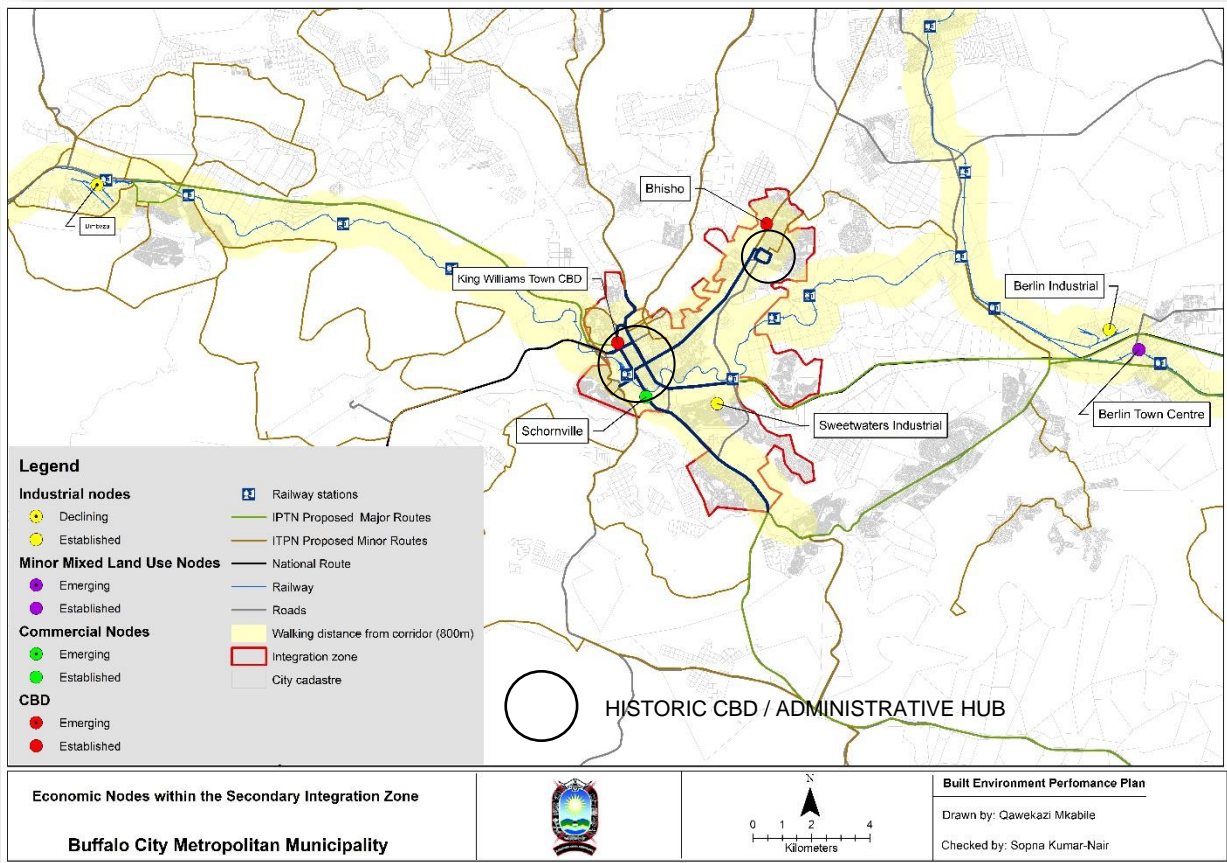


Figure B.20: Economic Nodes within and around the Secondary Integration Zone (Source: BCMM BEPP 2019-20)

In King Williams Town, industrial properties are located in close proximity to the station and generally serve the needs of the local market. As alluded to in Section B1.1.3 Industrial areas of Dimbaza and Berlin are located outside the secondary integration zone but in close proximity to the catalytic programme area. The initiatives to upgrade these economic nodes are found in the following section.

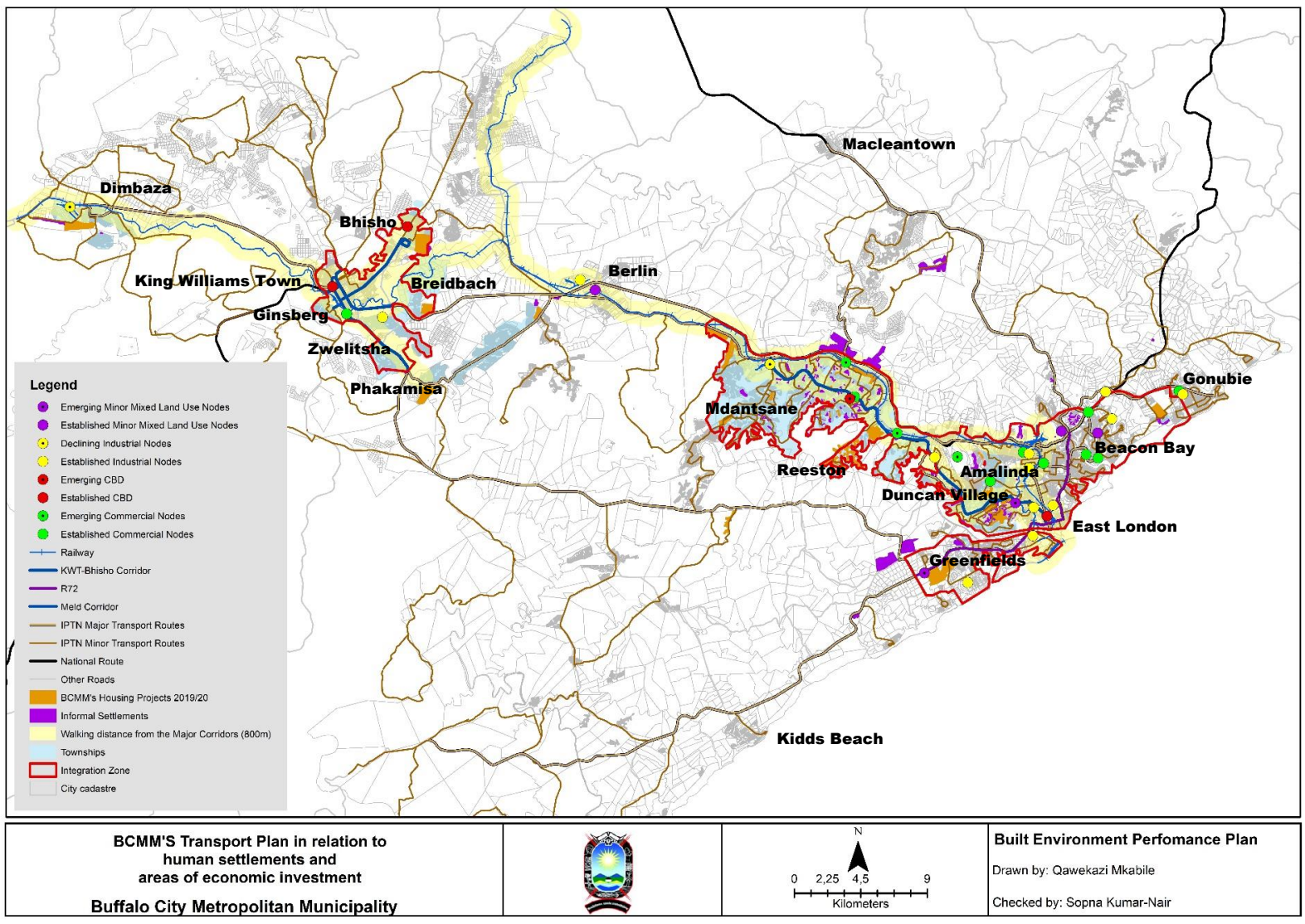


Figure B.21: Consolidated Map showing Marginalised Areas in relation to Public Transport as well as access to Nodes of Employment / Economic Nodes (Source: BCMM BEPP 2019-20)

B1.4.3 Economic Nodes / Employment Centres outside the Integration Zones

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

Prioritized Economic Nodes outside the Integration Zones

Dimbaza Industrial Node

The Dimbaza Industrial Node, which has suffered high levels of urban decay, has been prioritised by the ECDC for investment promotion. 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 Department of Trade and Industry (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.

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.

B2. PLANNING FOR SPATIALLY TARGETED PRECINCTS

B2.1 Integration of Climate Risk & Vulnerability: Impact on Spatially Targeted Areas

As outlined in Section A4 above, BCMM's Integrated Environmental Management Planning (IEMP) unit has prepared a number of strategic documents with reference to Climate Change and implications for BCMM. The weblink provided below gives access to the list of Climate Change related studies that have been undertaken by the IEMP Unit.
<http://www.buffalocitymetro.gov.za/Documents/Index/378>

As alluded to in Section A4, BCMM's Disaster Management Unit has prepared a Terms of Reference for the preparation of a detailed Climate Risk and Vulnerability Assessment Study for BCMM. The project will be funded through the adjustment budgets and the outcomes of the study will inform the 2020-21 BEPP.

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

B2.2.1 East London Central Business District (CBD)

In terms of the Urban Network Strategy, East London CBD is the primary hub and historic core for the Buffalo City Metropolitan Area. A number of planning studies have been done for the East London CBD and Inner-City 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 for a large centrally located parcel of land which is under city ownership.

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:

Projects	Actions
Initiating CBD Revitalisation	<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)
Precinct Design Civic Centre Complex and ancillary uses	<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
Development of remainder of vacant land	<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

The Inner City of East London 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

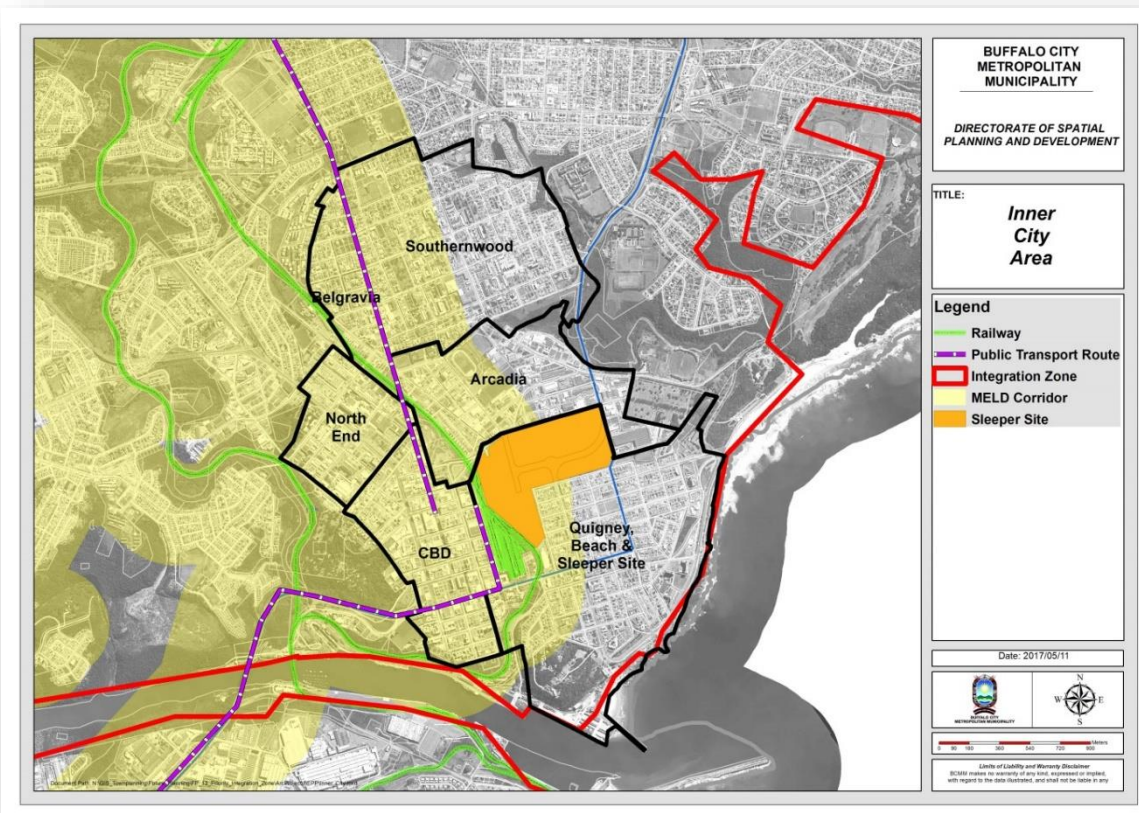


Figure B.24: Plan depicting the Inner City (Source: BCMM Spatial Planning and Development)

Southernwood and Belgravia

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.

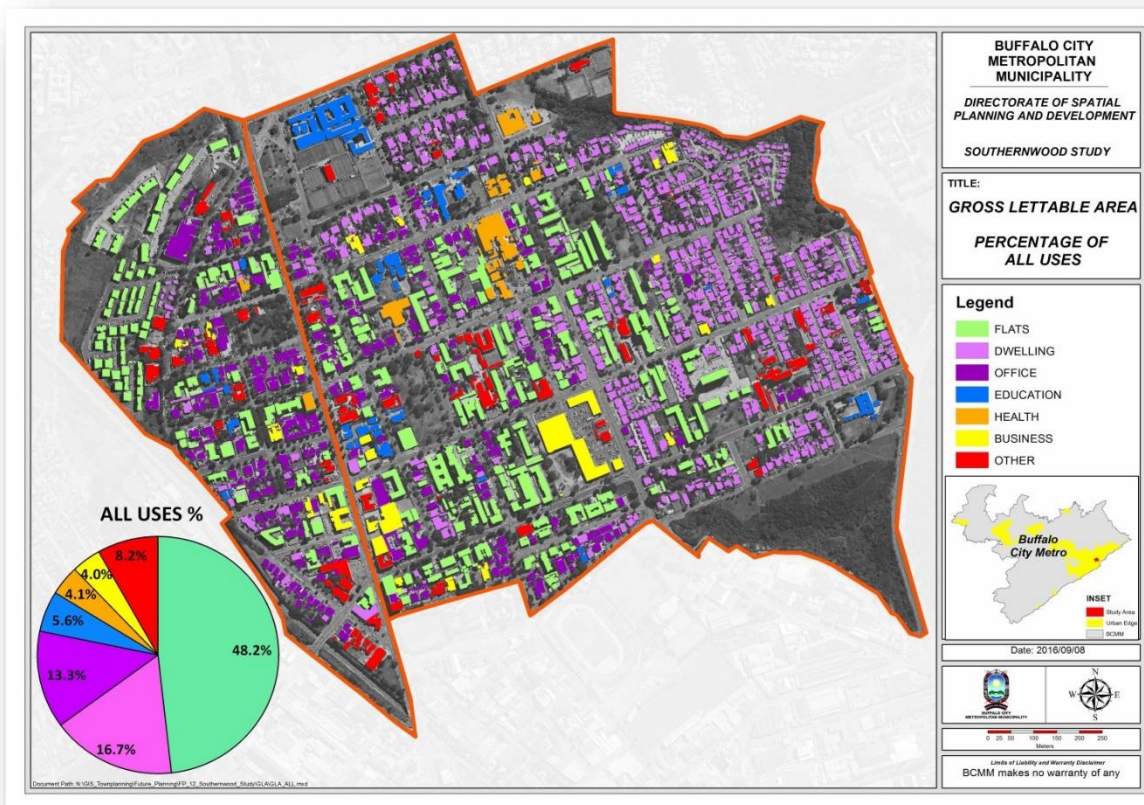


Figure B.25: Southernwood, Belgravia Inner city land use plan (Source: BCMM Spatial Planning and Development)

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

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.

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.

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.

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.

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.

B2.2.2 Precinct Plan for the Upgrade of the East London Beachfront

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)

Preparation of detailed designs and working drawings have been completed for the Court Crescent Precinct on the Esplanade and the Water World Precinct on the West Bank. The drawings have been submitted to BCMM for approval and the above two mega projects are scheduled for implementation in the short term. The focus on the Esplanade will bring about the much-needed facelift to the city's main beachfront area.

B2.2.3 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.

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.

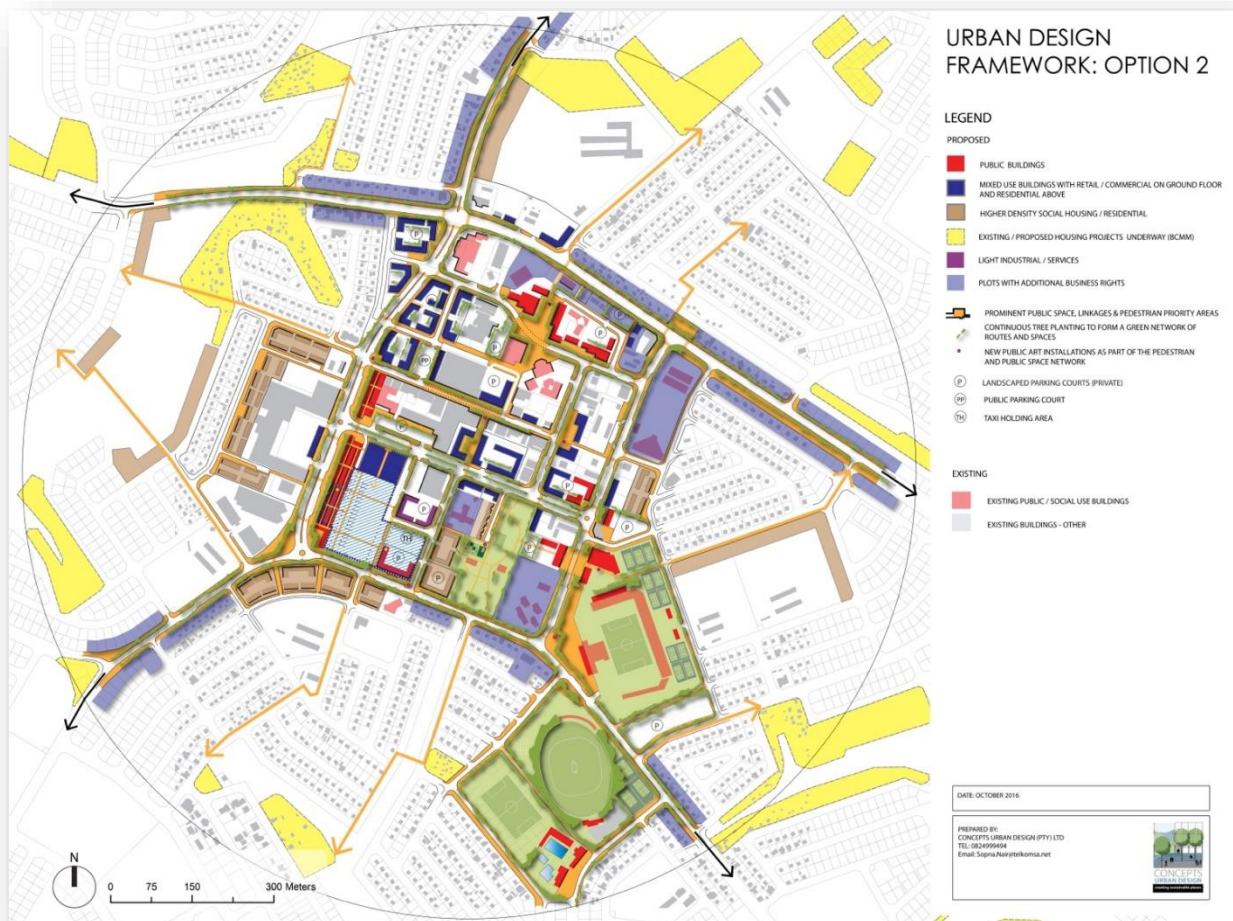


Figure B.26: Mdantsane Urban Hub Precinct Concept Plan - Preferred Option (Source: Precinct Plan for the Mdantsane Urban Hub, 2016)

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 Housing 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

B2.2.4 Precincts which form part of the MELD Corridor

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 Urban Hub.
- Mount Ruth Nodal Precinct.
- Arnoldton Nodal Precinct.
- The Amalinda Junction
- Vincent Commercial Node

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.

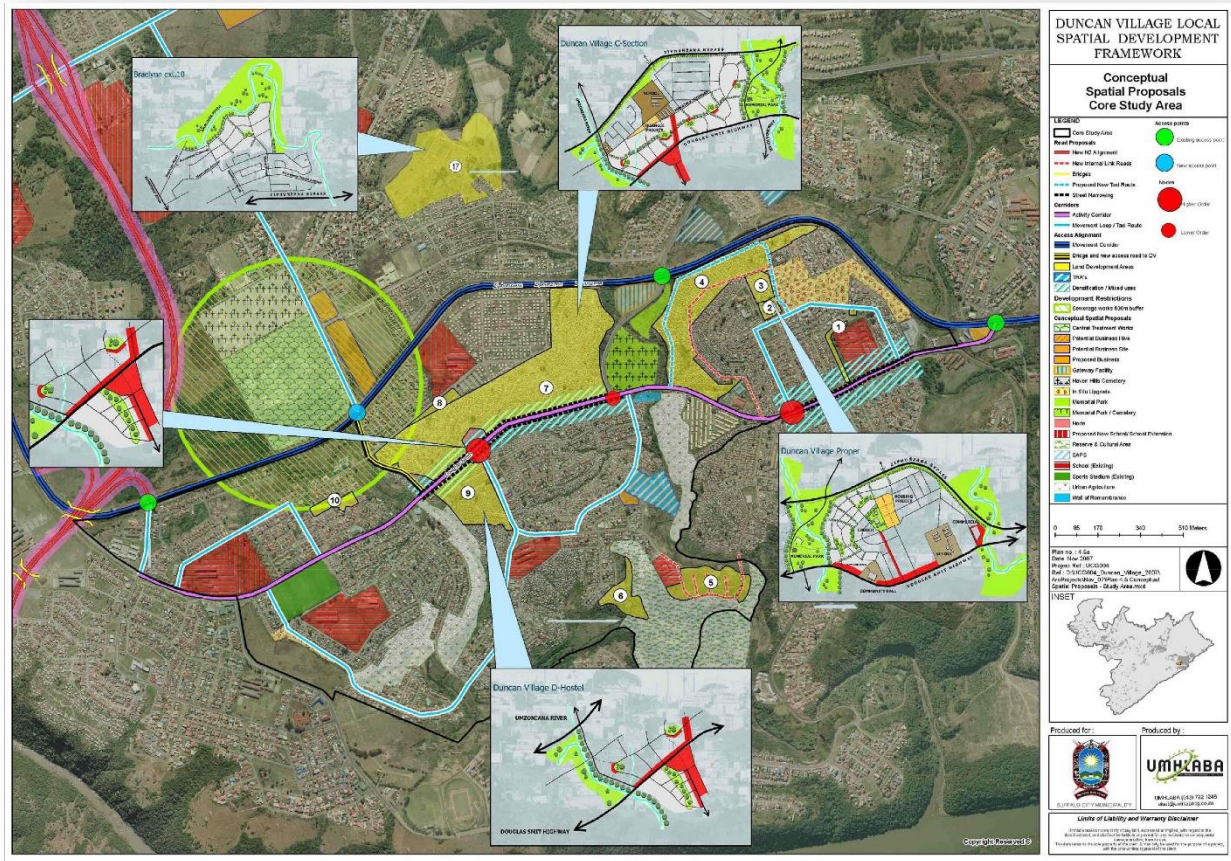


Figure B.27: Duncan Village Spatial Proposals (Source: Duncan Village LSDF, 2009)

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 water-wise.
	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.

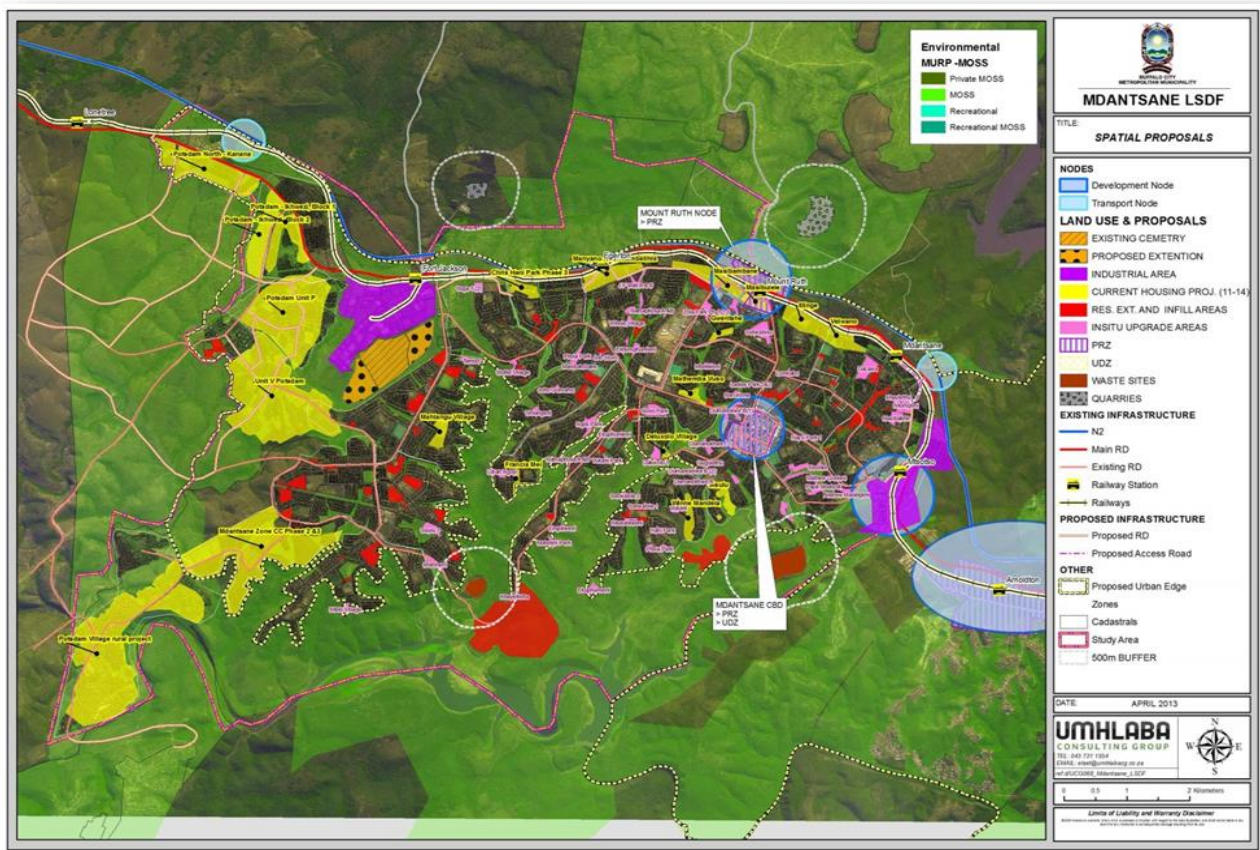


Figure B.28: Mdantsane Township: Spatial Proposals (Source: Mdantsane LSDF Review, 2013)

The Mdantsane LSDF 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
	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
Economic Development Programme	Acquisition, release and development of land around the Mount Ruth Station for hawker stalls and small business purposes
	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

North West Corridor

The North-West Corridor (NWC) is a planned corridor which 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:

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

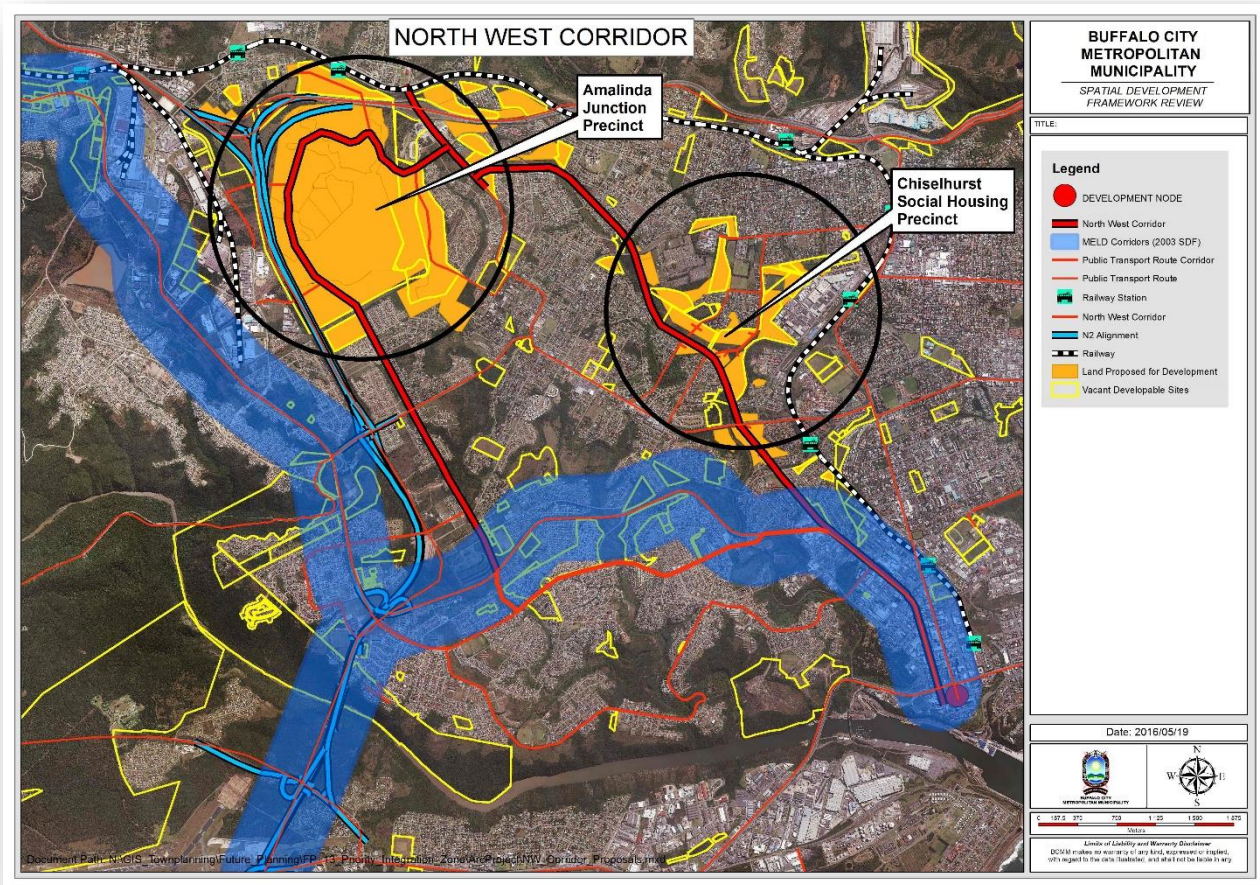


Figure B.29: North West Corridor showing the two major Precincts (Source: BCMM Spatial Framework Review, 2013)

B2.3 Local Area Planning / Precinct Plans for Priority Precincts: Secondary Integration Zone

B2.3.1 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.

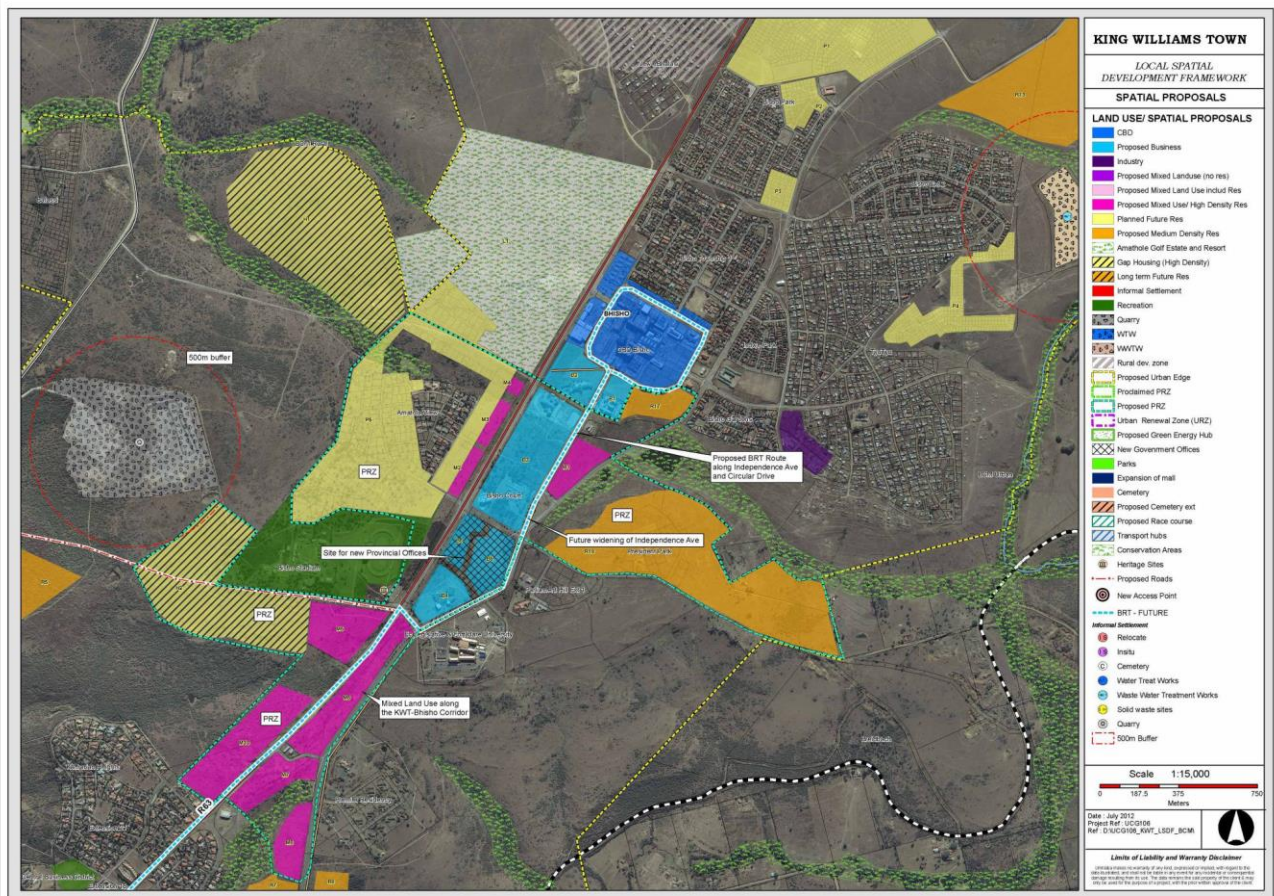


Figure B.29: Bhisho Revitalisation Precinct (Source: Bhisho King William’s Town LSDF, 2013)

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
Short to Medium Term Projects (2-5 years)	1. Strategic Spatial Implementation Framework
	2. Bhisho CBD Upgrade and Parking Strategy
	Independence Avenue Ceremonial Boulevard
	New Office Precincts: Phase 1

	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)

B2.4. Precinct Planning and Policy Around Economic Nodes

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 turnaround 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:

- 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.

- 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.
- Finalisation of the Integrated Agriculture and Rural Development Strategy. There is a draft that requires finalization and adoption by Council.
- Tourism Strategy review. The strategy was adopted by the Council in 2006 and is due for review.
- Finalization of the SMME Strategy
- Finalization of the BCMM Cooperative Development Strategy
- Development of the Informal Sector Strategy
- Development of the BCMM Heritage Policy
- Development of the Arts, Culture and Heritage Strategy

B2.4.1 West Bank 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 turn-over 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).

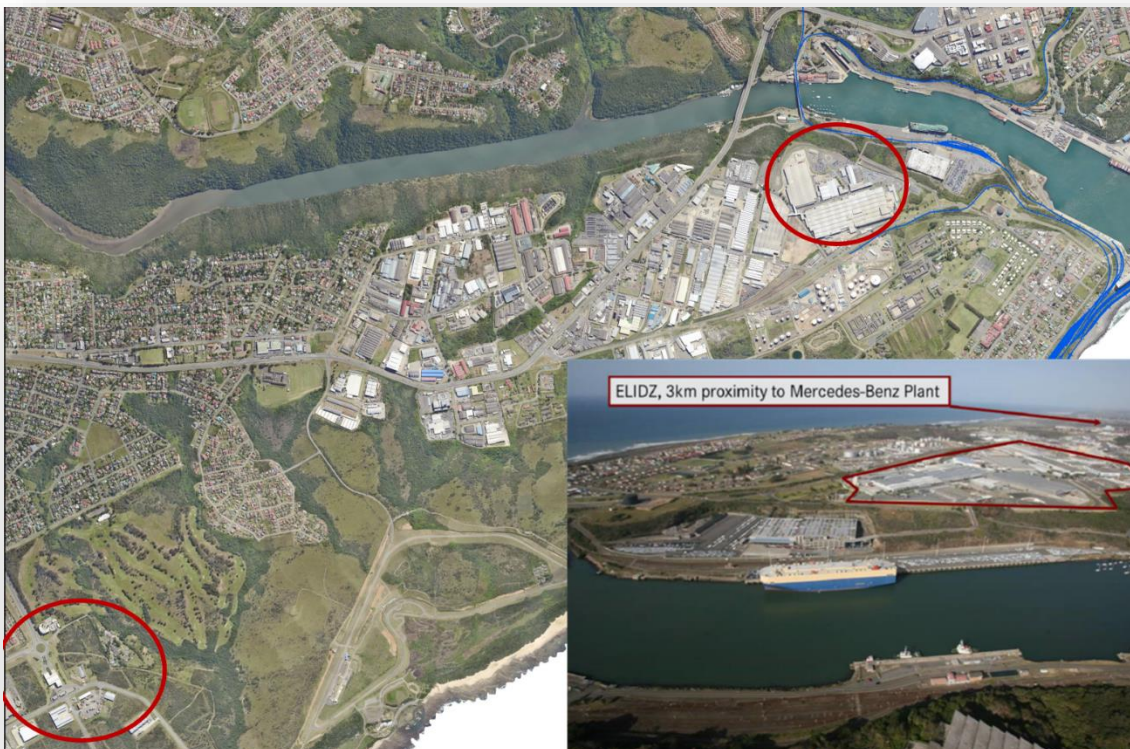


Figure B:31: Proposed expansion of the Mercedes Benz Plant

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.

B2.4.2 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

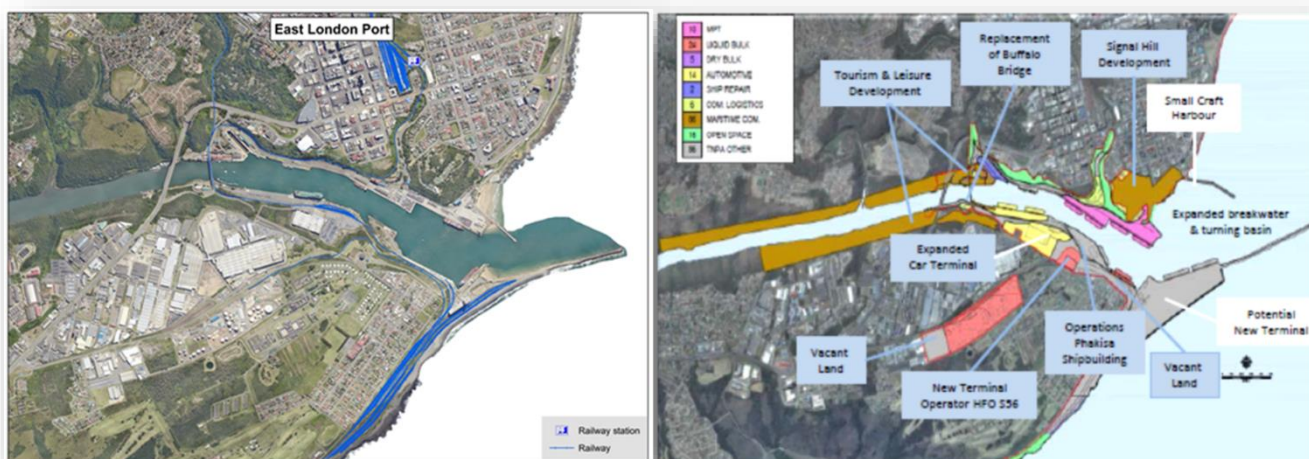


Figure B.32: Proposed Port expansion – Medium to Long Term (Source: Port of East London)

Whilst the above plans are afoot, the deepening of the port to accommodate bigger vessels is not on the cards yet though the presence of the Board of the National Ports Authority in East London in March 2019 has highlighted the issues faced by the Port and commitments at a National level to improve the status quo have been made.

The above-mentioned projects, in the main, will contribute immensely to the tourism product offerings in the city has far reaching implications for the entire regional economy.

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.

B2.4.4 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.

Dimbaza Agri-Park

As alluded to in Section B1.4.3, 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

B2.4.5 East London Airport

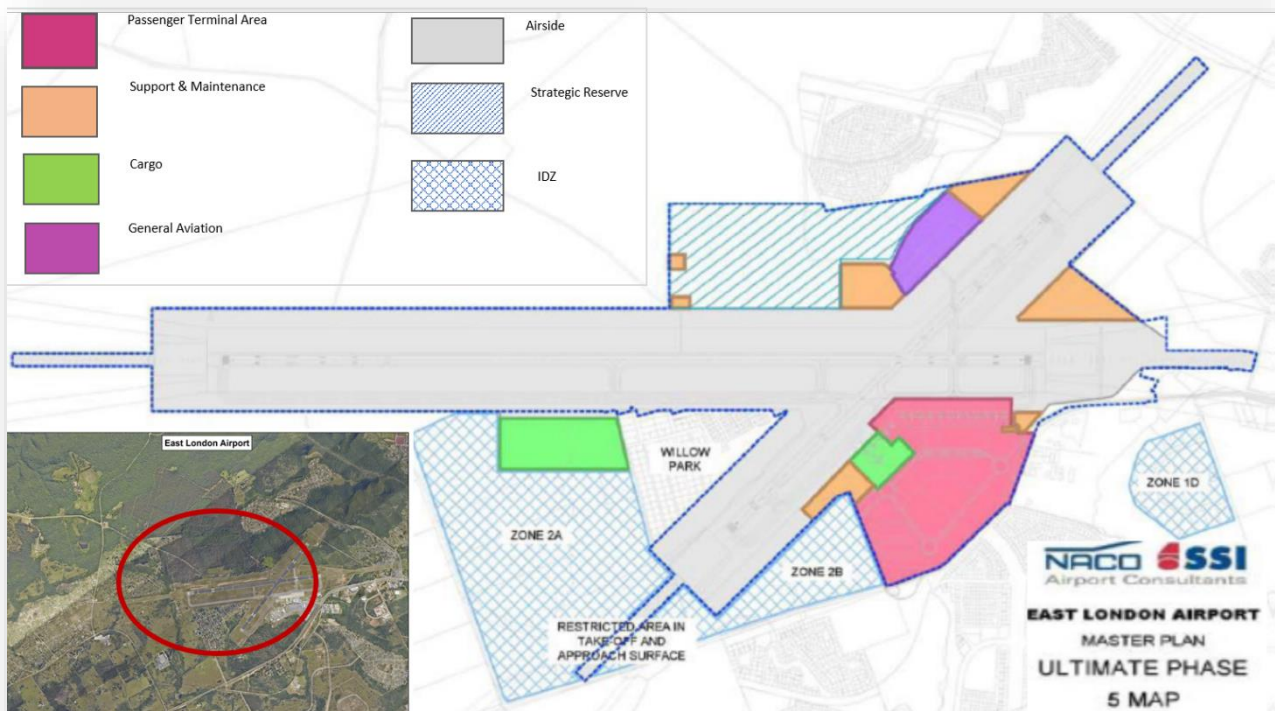


Figure B.35: Proposed airport expansion plan (Source: ACSA 2018)

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.

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.

Every effort has been made to engage with other spheres of government and state-owned enterprises that have been part of the BEPP process to date. Additional partners such as ACSA,

who were not part of the 2018-19 BEPP process were able to engage and attend the 2019-20 IGR meetings.

As outlined in Section A4, all scheduled BEPP Task Team and IGR meetings as per the BEPP Process Plan have been conducted with fair attendance from invited stakeholders (see minutes of meetings attached in Annexures 6 & 7). Additional meetings were held in order to convene with stakeholders who were unable to attend previous sessions. Where stakeholders attended and took part in meetings, genuinely interactive sessions were had and discussions on joint planning and budgeting were fruitful.

Organizations and representatives that formed part of the above two Task Teams are identified in Annexure 6 and Annexure 7 of this document.

SECTION C : CATALYTIC URBAN DEVELOPMENT PROGRAMMES & PREPARATION

C1. CATALYTIC URBAN DEVELOPMENT PROGRAMME IDENTIFICATION

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

1. East London CBD and Inner-City Regeneration.
2. MELD Corridor Central.
3. Mdantsane Urban Hub.
4. West Bank Economic Corridor (Port – MBSA – IDZ – Airport).
5. Bhisho – King Williams Town – Zwelitsha Corridor.

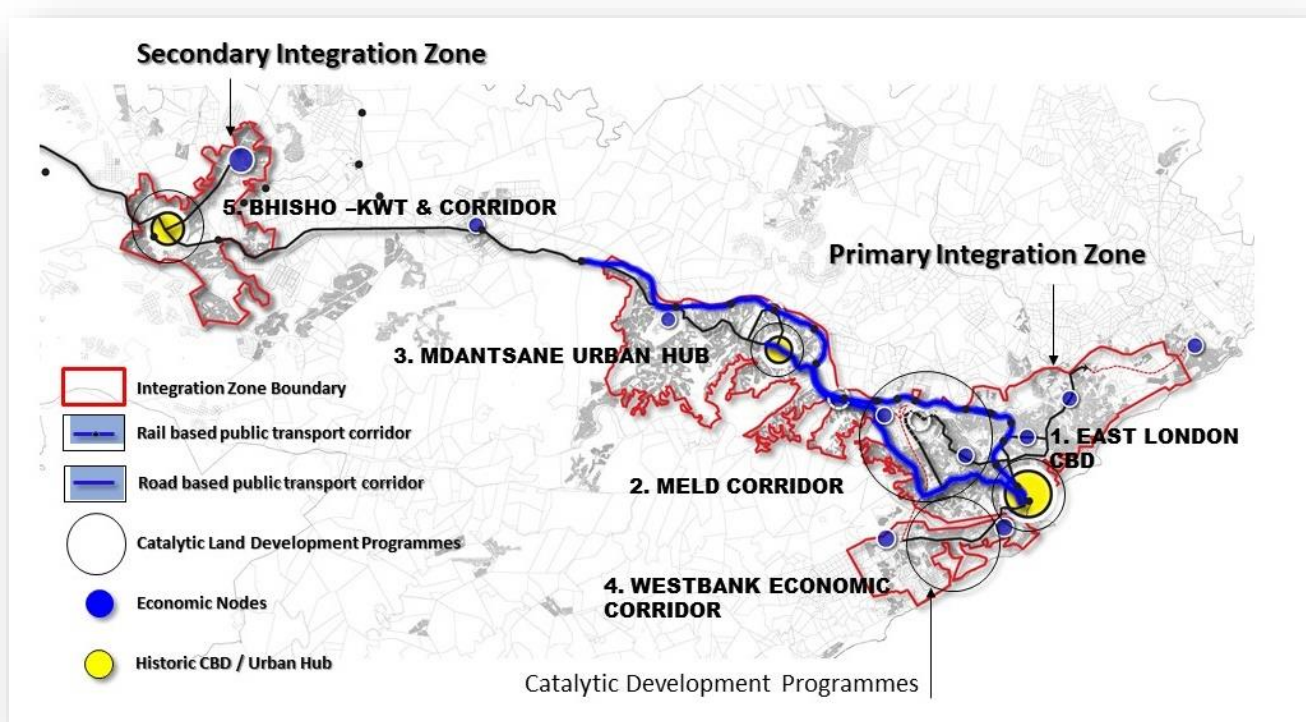


Figure C.1: BCMM: Catalytic Urban Development Programmes (Source: BCMM BEPP 2019-20)

C2. CATALYTIC URBAN DEVELOPMENT PROGRAMME PREPARATION

Annexure 1 of this document is a schedule of the Catalytic Urban Development Programmes of the BEPP and contains details of projects planned and budgeted for within the Primary and Secondary Integration Zones.

C2.1 East London CBD and Inner-City Regeneration Programme

The East London CBD and Inner-City Regeneration Programme fosters visible investment in the East London CBD and Inner-city area in order to promote a unique city identity as well as to spur additional investments in the centre of the city. High impact projects would focus on improving the quality of the area which would in turn strengthen investor confidence and growth.

The key planned sub-programmes and projects that form a part of this programme include;

- Buffalo City Knowledge and Innovation Precinct
- East London Beachfront Development
- Development of the Sleeper Site
- Development of the City to Sea Boulevard
- Development of the East Bank by Port Authorities (Signal Hill and Latimer's Landing)

Further projects that fall within this programme and details thereof are found in the Annexure 1: Catalytic Urban Development Programmes.

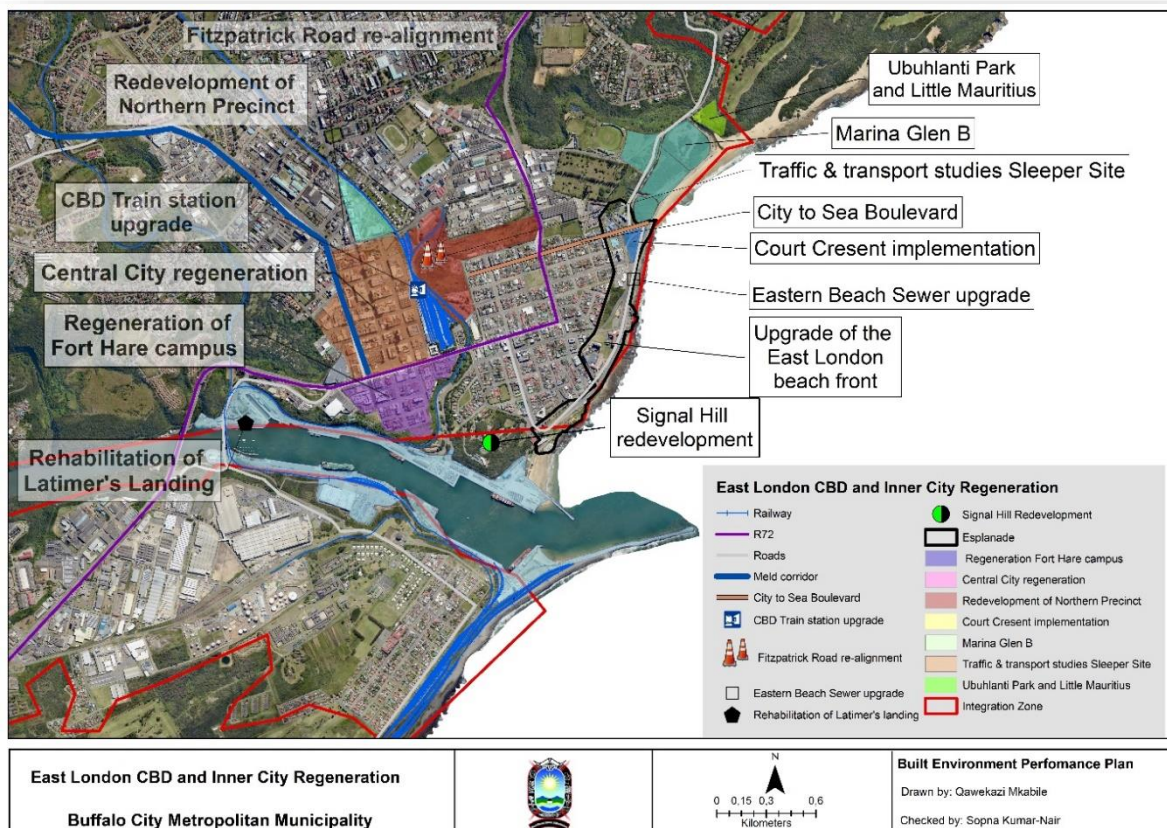


Figure C.3: BCMM: Current and planned projects within the East London CBD Urban Development Programme (Source: BCMM BEPP 2019-20) Refer Annexure 2.

C2.1.1 Buffalo City Knowledge and Innovation Precinct

The Buffalo City Metropolitan Development Agency (BCMDA) has engaged the Human Sciences Research Council (HSRC) to initiate a consultative process to unlock the regeneration of the Inner-City of East London. The following concept note on the Buffalo City Knowledge and Innovation Precinct is prepared by the HSRC (March, 2019) in collaboration with the BCMDA and City through discussions convened by the Municipality's Enterprise Management Office (EMO) and GTAC. The first phase of the project is concerned with the establishment of a City Improvement District and will be elaborated on further in Section F of the document which addresses urban management of key catalytic precincts.

The second phase of the project is structured around the universities and medical institutions – so-called “eds and meds” – which are anchored in the inner city. The project is a multi-stakeholder, multi-year initiative, which seeks to realise Buffalo City's potential through knowledge production and innovation, preparing it for the changes associated with the fourth industrial revolution. The project seeks to encourage the diversification of the urban economy through a strategy which builds on numerous small, significant interventions that seek to rebrand the inner city, forging a number of development nodes which are then connected as a coherent area to help to drive the city's broader growth. The development philosophy underpinning the initiative is predicated on a “massive small” approach which focuses on many little interventions which will have a large cumulative impact on the city's image and orientation. This kind of approach also builds confidence among stakeholders over time as impacts are realised.

Key “eds and meds” stakeholders participating in the project include: the University of Fort Hare in the south city-centre, Walter Sisulu University in the central business district (CBD), and Buffalo City TVET college on the northern edge of the city centre in Southernwood. There are also a number of private and provincial hospitals and medical-service businesses and practices in the inner-city area, particularly Southernwood, which are potential nodes for science in the city. A priority concern is to seek to retain WSU as an anchor tenant in the CBD (and conserve the rates and other contributions to the municipality's coffers that may otherwise be lost). In terms of the development approach employed the project which promotes the physical clustering of anchors in the area in order to galvanise larger knowledge development, WSU should be wooed to stay. To this end, the project also encourages the establishment of additional high-end educational institutions and facilities in the inner city, in particular those engaged in the engineering, information and communications technology (ICT) and marine science sectors, including at the post-graduate level. In addition, to the so-called “anchor” institutions in the area,

a number of other agencies and institutions working in knowledge production for development, such as the Industrial Development Zone (IDZ) and potential private-sector partners, would also be potentially engaged to uplift the area economically.

Local planning efforts will be synergised in support of the knowledge and innovation project, the aim being to align the institutional master plans to create the conditions for growth in the innovation and creative industries in the inner-city. Public land for development may be made available in return for the provision of certain knowledge-production and training capacity within the area by the anchor institutions and other education providers.

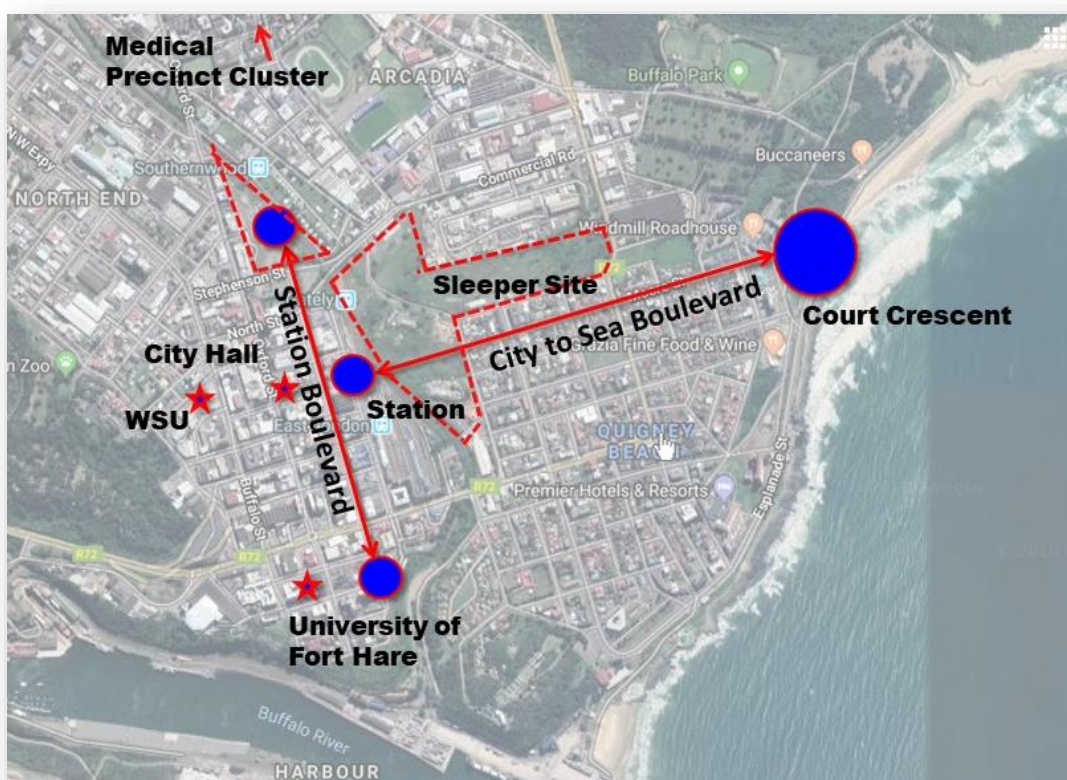


Figure C.2: BCMM: Anchor Projects: Inner City Catalytic Urban Development Programmes (Source: BCMM BEPP 2019-20)

The spatial focus of the above second phase of project is on the south-city centre, which hosts Fort Hare’s campus; the CBD where WSU is located; and Southernwood, where most of the “meds” and the Buffalo TVET College. Some nodes will develop faster than others and some will need to be reconceptualised as the project develops, depending on the level of investment in different areas. These districts are then connected via pedestrian thoroughfares and sidewalks, parks, transit routes and cycle paths to produce larger developmental impacts.

The project will seek to leverage local property, transport, ICT and telecommunications, and other infrastructure to promote its goals. A particular objective is to tap into the G5 connectivity that will be available within the East London IDZ. The innovation project will further seek to foster a local media industry, including through the provision of film and music-making opportunities in the inner city. A key aim is to foster local enterprise by offering relevant training and creating new economic opportunities. Stakeholders who can support this vision, such as Vega School, which offers design, marketing and branding training, and AFDA: The School for the Creative Economy, may be wooed to the area. Students and youth will be engaged in such cultural/economic development, as well as in the establishment and maintenance of an appropriate physical environment with the necessary services and facilities to support their education and knowledge-production efforts. One of the project's key objectives is skills development as part of the creation of a knowledge economy. Using the anchor-institution model, the project seeks to achieve this by aggregating youth talent – particularly among students – which can create the conditions for development. Supporting the engagement of students in the project, significant funding for student accommodation from the Department of Higher Education and Training (DHET) may be tapped. This could be used for new housing or to retrofit existing stock.

As investment gains momentum, it is critical that the city authorities ensure that public access is ensured and that the ill-effects of gentrification, such as through the emergence of gated communities, do not undermine the social contract between the city and its citizens in the area. The improvement work will engage local communities and foster their creative and economic development. It will seek to empower local youth, particularly by creating jobs; offer black economic empowerment (BEE) opportunities for local businesses; and create a more family- and child-friendly environment, including through the hosting of inclusive social and cultural events. For the municipality, an improved area will boost revenues in the form of rates, and water and electricity charges.

The project will be led by the BCMDA and the municipality's Enterprise Program Management Office (EPMO), which will implement and coordinate the plan on behalf of the city. In order to produce a smarter city, it will initially entail creating incremental improvements in the public realm, access routes and transport. Building on phase one of the project (see Section F1.3), a number of demarcated blocks around Buffalo Street/ WSU junction and the UFH precinct will be targeted for improvement. A budget for inner-city cleaning and safety improvement will be consolidated, which would, among other actions, cover daily city clean-ups and the cost of

placing and regularly servicing branded skips placed in the area. The project will institute pavement repair, street lighting and proper signage in these areas and attend to the local public spaces and parks. Application will be made for increased policing in the inner city; and for funds for a student citizenship campaign, in which the BCMDA and EPMO work with the universities on student-led place-making initiatives. Planning will be instituted for a city hopper “campus-to-campus” shuttle service linked to branded bus stops, as well as a number of combi taxis and vans which may be paid for by the city and run by the taxi association. The private transport may be accessed by a dedicated transport app for students and other local residents. These transport services will run all day and also after hours to service the night traffic to the WSU/UFH/University of South Africa (UNISA) library. Rates rebates for inner-city anchors such as St Dominic’s should be considered as part of a business retention strategy. The rates rebates could be made conditional and may be removed when the city meets its improvement targets in the precinct. A clear message will be sent to those who pay rates in the three nodes that the municipality is committed to fixing up their neighbourhoods. A launch event emanating from a public competition in the field of the creative and performing arts will be held. This will offer a voice for local artists and/or students, as well as pupils. The competition will culminate in a celebration of Buffalo City’s identity as a modern, creative, inclusive city intent on progress, which may feature an art show and musical/dramatic performances.

C2.1.2 Development of the Sleeper Site

The Sleeper Site has been identified as a sub-programme of the East London CBD and Inner-City Regeneration Programme (See Figure C2 above). The CSP with the support of external consultants is currently busy with the preparation of a detailed scoping report for the development of the Sleeper Site sub-programme of the BEPP. The Buffalo City Development Agency (BCMDA) has been mandated by BCMM to develop the Sleeper Site.

C2.2 MELD Corridor Central Programme

The MELD Corridor 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.

The key sub-programmes that form a part of this programme include;

- The Duncan Village Upgrade

- The development of the Amalinda Junction
- The Central to Reeston Tunnel and WWTW will unlock projects within the Amalinda Junction.

Details of current and planned projects within the MELD Corridor Urban Development Programme are found in Annexure 1.

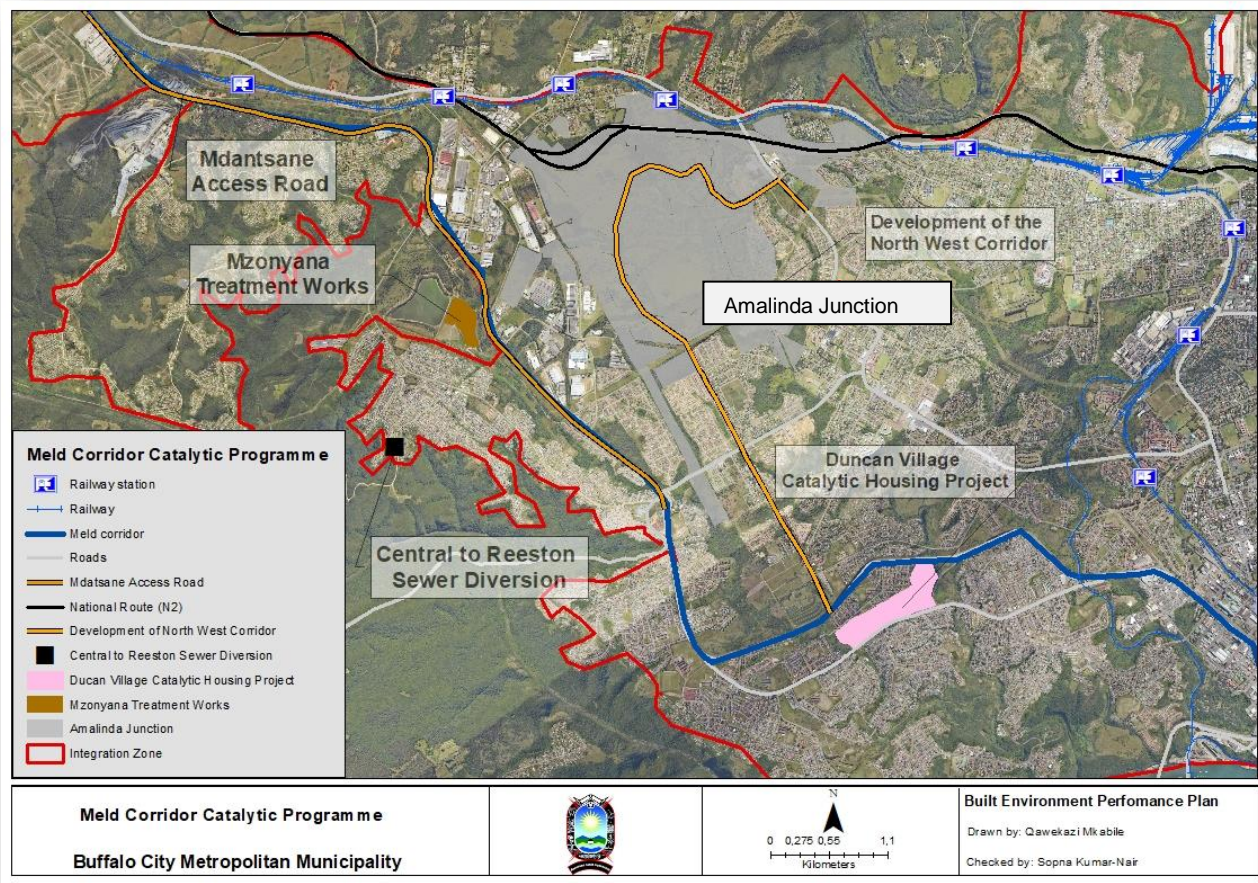


Figure C.4: BCMM: Current and planned projects within the MELD Corridor Urban Development Programme. (Source: BCMM BEPP 2019-20) Refer Annexure 2.

C2.3 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. A number projects in the Hub have gained momentum at the current time including the Toyana Road upgrade and link to the Mount Ruth Station for which concept plans and detailed designs have been done. The project includes public realm upgrades and the provision of social amenities such as mini-parks, basket-ball courts, seating, lighting as well the provision of wi-fi accessibility. Progress has also been made with negotiations with SANRAL to the improve the regional accessibility to the hub via Billy Road.

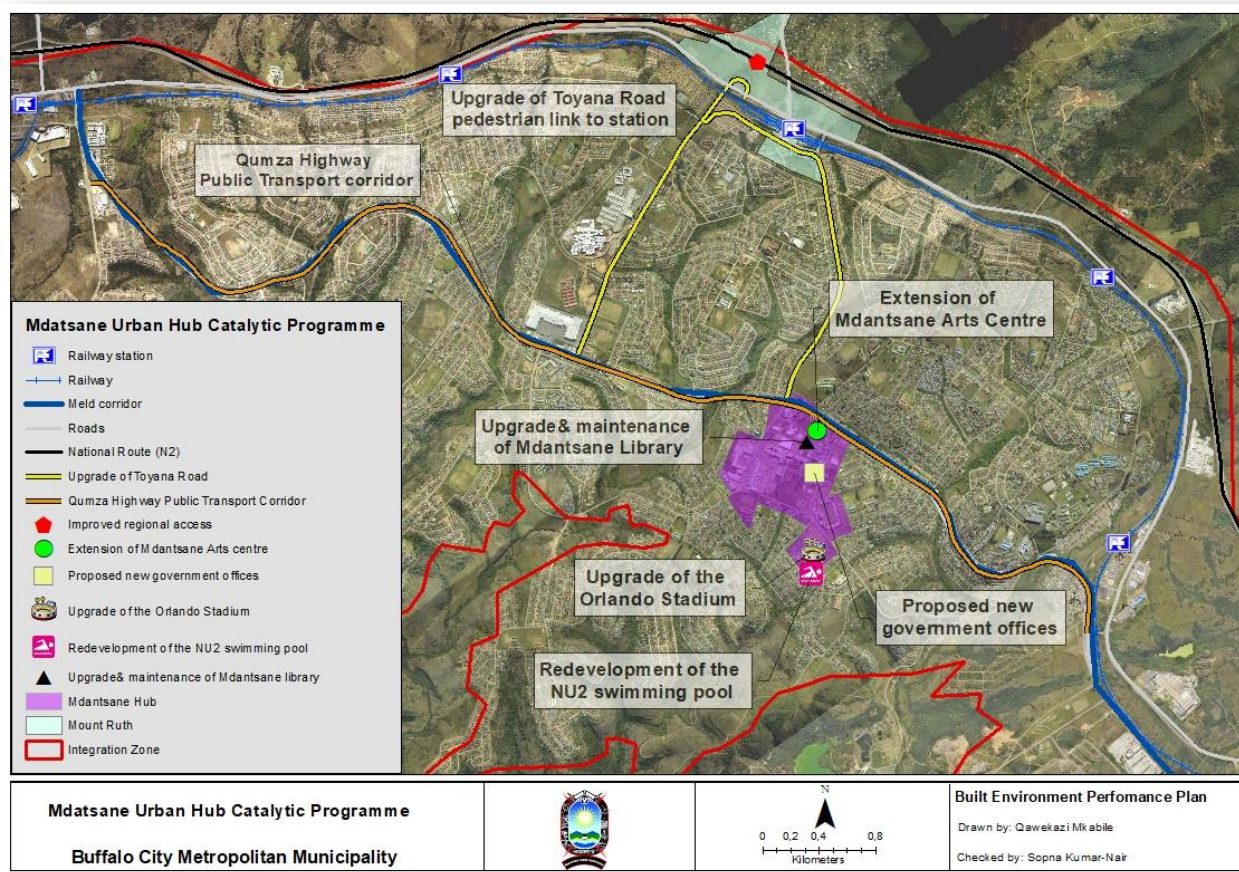


Figure C.5: BCMM: Current and planned projects within the Mdantsane Urban Hub Urban Development Programme. (Source: BCMM BEPP 2019-20) Refer Annexure 2

C2.4 West Bank Economic Corridor Programme

As described in earlier sections of the document, this is a newly established Catalytic Programme which aims to support investment, improve logistics and thereby boost economic performance. It includes a suite of planned and budgeted projects which will enhance the infrastructure capacity as well as assist in unlocking planning and land related issues within the corridor. Details of projects within this programme are found in Annexure 1 of this document.

The key sub-programmes that form a part of this programme include;

- Port of East London: Extend Main Breakwater and Deepen Entrance
- Revitalisation of the West Bank industrial area/ Motor Industry cluster
- EL Airport Expansion
- IOX International Sea Cable (ELIDZ)
- Water World (Water Park)
- Bulk infrastructure for the West Bank area

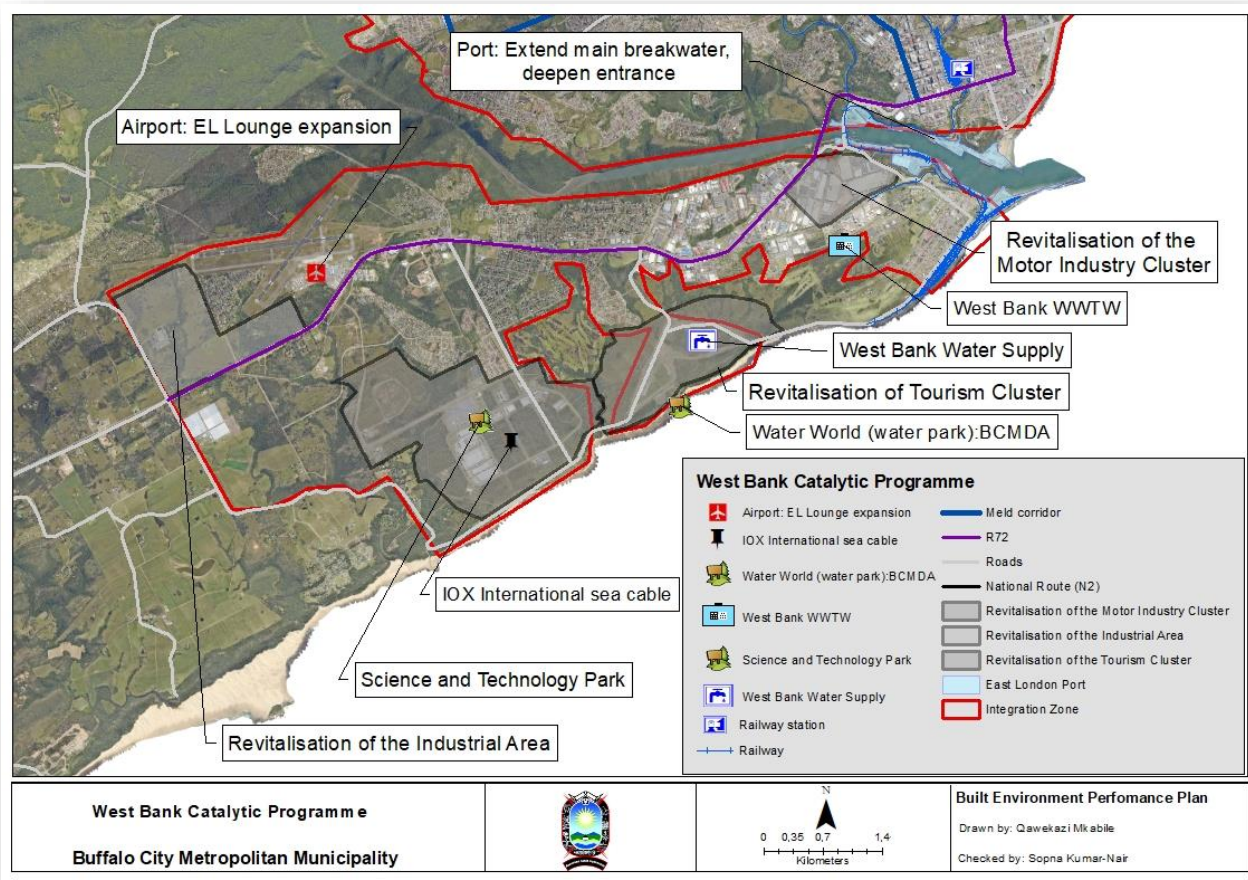


Figure C.6: BCMM: Current and planned projects within the West Bank Economic Corridor Programme. (Source: BCMM BEPP 2019-20) Refer Annexure 2

C2.5 King Williams Town - Bhisho – Zwelitsha Development Programme

This KWT – Bhisho – Zwelitsha Programme is made up primarily of the historic CBD / hub of King Williams Town (KWT) and the link southwards to the township of Ginsberg as well as the R63 – KWT – Bhisho link northwards from KWT to Bhisho. Bhisho, the administrative hub of the Metro forms a strategic employment node within the area.

Vacant BCMM and State land will be developed for high density housing and mixed land uses. A large part of the KWT- Bhisho 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 which is currently being implemented. Details of projects within this programme are found in Annexure 1 of this document.

The key BCMM projects that form a part of this programme include;

- KWT Public Transport Interchange, Market Square Bus Rank, Market Square Taxi Rank
- Mary Street Upgrade
- Zwelitsha Regional Bulk Sewage Scheme
- Bhisho-King Water infrastructure
- Kei Road Bulk Water Scheme
- Upgrade of the KWT Electrical Network

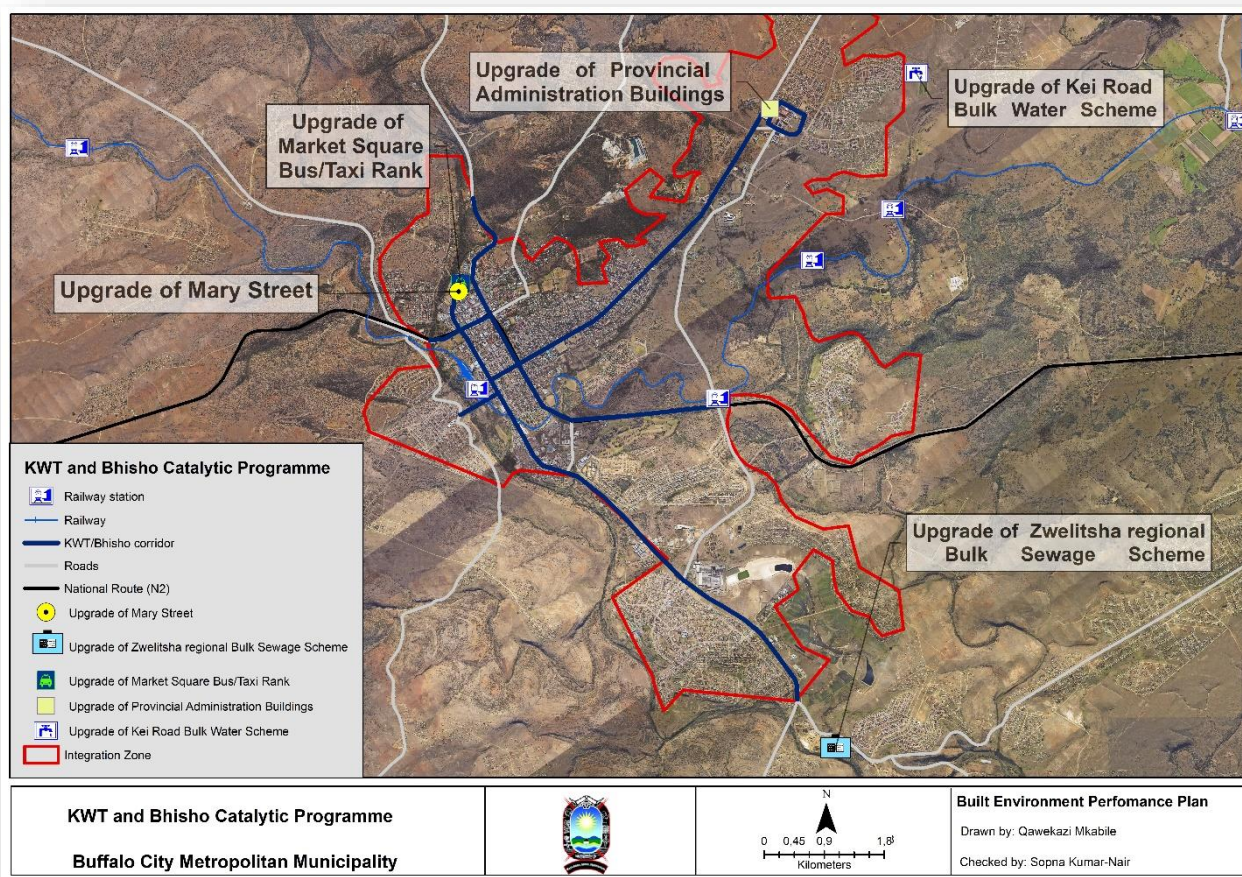


Figure C.6: BCMM: Current and planned projects within the King William’s Town / Bhisho Urban Development Programme. (Source: BEPP 2018-19) Refer Annexure 2 and project numbering for cross reference and project details.

C2.6 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. BCMM has signed a land availability agreement with the BCMDA in this regard.
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 which has budgeted for on the BCMM 2019-20 Budget.
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. This project will delay the release of vacant land parcels. BCMM and state-owned land is intended to be released in phases according to the priority zones identified.
	High density social housing	Land for high density housing is also in the process of being identified and is supported by the Housing Development Agency (HDA).
	Government Precinct Development: Mdantsane Urban Hub:	National Department of Public Works (NDPW) has prepared a draft MOU with BCMM which has been submitted to the City Manager for consideration.

4. KWT/ Bhisho Corridor		Land has been released for the development of the office hub. Erf 4785 to ECPDept Public Works. The process of subdividing and rezoning will commence once the Bulk water and sewer capacity projects near completion.
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Land Disposal and Land Management Policy

A draft Land Disposal and Management Policy has been prepared by BCMM and requires workshopping with Councillors before it can be adopted by Council. The BCMM 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).

C3. INTERGOVERNMENTAL PROJECT PIPELINE

Annexure 2 of this document, the Intergovernmental Project Pipeline, contains details of projects planned and budgeted for through the IGR Pipeline.

C4. INSTITUTIONAL ARRANGEMENTS

C4.1 Project Preparation for selected key catalytic urban development projects (leverage of investment through partnerships)

C4.1.1 East London CBD and Inner-City Regeneration: Institutional Arrangements for the Knowledge and Innovation Precinct

An appropriate governance framework will be established to incentivise and target investment in the two-phase “Buffalo City Knowledge and Innovation” project. The BCMDA will play a leadership role in establishing the governance structure across the whole project and that for phase one, providing the required deliberate, sustained, focused and visionary engagement and offering the capacity to work across departments in the municipality to establish the appropriate operational and financial arrangements. The project should be established as an entity/partnership with a steering committee/advisory group featuring the key stakeholders: representatives from the BCMDA; the relevant municipal departments; the “eds and meds”; local chambers of commerce and ratepayers’ associations; student bodies; and the South African Police Service (SAPS) police and other local providers of security services. Key municipal officials will be engaged either on the steering committee or on subsidiary project committees that may be established in the fields of spatial planning and coordination; community safety; communications; recreation and culture; transport; property development; skills and enterprise development.

The roles and specialisms of the various members of the steering group would be clearly defined. The group’s key functions will include the crucial work of consulting with, and building the required relationships among, the key stakeholders, including within the leadership and relevant planning departments of the anchor institutions and the municipality, and with private, ICT and enterprise sectors. The groups’ functions will also include an ambassadorial role to promote the project more widely within the city and beyond, wooing appropriate investment. The steering committee/advisory group should produce an appropriate mandate, schedule and budget for the project and oversee its branding. The legal status – responsibilities and accountability – of the steering group should be established. A preliminary series of scheduled, bilateral meetings and consultation will be held, including with independent, non-committed stakeholders. This will lead to the establishment of a workshop featuring the identified key players at which the composition of the steering committee/advisory group will be agreed.

A report and draft Memorandum of Understanding (MoU) will be produced from the meeting and distributed for comment, feedback and agreement among the key stakeholders. A final draft of the MoU will be signed at a special ceremony hosted by the executive mayor, the vice-chancellors of the local universities and business leaders to symbolise the beginning of a new partnership and era. These individuals will act as the face of the new relationship. A number of programmes may be extracted from the MoU and other key project documents under the guidance of the steering committee to be jointly implemented by the relevant local and national government, private-sector and university stakeholders. These should form the basis of a service-level agreement (SLA) or agreements, in which the parameters and benefits of the new partnership approach are clearly outlined. Annual targets should be set for the achievement of measurable progress on these programmes; and regular future stakeholder, and perhaps public, meetings should be convened to consider the progress made in implementing these programmes, particularly those for providing student accommodation, transport and cultural amenities; improving the safety and liveability of the inner city; and fostering economic 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 (TOD) 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.

C4.1.2 West Bank Economic Corridor: Institutional Arrangements

MOU between the Transnet National Ports Authority, BCMM and the ELIDZ

The above agreement has been signed on 12 March 2019. The purpose of the agreement is outlined as follows:

- To provide a common platform for constructive engagement on various issues affecting the Port, the Municipality and ELIDZ;
- To identify and disclose planning initiatives and development projects of mutual interest as well as issues of common interest between the Authority, the Municipality and ELIDZ especially those dealing with:

- the spatial planning land use development and infrastructure development in the Port, the Municipality and ELIDZ;
 - strategic planning for economic development and growth of the region;
 - promotion, attraction and servicing of investors in the Buffalo City
 - lobbying and advocacy for future development of the region
 - community development and social upliftment
 - collaborative research and sharing of best practices
 - packaging, fundraising and implementation of strategic catalytic projects
 - transportation planning in the Port, the Municipality and ELIDZ;
 - traffic management in the Port, the Municipality and ELIDZ;
 - planning and development of special projects initiated by any Party;
 - tourism;
 - environmental matters including the Integrated Coastal Management Act; estuarine management plans and pollution of port waters via storm-water drains;
 - financing of any joint projects between two or all of the parties may agree to in relation to the Port;
 - safety and security matters in the Port, the Municipality and ELIDZ;
 - provision of services which include water, rates, electricity, waste management;
 - co-operation for the benefit of the citizens of the Municipality, the region and the nation; and
 - development of the industry in the region and, especially the development of the maritime industry in the Port, the Municipality and the ELIDZ.
- To collectively identify, and, if agreed between the Parties, develop, projects and identify sources of funding for such projects and initiatives;
 - To foster and promote sound Port/Municipality/ELIDZ relationships whereby opportunities for networking and partnerships are enhanced;
 - To ensure appropriate representation in both existing and future structures;
 - To act as a dispute resolution mechanism between the Parties.

C4.1.3 Mdantsane Urban Hub: Institutional Arrangements for the Government Precinct

MOU between the National Department of Public Works (NDPW) and BCMM

The above agreement has not yet been signed however a draft MOU has been submitted by the NDPW to the City Manager, BCMM for due consideration and signature.

The intention of the MOU is to address the following specific aspects in the BCMM jurisdiction:

- Identification, funding, development and urban management of government precincts
- Development of and sharing of information regarding immovable assets and lease agreements that will support integrated development
- The MOU is the first agreement that aims to define the input of parties with regard to input into revision of BCMM's MSDF, IDP, BEPP, Mdantsane Urban Hub Precinct Plan (MUHPP) and any other approval spatial planning documents.

C4.2 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.

SECTION D : CATALYTIC URBAN DEVELOPMENT PROGRAMME RESOURCING

D1. LONG TERM FINANCIAL SUSTAINABILITY

D1.1 Investment Strategy for Catalytic Urban Development Programmes

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 pro-active 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.

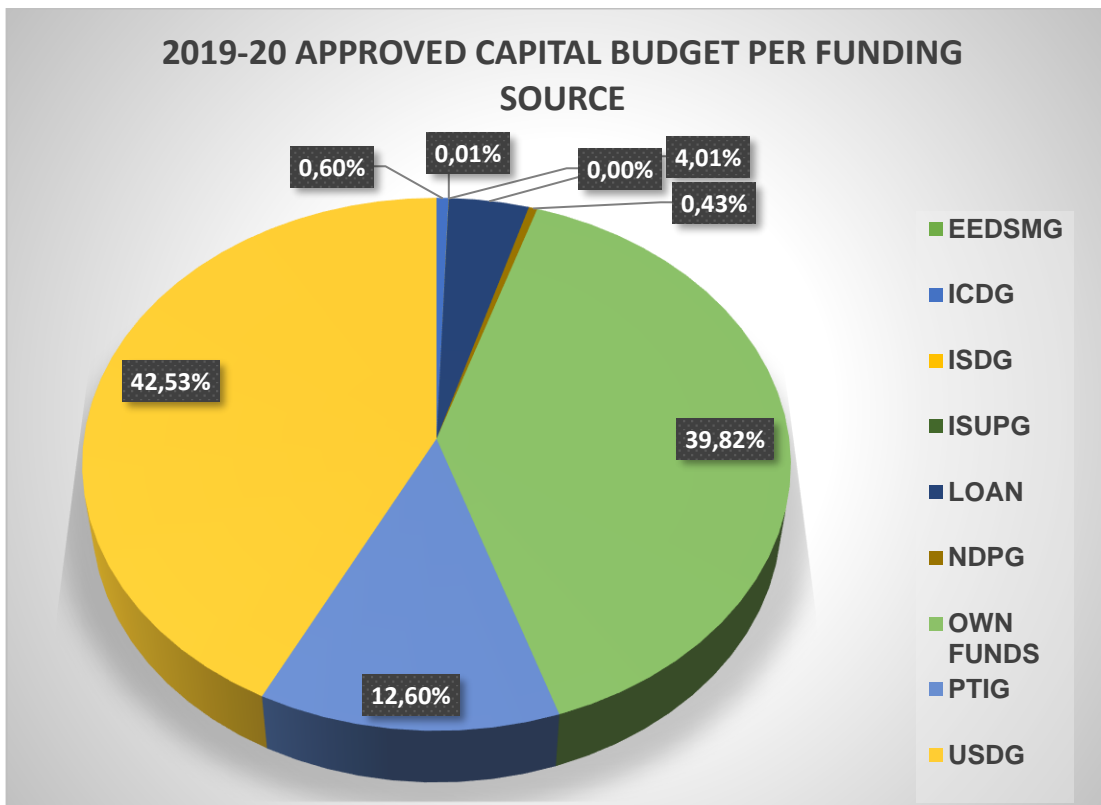
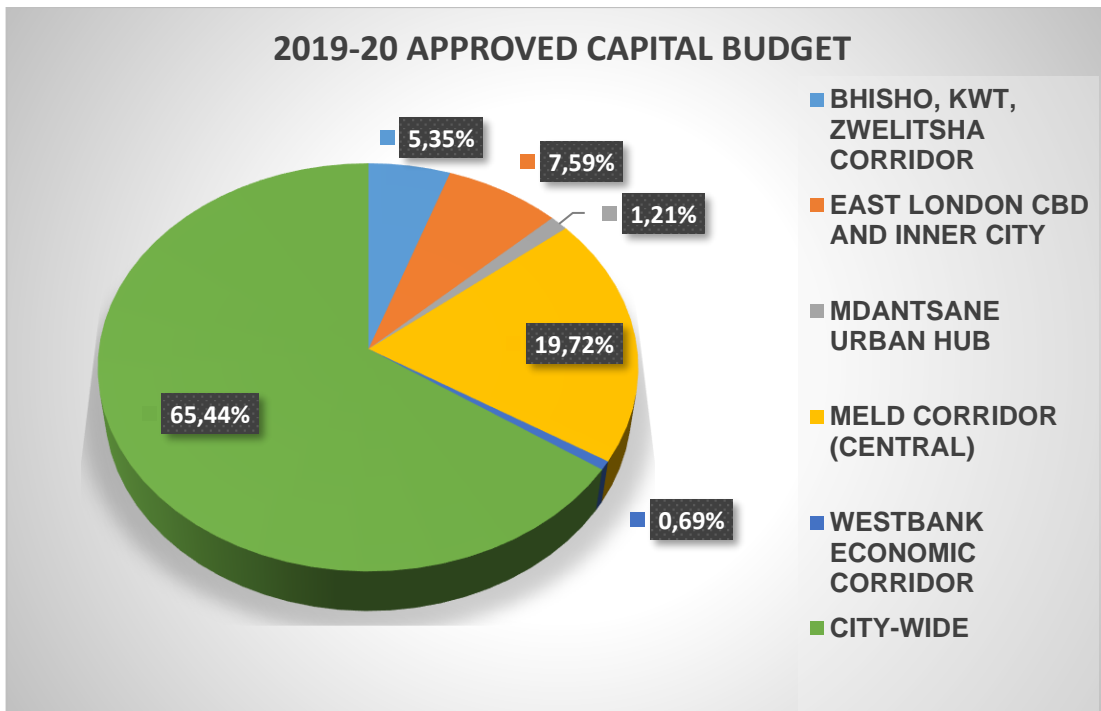
	2016	2015	2014	2013
Capital Cost (Interest Paid and Redemption) as a percentage of total operating expenditure				NT Norm 6% - 8%
Debt (Total Borrowings) as a percentage of revenue				45%
Capital Cost (Interest Paid and Redemption) as a percentage of total operating expenditure				
Interest Paid and 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 below table details the progression of potential loan funding that could be obtained, excluding the repayment consideration, based on National Treasury norms and standards.

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 2019-20 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 (BEPP 2019-20)

FOCUS AREA	CATALYTIC PROGRAMMES	FUNDING SOURCES	2019/2020 FINAL BUDGET	2020/2021 FINAL BUDGET
PRIMARY INTEGRATION ZONE	EAST LONDON CBD AND INNER CITY	ICDG	R 10 383 000,00	R 12 134 000,00
		LOAN	R -	R -
		OWN FUNDS	R 93 835 141,00	R 75 530 803,00
		USDG	R 27 500 000,00	R 25 000 000,00
		TOTAL INNER CITY	R 131 718 141,00	R 112 664 803,00
	MDANTSANE URBAN HUB	NDPG	R 7 500 000,00	R 7 436 000,00
		OWN FUNDS	R 13 460 000,00	R 16 700 000,00
		TOTAL MDANTSANE URBAN HUB	R 20 960 000,00	R 24 136 000,00
	MELD CORRIDOR (CENTRAL)	ISUPG	R -	R 22 912 500,00
		LOAN	R 69 581 825,00	R 189 351 605,00
		OWN FUNDS	R 4 500 000,00	R 19 416 470,00
		PTIG	R 218 616 000,00	R 247 346 000,00
		USDG	R 49 500 000,00	R 45 000 000,00
		TOTAL MELD CORRIDOR	R 342 197 825,00	R 524 026 575,00
	WESTBANK ECONOMIC CORRIDOR	OWN FUNDS	R -	R 3 000 000,00
		USDG	R 12 000 000,00	R 44 000 000,00
		TOTAL WESTBANK CORRIDOR	R 12 000 000,00	R 47 000 000,00
	OTHER	ISUPG	R -	R 85 500 000,00
		OWN FUNDS	R 74 349 171,00	R 113 800 000,00
		USDG	R 267 031 590,00	R 155 500 000,00
TOTAL OTHER		R 341 380 761,00	R 354 800 000,00	
TOTAL PRIMARY INTEGRATION ZONE		R 848 256 727,00	R 1 062 627 378,00	
SECONDARY INTEGRATION ZONE	BHISHO-KWT CORRIDOR	OWN FUNDS	R 18 000 000,00	R 24 000 000,00
		USDG	R 74 848 450,00	R 45 530 000,00
		TOTAL BHISHO-KWT CORRIDOR	R 92 848 450,00	R 69 530 000,00
	OTHER	ISUPG	R -	R 3 000 000,00
		OWN FUNDS	R 8 100 000,00	R 500 000,00
		USDG	R 40 100 000,00	R 29 500 000,00
		TOTAL OTHER	R 48 200 000,00	R 33 000 000,00
	TOTAL SECONDARY INTEGRATION ZONE		R 141 048 450,00	R 102 530 000,00
CITY WIDE	OTHER	EEDSMG		R -
		ISDG	R 150 000,00	R 150 000,00
		ISUPG	R -	R 49 756 500,00
		OWN FUNDS	R 478 755 688,00	R 487 052 727,00
		USDG	R 266 920 000,00	R 231 532 950,00
		TOTAL OTHER	R 745 825 688,00	R 768 492 177,00
GRAND TOTAL			R 1 735 130 865,00	R 1 933 649 555,00

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 planning and budgeting issues from the BEPP be tabled at every top management meeting as a standing item.

SECTION E : CATALYTIC PROGRAMME IMPLEMENTATION

E1. PROGRESS WITH IMPLEMENTATION OF CATALYTIC PROGRAMMES

The overview of plans and progress with implementation of Catalytic Programmes is found in Annexure 1 of this document. A detailed account of progress with implementation of BCMM 2018-19 projects within the catalytic programmes is found in the Table below. The Cost to date and comments column is based on information recorded at the end of January 2019.

EAST LONDON CBD & INNER-CITY REGENERATION			
Project Name	Budget	Cost to date	Comments: Challenges, Mitigation and comments on likelihood of the project being completed within time and budget
East London Beachfront Upgrade: Court Crescent and Water World Planning	R 5 087 000.00	R 4 000 000.00 (79%)	Plans approval currently underway. Construction scheduled for May 2019. (Detail Design Plans Complete)
Fleet Street (CBD)			Project completed.
Sleeper Site and Fitzpatrick Road	R 23 000 000.00	R 11 359 431.00 (49%)	Contractor appointed on 29 th Nov 2018 and will start work April 2019.
City to Sea Boulevard	R 4 000 000.00		Concept designs in progress and due to be completed by March 2019.
Orient Theatre Upgrade	R 2 000 000.00		Requisition done and informal tender for the professional services of a structural Engineering consultant advert closed.
Eastern Beach Sewer Upgrade	R 26 100 000.00	R 1 031 398.00 (4%)	Tender documents at approval stage.
Electricity: Upgrade and replacement of existing network	R 37 200.00	R 12 800.00 (34%)	Ongoing
MELD CORRIDOR			
Project Name	Budget	Cost to date	Comments: Challenges, Mitigation and comments on likelihood of the project being completed within time and budget
Reeston Tunnel / Sewer Diversion (Amalinda Junction)	R 69 000 000.00		Loan options being finalised

Duncan Village			HDA processes underway.
Qumza Highway (Mdantsane Urban Hub)	R 81 165 000.00	R 45 575 232.00 (56%)	Section 1 (NU11 – NU12, 718m): Storm water culvert is 90% complete and storm water pipes are at 80 %. Layer works to start during Q3.
Umzonyana Dam Upgrade	R 78 950 950.00	R 22 347 962.00 (28%)	The Contractor is picking up momentum well on site.
North West Corridor	R 4000 000		Service Providers, appointed, quotations for a detailed Feasibility Study has been received and discussed with the service provider. Work is scheduled to start in January 2019.

MDANTSANE URBAN HUB

Project Name	Budget	Cost to date	Comments: Challenges, Mitigation and comments on likelihood of the project being completed within time and budget
Orlando Stadium	R 414,846.00		Refurbishment of netball courts, installation of Perspex, Ablutions and installation of main gate requisitions was completed on 31 Oct 2018.
Extension of Mdantsane Arts Centre	R 1 600 000.00		The project is currently at design stage.
Toyana Road	R13 250 000.00	R96 000.00 (0.73%)	Consultants have been appointed and concept designs underway.
Mount Ruth Node	R 9 036 112.00	R 417 036.00 (5%)	Preliminary Designs are being undertaken for the positioning of the interchange.
Orlando Stadium	R 414,846.00		Refurbishment of netball courts, installation of Perspex, Ablutions and installation of main gate requisitions was completed on 31 Oct 2018.

BHISHO – KING WILLIAMS TOWN – ZWELITSHA CORRIDOR

Project Name	Budget	Cost to date	Comments: Challenges, Mitigation and comments on likelihood of the project being completed within time and budget
Taxi Rank Infrastructure	R 29 500 000.00	R 13 790 000.00 (47%)	The project is on target to meet the delivery target as in February 2019 BCMM annual contracts will start with construction phase of the works
Mary Street Upgrade	R6,000,000.00		Designs are complete and are being reviewed by BCMM

Bhisho KWT & Zwelitsha Bulk Regional Sewer Scheme	R 86 294 290.00	R 25 144 660.00 (31%)	Project is about 70% complete. There was a delay due to non-performance of a contractor whose services were terminated.
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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

BCMM is making steady efforts towards the improvement of its Sub-National Cost of Doing Business (SNDB) rating. The necessary regulatory reforms required to stimulate investment or remove barriers to investment within spatially targeted areas, is being fast tracked.

The Cost of Doing Business in South Africa 2018 Survey is the second Sub-national report of the Cost of Doing Business series in South Africa. The programme measures business regulations and their enforcement in 9 metropolitan municipalities and 4 major ports. The investigation examines regulations that affect the business life-cycle stages in South Africa, measured at a Sub-National Level. Based on Buffalo City's poor performance in the 2018 Cost of Doing Business Survey, BCMM is developing its Reform Action Plans in order to ensure that Doing Business progress is a priority and departments involved highlight their functions in improving or simplifying the processes.

The Doing Business Key Reform Interventions indicators include:

E3.1 Registering Property

In the Registering Property Indicator, Buffalo City dropped from 4th to 6th place in the 2018 SNDB survey. The key reform interventions include:

Process optimisation

The purpose of this reform is to ensure that the processes are optimised, resourced and the information quality is high. Buffalo City can learn from its peer cities and further reduce the process from 10 days. If BCMM reduces this by just two (2) days it will be the leading city in South Africa for this measure.

Stakeholder Engagement

The purpose of this intervention is to meet with conveyancers on a bi-annual basis to understand their levels of satisfaction and to elicit ways to continuously improve. The city will also provide information to the conveyancers on the quality of information they receive and how it can be improved.

Transparency

The purpose of this intervention is to improve the quality indicator by improving the information on the website and also to develop a separate complaints process.

Improve the ESRI system

The purpose of this intervention is to improve the quality of data on the ESRI system and also to integrate into SOLAR. This will provide up to date information and improve the turnaround times to the customers.

Property Titling

The purpose of this intervention is to register properties that have not been registered at the Deeds Office. In doing so, the rates so revenue will decrease.

E3.2 Construction Permits

Buffalo City has dropped from 5th to 6th place in the Dealing with Construction Permits indicator in 2018 SNDB survey. The key reform interventions include:

Capacity Building

The purpose of this reform is to ensure that the department has the required resources and capacity to improve the turnaround times from 35 days as measured in DBSA 2018 to 30 days by 31 December 2019 for the approval of plans and to ease the burden from the only one plans examiner assessing plans for the whole of BCMM.

Stakeholder Engagement

The purpose of this intervention is to engage stakeholders by attending two South African Institute of Architectural Technologists (SAIAT) meetings by 30 June 2019 and 31 December 2019.

Improving on quality

The purpose of this intervention is to improving customer satisfaction by conducting a survey through a questionnaire by 30 June 2019.

Turnaround times

The purpose of this intervention is to shorten the turnaround time of the building plans approval process from 30 days as measured in DBSA 2018 to 28 days by 31 December 2019.

Accessibility of building plans online

The purpose of this intervention is for the Information, Communication and Technology (ICT) division to fast-track the development of a website for building plan related information to be accessed by the public by 31 December 2019.

E3.3 Getting Electricity

In the Getting Electricity indicator, Buffalo City has dropped from 3rd to 5th place in the 2018 SNDB survey. The key reform interventions include:

Capacity Building

The purpose of this reform is to ensure that the department has the required resources and capacity to improve the turnaround times from 35 days as measured in DBSA 2018 to 30 days by 31 December 2019 for the approval of plans and to ease the burden from the only one plans examiner assessing plans for the whole of BCMM.

Stakeholder Engagement

The purpose of this intervention is to engage stakeholders by attending two South African Institute of Architectural Technologists (SAIAT) meetings by 30 June 2019 and 31 December 2019.

Improving on quality

The purpose of this intervention is to improve customer satisfaction by conducting a survey through a questionnaire by 30 June 2019.

Turnaround times

The purpose of this intervention is to shorten the turnaround time of the building plans approval process from 30 days as measured in DBSA 2018 to 28 days by 31 December 2019.

Accessibility of building plans online

The purpose of this intervention is for the Information, Communication and Technology (ICT) division to fast-track the development of a website for building plan related information to be accessed by the public by 31 December 2019.

E3.4 Progress with the Reform Action Plans for 2019-20

The BCMM Cost of Doing Business team requested training on the revised Reform Action Plans (RAP) format for the Financial Year (FY) 2019 in order to ensure that the Registering Property and Getting Electricity teams are able to deliver quality reports. This workshop took place on 26 April 2019.

National Treasury (NT) has recommended that drafts of the RAPs be submitted by mid to end May to NT, and that prior to such, the World Bank Technical Expert that undertook the Dealing with Construction Permit process mapping, workshop the report recommendations with the BCMM team to ensure compilation of a robust Reform Action Plan.

National Treasury has recommended that the final draft RAPs for Financial Year 2019/20 be presented to the CM and Executive management team prior to City Manager's sign off in mid-June 2019. Implementation is likely to shift this team's performance into green over the coming year.

The BCMM Registering Property team has worked decisively with the external service provider Lexis Nexis in 2018 on their digitisation of an e-Rates Clearance system.

Further, the team invited Mangaung’s Registering Property team in late 2018 to ensure a greater level of peer learning, following Mangaung’s successful digitisation and 1st position in the indicator in DB SA 2018.

E4. ENHANCING PRIVATE SECTOR INVESTMENT

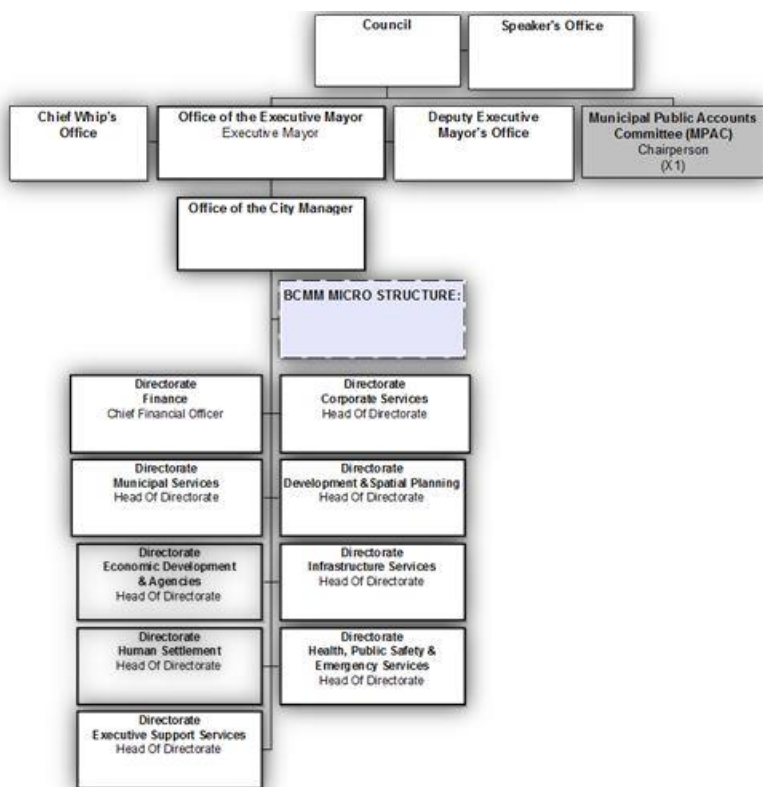
In addition to the Sub-National Doing Business reforms, in order to ease the Cost of Doing Business in the Metro, BCMM has introduced the following interventions to attract investment and increase economic activity in Buffalo City.

E4.1 Provincial One Stop Shop

BCMM is collaborating with Invest SA and ECDC to fast-track the establishment of a One-Stop Shop to reduce the cost of doing business for investors. The One-Stop Shop will be officially opened by President Cyril Ramaphosa in July 2019.

E5. INSTITUTIONAL ARRANGEMENTS AND OPERATING BUDGET

The highest decision making body is the Council. The Council has got it’s 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

As alluded to in Section A of the document, in addition to the above institutional arrangements which are in place to plan and coordinate the implementation of BCMM projects, in order to move towards accelerated implementation of catalytic programmes and projects, the EPMO is looking at restructuring its existing resources to enhance capacity dedicated to catalytic programme management. The role of the EPMO is to enhance transversal integration between the above highlighted Directorates when it comes to programme management and implementation.

BCMM has established an agency (BCMDA) who has been mandated to plan and implement a number of strategic projects which fall within Catalytic Programme areas of the city. The EPMO and the Agency are currently working jointly in a complementary manner on a number of initiatives around the Inner City Catalytic Programme which are envisaged to result in implementable projects within the short to medium term. The EPMO will play a strategic transversal coordination role within BCMM in relation to catalytic programme preparation and budgeting, with the BCMDA playing a more decisive role in catalytic project implementation especially as these relate to projects requiring the leveraging of private investment and promotion of partnerships.

IGR coordination and alignment will be strengthened through the IGR Task Team which will be convened twice a year 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. As highlighted earlier, the EPMO forms 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).

F1.2 Call to Action Programme

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.

F1.3 Buffalo City Knowledge and Innovation Precinct: City Improvement District

The Buffalo City Metropolitan Development Agency (BCMDA) has embarked on a process of consultation with local stakeholders to establish a city improvement district (CID) in Southernwood as part of a larger two-phase strategy to revitalise the inner city in coordination with the private sector and local anchor institutions, including the local universities and hospitals. Key stakeholders in Southernwood include Frere Hospital; Life St Dominic's Hospital; Life St James Hospital; the Buffalo City Technical and Vocational Education and Training (TVET) College; a Boston City Campus and Business College; a number of medical service firms and medical practices, such as the Eye Centre and Ampath East London, as well as local pharmacies; and university students from Walter Sisulu University (WSU), including from the Lilitha College of Nursing, who live in residences and private rented accommodation in the area. In addition, St Dominic's features the Life College of Learning, which offers nursing and health sciences courses and the University of Fort Hare trains nurses at the local hospitals through its Faculty of Health Sciences. The proposed CID area also includes important local schools: Clarendon Girls High School and Selborne College. Important local community organisations include the Masimanyane Women's Support Centre.

Situational analysis in the area has revealed serious concerns about waste management, the maintenance of the public realm and safety among the anchor medical institutions and local providers of medical services and practitioners, which may lead to them uprooting themselves, depriving the area of important rates revenues and undermining its socio-economic fabric. Student residents have also expressed discontent about community safety, the area's upkeep, and inadequate, overcrowded accommodation.

The CID under the aegis of the BCMDA, the municipality, the key local stakeholders listed above and other relevant agencies such as local business representatives and the South African Police Service (SAPS), will contribute funds to clean up the area; improve and maintain its fabric, including roads, pavements and verges, street furniture, streetlighting and local parks; promote

public safety; and address the socio-economic challenges through a package of incentives for improving private accommodation.

The CID will build on the momentum created by the Call-2-Action campaign to clean and green public spaces in the area, coordinating with the stakeholders engaged in this initiative. Slumlords also represent a particular area of focus for economic intervention, with the municipality effectively foregoing rates due to a lack of incentives for owners to improve their properties. In addition, as the CID evolves, consideration may be given to establishing a partnership with Walter Sisulu University and/or the Buffalo City TVET College to establish a student residence in the area. Student transport issues will also be addressed. The municipality will map a plan for its engagement in the CID, including the budgetary provision that will need to be made across a number of departments.

The project will be branded according to appropriate design principles as a collaborative venture established and managed by the municipality, the BCMDA and participating local anchor institutions as the “Inner-City Revitalisation Project: Creating Buffalo City’s Future Together”. The area to be covered by the CID will include Wynne Street; St Mark Road; Gateley Street; and St Peters Road. Signage marking the gateway to the CID will be erected. Promotion (and management) of the project will also take place through the production of indicators for its impact and the publication of these.

F1.4 Mdantsane Urban Hub Precinct Management

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. The appointment of a Transaction Advisor is envisaged as the next step in testing the feasibility for the establishment of the Precinct Management Model.

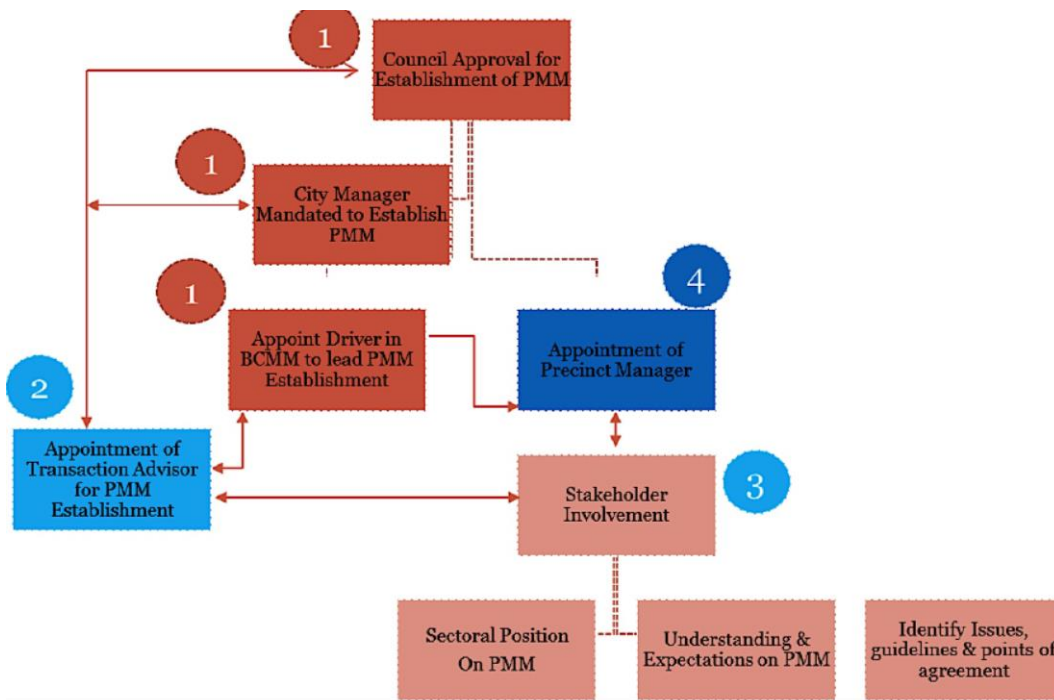


Figure F.1: Proposed Action Plan for the Mdantsane Project Management Model

F2. INSTITUTIONAL ARRANGEMENTS AND OPERATING BUDGET

At a city-wide level, service delivery and management are currently undertaken by the respective municipal departments of BCMM. The focus on getting the basics of urban management in place highlights the significance of city cleaning and waste management as a fundamental building block to increasing investor confidence within targeted precincts. The operations of BCMM’s Waste Management Department is currently in the process of being restructured and optimised through the support of GTAC. The viability of institutionalising targeted waste management within priority catalytic precincts is being examined.

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.

The City Improvement District (CID) component of the Buffalo City Knowledge and Innovation Precinct as described in Section F1.3 will be led by the BCMDA with the initial support of the City. It is envisaged that the BCMDA will look into the necessary institutional arrangements for the setting up of a self-managing entity in the longer-term comprised of a partnership of rate-payers within this CID.

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 2018/2019 BEPP document successfully incorporated thirteen out of the sixteen City Transformational Indicators into the document. Baselines and targets were set for all Indicators with the exception of 3 Indicators. Two of the three indicators are the IC3 and IC4 indicators which fall under the New Housing Options category. IC3 & IC4 deal with the Ratio of Housing Types and Housing Tenure Status respectively. As alluded to in Section A4.5 as well as B1.3 of this document, further primary research work is required in order to establish the baselines for this indicator and it is envisaged that the support of CSP could be enlisted to obtain the assistance of an organization such as the Centre for Affordable Housing Finance (CAHF) to gather this information for BCMM.

The third indicator which hasn't been addressed is IC8 which falls under the Affordable and Efficient Transport Services category. This indicator deals with the percentage share of household income spent on transport costs. BCMM requires input from a National level to record this indicator.

The completion of the 2019/20 Indicators schedule is affected by the change in boundaries of the Integration Zones following discussions with CSP and the Neighbourhood Partnership Development Units of National Treasury. The schedule is in the process of completion and will be finalised in the Final 2019-20 BEPP. The draft schedule of indicators & targets are found in Annexure 4 of this document.

G2. CONCLUSION: THEORY OF CHANGE

From the foregoing discussion, it is clear that BCMM has made a conscious effort 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 quality of 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.

The following diagram summarises the envisaged Theory of Change of this BEPP mapped from desired long-term impacts through the outcomes, processes, strategies and interventions which lead to the desired change.

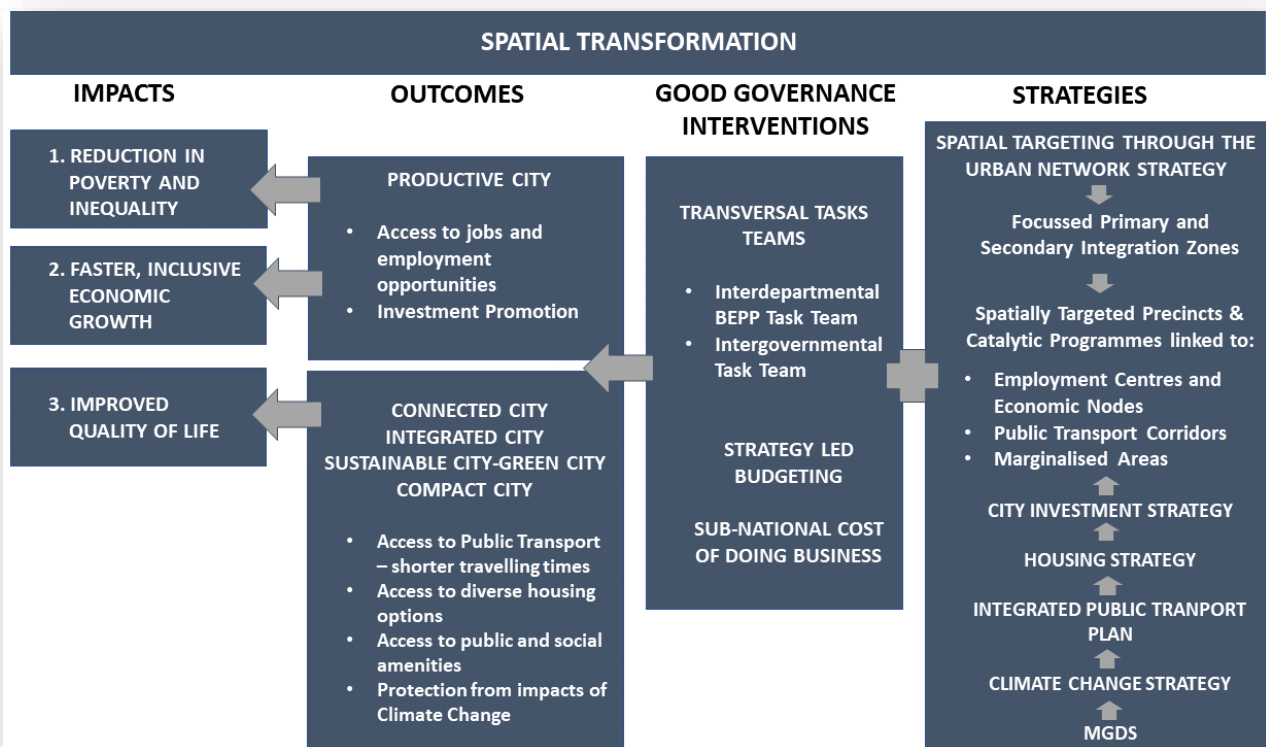


Figure F.2: Mapping of Theory of Change of this BEPP (Source: BEPP 2019-20)

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4. Annexure 4: Built Environment Outcomes Indicators & Targets / Intentions
5. Annexure 5: Draft USDG Plan
6. Annexure 6: BEPP Task Team Representatives, Attendance Register and
Minutes of BEPP Task Team Meeting
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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 (2019-20)	Loan (2019-20)	Grant (2019-20)	Province (2019-20)	SOE (2019-20)	PPP	SPV	Private Sector Only	Private Sector Leverage %									
BCMM	Primary Integration Zone	1. East London CBD and Inner-City Regeneration	a. Sleeper Site road	R 60 000 000	R 7 530 000		USDG 27 500 000								√	√						
			b. City to Sea Boulevard	R 255 000 000	R 2 000 000											√	√	√	√			
			c. Public Realm Upgrades and Greening	TBD			ISDG 10 383 000															
			e. Court Crescent Implementation	R 30 000 000	R 30 000 000												√	√	√	√	√	
			f. Rehabilitation of Fleet Street	R 65 000 000													√	√	√	√	√	100%
			e. Orient Theatre Upgrade	R 4 000 000	R 322 100												√	√	√	√		
			g. Upgrade of Ubulanti Park & Little Mauritius	R 1 250 000													√					
			h. Marina Glen B		R 1 000 000												√					
			i. Traffic and Transportation Studies: Sleeper Site		R 1 460 000												√	√	√			
			j. East London Station Development: Railway Station Precinct	R 133 897 800							PRASA 5 000 000						√					
		k. Targeted Urban Management (Waste)	TBD																			
		l. Eastern Beach Sewer Upgrade	R 138 000 000	R 20 000 000												√	√	√	√	√	To be re-tendered	
		l. Electricity: Upgrade and replacement of existing network	R 300 000 000																			
		m. Port of East London: Rehabilitation of Latimer's Landing & Signal Hill (East Bank)	R 80 000 000							TRANSNET 80 000 000									85%			
		2. MELD Corridor Central	a. Upgrading of the Public Transport Corridor from East London to Mdantsane	R 500 000 000					PTNG 213 616 000							√	√	√	√	√	This project is implemented in phases	
			b. Mdantsane Access Road						PTNG 5 000 000							√						
			c. Duncan Village Redevelopment Housing Project						USDG 14 500 000	HSDG 56 945 000						√	√				Project is under Litigation following contract validity disputes	
			d. Reeston Housing						USDG 35 000 000							√	√	√	√	√	The project has been completed but excludes 66 sites that need to be transferred from Amathole land to BCMM	
			e. Central to Reeston Sewer Diversion, WWTW Tunnel and Civil Works	R 500 000 000		R 69 581 825										√	√	√	√	√	To be re-tendered	
			f. Upgrading of the Mzonyana Treatment Works	R 300 000 000	R 2 500 000												√	√	√	√	√	80% Current Phase at construction
		3. Mdantsane Urban Hub	h. North West Corridor: Feasibility for extension of NW Expressway and link to Amalinda Main Road. This includes a feasibility study for the Chiselhurst High Density Housing		R 2 000 000											√						
			a. Improved Regional Access	R 8 000 000	R -											√						
			b. Toyana Road Pedestrian link to Station	R 13 250 000					NDPG 7 500 000							√	√	√	√	√		
			c. Land registration and regularization within the Mdantsane Urban Hub	TBD																		
			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						DSRAC 1 000 000							√	√	√	√	√	
			g. Extension of Mdantsane Arts Centre	R 3 600 000	R 1 700 000					DSRAC 3 000 000							√	√	√	√	√	
			h. Rehabilitation of Mdantsane Mall	R 43 000 000						ECDC 14 753 000							√	√	√	√	√	Implementation underway
			i. Redevelopment of Mdantsane Sport Precinct NU2 Swimming Pool	R 4 000 000	R 11 760 000												√	√				
		4. West Bank Economic Corridor	j. 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 -											√	√					
			k. Upgrade of Mount Ruth Substation	R 100 000 000																		
			l. Upgrade replacement of the 132/33/11 kV network	R 80 000 000																		
			a. Port of East London: Extend Main Breakwater and Deepen Entrance	R 1 500 000 000							TRANSNET 1 500 000 000								85%			
			b. EL Airport: EL Lounge Expansion								ACSA 72 000 000											
			c. Science and Technology Park																			
			d. IOX International Sea Cable								EL IDZ 63 000 000					√	√	√	√	√		
			e. Revitalisation of the West Bank industrial area/ Motor Industry cluster																			
			f. Water World (Water Park): BCMDA	R 33 000 000	R 33 000 000																	
			g. West Bank WWTW														√	√	√			
5. KWT-Bhisho-Zwelitsha & Corridor	h. West Bank Water Supply																					
	i. West Bank Restitution (housing)																					
	j. Rehabilitation of Settlers Way	Project to commence in 2020																				
	a. KWT Public Transport Interchange, Market Square Bus Rank, Market Square Taxi Rank	R 12 000 000	R 7 000 000												√	√	√	√	√			
	b. Mary Street Upgrade		R 500 000																√			
	c. Zwelitsha Regional Bulk Sewage Scheme	R 700 000 000					USDG 63 848 450								√	√	√	√	√	Phase 2 under construction at R 430 Million		
	d. Bhisho-King Water infrastructure		R 24 900 000,00				USDG 11 000 000															
	e. Kei Road Bulk Water Scheme	R 500 000 000													√	√	√	√	√	Completing detail design and tender documentation		
	f. SANRAL: Resurfacing from KWT to Bhisho & Breidbach								SANRAL 508 000 000,00													
	g. Upgrade of Provincial Administration Buildings: Bhisho	R 255 543 000																				
h. Amathole Museum	R 4 859 000							DSRAC R2 859 000,00						√	√	√	√	√	Implementation Underway			
i. KWT Art Centre		R 1 000 000,00																				
j. Upgrade of the KWT Electrical Network	R 10 000 000																					

ANNEXURE 2: Intergovernmental Project Pipeline

INTERGOVERNMENTAL PROJECT PIPELINE: BEPP 2019-2020

Annexure 2: Intergovernmental Project Pipeline

PRIMARY INTEGRATION ZONE: THE EAST LONDON CBD & INNER CITY AREA, THE MELD CORRIDOR, THE WESTBANK ECONOMIC 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 (2019-20)	TOTAL VALUE	PROVINCIAL (2019-20)	NATIONAL (2019-20)	PRASA (2019-20)	SANRAL (2019-20)	ESKOM (2019-20)	PRIVATE SECTOR/ OTHER	TOTAL	
1. East London CBD & Inner City Regeneration: The East London CBD and Inner-City Regeneration Programme represents visible investment in the CBD and inner-city area and is anticipated to spur additional investments which could strengthen the growth and performance of this node. Provision of vital infrastructure and projects that improve city life and quality of living are promoted in order to build the image of the city and boost tourism and investment.	Public Realm Upgrades and Greening	Other: Integrated Public Space Project	Upgrade of the CBD Town hall precinct, together with an upgrade of some public transport spaces in the Inner City. Upgrades to include provision of street furniture, bollards, litter bins, seating and tree-planting.				R 10 383 000,00 ICDG					R 10 383 000,00	
	Sleeper Site Re-furbishment			R 1 460 000,00								R 1 460 000,00	
	Sleeper Site: Sleeper site road	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 7 053 041,00	R60 000 000,00		R 27 500 000,00 USDG					R 34 553 041,00	
	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 refelected.	R 2 000 000,00	Proposed R255m							R 2 000 000,00	
	East London Beach front: Court Crescent (BCMDA)	Other: Integrated Public Space Project	Develop an interactive recreational park to enhance tourism	R 30 000 000,00	TBD								R 30 000 000,00
	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 -
	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.	R 322 100,00									R 322 100,00
	CBD: Upgrade of the Ubuhlanti 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 1 000 000,00
	Marina Glen B	Other: Integrated Public Space Project	Environmental Enhancement for improved quality entertainment use. An Integrated Urban Design Framework is required to be prepared for this project.	R 1 000 000,00									R 1 000 000,00
	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 -
	CBD: Targeted Waste Management	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.		R0,00								R -
	CBD: Eastern Beach Sewer Upgrade	Engineering / Infrastructure	Refurbishment of the Eastern Beach gravity sewers	R 20 000 000,00	R138 000 000								R 20 000 000,00
	CBD: Electricity: Upgrade / replacement of the existing 132/33/11kV network.	Engineering / Infrastructure	Replacing of old infrastructure and to allow for additional capacity to to stabilise the electrical network and to cater for growth.		R 300 000 000,00								R -
	Port of East London: Rehabilitation of Latimer's Landing	Other										R 80 000 000,00	R 80 000 000,00
CBD: Development of BCMM land adjacent to North Street	Other: Mixed use	Mixed use development										R -	
SUB-TOTAL: INNER CITY REVITALISATION				R 62 835 141,00	R 1 572 700 000,00	R -	R 37 883 000,00	R -	R -	R -	R 80 000 000,00	R 180 718 141,00	

INTERGOVERNMENTAL PROJECT PIPELINE: BEPP 2019-2020

Annexure 2: Intergovernmental Project Pipeline

PRIMARY INTEGRATION ZONE: THE EAST LONDON CBD & INNER CITY AREA, THE MELD CORRIDOR, THE WESTBANK ECONOMIC CORRIDOR AND THE MDANTSANE HUB PRECINCT

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CATALYTIC URBAN DEVELOPMENT PROGRAMME	PROJECTS: ENABLERS & SUB-COMPONENTS	CATEGORY	DESCRIPTION	MUNICIPAL (2018-19)	TOTAL VALUE	PROVINCIAL (2019-20)	NATIONAL (2019-20)	LOAN (2019-20)	PRASA (2019-20)	SANRAL (2019-20)	ESKOM (2019-20)	PRIVATE SECTOR/ OTHER	TOTAL
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.	Corridor (Qumza Highway): Upgrading of the Public Transport Corridor from East London to Mdantsane	Engineering / Infrastructure	Road expansion from single to dual roadway.		R 500 000 000,00		R 213 616 000,00						R 213 616 000,00
	Corridor: Mdantsane Access Road		Link Road from Mdantsane to CBD				R 5 000 000,00						R 5 000 000,00
	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.		TBD	R 56 945 000,00	R 14 500 000,00						R 71 445 000,00
	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.										R -
	Arnoldton Node	Other: Public Transport/ Mixed use	Mixed use multi-modal node		No financing								R -
	Mount Ruth Node	Other: Public Transport/ Mixed use	Mixed use multi-modal node		No financing								R -
	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 -
	Upgrading of the Mzonyana Treatment Works	Engineering / Infrastructure	Upgrading of water supply to the Central East London Area	R 2 500 000,00	R 300 000 000,00								R 2 500 000,00
	Amalinda Junction: Central To Reeston Tunnel Project	Engineering / Infrastructure	Substantial centrally located Greenfield site situated between the road and rail component of the MELD Corridor with potential high density mixed land use development. 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 69 581 825,00					R 69 581 825,00
	Amalinda Junction Mixed Use Housing	Human Settlement Catalytic	BCMM has designated 3000 mixed use units and commercial uses for tertiary institutions in support of the knowledge economy.			TBD							R -
National Station Improvement Programme	Engineering / Infrastructure				R 50 883 000,00				TBC			R -	
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.	R 2 000 000,00									R 2 000 000,00	
SUB-TOTAL: MELD CORRIDOR				R 4 500 000,00	R 1 550 883 000,00	R 56 945 000,00	R 233 116 000,00	R 69 581 825,00	R -	R -	R -	R -	R 364 142 825,00

INTERGOVERNMENTAL PROJECT PIPELINE: BEPP 2019-2020

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<p>3. Mdantsane Urban Hub: The programme is aimed at creating a self-sustaining, attractive and vibrant economic hub within the township of Mdantsane. The programme is also aimed at showcasing the creative arts, sports, cultural history and identity of Mdantsane.</p>	Mdantsane Urban Hub Land Regularization	Catalytic	Land regularization processes currently underway		TBD							R -
	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 -
	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.		TBD		R 7 500 000,00					R 7 500 000,00
	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							R -
	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.							R -
	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							R -
	Revitalisation of Mdantsane Mall	Other: Social Amenity					R 14 753 000,00					R 14 753 000,00
	Mdantsane Library Upgrade	Other: Social Amenity	Upgrade of Mdantsane Library		R 561 000 000,00	R 1 000 000,00						R 1 000 000,00
	Extension of Mdantsane Arts Centre	Other: Social Amenity		R 1 700 000,00		R 3 000 000,00						R 4 700 000,00
	Redevelopment of Mdantsane Sport Precinct NU2 Swimming Pool	Other: Social Amenity	Underway	R 11 760 000,00	R 4 000 000,00							R 11 760 000,00
	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 -
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 -	
SUB-TOTAL: MDANTSANE URBAN HUB				R 13 460 000,00	R 677 000 000,00	R 18 753 000,00	R 7 500 000,00	R 0,00	R 0,00	R 0,00	R 0,00	R 39 713 000,00

INTERGOVERNMENTAL PROJECT PIPELINE: BEPP 2019-2020

Annexure 2: Intergovernmental Project Pipeline

CATALYTIC URBAN DEVELOPMENT PROGRAMME		PROJECTS: ENABLERS & SUB-COMPONENTS	CATEGORY	DESCRIPTION	MUNICIPAL (2019-20)	TOTAL VALUE	PROVINCIAL (2019-20)	NATIONAL (2019-20)	PRASA (2019-20)	SANRAL (2019-20)	ACSA (2019-20)	ESKOM (2019-20)	PRIVATE SECTOR/ OTHER	TOTAL				
<p>3. Westbank Economic Corridor: This is a newly established Catalytic Programme which aims to support investment, improve logistics and boost economic performance of the corridor. It includes a suite of planned and budgeted projects which will enhance the infrastructure capacity as well as assist in unlocking planning and land related issues promoting investment within the corridor.</p>				<p>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.</p>														
				Port of East London: Extend Main Breakwater and Deepen Entrance	Other: Industrial	The expansion and deepening of the Port will re-inforce the future positioning of Buffalo City as a logistics gateway and an export manufacturing hub.										R 1 500 000 000,00	R 1 500 000 000,00	
				EL AIRPORT: EL Lounge Expansion	Other: Industrial	Expansion of Departure Lounge including development of retail facilities.								R 72 000 000,00			R 72 000 000,00	
				East London Airport Upgrade	Infrastructure	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.								funding in 2021			R -	
				IOX International Sea Cable	Other: Cross-cutting	Landing of an international sea cable at the IDZ		R 63 000 000,00									R63 000 000,00	R 63 000 000,00
				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.											TBD	R -
				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.												R -
				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												R -
				West Bank WWTW	Engineering / Infrastructure	This project will be part of the process of opening up the area (Spatial Priority 2) for development.												R -
				Bulk Water Supply	Engineering / Infrastructure	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 -							R -
Water World (Water Park: BCMDA)	Other: Social Amenity	Upgrading and expanding current water park for tourism attraction	R 33 000 000,00	R 33 000 000,00										R 33 000 000,00				
Settler's Way Upgrade	Engineering / Infrastructure	Project to commence in the next financial year																
Westbank Restitution	Housing					R 12 000 000,00								R 12 000 000,00				
SUB-TOTAL: WESTBANK ECONOMIC CORRIDOR					R 33 000 000,00	R 96 000 000,00	R 12 000 000,00				R 72 000 000,00		R 1 500 000 000,00	R 1 680 000 000,00				

INTERGOVERNMENTAL PROJECT PIPELINE: BEPP 2019-2020

Annexure 2: Intergovernmental Project Pipeline

SECONDARY INTEGRATION ZONE: THE BHISHO - KWT AND CORRIDOR			DESCRIPTION: This Integration Zone is made up primarily of the historic CBD / hub of King Williams Town (KWT) and surrounding townships of Ginsberg, Zwelitsh and Breidbach. The Secondary Integration Zone incorporates the administrative hub of Bhisho which forms a strategic employment node within this Zone. The R63 KWT- Bhisho Corridor forms an important public transport route within the Secondary Integration Zone.										
PRIORITY FOCUS AREAS	ENABLERS & SUB-COMPONENTS	CATEGORY	DESCRIPTION	MUNICIPAL (2019-20)	TOTAL VALUE	PRIVATE SECTOR	PROVINCIAL (2019-20)	NATIONAL (2019-20)	PRASA (2019-20)	SANRAL (2019-20)	ESKOM (2019-20)	TOTAL	
1. KWT – Bhisho – Zwelitsha Programme is made up primarily of the historic CBD / hub of King Williams Town (KWT) and the link southwards to the township of Ginsberg as well as the R63 – KWT – Bhisho link northwards from KWT to Bhisho. Bhisho, the administrative hub of the Metro forms a strategic employment node within the area. A large part of the KWT- Bhisho corridor is made up of the Provincial Bhisho Revitalisation Project and will enhance Bhisho as the capital of the provincial administration.	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 120 000 000,00							R -	
	Market Square Bus Rank	Public Transport			R 10 000 000,00							R -	
	Market Square Taxi Rank	Public Transport		R 7 000 000,00	R 56 000 000,00							R 7 000 000,00	
	Mary Street Upgrade	Public Transport		R 2 500 000,00	R 16 000 000,00							R 2 500 000,00	
	Amathole Museum	Other: Social Amenity	Provincial project				DSRAC	R 4 859 000,00					R 4 859 000,00
	KWT Arts Centre	Other: Social Amenity			R 1 000 000,00								R 1 000 000,00
	Road Network within Taxi Facilities	Public Transport			R 18 000 000,00								R -
	Bhisho - King Water infrastructure	Engineering / Infrastructure		R 24 900 000,00				R 11 000 000,00	USDG				R 35 900 000,00
	Bhisho Revitalisation Precinct	Catalytic	which is a EC Prov Govt initiative but includes BCMM land.			No financing							R -
	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 Breidbach, 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 63 848 450,00	USDG				R 63 848 450,00
	Kei Road to Bhisho Bulk Water Scheme	Engineering / Infrastructure	The project is required in order to create more capacity within the existing Bhisho and King William’s Town as well as surrounding peri-urban areas of Berlin, Zinyoka, Ttyutyu, etc		R 500 000 000,00								R -
	Upgrade of the Bisho Switch house and the electrical network	Engineering / Infrastructure	To allow for growth in the Bhisho Precinct.			No funding at this time.							R -
	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 -
	SANRAL: Resurfacing from KWT to Bhisho & Breidbach	Infrastructure			R 508 000 000,00						R 186 000 000,00		R 186 000 000,00
	N2 Upgrade Bulembu Airport to King Williams Town & Interchange												R -
Upgrade of Povincial Administration Buildings: Bhisho				R 255 543 000,00						R 450 000 000,00		R 450 000 000,00	
SUB-TOTAL: SECONDARY INTEGRATION ZONE				R 34 400 000,00	R 2 194 543 000,00	R -	R 4 859 000,00	R 74 848 450,00	R -	R 636 000 000,00	R -	R115 107 450,00	

INTERGOVERNMENTAL PROJECT PIPELINE: BEPP 2019-2020

Annexure 2: Intergovernmental Project Pipeline

MARGINALISED AREAS - TOWNSHIP & INFORMAL SETTLEMENTS			DESCRIPTION: Table IN PROGRESS - USDG & HSDG Funding projects need to be updated on this table.														
FOCUS AREAS	ENABLERS & SUB-COMPONENTS	CATEGORY	DESCRIPTION	MUNICIPAL(2018-19)	MUNICIPAL TOTAL	PRIVATE SECTOR	PROVINCIAL (2019-20)	NATIONAL (2019-20)	PRASA (2019-20)	SANRAL (2019-20)	ESKOM (2019-20)	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 – Includes provision of internal services and top structures: Breakdown per project is shown below.	R	-	R	-	R	-	R	-	R	348 903 581,00				
			Mdantsane Zone 18cc (PH 2)						R	500 000,00	R	35 000 000,00			R	35 500 000,00	
			Cluster 1 (Velwano, Ilinge, Masibambane, Masibulele, Dacawa)						R	14 051 991,00	R	16 000 000,00			R	30 051 991,00	
			Cluster 2 (Chris Hani, Winnie Mandela, Daluxolo, Sisulu)						R	4 000 000,00	R	25 476 590,00			R	29 476 590,00	
			Cluster 3 (Fynbos Informal)						R	14 950 000,00	R	16 805 000,00			R	31 755 000,00	
			POTSDAM VILLAGE PHASE 1 & 2 - P5						R	20 000 000,00	R	-			R	20 000 000,00	
			Potsdam Ikhwezi Block 1 - P5						R	19 000 000,00	R	20 000 000,00			R	39 000 000,00	
			Potsdam Ikhwezi Block 2 - P5						R	-	R	250 000,00			R	250 000,00	
			Potsdam North Kanana						R	-	R	3 000 000,00			R	3 000 000,00	
			CNIP VICTIMS PROJECT: CAMBRIDGE WEST						R	10 000 000,00	R	8 000 000,00			R	18 000 000,00	
			REESTON PHASE 3 STAGE 2						R	20 000 000,00	R	30 000 000,00			R	50 000 000,00	
			REESTON PHASE 3 STAGE 3						R	3 200 000,00	R	5 000 000,00			R	8 200 000,00	
			D HOSTEL						R	3 000 000,00	R	2 500 000,00			R	5 500 000,00	
			DUNCAN VILLAGE PROPER						R	3 000 000,00	R	3 500 000,00			R	6 500 000,00	
			AMALINDA CO- OP						R	5 500 000,00	R	8 000 000,00			R	13 500 000,00	
			AMALINDA FAIRLANDS						R	-	R	-			R	-	
			Duncan Village Comp Site						R	1 920 000,00	R	3 000 000,00			R	4 920 000,00	
			Block Yard TRA						R	-	R	3 250 000,00			R	3 250 000,00	
			Braelyn EXT 10						R	-	R	3 000 000,00			R	3 000 000,00	
			Westbank Restitution						R	-	R	12 000 000,00			R	12 000 000,00	
			C Section Triangular Site						R	3 000 000,00	R	3 500 000,00			R	6 500 000,00	
			Mzamomhle: Peoples Housing Process						R	-	R	2 000 000,00			R	2 000 000,00	
			Boxwood Project								R	20 000 000,00			R	20 000 000,00	
			Ford Msimango						R	3 000 000,00	R	2 500 000,00			R	5 500 000,00	
			N2 Road Reserve						R	-	R	1 000 000,00			R	1 000 000,00	
			BCMM Ongoing Informal Settlement Upgrade / Housing projects within the Bhisho / King Williams Town Area	Human Settlement	New planned settlements and upgrading of informal settlement. Breakdown per project is shown below.	R	-	R	-	R	400 000,00	R	28 500 000,00	R	-	R	-
Ilitha North								R	200 000,00	R	10 000 000,00			R	10 200 000,00		
Tyutyu								R	200 000,00	R	7 000 000,00			R	7 200 000,00		
Ginsberg								R	-	R	-			R	-		
Breidbach								R	-	R	3 000 000,00			R	3 000 000,00		
Xhwitinja								R	-	R	500 000,00			R	500 000,00		
Phakamisa South						R	-	R	8 000 000,00			R	8 000 000,00				
TOTAL: MARGINALISED AREAS				R	-	R	-	R	251 043 982,00	R	-	R	-	R	-	R	755 607 162,00

PRIORITY FOCUS AREAS	ENABLERS & SUB-COMPONENTS	CATEGORY	DESCRIPTION	MUNICIPAL (2019-20)	MUNICIPAL TOTAL	PRIVATE SECTOR	PROVINCIAL (2019-20)	NATIONAL (2019-20)	PRASA (2019-20)	SANRAL (2019-20)	ESKOM (2019-20)	TOTAL
ECONOMIC NODES	Dimbaza – Road Upgrade	Infrastructure Investment					ECDC R 26 994 000,00					R 26 994 000,00
	Fort Jackson - Security Upgrade		Security Upgrades				ECDC R 1 992 000,00					R 1 992 000,00
	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									R 0,00
	Bulembu Airport Revitalisation											R 0,00
	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) 									
	Hydroponics and Packhouse	Industrial		R 4 000 000,00								
	Revitalisation of Industrial Areas (Locations to be verified)	Industrial		R 2 000 000,00								R 2 000 000,00
	Upgrading of the Fresh Produce Market				R 16 000 000,00							
	Bisho Airport	Transport Operations					ECDOT R 3 500 000,00					R 3 500 000,00
	Dimbaza – Industrial Park	Infrastructure Investment	Roads Upgrade									R 0,00
TOTAL: ECONOMIC NODES				R 22 000 000,00			R 32 486 000,00					R 54 486 000,00

INTERGOVERNMENTAL PROJECT PIPELINE: BEPP 2018-2019

Annexure 2: Intergovernmental Project Pipeline

STRATEGIC 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 (2019-20)	PRIVATE SECTOR	PROVINCIAL (2019-20)	NATIONAL (2019-20)	PRASA (2019-20)	SANRAL (2019-20)	ESKOM (2019-20)	TOTAL
CITY WIDE PROJECTS	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 -
			FIBRE NETWORK	R 23 000 000,00						R 23 000 000,00	
			INTELLIGENT OPERATING CENTRE HARDWARE & SOFTWARE	R 3 000 000,00						R 3 000 000,00	
			LTE INFRASTRUCTURE	R 12 000 000,00						R 12 000 000,00	
	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 aquisition								R -
	N2 Wild Coast Project		This will link BCMM to Kwa Zulu-Natal and boost regional economy.								
	R72 Upgrade between Fish River amd Birch River								R 450 000 000,00		R 450 000 000,00
	R72 Upgrade between Birch River and Open Shaw								R 400 000 000,00		R 400 000 000,00
	Road Reseal from Alice to King Williams Town								TBC		R -
	Upgrade R63/N6 Intersection to R63/N2 Intersection								R 380 000 000,00		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			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			R 23 000 000,00
	Partnership with Tertiary Institutions	Other: Cross-cutting									R -
TOTAL: CITY-WIDE PROJECTS				R 38 000 000,00	R -	R -	R -	R 73 883 026,00	R 1 230 000 000,00	R -	R 1 341 883 026,00

ANNEXURE 3: Spatial Budget Mix

SPATIAL BUDGET MIX NEW PROJECTS IN THE 2019-20 CAPITAL BUDGET

ENTITY	SPATIAL TARGETING AREAS		OUTSIDE INTEGRATION ZONES			OTHER	TOTAL
	SECONDARY INTEGRATION ZONE	PRIORITISED INTEGRATION ZONE(INC INFORMAL, SETTLEMENTS AND ECONOMIC NODES)	INFORMAL SETTLEMENTS	MARGINALISED AREAS	ESTABLISHED ECONOMIC NODES		
METRO	R 200 000,00	R 146 341 825,00				R 40 000 000,00	R 186 541 825,00
PROVINCIAL	R 2 859 000,00	R 60 945 000,00			R 14 753 000,00		R 78 557 000,00
NATIONAL	R 3 000 000,00	R 256 116 000,00		R 20 000 000,00		R 20 000 000,00	R 299 116 000,00
SOE's	R 508 000 000,00	R 257 953 000,00					R 765 953 000,00
TOTAL	R 514 059 000,00	R 721 355 825,00	R -	R 20 000 000,00	R 14 753 000,00	R 60 000 000,00	R 1 330 167 825,00

SPATIAL BUDGET MIX RENEWAL PROJECTS IN THE 2019-20 CAPITAL BUDGET

ENTITY	SPATIAL TARGETING AREAS		OUTSIDE INTEGRATION ZONES			OTHER	TOTAL
	SECONDARY INTEGRATION ZONE	PRIORITISED INTEGRATION ZONE(INC INFORMAL, SETTLEMENTS AND ECONOMIC NODES)	INFORMAL SETTLEMENTS	MARGINALISED AREAS	ESTABLISHED ECONOMIC NODES		
METRO	R 20 100 000,00	R 89 449 171,00	R -	R -	R 2 000 000,00	R 432 255 688,00	R 543 804 859,00
PROVINCIAL	R 400 000,00						R 400 000,00
NATIONAL	R 111 948 450,00	R 90 298 590,00				R 227 070 000,00	R 429 317 040,00
SOE's	R -					R 1 303 883 026,00	R 1 303 883 026,00
TOTAL	R 132 448 450,00	R 179 747 761,00	R -	R -	R 2 000 000,00	R 1 963 208 714,00	R 2 277 404 925,00

ANNEXURE 4: Built Environment Outcomes Indicators & Targets

BUILT ENVIRONMENT OUTCOME INDICATORS & TARGETS: BEPP 2019-2020

Annexure 4: Built Environment Outcome Indicators and Targets

Outcome	Indicator code	Indicator Name	Baseline year	Baseline value	18/19 data	19/20 target	20/21 target	21/22 target	22/23 target	City Contact person	Contact number
T1: TARGETED INVESTMENTS IN INTEGRATION ZONES	WG13	Percentage change in the value of properties in Integration Zones	2018/19	46%	46%	Municipal Valuations done every 3 years	-	-	-	Vella Maretloane & Dean Peters	043 705 1125
	CC2	Number of land use applications processed in integration zones as a percentage of the total number of land use applications submitted city-wide.	2018/19	73,00%	73,0%	73,1%	73,2%	73,3%	73,4%	Nzondelelo Mbongo	043 705 3363
	CC3	Number of building plan applications processed in integration zones as a percentage of the total number of building plan applications city-wide	2018/19	77,80%	77,80%	77,9%	78,0%	78,1%	78,2%	Zamuxolo Nyamza	043 705 2114
	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.	2018/19	93,20%	93,20%	93,30%	93,40%	93,50%	93,60%	Vella Maretloane & Dean Peters	043 705 1125
T2: REDUCTION IN URBAN SPRAWL	CC1	Total hectares allocated for future development outside the urban edge as defined by the 2015 SDF	2014/15	15,9%	2,20%	2,1%	2,10%	2,1%	2,10%	Raymond Foster	043 705 2269
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
	IC2	Gross residential unit density per hectare within integration zones	2018/19	3,6 du/ha	3,6 du/ha	3,61 du/ha	3,62du/ha	3,63du/ha	3,64du/ha	Dean Peters/Thozama Dyonase	043 705 3121
	IC3	Ratio of housing types in integration zones	TBD on completion of study							Thomakazi Magqaza, Raymond Foster & Justine Mudimbu	043 705 1130
	IC4	Ratio of housing tenure status in integration zone	2011	9,7: 3,5: 6,2: 1	Current Statistics not available.					Stats SA GHS and GIS	043 705 3121/ 722 0250
	IC5	Ratio of Land use types (residential, commercial, retail, industrial) in integration zones	2019	43:19:0,3:6,3	43:19:0,3:6,3	43:20:0,4:6,3	43:21:0,5:6,4	43:22:0,6:6,3	43:23:0,6:6,3	Raymond Foster	043 705 2269
	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
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
	IC8 (National)	Percentage share of household income spent on transport costs for different household income quintiles city-wide									
	IC9 (National)	Capital expenditure on integrated public transport network as a percentage of the municipal capital expenditure	2016/17	1,46%	10,7%	17,03%	18,12%	21,45%	Not available	Ayanda Skwebu	043 705 2834
	IC 11a (National-Data sourced from BCMM Transport Register 2018)	% of learners travelling for longer than 30 minutes to an education institution.	2014	46%	2019 Data not available	35%	30%	25%	15%	Ayanda Skwebu	043 705 2834
	IC 11b (National-Data sourced from BCMM Transport Register 2018)	% of workers travelling for longer than 30 minutes to..	2014	47%	2019 Data not available	35%	30%	25%	15%	Ayanda Skwebu	043 705 2834

ANNEXURE 6: Final USDG Plan

ANNEXURE 6: Task Team Representatives, Attendance Registers, Minutes of BEPP Task Team Meetings

ANNEXURE 7: Attendance Registers, Minutes of IGR Task Team Meeting