

**AGENDA of the  
Portfolio Committee : Infrastructure & Planning  
22 August 2017  
(Also the agenda for the Mayoral Committee Meeting: 30 August 2017)**

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**6.  
KLEINMOND INVESTIGATION ADDITIONAL FUNDING: REQUEST FOR  
UTILISATION OF KCIH FUNDING TOWARDS IDENTIFICATION OF SUITABLE  
LAND FOR HOUSING DEVELOPMENT**

17/5/5/2/18

A Jacobs

(028) 313 5075

Hermanus Administration

03 July 2017

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**1. Executive Summary**

During 2010 and 2011, 410 subsidised houses were constructed for qualifying beneficiaries from the Kleinmond area. The beneficiaries were sourced from the waiting list for Kleinmond and included both backyard dwellers and families from the Overhills informal settlement. This development only accommodated a portion of the families in need of housing opportunities and Kleinmond therefore still remains with a housing backlog as there are still a great number of backyard dwellers as well as families remaining in the informal settlement.

As a result of the need to upgrade the conditions in the informal settlement as well as to address the housing need for the backyard dwellers the Department of Human Settlements (DoHS) was approached by the Overstrand Municipality to provide assistance with regard to identifying suitable land for housing development in Kleinmond.

DoHS then approved an amount of R500 000.00 towards the proposed study (a copy of the confirmation letter from DoHS is attached as Annexure A), however additional funding is still required as the estimated total cost of the study will be R1 120 000. The purpose of this report is therefore to request approval from Council to utilise another source of funding, which is discussed later in the report.

**2. Service Delivery and Budget Implementation Plan - IGNITE**

Directorate: Infrastructure & Planning

**3. Compliance with Strategic Priorities**

Provision of democratic, accountable and ethical governance

Provision and maintenance of municipal services

Creation and maintenance of a safe and healthy environment

The encouragement of structured community participation in the matters of the municipality

Promotion of tourism, economic and social development

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**4. Delegated Authority**

None

**5. Legal Requirements**

Constitution of the Republic of South Africa, 1996

Housing Act, 1997 (Act 107 of 1997)

National Housing Code, 2009

Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003)

Local Government: Municipal Systems Act, 2000 (Act 32 of 2000)

**6. Background/Discussion/Evaluation/Conclusion**

**Background**

During 2012 an application was submitted to DoHS to undertake planning of another housing project in Kleinmond, which was for the upgrading of the Overhills informal settlement, specifically targeting those families remaining in the Informal Settlement. Approval was issued for planning of 378 sites, in terms of the number of people in the informal settlement at that time. An Environmental Due Diligence Investigation and a Geotechnical Investigation was undertaken as part of the planning process. Both these investigations identified the site as being sensitive in terms of environmental considerations as well as stormwater and groundwater drainage from the site. The development of the site will therefore require certain engineering solutions, including terracing, groundwater drainage systems and certain construction / foundation solutions.

Taking all these constraints into consideration as well as the size of the informal settlement (+/-2.2ha) it was also evident that not all the families currently residing there could be accommodated once the area was formalised. Hence, two alternative areas, Site 1 and Site 2, measuring approximately 2.4 ha and located adjacent to the existing informal settlement, were investigated (See attached locality plan: Annexure G). Both the aforementioned studies indicated that the identified portions had the same constraints as the existing informal settlement. In terms of the outcome of the investigations, the specialists recommended that the project be abandoned due to the environmental and geotechnical constraints of the sites and the mitigations required and that an alternative area be identified to accommodate the informal area.

The current waiting list for Kleinmond contains approximately 428 families / households. The demand of these families in terms of the type of housing required is unclear as there is no real data available showing in which housing

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programme, these families can be categorised under, such as BNG, FLISP or GAP.

The Overstrand Socio-Economic study which was completed at the end of last year, gave some indication of the need and demand in the Kleinmond area. It is therefore clear that a mix of housing options is required to address the backyarders as well as those living within the informal settlement.

It was therefore evident that the identification of alternative land for development to accommodate backyarders as well as the overflow from the informal settlement has become crucial in addressing the housing problems being experienced in Kleinmond. In order to undertake this study, additional funding is required as the contribution from DoHS is not sufficient to cover the total cost of the study. The detail of what is required as part of the study will be further discussed in the Discussion.

### **Discussion / Evaluation**

The purpose of the proposed study is to holistically address the housing demand for Kleinmond by:

- Identifying suitably located land to accommodate both overflow residents from this informal area as well as backyard dwellers and persons registered on the waiting list, and
- Re-assessing the existing Overhills informal area to determine the development potential of that area.

In order to achieve the above-mentioned, the investigation will have to include the following assessments:

- An evaluation of the existing Overhills informal area to determine its development potential, to what extent the existing informal dwellers can be accommodated in the existing area and what the maximum allowable density would be if it was upgraded.
- Should a portion of the existing informal area be suitable for development, proposals will also have to be made to accommodate the rest of the families as the existing area will not be able to accommodate all of them.
- An Environmental expert will have to evaluate the environmental implications of development in the informal settlement.
- Identification of alternative land for development have to be done and environmental assessments will also have to be done on the new identified alternatives.
- The Environmental expert will have to assess what other studies will be required in terms of the Environmental and other Legislation.

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- The existing services available in the informal settlement should be assessed and determined what bulk services is required should the informal settlement be upgraded.
- The informal settlement was electrified during the 2015/2016 financial year by the Municipality. This must be taken into account once proposals for upgrading are made and designs should be done incorporating the existing infrastructure, as far as possible.
- All proposals and considerations for the sites identified must take into account the existing services, what is available and what will have to be provided in terms of bulk infrastructure and electricity.

A copy of the draft Terms of Reference is attached as Annexure B.

As mentioned previously, a request for funding for the study was submitted to DoHS and an amount of R500 000.00 was approved for this purpose. A copy of the confirmation letter is attached as Annexure A. The funding will however only be available after the DoHS adjustment budget which will take place in November 2017. A Memorandum of Agreement will have to be signed between the Municipality and DoHS prior to the release of the funding and a copy of the draft document is attached as Annexure C.

Lyners and Associates Consulting Engineers and Project Managers, who is currently on the Municipal database and appointed under the Consultant Tender SC1690/2016 were approached to provide a quotation for the investigation. The quotation received from the consultants, which amounts to a total of R1 120 643.00 (excluding VAT) exceeds the contribution made by DoHS and additional funding to the amount of approximately R620 643.00 will therefore be required to cover the difference. A copy of the quotation is attached as Annexure D. The following sources to cover the additional amount, is proposed:

#### Funding

In the final submission to Council on the Kleinmond Harbour Close Out Report during November 2015, it was noted that a contribution of R1 000 000.00 was **allocated towards the provision of community structures and development on Erf 5456, Kleinmond**, which is municipal owned land. The R1 000 000.00 was paid in cash to the Municipality by Wharfside. It was further stated that the community Forum had to be transformed into a legal entity which was subsequently done and this entity is known as KCIH.

The first tranche of R300 000.00 was paid over to KCIH during October 2012, and they were informed by letter, that the Municipality must be informed how the funds will be utilised. Another request was issued to KCIH by the Municipality during November 2012 to provide evidence of how the first tranche was spent.

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During February 2013, the Municipality received a request from KCIH to pay out the second tranche of R300 000.00 and included a budget indicating the expenditure of the first tranche, however no invoices of payments were attached. The Municipality then responded to this and the budget attachment was retracted by KCIH, and once again the Municipality requested proof of expenditure for the R300 000.00 but none was received.

Following this, numerous requests were issued during 2014 and no evidence was submitted. Subsequently no further funds were released to KCIH and the remaining R700 000.00 is still in the Municipality's possession.

In the final submission, of which a copy is attached as Annexure E, Council was requested to take note of the situation and it was recommended that the remaining balance of R700 000.00 only be released to KCIH once they have adhered to requests of proof of expenditure of the R300 000.00 and provided the Municipality with acceptable information on the intended expenditure of the balance. Council's Resolution on that submission stated "*that the withholding of the remaining balance of R700 000.00 which is to be paid out to KCIH until such time that they have adhered to requests of proof of expenditure of the R300 000.00 and provided the Municipality with acceptable information on the intended expenditure of the balance within six (6) months, be noted.*" A copy of the Resolution is attached as Annexure F.

To date no further information or correspondence on the matter has been received from KCIH and the funding has not been released. It is now proposed that this funding be used to finance the shortfall on the Kleinmond investigation due to the fact that it will be to the benefit of the whole Kleinmond community as was the intention from the start.

### **Conclusion**

It is recommended that:

- Council takes note of the proposed investigation into the upgrading of the existing Overhills informal settlement and identification of alternative land for development.
- Council takes note of the R500 000.00 contribution towards funding of the Kleinmond investigation made by the DoHS.
- Council takes note that additional funding is required for the investigation over and above the contribution received from DoHS.
- Council approves the proposal to utilise the KCIH funding to cover the additional costs for the investigation.

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**7. Financial Implications**

The amount of R700 000 (seven hundred thousand rand) is currently ring fenced in a separate account in the books of the municipality and is available. Notwithstanding an approval to utilise these funds, the amount (revenue & expenditure) will have to be included and approved in an adjustments budget before expenditure may be incurred.

**8. Staff Implications**

None

**9. Comments from other Departments, Divisions and Administrations**

None

**10. Annexures**

- Annexure A: Confirmation Letter from DoHS
- Annexure B: Draft Terms of Reference
- Annexure C: Draft Memorandum of Agreement
- Annexure D: Quotation from Neil Lyners & Associates
- Annexure E: November 2015 Council Report: Kleinmond Harbour
- Annexure F: November 2015 Council Resolution
- Annexure G: Location Plan Site 1 and 2

**RECOMMENDATION TO THE COUNCIL:**

1. that the proposed investigation into the upgrading of the Overhills informal settlement in Kleinmond and identification of alternative land for development in Kleinmond, **be noted**;
2. that the R500 000.00 allocation to be received from the Department of Human Settlements towards funding of the Kleinmond investigation **be noted**; and
3. that the proposal to utilise the KCIH funding to cover the additional costs required to complete the investigation which amounts to approximately R620 643.00, **be approved**.

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<b>RESPONSIBLE OFFICIAL :</b>	<b>A JACOBS</b>
<b>TARGET DATE FOR IMPLEMENTATION :</b>	<b>28 AUGUST2017</b>
<b>TARGET DATE TO INFORM APPLICANT:</b>	<b>N/A</b>
<b>TARGET DATE TO INFORM OBJECTOR:</b>	<b>N/A</b>

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UTILISATION OF KCIH FUNDING TOWARDS IDENTIFICATION OF SUITABLE  
LAND FOR HOUSING DEVELOPMENT**

17/5/5/2/18

A Jacobs

(028) 313 5075

Hermanus Administration

03 July 2017

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**THIS MATTER SERVED BEFORE THE JOINT PORTFOLIO COMMITTEE ON  
22 AUGUST 2017, WHICH COMMITTEE RECOMMENDED AS FOLLOWS:**

**RECOMMENDATION:**

that the item **be referred back** with the request to address the financial implications, also with reference to the KCIH matter which has to be concluded and with reference to the Council resolution of 2015.

**RESPONSIBLE OFFICIAL :**

**A JACOBS**

**TARGET DATE FOR IMPLEMENTATION :**

**28 AUGUST2017**

**TARGET DATE TO INFORM APPLICANT:**

**N/A**

**TARGET DATE TO INFORM OBJECTOR:**

**N/A**



REFERENCE: H/13/Planning/2017  
ENQUIRIES: E. Pelsler

5 July 2017

Overstrand Municipality  
PO Box 20  
HERMANUS  
7200

**Engineering Services: Senior Manager**

**For attention:** Mr. Dennis Hendriks

**KLEINMOND STUDY: CONFIRMATION OF FUNDING**

An enquiry dated 6 June 2017, where the Municipality requested confirmation regarding the availability of funding to re-evaluate the Overhills UISP project and identify suitably located land in Kleinmond to address housing backlog, bears reference.

In response the Department of Human Settlements (DHS) hereby confirms that a total amount of R500,000 (~~incl. Vat~~) shall be paid to the Municipality for financial year 2017/18 from its operational budget (OPSCAP) or Provincial allocation.

The Municipality is requested to bridge finance from its Special Operating Account (SOA) and the Department will refund the Municipality once-off in November 2017 after gazetting in the Adjustment Budget.

In the interim, the Municipality should proceed to finalise the Terms of Reference (TOR) to align with the revised proposal and to scrutinise the attached draft Memorandum of Agreement (MOA) where after the agreement can be finalised.

We trust you will find the above in order.

  
**CHIEF FINANCIAL OFFICER (CFO)**

**MR. FRANCOIS DE WET**

**DATE:** 5.7.2017.

**CC:** Mr. Briand Louw (Housing Project Manager)  
Ms. Abigail Jacobs (Assistant Programme Manager: Housing Planning)

# Draft Terms of Reference (TOR)

## Re-evaluate Overhills UISP and identify suitable land in Kleinmond to address housing backlog

### 1. BACKGROUND

During 2010 and 2011, 410 subsidised houses were constructed for qualifying beneficiaries from the Kleinmond area. The beneficiaries were sourced from the waiting list for Kleinmond and included both backyard dwellers and families from the Overhills informal settlement. This development only accommodated a portion of the families in need of housing opportunities and Kleinmond therefore still remains with a housing backlog as there are still a great number of backyard dwellers as well as families remaining in the informal settlement.

During 2012 an application was submitted to DoHS to undertake planning of another housing project in Kleinmond, which was for the upgrading of the Overhills informal settlement, specifically targeting those families remaining in the Informal Settlement. Approval was issued for planning of 378 sites, in terms of the number of people in the informal settlement at that time. An Environmental Due Diligence Investigation and a Geotechnical Investigation was undertaken as part of the planning process and will be further discussed under Section 2. The recommendations from these studies were that due to the environmental- and geotechnical constraints on the site and the high costs of the proposed mitigating measures, the project should be abandoned (These reports are available on request from the Municipality).

As a result of the need to upgrade the conditions in the informal settlement as well as to address the housing need for the backyard dwellers the Department of Human Settlements (DHS) was approached by the Overstrand Municipality to provide assistance with regard to identifying suitable land for housing development in Kleinmond.

### 2. PROBLEM STATEMENT

#### 2.1) Existing Overhills Informal Settlement

According to the IDP (Fourth Review of 2012/2017 Cycle dated 25 May 2016) there are approximately 379 informal dwellings in the Overhills informal settlement. The area covered by the informal settlement is approximately 2.2 ha and it is densely populated.

The afore-mentioned Environmental Due Diligence Investigation and a Geotechnical Investigation was undertaken as part of the planning and both these investigations identified the site as being sensitive in terms of environmental considerations as well as stormwater and groundwater drainage from the site. The development of the site will therefore require certain engineering solutions, including terracing, groundwater drainage systems and certain construction / foundation solutions.

Taking all these constraints into consideration as well as the size of the informal settlement (+/-2.2ha) it was also evident that not all the families currently residing there could be accommodated once the area was formalised. Hence, two alternative areas, namely "Site 1 and 2", measuring approximately 2.4 ha and located adjacent to the existing informal settlement were investigated (See attached locality plan). But both the afore-mentioned studies indicated that the identified portions had the same constraints as the existing informal settlement. In terms of the outcome of the investigations, the specialists recommended that the project be abandoned due to the environmental and geotechnical constraints of the sites and the mitigations required and that an alternative area be identified to accommodate the informal area.

### **2.2) Proteadorp/Poppedorp - backyarders - size and problems**

The current waiting list for Kleinmond contains a total of approximately 428 families / households. The demand of these families in terms of the type of housing required is unclear. There is no real data available showing in which housing programme, these families can be categorised under, such as BNG, FLISP or GAP.

A Socio-Economic Study for the broader Overstrand area is being undertaken by DoHS in conjunction with the Municipality, appointing the PRT, Aurecon. The information gathered during this study should be sourced to determine the need/demand of these backyard dwellers and better understand their challenges, in respect to sanitation, health etc. This will enable the Municipality to not merely address the housing need in the greater Kleinmond, but also, where relevant focus on improving the living conditions of those residing in backyards.

### **3. PURPOSE OF THE PROJECT**

To holistically address the housing demand for Kleinmond by:

- Identifying suitably located land to accommodate both overflow residents from this informal area as well as backyard dwellers and persons registered on the waiting list, and
- Re-assessing the existing Overhills informal area to determine the development potential of that area.

#### 4. APPROACH

##### 4.1) Assessment of real backlogs

Information to determine the real backlog must be obtained from the socio-economic study that is currently been undertaken. This should give a better understanding of the need of not only Overhills and Proteadorp in terms of rental, UISP, BNG, FLISP and GAP and also provide solutions to address the sustainable housing need in the broader area.

##### Assessment of need in terms of upgrading/suitably located land - current and future

- An evaluation of the existing Overhills informal area to determine the development potential of that portion to what extent the existing informal dwellers can be accommodated in the existing area and what the maximum allowable density would be if it was upgraded.
- The informal settlement forms part of Overstrand Growth Management Strategy, where proposals are made with regard to the upgrading and development of this settlement. These proposals need to be re-evaluated, as the proposals at the time did not consider upgrading possibilities, but rather focussed on formal development.
- All the previously compiled studies, relevant planning documentation as well as any other additional information (e.g. the Environmental Due Diligence Report (April 2014) and Geotechnical Assessment (February 2014), will have to be re-evaluated to determine the way forward. A list of documents is included in this TOR and is available from the Municipality. In terms of this review, it is proposed that the services of an expert in the field of Upgrading of Informal Settlements be sourced as this will purely be an evaluation of the existing situation and proposals on upgrading of the settlement.
- In terms of identifying suitably located land, all land possible for development should be evaluated under specific categories such as conservation value, environmental sensitivity, goal of densification strategy, cost of bulk services, etc.
- The Spatial Development Framework, Growth Management Strategy, Environmental Management Frameworks as well as any other relevant planning documentation and policies will have to be evaluated and considered. This also includes aligning to the Provincial Informal Settlement Support Plan (ISSP) which is currently been developed. The Environmental Management Framework should speak to not only the physical development footprint of structures, but also take into account the long term extended footprint caused by natural human behaviour. Sensitive biodiversity areas must be considered for the long term impact on human migration.
- Should a portion of the existing informal area be suitable for development, proposals will also have to be made to accommodate the rest of the families as the existing area will not be able to accommodate all of them.

##### 4.2) Environmental assessment of proposed land



<p><i>Environmental Planner</i></p>	<p>necessary authorisation.</p> <ul style="list-style-type: none"> <li>• Arrange pre-application meetings with DEADP, Cape Nature and other relevant role players.</li> <li>• Prepare and submit a pre-application checklist to DEADP as this may also guide the outcome of the assessment.</li> <li>• Undertake a comparative assessment of all sites investigated to highlight "pros and cons" from a development perspective.</li> <li>• The report must be concluded with recommendations on the way forward from an environmental management perspective.</li> <li>• Where relevant, collate and review all relevant studies undertaken.</li> </ul>
<p><i>Geo-technical services</i></p> <p><b>Responsible Person:</b> <i>Geo-technical Expert</i></p>	<ul style="list-style-type: none"> <li>• Undertake a preliminary desktop geo-technical assessment and determine any flooding risks.</li> <li>• Undertake a comparative assessment of all sites investigated to ultimately highlight "pros and cons" from a development perspective.</li> <li>• Where relevant, collate and review recent studies undertaken.</li> </ul>
<p><i>Bulk and Internal Services Analysis</i></p> <p><b>Responsible Person:</b> <i>Civil/Electrical Engineer</i></p>	<ul style="list-style-type: none"> <li>• Assess and report on available bulk engineering services i.e. roads, access, storm water, water, waste water treatment, electricity and preliminary costs for upgradings to meet the anticipated demand after development and determine the impact downstream.</li> <li>• Identify link services and determine financial implication associated with providing such services</li> <li>• Evaluate the sites in accordance with bulk services planning (master planning)</li> <li>• Where relevant, collate and review recent studies undertaken.</li> </ul>
<p><i>Planning Analysis</i></p> <p><b>Responsible Person:</b> <i>Town Planner &amp; Urban Designer</i></p>	<ul style="list-style-type: none"> <li>• Property Characteristics: Determine and verify land ownership, extent, zoning, servitudes, title deed restrictions, etc.</li> <li>• Discuss the planning context in relation to SDF, Overstrand Growth Management Strategy (OGMS), IDP, as well as other relevant planning documentation and policies.</li> <li>• Discuss the spatial relation between the sites and socio-economic amenities by determining the distance and access to the various sites and public transport.</li> <li>• Undertake a high-level visual impact assessment with recommendations, taking into consideration proposals from the OGMS.</li> <li>• Consider relevant proposals in the Environmental and Heritage Overlay Zones for the affected areas.</li> <li>• Incorporate findings from the socio-economic study to provide a clear picture of current and future housing needs for Kleinmond to guide possible housing typologies that can be considered.</li> <li>• Prepare a high level bubble diagrams to reflect the main road hierarchy and potential land use.</li> <li>• Due to the character of the area and the location of the sites to be assessed, a town planner with urban design expertise is recommended to undertake this task. It will be important to promote the integration of mixed land use and typologies that fits in best with the surrounding area.</li> <li>• Inputs from the afore-mentioned disciplines must be considered by the town planner to guide the conceptual diagram.</li> <li>• Where relevant, collate and review recent studies undertaken.</li> </ul>

**Deliverable 2: Re-evaluate the existing Overhills Informal Settlement and recommend an upgrading plan to enable the municipality to proceed with a project application:**

In order to determine the development potential of the existing informal area and the maximum allowable density the following actions have been identified to assist the municipality to take the project forward:

- Determination of developable areas – the outcome of the environmental due diligence and geotechnical investigations should be spatially represented on GIS to show the preliminary developable and non-developable areas in order to highlight constraints and depict the various development options, including any other encumbrances such as servitudes etc.;
- High level assessment of the availability of bulk services;
- All previous studies and reports must be re-assessed as the focus has changed from the provision of full services and top structures to prioritising in-situ and incremental upgrading;
- Assessment of development constraints and opportunities which includes:
  - Interim options i.e. improving existing conditions;
  - Options for upgrading;
  - Improved service delivery;
  - Human settlement options; and
  - Financing options.
- Compile a report depicting the results of all works done as well as plans in support of the result. This must also include a final series of plans depicting the various development options with a recommendation, analysis and motivation on a preferred development options.
- Despite reviewing existing policies and planning documentation, the baseline information from the Rapid Appraisal Process and the Informal Settlement Support Plan (ISSP) must also be interrogated to guide the assessment.

**Deliverable 3: Final Report**

The findings from deliverable 1 and 2 must be consolidated into a draft report. It must propose innovative upgrading options that will unblock the Overhills informal area and optimise the remaining developable portion. Furthermore the report must indicate which land parcel/s is the most suitable for mixed-use development and recommend future actions required by the Municipality to take matter forward. This town level approach vs planning projects in isolation may demonstrate to the affected community that the Municipality does not only prioritise the upgrading of informal areas, but also acknowledges the housing need of the broader community.

The summarised proposal must be communicated to all stakeholders to sensitise them of the outcome to allow opportunity to interested and affected parties to provide inputs for future consideration and to acquire a level of acceptance.

**6. TIMEFRAMES AND REPORTING**

- The oversight of the process will be jointly between the Municipality and DoHS,
- At least two (2) progress meetings will need to be held between Service Provider, Municipality and DHS. Other organs of state such as DEADP may also need to be pulled in, as and when required
- Report on full programme with milestones and process which must be agreed to by all parties.
- Progress report as agreed.
- The Service Provider will be responsible for undertaking all administrative work with respect to the project. This will include preparations for any meetings, preparing agenda's, minute taking, and other related logistical arrangements (such as catering and securing of venues).
- The Service Provider will also be expected to distribute progress reports to the DHS: Municipal Planning and the Overstrand Municipality.

**7. PAYMENTS**

- The Service Provider must submit invoices with evidence of work completed to the Municipality as per project plan subject to achievement of the relevant milestones and sign off by team.
- Reports to be jointly reviewed by both the Municipality and Province. If deliverables are met as outlined in "Section 5", the Municipality can claim payment from Province as per the Memorandum of Agreement and conditions included in IPW milestones.

**8. DATE OF COMPLETION**

The final deliverables must be delivered within 6 months of appointment.

**9. GENERAL CONDITIONS**

Service Provide should work closely with the Overstrand Municipality, particularly the Housing, Town Planning, Technical Services and the project team must be approved by the Municipality.

It will be important that the expertise appointed understand the human settlement environment, including human settlement policy and planning within the Western Cape.

## 10. PROPOSAL / BID STRUCTURE

Service providers are to include the following in their bid / proposal:

- CVs of team members and identification of project leader
- Relevant previous experience, including two contactable references
- Demonstrated understanding of the motivation and project objective
- Clear methodology and proposed approach to the assessment
- Project plan/programme with time frames and level of effort at each stage of the project, with clear milestones and deliverables
- Budget with payment schedule indicating of man-hours and detailed costing (hourly rates etc.) in accordance to the milestones and deliverables

## 11. LIST OF ATTACHMENTS

The following documentation is available during the assessment process and can be acquired from the Municipality:

- Status Report by Gibb containing the Revised Environmental Due Diligence Report for the Proposed Formalisation of the Existing Kleinmond Informal Settlement, Overstrand Municipal District, Prepared by Withers Environmental Consultants, 09 April 2014
- Overstrand Phase I Geotechnical Investigation undertaken by Messrs 7 Sea Geosciences, February 2014
- Overstrand Integrated Development Plan 2015/2016 Review

ANNEXURE C  
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**TRANSFER PAYMENT AGREEMENT**

entered into by and between the

**THE PROVINCIAL GOVERNMENT OF THE WESTERN CAPE VIA ITS DEPARTMENT  
OF HUMAN SETTLEMENTS**

(Herein represented by Mr Thando Mguli in his capacity as Head of Department of  
Human Settlements, and duly authorised thereto)  
(Hereinafter referred to as "the Department")

and

**OVERSTRAND MUNICIPALITY**

(Herein represented by ..... in his or her capacity as.....  
and duly authorised thereto)  
(Hereinafter referred to as "the Beneficiary")

In respect of

**THE RE- EVALUATION OF OVERHILLS INFORMAL SETTLEMENT AND  
IDENTIFICATION OF SUITABLY LOCATED LAND IN KLEINMOND TO ADDRESS  
THE HOUSING BACKLOG**

**PREAMBLE**

- A. WHEREAS** in 2012 the Department, together with other key stakeholders, identified the critical need to upgrade 379 informal settlement sites in the Overhills Informal Settlement as well as the identification of additional sites situated in Kleinmond ( hereinafter "the Project");
- B. AND WHEREAS** the Department and the Beneficiary endeavoured to re-assess the informal settlement sites in Overhills informal Settlement to determine the extent to which the Informal Settlement can accommodate its residents and to identify suitably located land in the broader Kleinmond area to accommodate both overflow residents from Overhills Informal Settlements as well as qualifiers on the waiting list and backyard dwellers;
- C. AND WHEREAS** the Parties reached an agreement in terms of which the Department will allocate to the Beneficiary the amount of **R500 000.00 (FIVE HUNDRED THOUSAND RAND)** ("the Funds"), to be utilised for purposes of the Project.

**NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:****1. INTERPRETATION**

- 1.1 In this Agreement unless the context indicates a contrary intention a word or expression which denotes: -
- 1.1.1 any gender shall include the other genders;
  - 1.1.2 a natural person shall include juristic persons and vice versa; and
  - 1.1.3 the singular shall include the plural and vice versa.
- 1.2 In the event of any inconsistency between the provisions of this Agreement and the relevant information pertaining to the Parties in the Terms of Reference attached hereto as Annexure "A", the provisions of this Agreement shall prevail over the relevant information pertaining to the Parties in the Terms of Reference.
- 1.3 In this Agreement the following expressions bear the meanings assigned to them below and cognate expressions bear corresponding meanings: -

- 1.3.1 **“Agreement”** shall mean this Transfer Payment Agreement, together with the Terms of Reference, and any other annexures hereto, and **“this Agreement”** shall have a corresponding meaning;
- 1.3.2 **“Day”** means any day of the week including Saturdays, Sundays and Public Holidays;
- 1.3.3 **“Commencement Date”** means the .....
- 1.3.4 **“Parties”** means the Department and the Beneficiary;
- 1.3.5 **“Project”** means the Beneficiary’s re-assessment as described in the Annexure **“A”** of the informal settlement known as Overhills Informal Settlement situated on erven 5453 and 5462 in Kleinmond as well as the identification of land parcels that can be included in the Beneficiary’s housing pipeline.

1.4 Words and expressions defined in any clause shall, for the purpose of that clause, bear the meaning assigned to such words and expressions in that clause.

## 2. COMMENCEMENT AND TERMINATION OF AGREEMENT

Notwithstanding the date of signature hereof, this Agreement shall commence on the XXXXXXXX and shall, unless otherwise provided for in this Agreement, terminate when all the agreed upon deliverables and reporting obligations have been fully met and complied with.

## 3. PAYMENT OF THE FUNDS

3.1 Subject to clause 3.3 the Department shall pay the Beneficiary the amount of R500 000.00 (Five Hundred Thousand Rand) for the financial year 2017-2018, from its operational budget (“OPSCAP”) or Provincial Allocation to accelerate housing delivery. The Beneficiary is requested to bridge finance progress from the Special Operating Account (SOA) and the Department will refund the Beneficiary once-off in November 2017 after gazetting in the Adjustment Budget.

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- 3.2 Funds will be subject to the allocations made by the Provincial Executive, departmental budget allocations made by the Provincial Parliament and the departmental performance management processes.
- 3.3 The Funds will be deposited into the Beneficiary's primary bank account, opened in accordance with section 8 of the Municipal Finance Management Act, 2003 and must be utilised for the Project.
- 3.4 Nothing in this Agreement shall be construed as confirmation of the allocation of funding in respect of the Project in subsequent financial years, other than the financial years specified in 2017 – 2018.

#### **4. OBLIGATIONS OF THE BENEFICIARY**

The Beneficiary shall:

- 4.1 Ensure that effective, efficient and transparent financial management and internal control systems are in place, and shall remain in place during the subsistence of this Agreement;
- 4.2 Furnish the Department with a written assurance of compliance in terms of section 62 of the Municipal Finance Management Act, 2000, which is to be attached as Annexure "B" to this Agreement;
- 4.3 Utilise the Funds only for the purpose of executing the Project which shall be completed according to the Terms of Reference marked "A" and the Project Plan marked "C";
- 4.4 Provide the Department with any documents and reports produced in relation to the Project for review and input by the Department;
- 4.5 Create a separate cost centre within its formal accounting system to enable it to accurately account for the Funds transferred in favour of the Project;

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- 4.6 Utilise the interest earned (on the investment of the Funds) solely for the benefit of the approved deliverables in the Project Plan marked "C";
- 4.7 Refund to the Department all Funds, together with the interest earned thereon, clearly indicating the Project reference number, should the Beneficiary fail to commence the implementation of the Project within 3 (three) months after the Funds (or any part thereof) have been paid over to it, within 30 (thirty) days from the end of the 3-month period;
- 4.8 Pay back any surplus and / or remaining Funds to the Department (clearly indicating the project reference number), within 30 (thirty) of completion of the Agreement period;
- 4.11 Ensure that it maintains complete documentary evidence of all and any payments made from the Funds, including but not limited to expenditure vouchers, indicating the Project reference number, which must be retained for audit purposes;
- 4.12 Furnish the Department with an income and expenditure statement, prepared by its accountant and certified by the Municipal Manager, which indicates the total allocation and total expenditure in respect of the Project, within 60 (sixty) days of completion of the Project; and
- 4.13 Adhere to the reporting and other requirements as set out in clause 6 below.
- 4.14 All VAT claimed must be allocated to the project.
- 5. OBLIGATIONS OF THE DEPARTMENT**
- 5.1 The Department will attend all meetings set out in clause 6 below.
- 5.2 The Department will monitor the spending of the Funds by the Beneficiary.
- 5.3 The Department will provide comments and review all documents submitted and/or drafted by the Beneficiary with regard to the Project.

**6. REPORTING, MONITORING AND EVALUATION**

- 6.1 The Parties shall establish a Project Steering Committee ("PSC") consisting of officials from the Department, the Beneficiary, and other role players in the Project.
- 6.2 This PSC will be responsible for providing input and guidance with regard to the development of the Project, and will oversee the successful completion of the Project.
- 6.3 The Beneficiary shall perform secretariat functions at the PSC meeting and shall set up the meetings monthly, provide a venue for such meetings, compile minutes, distribute minutes to all relevant parties and submit written monthly progress reports to the Department, on or before the 5th (fifth) Day of each month.
- 6.4 The first PSC meeting will commence in the month following the signature date of this Agreement.
- 6.5 The Beneficiary shall provide progress reports at such PSC meetings.

The above-mentioned progress reports must reflect the achieved targets and outputs, as well as a detailed breakdown of expenditures and the balance of the Funds to date. These progress reports must be submitted within 10 (ten) days after the end of each month together with any supporting document(s) substantiating the achieved targets and outputs on actual expenditure.

- 6.6 The Department reserves the right to request additional information pertaining to any matters or issues raised in or relevant matters or issues omitted from any report / progress report as furnished.
- 6.7 Failure by the Beneficiary to submit any progress reports on or before the date stipulated in clause 6.3 may result in suspension or termination of the payment by the Department.

- 6.8 The management of the Beneficiary shall be obliged to attend regular meetings to be held at the reasonable instance and request of the Department to discuss progress of, or any impediments to, the fulfilment of the obligations in terms of this Agreement.
- 6.9 The Department will be provided with 5 (five) days' notice of all such meetings as well as all relevant documents including but not limited to, minutes of meetings and agendas attended by the relevant official and pertaining to the Project.
- 6.10 The Beneficiary shall make available to the Department all relevant records, documents and other evidence pertaining to the performance / obligations in terms of this Agreement, as and when requested by the Department, in order for the Department to conduct outcome and impact evaluations, after reasonable prior written notice has been given.
- 6.11 The Beneficiary shall within 60 (sixty) days after completion of the Project submit a final report (in both hard copy and digital copy formats), as well as all files and associated information used in compiling the report, to the other parties to this agreement.
- 6.13 Together with the final progress report to the Department in accordance with clause 6.12 above, the Beneficiary must submit a report drafted by the Municipal Manager as Accounting Officer or his delegate as the case may be, pertaining to the Project, which will contain the following:
- 6.13.1 The extent to which the Beneficiary achieved its objectives for the financial year concerned;
- 6.13.2 Appropriate performance information regarding the economical, effective and appropriate utilisation of the Funds; and
- 6.13.3 An indication of other funds, if any, received from the State, as well as any undertaking given by the State.

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- 6.14 To ensure that the Funds are utilised correctly, the Beneficiary shall, upon written notice by the Department, grant authorized officials of the Western Cape Government access to the documentation, books, financial records and bank statements of the Beneficiary at all reasonable times, and these officials shall be entitled to inspect the Beneficiary's records at the Beneficiary's premises and to make copies of any required documentation.

## 7. BREACH

Should a Party breach any or all of the terms and conditions of this Agreement, and remain in such breach 10 (ten) Business days after receipt of a written notice calling upon it to remedy such breach, then the Party who served such notice shall be entitled, in addition to any remedy which it may have in law, to cancel this Agreement, or to remedy the breach itself.

## 8. CO-OPERATIVE GOVERNANCE

- 8.1 The Parties will adhere to the principles of co-operative governance as reflected in sections 40 and 41 of Chapter 3 of the Constitution.
- 8.2 The Parties shall co-operate with one another in mutual trust and good faith by:
- 8.2.1.1 fostering friendly relations;
  - 8.2.1.2 assisting and supporting one another;
  - 8.2.1.3 informing one another of and consulting with one another on matters of common interest related to the Project;
  - 8.2.1.4 adhering to agreed procedures and principles;
  - 8.2.1.5 conducting actions and process in terms of the Intergovernmental Relations Framework Act;
  - 8.2.1.6 diligently fulfilling all their undertakings and obligations as set out in this Agreement to ensure that the required outcomes are met;
  - 8.2.1.7 respecting each other's roles, responsibilities and obligations and not acting in a manner that encroaches or impinges on the institutional integrity of the other Party; and
  - 8.2.1.8 always acting in the best interests of each other when any decisions are to be made or when any action is to be taken.

## 9. DISPUTE RESOLUTION

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- 9.1 This Agreement shall be governed by and constructed in accordance with the laws of the Republic of South Africa and specifically the provisions of the Intergovernmental Relations Framework Act referred to above. The Parties have a duty to avoid disputes, and the Parties must make every reasonable effort-
- (a) to avoid a dispute when exercising their statutory powers; or
  - (b) to settle a dispute without resorting to judicial proceedings.
- 9.2 In the event of a dispute arising from this Agreement, the Parties shall make every effort to settle such dispute amicably. If the dispute is not capable of being settled between the Parties amicably, such dispute shall be elevated to the Senior Management / Executive or their duly assigned representatives for mediation purposes.
- 9.3 Should the dispute – despite such mediation – remain unresolved for a period of 30 (thirty) days after being referred, either Party may declare such dispute a formal intergovernmental dispute by notifying the other Party of such declaration in writing, in which event the Parties will follow the procedure as outlined in section 42 of the Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005).

#### 10. NOTICE AND DOMICILIUM

- 10.1 The Parties choose as their respective *domicilium citandi et executandi* for the purposes of legal proceedings and for the purpose of giving or sending any notice provided for or necessary in terms of this Agreement, the following addresses:

**THE DEPARTMENT OF HUMAN SETTLEMENTS:  
HEAD OF DEPARTMENT  
27 WALE STREET  
CAPE TOWN**

**OVERSTRAND MUNICIPALITY:  
MUNICIPAL MANAGER  
MAGNOLIA STREET  
HERMANUS**

ANNEXURE C  
Page 10 of 11

10.2 All notices to be given in terms of this Agreement shall be given in writing and be delivered or sent by prepaid registered post to the Party's chosen *domicilium citandi et executandi*.

10.3 If delivered by hand, a notice shall be presumed to have been received on the date of delivery, or, if sent by prepaid registered post, be presumed to have been received seven (7) days after the date of posting.

10.4 Notwithstanding anything to the contrary contained in this Agreement, a written notice or communication actually received by one of the Parties from the other Party shall be adequate written notice of communication to such Party.

**11. ENTIRE AGREEMENT**

11.1 This Agreement constitutes the entire agreement between the Parties and no amendment, alteration, addition or variation of any right, term or condition of this Agreement will be of any force or effect unless reduced to writing and signed by the Parties to this Agreement.

11.2 The Parties agree that there are no conditions, variations or representations, whether oral or written and whether expressed or implied or otherwise, other than those contained in this Agreement.

11.3 This Agreement replaces any other previous verbal or written agreement entered into between the Parties.

SIGNED AT ..... ON THIS.....DAY OF .....2017

.....  
**THE DEPARTMENT**  
(Herein represented by Mr Thando Mguli in his capacity as Head of the Department)

ANNEXURE C  
Page " of "

AS WITNESSES:

1. ....  
Name also in capital letters:

2. ....  
Name also in capital letters:

SIGNED AT ..... ON THIS.....DAY OF .....2017

.....

**THE BENEFICIARY**

(Herein represented by  
.....in his capacity as  
....., duly authorised  
hereto)

AS WITNESSES:

1. ....  
Name also in capital letters:

2. ....  
Name also in capital letters:

Neil

**LYNERS**

and Associates (RF) (Pty) Ltd



Consulting Engineers &amp; Project Managers

Our reference : C17046/COR/LS/lm/01(1)

Your reference :

5 June 2017

Postal Address : P O Box 4901 TYGERVALLEY 7536

Street Address : Office 2, Ground Floor, Riverside Place

South Gate Entrance, Carl Cronjé Drive

Tyger Valley Waterfront BELLVILLE 7530

Tel: +27 (0) 21 914 0300 | Fax: +27 (0) 21 914 0437

E-mail: [bellville@lynerns.co.za](mailto:bellville@lynerns.co.za) | Website: [www.lynerns.co.za](http://www.lynerns.co.za)

The Municipal Manager  
Overstrand Municipality  
P O Box 20  
**HERMANUS**  
7200

Attention: Messrs B Louw/R Kuchar

Dear Briand / Riaan

**C17046: INVESTIGATION OF LAND OPTIONS FOR KLEINMOND HOUSING DEVELOPMENTS:  
REVISED TIME AND COST BREAKDOWN**

Refer to the meeting held at Kleinmond Municipal Offices on 17 May 2017 regarding the proposed work breakdown and costing for the abovementioned project.

We reviewed our proposal and in particular your request to focus more at the Urban Planning at town level and your recommendation that more of the Town Planning input be provided by yourselves. We also reduced travelling to the Overstrand area and planned that more of the workshops and co-ordination meetings be held at our offices in Bellville.

We attached herewith our revised time and costs schedule which can be summarized as follows for the two (2) concurrent processes.

Discipline	Time Costs	Travel Time Costs at 70% of rate
<b>1. Investigation and reporting on land options for housing development.</b>		
1.1 Project coordination and management.	R 154 612-00	R 20 212-00
1.2 Urban Planning	R 200 790-00	R 10 605-00
1.3 Civil and Electrical Engineering	R 160 977-00	R 9 923-00
1.4 Geotechnical Engineering	R 20 900-00	R 1 995-00
1.5 Environmental and Specialists	R 113 415-00	R 14 714-00
1.6 Town Planning	R 67 485-00	R 10 112-00
1.7 Land Surveying	R 32 620-00	R 0-00
Subtract Time Costs	R 750 799-00	R 67 561-00
Direct Disbursements Allowance	0-00	R 38 500-00
<b>Total (excl. VAT) (Item 1)</b>	<b>R 750 799-00</b>	<b>R 106 061-00</b>

Discipline	Time Costs		Travel Time Costs at 70% of rate	
<b>2. Overhills Investigation and Development options</b>				
2.1 Project Coordination and Management	R	21 263-00	R	1 838-00
2.2 Urban Planning	R	30 060-00	R	1 050-00
2.3 Civil and Electrical Engineering	R	32 845-00	R	1 103-00
2.4 Geotechnical Engineer	R	3 800-00	R	0-00
2.5 Environmental Specialists	R	44 335-00	R	4 920-00
2.6 Town Planning	R	13 765-00	R	1 124-00
2.7 Land Surveying	R	180-00	R	0-00
Subtotal Time Costs	R	146 248-00	R	10 035-00
Direct Disbursements Allowance	R	0-00	R	7 500-00
<b>Total (excl. VAT) (Item 2)</b>	R	<b>146 248-00</b>	R	<b>17 535-00</b>
<b>3. Provisional sum for additional specialist studies on request of Client</b>	R	<b>100 000-00</b>		
<b>Subtotals for Project (excl. VAT) (Item 1+2+3)</b>	R	<b>997 047-00</b>	R	<b>123 596-00</b>
<b>Total for Project (excluding VAT)</b>	R	<b>1 120 643-00</b>		

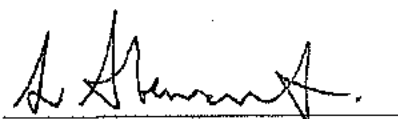
As discussed, Overstrand Municipality will make available all the previous investigation reports, the Socio-Economic Study recently completed, Spatial Development Framework (SDF), Overstrand Zoning Scheme Report, Overstrand Growth Management Strategy (OGMS) and any other relevant reports.

We recommend that the work and public participation process follow the following procedure:

- Initiation of the works
- Review of all studies and prepare base drawings with known constraints
- Holding Public Meeting with stakeholders and public to introduce team and explain task at hand and obtaining general input/concerns
- Visioning taking all issues into consideration
- Screening, planning and design at high level down to specific sites, with overall spatial framework at town level as basis.
- Schedule open house meeting where findings are exhibited to all stakeholders and questions are addressed interactively
- Refine findings and integrate concurrent Items 1 and 2 above
- Prepare documentation and report
- Present report
- Close-out of project

We trust that the above will be to your satisfaction.

Yours faithfully



**Lawrence Stewart Pr Eng Pr GPM**

**For LYNERS**

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**17.  
KLEINMOND HARBOUR DEVELOPMENT PROJECT: CLOSE OUT REPORT**

**Erf 5462, Kleinmond  
B Louw / A Cairns  
16 September 2015**

**(028) 316 3724**

**Hermanus Administration**

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**1. Executive Summary**

The purpose of this submission is to inform Council that the Kleinmond Harbour Development Project has now been completed, that there is a balance of R18 410.87 remaining, which will be used for additional repair work on the slipway, that the portion of land that was purchased for the purpose of completing the traffic circle at the entrance to the harbour must still be subdivided, rezoned and transferred to Council and that the KCIH situation, which will be discussed in detail later in the report, must be taken note of.

The full background of the project was discussed in a submission to Council on 26 May 2010 and in that submission approval was sought for the alienation of Municipal land and for the basis of dealing with community structures. A copy of the Minutes of that Council Meeting is attached as Annexure A.

During May 2011 another submission was made to Council, seeking approval to adjust the amounts that had to be paid to the Municipality by Wharfside Developments and in that submission approval was sought to reduce the agreed selling price of R24 000 000.00 to R21 000 000.00 as a result of actions and demands made by community based groupings. A copy of the Minutes of that Council Meeting is attached as Annexure B.

A third submission was made to Council during May 2013, in which approval was sought to adjust the timeframes of the amounts that had to be paid by Wharfside to the Municipality and the amendment of the amounts allocated to certain components of the development. A copy of the Minutes of that Council Meeting is attached as Annexure C.

The final portion of the development has now been completed and the contract amount for that work amounted to R6 722 274.15 of which R400 000.00 had to be paid in cash to the Municipality and the rest towards the upgrading works. The balance of R18 410.87 remains from this portion but as mentioned above, will now be used in the further upgrading of the slipway. The extent of the completed work will be discussed later in the submission.

The portion of land purchased by Wharfside Developments in order to complete the traffic circle at Luckhoff- and Harbour Roads, must still be subdivided, rezoned and transferred to Council.

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**2. Service Delivery and Budget Implementation Plan - IGNITE**

Infrastructure and Planning  
Housing Planning

**3. Compliance with Strategic Priorities**

Provision of democratic, accountable and ethical governance  
Promotion of tourism, economic and social development

**4. Delegated Authority**

None

**5. Legal Requirements**

- Council's Administration of Immovable Property Policy;
- Sections 14 and 33 of Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2008)
- Municipal Asset Transfer Regulations, 2008 (No R. 878 of 2008)
- Land Use Planning Ordinance, 1985 (Ordinance 15 of 1985)

**6. Background/Discussion/Evaluation/Conclusion**

**Background**

As stated previously, the purpose of this submission is to inform Council of the following:

- That the Kleinmond Harbour Development Project, which entailed making the harbour / slipway more user-friendly and safe as well as the upgrading of infrastructure that will enhance development, has now been completed;
- That there is a balance of R18 410.87 remaining of the total R21 000 000.00 and that this will now be spent on additional upgrading work on the slipway;
- That the portion of land purchased in order to complete the traffic circle at Luckhoff- and Harbour Roads, must still be subdivided, rezoned and transferred to Council and that this process will be starting now.
- That note be taken of the position with regards to KCIH, regarding the R300 000.00 which has been paid out to the entity and for which no evidence of expenditure have been provided to the Municipality as yet, and the remaining balance of R700 000.00 will only be paid out once

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KCIH provided the Municipality with acceptable information on the intended expenditure of the balance.

As mentioned in the Executive Summary, various reports regarding the development has served before Council. During May 2010 Council resolved as follows:

- "1. *that the valuation, as submitted by Rode and Associates for the amount of R20 560 000 and of DDP Valuers for the amount of R14 300 000, be accepted.*
2. *That the offer for the municipal land, for the amount of R24 000 000 be accepted and the sale thereof, in terms of Council's Administration of Immovable Property Policy, be approved on the basis of the draft Deed of Sale, inter alia that:*
  - (a) *R10 100 000.00 be allocated for the provision of bulk infrastructure;*
  - (b) *R9 900 000 be allocated towards the upgrading of the harbour below the High Water Mark (HWM)*
  - (c) *R3 000 000.00 be allocated as a contribution towards community upliftment; and*
  - (d) *R1 000 000.00 be allocated as a contribution towards the provision of a fish processing facility.*
3. *That in dealing with the community based Forum the following principles be accepted:*
  - (a) *That the Forum be transformed into a Legal Entity;*
  - (b) *That the previous decision of Council regarding the sale of a Portion of Erf 5462 to the now defunct KCIH, not be implemented but that the Forum instead acquire a right to a fish processing facility near the slipway on Council owned land;*
  - (c) *That the Forum (and its transformed successor) utilise the services of OLEDA as its financial caretaker;*
  - (d) *That the community, through the Forum, be given direct benefit from the proceeds of the sale to the values of R3 000 000, in lieu of the 70% share that KCIH would have acquired in Wharfside Developments; and*
  - (e) *That the Municipality will undertake (through OLEDA) a re-evaluation and re-planning of the harbour precinct.*
4. *That the following specific conditions will apply:*
  - (a) *The funds allocated to the upgrading of the harbour below the High Water Mark only be utilised once an appropriate and acceptable lease agreement has been concluded with the relevant Authorities; and*

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- (b) *Funds be allocated to community based projects only be utilised once the Forum has transferred itself into a Legal entity, failing which the Council will re-allocate the funds for community based projects of its own choosing. The Municipal Manager to report on progress in this regard after 6 months.*
5. *That it be accepted, in terms of Section 14 of the Municipal Finance Management Act 56 of 2003, that the properties to be alienated to Wharfside Developments are not needed to provide the minimum level of basic municipal services and that it further be accepted that fair market value as well as economic- and community value will be received in exchange for the property.*
6. *That it be noted that in terms of Section 33 of the Municipal Finance Management Act 56 of 2003, the contract with Wharfside Developments will not impose financial obligations on the Municipality beyond the three years covered in the annual budget for the 2010/2011 financial year.*
7. *That cognisance be taken of the fact that the required processes in terms of the Land Use Planning Ordinance, 1985 for the rezoning and subdivision of the properties to be sold, have been concluded."*

The second submission to Council during April 2011 dealt with the adjustments that had to be made to the amounts which were to be paid by Wharfside Developments to the Municipality as a result of actions and demands made by community based groupings. The report specifically dealt with the change in the selling price from R24 000 000.00 to R21 000 000.00 due to the exclusion of the R3 000 000.00 which was intended for community upliftment. Council resolved as follows:

- "1. *That Council take note of the final Deed of Sale as contained in the Third Addendum to the Agreement with Wharfside Developments (Kleinmond) (Pty) Ltd;*
2. *That Council take note of the following allocations to be spent in accordance with the Third Addendum:*
- (a) *R10 100 000 be allocated to the provision of bulk infrastructure;*
- (b) *R9 900 000 be allocated towards the upgrading of the harbour below the High Water Mark;*
- (c) *R1 000 000 be allocated as a contribution towards the provision of community structures and development on Erf 5456 (municipal land) around the harbour."*

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The third submission made to Council during May 2013 dealt with adjustments and amendments to the amounts and timeframes of the amounts to be paid by Wharfside to the Municipality. Council resolved as follows:

- "1. that the extension of payment for municipal land be approved as follows:
- (a) That the payment for Phase 3 with date 9 July 2013 for the amount of R7 000 000.00 be substituted with new Phases 3 and 4, with last dates for payment 9 January 2014 and 9 July 2014 for the amounts of R3 500 000.00 respectively, and
  - (b) That Wharfside Developments (Kleinmond) (Pty) Ltd compensates the Municipality for loss in value of outstanding amounts at a rate of 1% per month from 10 July 2013; payable monthly in advance on outstanding amounts.
2. That the following allocations to be spent, be noted:
- (a) R10 126 198.61 be allocated to the provision of bulk civil and electrical infrastructure;
  - (b) R999 876.00 be allocated towards the cost of land for municipal purposes;
  - (c) R1 500 000.00 be allocated for rezoning costs;
  - (d) R7 373 925.39 be allocated towards upgrading of the harbour below the high water mark; and
  - (e) R1 000 000.00 be allocated as a contribution towards the provision of community structures and development on Erf 5456, Kleinmond (municipal land) around the harbour."

The 1% interest that had to be paid on all outstanding amounts on a monthly basis, as set out in condition 1(b) above, was paid accordingly by Wharfside every month. The spending of the last portion of the R21 000 000.00, which amounts to R6 722 274.15, will now be dealt with in the Discussion. This amount is made up of the R400 000.00 which must be paid in cash to the Municipality as the final portion of the R1 000 000.00 allocated towards provision of community structures and development on Erf 5456, Kleinmond, around the harbour and the R6 322 274.15, which must be spent on the upgrading of the harbour below the high water mark. A schedule of how the first portion of R14 277 725.86 was spent, is attached as Annexure D, and it forms part of the Fourth Addendum to the Agreement between the Municipality and Wharfside as approved during the May 2013 submission to Council.

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**Discussion**

As set out in the conditions of all three previous submissions, an allocation was made for the upgrading of the harbour below the high water mark. The last submission stated that the amount to be spent is R7 373 925.39, however, it should be noted that a portion of this allocation was spent on the access road to the slipway and harbour parking in front of the slipway. At the time of approval of this Addendum, the expenditure to date was R14 277 725.86, which included the actual civil and infrastructure costs as well as the R600 000.00 cash payment to the Municipality as part of the R1 000 000.00 community contribution. This amount therefore also included the funds spent on the access road and harbour parking and the balance outstanding therefore amounted to R6 722 274.15 of which R6 322 274.15 had to be spent on the physical upgrading costs and the balance of R400 000.00 had to be paid in cash to the Municipality. A copy of the actual costs as set out in the Fourth Addendum is attached as Annexure D.

The upgrading work for the balance of the R6 322 274.15 has now been completed and the expenditure is summarised below. Please note that it has been split into Operational and Capital Expenditure.

**Capital:**

Asset description	Completed Value
Stormwater\Reticulation Pipeline\Weholite\450mm	R88 202.64
Kleinmond Harbour\Common Asset\Fish Tables	R55 508.86
Kleinmond Harbour\Common Asset\Public Toilets	R444 306.12
<b>TOTAL</b>	<b>R588 017.62</b>

**Operational:**

<b>Kleinmond Harbour Operational Costs</b>	
Underpinning and toe protection of the outer seawall with concrete	R579 213.42
Repair of the eastern inner seawall	R631 526.24
Removal of the submerged concrete blocks at the end of the western inner seawall and repair of the end of this seawall	R74 031.90
The removal of loose rock from the inner harbour basin	R886 798.91
Repair work and possible extensions to the concrete slipway	R522 353.85
Repair of jetty (quay) on the inside of the inner harbour basin	R2 031 941.41
Repair of two footpaths	R989 979.93
<b>TOTAL</b>	<b>R5 715 845.66</b>

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**The total expenditure for both Operational and Capital costs amounts to R6 303 863.28.**

The remaining balance of R18 410.87, which as explained in the Executive Summary, will now be utilised for additional upgrading work to the slipway in the harbour. The additional work that's required to the slipway is necessary after receiving numerous complaints and queries from the community regarding damage to their boats and vehicles when launching or returning from sea. During construction the immediate seabed was destabilised causing washout of material. There is evidence that wave action also removed smaller stones from this area and created a bigger problem. A proposed concrete ramp / toe at the end is likely to be the best solution and designs for this is now being investigated and that is what the remaining balance will be used for.

In all the previous submissions it is noted that a contribution of R1 000 000.00 must be **allocated towards the provision of community structures and development on Erf 5456, Kleinmond**, which is municipal owned land. The R1 000 000.00 was paid in cash to the Municipality by Wharfside as stipulated in the first submission to Council during May. The submission further stated that the community Forum had to be transformed into a legal entity which was subsequently done and this entity is known as KCIH. Subsequently the first tranche of R300 000.00 was paid over to KCIH during October 2012, and they were informed in a letter, dated 09 October 2012, that the Municipality must be informed how the funds will be utilised. During November 2012, another request was issued to KCIH by the Municipality to provide evidence of how the first tranche would be spent. During February 2013, the Municipality received a request from KCIH to pay out the second tranche of R300 000.00 and attached a budget indicating the expenditure of the first tranche, however no invoices of payments were attached. The Municipality then responded to this and the budget attachment was retracted by KCIH, and once again the Municipality requested proof of expenditure for the R300 000.00 but none was received. Following this, numerous requests were issued during 2014 and no evidence was submitted. Subsequently no further funds were released to KCIH and the remaining R700 000.00 is still in the Municipalities possession. Copies of all the correspondence between the Municipality and KCIH, is attached as Annexure E.

In light of the above, Council is requested to take note of the current situation and it is recommended that the remaining balance of R700 000.00 only be released to KCIH once they have adhered to requests of proof of expenditure of the R300 000.00 and provided the Municipality with acceptable information on the intended expenditure of the balance.

**AGENDA of the  
Portfolio Committee : Infrastructure & Planning  
17 November 2015  
(Also the agenda for the Mayoral Committee Meeting : 25 November 2015)**

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**Conclusion**

In light of the above Background and Discussion, it is recommended that Council takes note of the completion of the project, of the utilisation and spending of the last portion of the funds and that the remaining balance of R18 410.87 will be used towards the additional upgrading required for the slipway as well as the process that will now be undertaken to complete the subdivision, rezoning and transfer of the portion of land purchased to complete the Luckhoff- and Harbour Roads traffic circle. It is also recommended that Council takes note of the current situation with KCIH and that the remaining balance of R700 000.00 only be released to KCIH once they have adhered to requests of proof of expenditure of the R300 000.00 and provided the Municipality with acceptable information on the intended expenditure of the balance.

**7. Financial Implications**

There are no financial implications for the Municipality as the project is now completed, except for additional work on the slipway for which the balance of R18 410.87 will be utilised.

**8. Staff Implications**

None

**9. Comments from other Departments, Divisions and Administrations**

None

**10. Annexures**

- Annexure A: Copy of May 2010 Council Minutes
- Annexure B: Copy of May 2011 Council Minutes
- Annexure C: Copy of May 2013 Council Minutes
- Annexure D: Copy of Fourth Addendum
- Annexure E: Copies of correspondence between the Municipality & KCIH

**RECOMMENDATION TO THE COUNCIL:**

1. that the fact that the Kleinmond Harbour Project has now been completed, **be noted;**
2. that the utilisation of the remaining balance of R18 410.87, which will be utilised for the additional work needed at the slipway, **be noted;**

**AGENDA of the  
Portfolio Committee : Infrastructure & Planning  
17 November 2015  
(Also the agenda for the Mayoral Committee Meeting : 25 November 2015)**

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3. that the process that will now be undertaken to complete the subdivision, rezoning and transfer of the portion of land purchased to complete the Luckhoff- and Harbour Roads traffic circle, **be noted**; and
4. that the withholding of the remaining balance of R700 000.00 which is to be paid out to KCIH until such time that they have adhered to requests of proof of expenditure of the R300 000.00 and provided the Municipality with acceptable information on the intended expenditure of the balance, **be noted**.

**RESPONSIBLE OFFICIAL :**

**B LOUW / A CAIRNS**

**TARGET DATE FOR IMPLEMENTATION :**

**NOVEMBER 2015**

**5.7  
KLEINMOND HARBOUR DEVELOPMENT : APPROVAL OF ALIENATION OF  
CERTAIN MUNICIPAL LAND TO WHARFSIDE DEVELOPMENTS AND  
APPROVAL OF BASIS OF DEALING WITH COMMUNITY STRUCTURES**

**(ITEM 9, PAGE 219 : INFRASTRUCTURE, PLANNING & ECONOMIC  
DEVELOPMENT PORTFOLIO COMMITTEE MEETING : 26 MAY 2010)**

**RESOLVED (UNANIMOUSLY)**

In light of the report above, it is recommended:

1. that the valuation, as submitted by Rode and Associates for the amount of R20 560 000 and of DDP Valuers for the amount of R14 300 000, be accepted.
2. that the offer for the municipal land, as depicted on the Map attached as Annexure A to the report, for the amount of R24 000 000 be accepted and the sale thereof, in terms of the Council's Administration of Immovable Property Policy, be approved on the basis of the draft Deed of Sale attached as Annexure J to the report, inter alia that:
  - (a) R10 100 000 be allocated to the provision of bulk infrastructure;
  - (b) R9 900 000 be allocated towards the upgrading of the harbour below the High Water Mark;
  - (c) R3 000 000 be allocated as a contribution towards community upliftment; and
  - (d) R1 000 000 be allocated as a contribution towards the provision of a fish processing facility.
3. that in dealing with the community based Forum the following principles be accepted:
  - (a) that the Forum be transformed into a Legal Entity;
  - (b) that the previous decision of Council regarding the sale of a Portion of Erf 5462 to the now defunct KCIH, not be implemented but that the Forum instead acquire a right to a fish processing facility near the slipway on Council owned land;
  - (c) that the Forum (and its transformed successor) utilise the services of QLEDA as its financial caretaker;

Annexure E  
Page 11 of 31

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Annexure A  
Page 2 of 2**MINUTES : ORDINARY MEETING OF THE COUNCIL****26 MAY 2010**

- (d) that the community, through the Forum, be given a direct benefit from the proceeds of the sale to the value of R3 000 000, in lieu of the 70% share that KCIH would have required in Wharfside Developments; and
- (e) that the Municipality will undertake (through OLEDA) a re-evaluation and re-planning of the harbour precinct (Portion H on map on Annexure A).
4. that the following **specific conditions will apply**:
- (a) the funds allocated to the upgrading of the harbour below the High Water Mark only be utilised once an appropriate and acceptable lease agreement has been concluded with the relevant Authorities; and
- (b) funds allocated to community based projects only be utilised once the Forum has transferred itself into a Legal Entity, failing which the Council will re-allocate the funds for community based projects of its own choosing. The Municipal Manager to report on progress in this regard after 6 months.
5. that it be accepted, in terms of Section 14 of the Municipal Finance Management Act 56 of 2003, that the properties to be alienated to Wharfside Developments are not needed to provide the minimum level of basic municipal services and that it further be accepted that fair market value as well as economic- and community value will be received in exchange for the property.
6. that it be noted that in terms of Section 33 of the Municipal Finance Management Act 56 of 2003, the contract with Wharfside Developments will not impose financial obligations on the Municipality beyond the three years covered in the annual budget for the 2010/2011 financial year.
7. that **cognisance be taken** of the fact that the required processes in terms of the Land Use Planning Ordinance, 1985 (Ordinance 15 of 1985), for rezoning and subdivision of the properties to be sold, have been concluded.

**RESPONSIBLE OFFICIAL :** BG LOUW

**TARGET DATE FOR IMPLEMENTATION :** 26 MAY 2010

**TARGET DATE TO INFORM AFFECTED PARTIES :** 09 JUNE 2010

Annexure B

5

MINUTES : ORDINARY COUNCIL MEETING4 MAY 2011**5.4**

**KLEINMOND HARBOUR DEVELOPMENT : ADJUSTMENT OF AMOUNTS TO BE PAID TO THE MUNICIPALITY IN ACCORDANCE WITH ADDENDUM THREE TO THE AGREEMENT WITH WHARFSIDE DEVELOPMENTS (KLEINMOND) (PTY) LTD**

**(ITEM 3, PAGE 38 : INFRASTRUCTURE & PLANNING PORTFOLIO : MAYORAL COMMITTEE MEETING : 4 MAY 2011)**

**RESOLVED (UNANIMOUSLY)**

In light of the report above, it is recommended:

1. that Council take note of the final Deed of Sale as contained in the Third Addendum to the Agreement with Wharfside Developments (Kleinmond) (Pty) Ltd;
2. that Council take note of the following allocations to be spent in accordance with the Third Addendum:
  - (a) R10 100 000 be allocated to the provision of bulk infrastructure;
  - (b) R9 900 000 be allocated towards the upgrading of the harbour below the High Water Mark, and
  - (c) R1 000 000 be allocated as a contribution towards the provision of community structures and development on Erf 5456 (municipal land) around the harbour.

<b>RESPONSIBLE OFFICIAL :</b>	<b>BG LOUW</b>
<b>TARGET DATE FOR IMPLEMENTATION :</b>	<b>11 MAY 2011</b>
<b>TARGET DATE TO INFORM APPLICANT :</b>	<b>N/A</b>
<b>TARGET DATE TO INFORM OBJECTOR :</b>	<b>N/A</b>

ANNEXURE C

5

MINUTES : ORDINARY MEETING OF THE COUNCIL29 MAY 2013**5.4****KLEINMOND HARBOUR DEVELOPMENT : APPROVAL OF ADJUSTMENT TO TIME FRAMES OF AMOUNTS TO BE PAID TO THE MUNICIPALITY BY WHARFSIDE DEVELOPMENTS (KLEINMOND) (PTY) LTD AND AMENDMENT OF AMOUNTS ALLOCATED TO COMPONENTS OF THE DEVELOPMENT****(ITEM 2, PAGE 29 : INFRASTRUCTURE & PLANNING PORTFOLIO – MAYORAL COMMITTEE MEETING : 29 MAY 2013)****RESOLVED (UNANIMOUSLY)**

1. that the extension of payment for municipal land be approved as follows :
  - (a) that the payment for Phase 3 with date 9 July 2013 for the amount of R7,000,000 be substituted with new Phases 3 and 4, with last dates for payment 9 January 2014 and 9 July 2014 for the amounts of R3,500,000 respectively, and
  - (b) that Wharfside Developments (Kleinmond) (Pty) Ltd compensates the Municipality for loss in value of outstanding amounts at a rate of 1% per month from 10 July 2013 payable monthly in advance on outstanding amounts.
2. that the following allocations to be spent, be noted :
  - (a) R10,126,198.61 be allocated to the provision of bulk civil and electrical infrastructure;
  - (b) R999,876.00 be allocated towards the cost of land for municipal purposes;
  - (c) R1,500,000.00 be allocated for rezoning costs;
  - (d) R7,373,925.39 be allocated towards the upgrading of the harbour below the high water mark, and
  - (e) R1,000,000.00 be allocated as a contribution towards the provision of community structures and development on Erf 5456, Kleinmond (municipal land) around the harbour.

**RESPONSIBLE OFFICIAL :****BG LOUW****TARGET DATE FOR IMPLEMENTATION :****10 JULIE 2013**



ANNEXURE D  
Page 3 of 5



**ANNEXURE A 2/4**

**24. LANDS**

The parties shall carry out the work of the project and the necessary measures to ensure the successful completion of the project in the following manner:

**and, particularly:**

1. WDK to obtain the appropriate rights for the properties in the project.
2. WDK to obtain all planning permissions including a Site Development Plan
3. WDK to install Infrastructure and Services:
  - a. Municipal Infrastructure and Services;
  - b. Harbour Infrastructure and Services;
  - c. Development, repair and reconstruction in harbour basin and the barge area;
4. WDK to take monthly of land in phases, such phase in the value of the acquisition of works installed and each portion paid.
5. WDK to ensure that the phase value in the agreement will be included in VAT.
6. Municipality require that WDK may have sufficient value vested in the project by way services installed, each paid and guarantee, to ensure that they fully transfer all the projects.
7. WDK to develop, install, financially and completely, as per agreed terms and plans.
8. Parties to agree to establish the Community Fish Processing Facility.
9. Municipality to not best such water & electricity facilities to barge land below the High Water Mark.
10. Parties to identify sources for the purpose of funding for completion of works below the High Water Mark.
11. The Municipal property around the marine basin is leased to the project development plan. The parties to agree and obligate to transfer the planning, development, use (public) use, an operating plan, suitable lease agreement, and services of reconstruction and development funding. Projects such as the rehabilitation and rebuilding of the Vaidya, Haripur, Amritha, Ananthapur, the Post Office, Fish Processing Factory and building the central walkway. Works will form part of the EIA and flood of the river. These component projects are totally on Municipal owned or controlled land.

**The Land Valuation and Purchase Price**

The parties agreed in Addendum. Here is the Agreement that the value of the land in R21 regions V & L, and nearby would be by exchange, the infrastructure outlined and cost in phase as follows:

**Land Details Phase 1** **Effective Date of agreement 29th Dec 2015**

Sl. No.	Area (sq. ft)	Ward No.	From (sq. ft)	Developer (VAT)	Land Portion
1	12,000	03-12-11	12 units	Rs. 7,00,000	Rs. 1,20,000
2	12,000	03-12-11	12 units	Rs. 7,00,000	Rs. 1,20,000
3	12,000	03-12-11	12 units	Rs. 7,00,000	Rs. 1,20,000
	36,000			Rs. 21,00,000	Rs. 3,60,000

The land portion is earmarked for development of barge infrastructure and services on land in the phase immediately surrounding the barge.

ANNEXURE D  
Page 5 of 5



ANNEXURE A 3/4

**Current Status - November 2022**

1. The Municipal Corporation is submitting the application
2. The District works still require
  - a. Advise HWC - Cabinet work returned, NDA & Police finalisation, Resubmission
  - b. Advise the HWC - as above in November 20
3. The Municipality are continuing to do attempts to secure a long lease (or equivalent) for the harbor works from the HWC. Current: Final offer still take another 12 to 18 months
4. The work to install the S&P gate required for initial phase, completion of phase 1 (New gate and initial Phase 1 land transfer) are taking 12-18 months. Budget 2023 are still uncertain
5. The receiving has been a pre-proposal since 2018. The highlights:
  - a. Limited signalling in the street of District Street, and
  - b. Most significantly - the property needed for formation of the main affected areas of the property, with the current being a residential property, containing some residentially built structures

The state of affairs & resources remains the same in the next 12 months.

**Proposed plans for 2023 onwards**

1. Installation of initial Phase 2 security gates - which are pre-ordered and pending the delivery of the delivery. 2
2. Final 100 blocks to be exposed & 5000sqm of initial road for drainage and then surface into asphalt.
3. Additional 100sqm along road between blocks 100 & 110 to be built on and surface with asphalt. 1.5
4. Next phase 3 upgrade of the Scheme for 1000sqm of roadwork.

**Workshop - Initial focus and initial work**

- Stakeholder and WIP meeting to better understand issues and before the HWC
- Revisited off road works to finalise matters
- Stabilisation of water and site finalisation works
- K&SHE Issues of Design/Plan
- Cabinet reviews on HWC work of participants
- Refine the HWC Phase 1

**Other items for discussion and finalisation**

1. New Fish Processing Facility - 1000sqm - included as part of revised Phase 1
2. Payment of the second 1000sqm land purchase

**Meeting**

1. *Confirmation* that Land sale is R21 in place 5/21.
2. Agree a Fourth Addendum retrospectively along the lines of the Third Addendum
3. Agree the parts Transfer process and forward
  - a. general business schedule
  - b. transfer procedures for Phase 1 and Phase 2 properties
  - c. guarantees and transfer conditions for phase 1 and phase 2

ANNEXURE E  
Page 17 of 31

ANNEXURE D  
Page A of 5



ANNEXURE A 4/4

4. Agree the Proposed Revised Land Transfer Schedule

Land Transfer Phase I proposed  
Fourth Addendum

Plan #	Approx. Area <sup>2</sup>	Target Transfer Date	Adverts from 2011 Data	Acquired from (Subsidiary/ST)	Cost Payable	Revenue to be Transferred
1	17,057	09-Feb-12	24 acres	8.8.100.000	8,320,000	10,371,120
1	17,050	09-Feb-12	24 acres	8.8.100.000	8,320,000	10,371,120
1	8,300	09-Feb-12	24 acres	8.8.100.000	8,320,000	10,371,120
1	8,458	09-Feb-12	24 acres	8.8.100.000	8,320,000	10,371,120
	51,865			8.8.100.000	33,280,000	41,484,480

Regional Office Phase I has proposed Phase I and Phase II, to be completed 2012-13 as per the schedule in the attached work order attached and carry payable more for each phase

5. Unemployment Factors Issues

The issues are covered in the agreement but require addressing to the extent of a written public action. It has been suggested by the BOC in a form of "making AMM" issues for discussion:

- Develop parking off highway Road along Lakshmi Road.
- Management of the Public Space - event, security, safety, trucks, etc.
- Management and access control of the latter highway. BOC.
- The municipal highway issues:
  - Lease and Rental use the future.
  - Funding and limits of highway widening.
  - Shared use plan for this area (bicycling, public transit, to park, trash, events, etc.)

We look forward to finalizing these mutually beneficial issues with you as soon as possible.

Yours sincerely,

Mark Mada  
082-112-3882

Richard Pagan  
081-210-8881



Number: 601009  
 Engsetel  
 Hierdie wysigings  
 File Reference: KKM 5462 (Kleinmond Hawe Oos)  
 Datum:  
 Date: 9 OKTOBER 2012



HERMANUS  
ADMINISTRASIE ADMINISTRATION

Die Sekretaris  
 Kleinmond Community Investment Holdings  
 Posbus 636  
 KLEINMOND  
 7195

Meneer,

**BYDRAE DEUR DIE MUNISIPALITEIT VIR GEMEENSKAPSFASILITEITE BY  
 KLEINMOND HAWE**

U is bewus daarvan dat die Raad gedurende Mei 2011 besluit het om 'n bydrae van R1 miljoen aan KCIH te maak vir die voorsiening van erfenis- en gemeenskapfasiliteite (Vishuis ens) op Erf 5456 by die Kleinmond Hawe

Die eerste paaiement van R300 000 word nou aan u oorbetaal, soos ooreengekom, met die opvolgende paaiemente van R300 000 en R400 000 soos en wanneer die Munisipaliteit fondse vir die verkoop van grond vanaf Wharfside Developments (Pty) Ltd in die verskillende fases ontvang

Alhoewel die Munisipaliteit nie voorskriftelik is ten opsigte van vir watter fasiliteite die fondse aangewend moet word nie, word u wel versoek om die Munisipaliteit in te lig waarvoor die fondse aangewend gaan word en na afhandeling aan die Munisipaliteit te bevestig dat die fondse dienoreenkomstig aangewend is

Dit word ook bevestig dat die beoogde ontwikkeling van die fasiliteite onderbewig is aan bouplangoedkeurings en omdat dit op Munisipale grond geleë sal wees, moet u tydig die nodige huurooreenkomste vir die gebruik van die grond met die Munisipaliteit sluit

Die uwe

MUNISIPALE BESTUURDER

Tel: (021) 213 5983  
 Faks/Fax: (021) 213 2091  
 E-pos/Email: hman@overstrand.gov.za

303 Hw 26-Posbus 26  
 HERMANUS  
 7201



Navors  
Betreffende: BC LOUW

Kenningsno. KKM 5492 (Kleinmond Hawn Oute)

Die Referensie

Datum: 14 November 2012

Daar

KANTOOR VAN DIE MUNISIPALE BESTUURDER  
OFFICE OF THE MUNICIPAL MANAGER

Die Sekretaris  
Kleinmond Community Investment Holdings  
Posbus 535  
KLEINMOND  
7195

Meneer,

**BYDRAE DEUR DIE MUNISIPALITEIT VIR GEMEENSKAPSFASILITEITE BY  
KLEINMOND HAWE**

Ek verwys graag na my vorige skrywe gedateer 9 Oktober 2012 (alskrif aangeheg). Soos u bewus is, is die eerste R300 000 van die bekoofde R1 miljoen nou reeds aan u oorbetal. In gemeide skrywe is u versoek om aan te dui waarvoor die fondse aangewend gaan word.

Wharfside Developments het in ooreenstemming met die voorwaardes van die kontrak tussen hulle en die Munisipaliteit insussen die tweede paaiement van R300 000 aan die Munisipaliteit oorbetal.

Ten einde die Munisipaliteit in staat te stel om die volgende betaling aan KCIH te maak, word u vriendelik versoek om te voldoen aan die vereiste soos gestel in die vorige brief. Dui asb die onderskeie projekte en begrote bedrae aan waarvoor u beplan om die fondse aan te wend.

Die uwe

  
MUNISIPALE BESTUURDER

3 Feb. 2013 14:34

No 6362

ANNEXURE E  
31 of 31

**Kleinmond Community  
Investment Holdings Pty LTD**

REG. NO.: 2003 / 021343 / D7

021343/021 DEBAND MARKA

Datum: 04 Februarie 2013

Aanleg Brian Louw

Die Munisipale Bestuurder

Private sak 23

Kleinmond

7195

Neneer

**IS AANSOEK VIR OORDRAG VAN TWEDE GEDEFTE VAN FONDSE AAN KCHH PTY LTD**

Doervolgende aangeleentheid en u vinnige skrywe gedateer in hierdie verband het betrekking

Kleinmond Community Investment Holdings PTY LTD (KCHH) doen hiermee aansoek vir die tweede betaling van R300 000 00 van die R1 miljoen verskuldig aan KCHH in terme van ooreenkoms Wharf Side Development Kleinmond (WOK) se oorbetalings van kostes vir die grond aan die munisipaliteit.

Dit is investig dat die betaling deur WOK aan die munisipaliteit reeds plaasgevind het volgens u Raad se ooreenkoms met WOK en KCHH derhalwe 'n versoek rig dat die tweede praelement van R300 000 00 die bank rekening van KCHH oorbetal word.

Bankbesonderhede: Naam: Kleinmond Community Investment Holdings; Bank: NEDOBANK.

Rek No. 3014711347; Tipe

By voorbaat dank

Die omv



D. MAKKA (SEKRETARIS)

ANNEXURE E  
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4 Feb. 2013 14:31

No. 6307

Annexure E  
Page 9 of 23

KLEIMOND COMMUNITY  
INVESTMENT HOLDINGS PTY (LTD)  
REG NO: 2003/021343/07

Datum 04 Feb 2013

Aanlag: Brian Louw

**KOSIE BEPALINGS:**

1. Ondrag van Grond:	R200 000
2. Kantoer toerusting:	R 10 000
3. Vervoer koste & vergaderings:	R 16 000
4. Bouptenne:	R 60 000
5. Aandels aankoop in WDK:	R300 000

TOTAAL: R886 000

Die Uwe

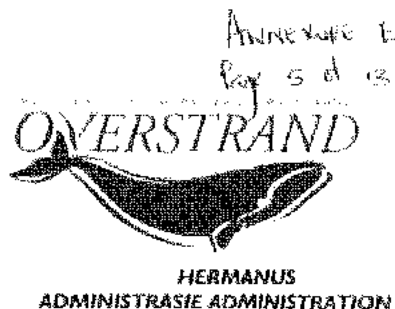
.....  
DIE SEKRETARIS

**KONTAK BESONDERHEDE:**

DESMOND MAREKA  
ALUSIA SINGEL 3  
KLEIMOND  
7155

Tel: 0734748522

Nombor: BG/LAW  
 Repostas  
 Lidskerwyng  
 Tit: Referensie: KKM 6462 (Kleinmond Haws Orde)  
 Datum: 8 FEBRUARIE 2013  
 Date:



Die Sekretaris  
 Kleinmond Community Investment Holdings Pty Ltd  
 Alusia Singel 3  
 KLEINMOND 7195

Meneer,

**AANSOEK VIR DOORDRAG VAN TWEDE GEDEELTE VAN FONDSE AAN KCIH PTY LTD**

Ek erken ontvang van u skrywe van 4 Februarie 2013.

Ek bevestig dat u (Mr Desmond Makka) telefonies aangedui het dat u die ahangsel tot die skrywe terugtrek.

Ten einde die betaling van die volgende R300 000 te kan finaliseer, benodig die Munisipaliteit 'n vervangende ahangsel wat voldoen aan die versoekte wat in my skrywes van 9 Oktober 2012 en 14 November 2012 aan u gestel is. Ek wil u spesifiek weereens daarop wys dat die fondse aangewend moet word in ooreenstemming met die Raadsbesluit, nl as n "hydrae tot die voorsiening van gemeenskapstrukture en ontwikkeling op erf 5456 (munisipale grond) langs die hawe"

Sodra die aangepaste ahangsel wat voldoen aan die voorwaardes van die Raadsbesluit ontvang word, sal die oorbetaling finaliseer word.

Vriendelike groete

MUNISIPALE BESTUURDER

ANNEXURE E  
Page 24 of 31

Maatskappij: Mr B Linn - 026 313 8801  
Empireco

Laerwagings  
File Referansie

Daatum: 17 Februarie 2012  
Date:



Die Sekretaris  
Kleinmond Community Investment Holding Pty Ltd  
Ahuja Singel 13  
KLEINMOND  
7195

Geagte mnr Swartz

**AANSOEK VIR OORDRAG VAN TWEDE GEDEELTE VAN FONDSE AAN KCIH  
PTY LTD**

Ek verwys na die aangehegte korrespondensie wat sedert 2012 met KCIH gevoer is betreffende die uitbetaling van R1 miljoen as bydrae van die Munisipaliteit aan KCIH ten behoeve van die ontwikkeling van gemeenskapstrukture by die hawe.

Die Munisipaliteit het nou die derde paaiement van R200 000 vanaf Wharfside ontvang. Die eerste paaiement van R300 000 is reeds aan u oorbetaal, maar die tweede paaiement van R300 000 is teruggehou in afwagting op u antwoord op gemelde skrywes. 'n Bevredigende antwoord op daardie skrywes is nooit ontvang nie.

Die Munisipaliteit wil nie die beloofde fondse van KCIH weerhou nie, maar is dit aan sy belastingbetalers verskuldig dat fondse benut word waarvoor dit bedel is. U word dus weer eens versoek om aan die versoek te voldoen soos gestel in die aangehegte skrywes.

Die uwe

  
**CC GROENEWALD  
MUNICIPAL MANAGER**

Navas  
Enquiries: BG Louw

Verwysing  
Reference: KMM 5452 (Kleinmond Hawe)

Datum  
Date: 17 Maart 2014



HERMANUS  
ADMINISTRASIE ADMINISTRATION

Die Voorzitter: Mnr C Swartz  
KCIH  
Skoolstraat 52  
KLEINMOND  
7196

PER HAND

**INSAKE : OORDRAG VAN FONDSE AAN KCIH**

Geagte Mnr Swartz

Ek verwys na die vergadering in die kantoor van die Munisipale Bestuurder, gehou op 10 Maart 2014, waartydens die vereistes vir die oordrag van die volgende pasiemente van R300 000 en R200 000, met u besprek is.

Ek bevestig graag dat die woord "strukture" in die skrywe van 8 Februarie 2013 ("n bydrae tot die voorsiening van gemeenskapstrukture en fasiliteite op erf 5456 (munisipale grond) langs die hawe") verwys na die geboue en fasiliteite wat u beoog om op te rig as deel van die erfenis projek. Uit die aard van die saak, sal die R1 miljoen nie genoegsaam wees vir die afhandeling van die projek nie, maar die Munisipaliteit beskou hierdie bydrae as aanvangskapitaal waarmee u die argitekspanne kan afhandel en 'n bydrae gemaak kan word vir die geboue-kompleks. Soos voorheen in die skrywes aan u gemeld, is die Munisipaliteit nie voorskryflike ten opsigte van die spesifieke aanwending van die fondse nie, behalwe dat dit binne die raamwerk soos hierbo uitgespel aangewend moet word.

Soos tydens die vergadering van die 10de Maart 2014 ooreengekom, sal die fondse uitbetaal word by skriftelike ontvangs van u bevestiging van bo-staande, met spesifieke verwysing na die items wat u beoog om te finansier.

Dit word ook bevestig dat u tydens die vergadering van 10 Maart u skrywe van 17 April 2013 teruggetrek het.

Vriendelike groete

MUNISIPALE BESTUURDER

Tel (028) 318 3724  
Faks/Fax (028) 318 3721  
E-pos/mail bclouw@overstrand.gov.za

Posbus 20  
HERMANUS  
7250



1) Callas: ANNEXURE E  
2) Stephen Alan Swartz 13  
en Dennis H.  
2013



**KLEINMOND COMMUNITY INVESTMENT HOLDINGS PTY LTD**

5 muller  
Briand Louw  
D Hendricks

Reg. No: 2003/021343/07  
PO BOX 585, KLEINMOND, 7195

LEDE: KLEINMOND VISBAU-ERFENIS, KLEINMOND GEMEENSAP ONTWIKKELINGS TRUST,  
KLEINMOND VISBARS VERENIGING  
Vertre: C. Swartz, R.P. Seroussi, D. Makh, J. Oosker, E. Swartz  
A. Appolis, W. Hul, A. Arentse, E. Heydricks

24 Maart 2014

**INSAKE: OORDRAG VAN FONDSE**

Geagte Mnr Groenewald

Op 10 Maart 2014 is 'n vergadering tussen KCIH en Overstrand Munisipaliteit gehou waartydens die gesprek en doel van die vergadering was oor die uitbetaling van fondse aan KCIH, bedrae van ( R300 000) & ( R200 000).

KCIH bevestig hiermee dat die geld aangewend gaan word vir die beginfase van gemeenskapstrukture, fasiliteite en professionele diens op erf 5456 wat deur KCIH vanaf die munisipaliteit gehuur sal word.

Soos ook aangedui in u skrywe gedateer 17 Maart 2014 is hierdie fondse nie genoegsaam om die projek te finaliseer nie maar wel 'n begin in die regte rigting om die wense van die gemeenskap te verwesenlik veral wat die erfenis betref en die omgewing in die hawegebied.

KCIH bedank Overstrand Munisipaliteit vir die fondse.

Vriendelike groete

Uitvoerende Direkteur

*[Handwritten Signature]*  
Mnr Charles Swartz

FILE NO:	7/2/3/1
SCAN NO:	
COLLABORATOR NO:	606700

LEDE: KLEINMOND VISBAU-ERFENIS, KLEINMOND GEMEENSAP ONTWIKKELINGS TRUST,  
KLEINMOND VISBARS VERENIGING  
Vertre: C. Swartz, R.P. Seroussi, D. Makh, J. Oosker, E. Swartz  
E. Appolis, W. Hul, A. Arentse, E. Heydricks

ANNEXURE E  
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ANNEXURE E  
Page 4 of 13

**From:** Abiga Cairns  
**To:** lobster@mweb.co.za  
**Date:** 2014/05/18 08:55 AM  
**Subject:** KCIH BETALINGS - KLEINMOND HAWE  
**Attachments:** Abiga Cairns1.vcl

More Uncle Charles

Hardes e-pos is net ter bevestiging van ons gesprek vroeër vanoggend

Soora ek die twee fakture (R300 000.00 en R200 000.00) ontvang het, sal ons voortgaan met die prosesering en uitbetaling daarvan

Ek versoek ook net dat julle so gou moontlik die fakture indien ten einde die proses vinniger te laat verloop

Vriendelike groete

Abigail Cairns  
Town Planner  
Overstrand Municipality  
Tel: (028) 316 3724  
Fax: (028) 316 3721  
E-mail: acairns@overstrand.gov.za

ANNEXURE E  
 Page 28 of 31

Navrte  
 Engeliens: BG Louw

Verwysing  
 Referensie: KKM 5482 (Kleinmond Hawus)

Datum  
 Date: 15 Junie 2014



HERMANUS  
 ADMINISTRASIE ADMINISTRATION

Uitvoerende Direkteur  
 Kleinmond Community Investment Holdings PTY Ltd  
 Posbus 585  
 KLEINMOND  
 7185

PER GEREГИSTREERDE POS

**INSAKE : OORDRAG VAN FONDSE AAN KCIH**

Geagte Mnr Swartz

Ek verwys na u skrywe van 24 Maart 2014

In bo-vermelde skrywe bevestig u dat die "geld aangewend gaan word vir die beginfase van gemeenskapstrukture, fasiliteite en professionele dienste op erf 5456 ." op grond by die hawe wat van die Munisipaliteit gehuur sal word

In die lig van die feit dat die huurooreenkoms nog nie afgehandel is nie en dat rekening gegee moet word oor die spandering van geld, is die Munisipaliteit van oordeel dat die oorblywende R700 000,00 uitbetaal sal word op aanvraag nadat dienste ingevolge die Raadsbesluit gelewer is. Die Munisipaliteit hou dus die fondse in 'n afsonderlike rekening tot u beskikking en sal geld vrystel op bewys van lewering van sodanige diens.

Ek wil u daarop wys dat die eerste R300 000 00 reeds in Oktober 2012 aan u oorbetaal is en dat in my skrywe van 9 Oktober 2012 dit duidelik aan u gestel is dat rekening gegee moet word van die spandering van die fondse ingevolge die Raadsbesluit. Tot op hede is nog geen terugvoering van u ontvang in hierdie verband nie. U word dus nou versoek om stawende bewyse aan die Munisipaliteit te verskaf dat die fondse ingevolge die Raadsbesluit spandeer is.

Die uwe

COENIE GROENEWALD  
 MUNISIPALE BESTUURDER

Tel: (028) 318 3724  
 Faks/Fax: (028) 318 3721  
 E-pos/mail: bouw@overstrand.gov.za

Posbus 20  
 HERMANUS  
 7200

ANNEXURE E  
Page 29 of 31

ANNEXURE E  
Page 11 of 13

Naviso: Brand Louw  
Enquiries:  
Lêerswysing: KKM 5462 (Kleinmond stawe)  
File Reference:  
Datum: 30 September 2014  
Date:



Hoofkantoor Administrasie

Uitvoerende Direkteur  
Kleinmond Community Investment Holdings PTY Ltd  
Postbus 585  
KLEINMOND  
7195

PER GEREGISTREERDE POS

**INSAKE: OORDRAG VAN FONDSE AAN KCIH**

Geagte Mnr Swartz,

My vorige skrywe, gedateerd 13 Junie 2014 (afskrif aangeheg) asook die vergadering gehou op 07 Augustus 2014 in Kleinmond, het betrekking

in die voormelde skrywe en gedurende die bo-vermelde vergadering, is u versoek om stawende dokumentasie rondom die spandering van die eerste R300 000.00 wat gedurende Oktober 2012 aan KCIH uitbetaal is, in te dien, soos vervat in die Raadsbesluit. U is ook terselfdertyd versoek om bewyse in te dien van waarop die oorblywende R700 000.00 spandeer sal word. Tot op hede is daar nog geen terugvoering of enige dokumentasie ontvang nie.

U word dus hiermee weereens vriendelik versoek om die dokumentasie so gou moontlik aan die Munisipaliteit te voorsien. Geen verdere uitbetalings van die oorblywende bedrag sal geskied alvorens die dokumentasie nie ontvang is nie.

Die Uwe

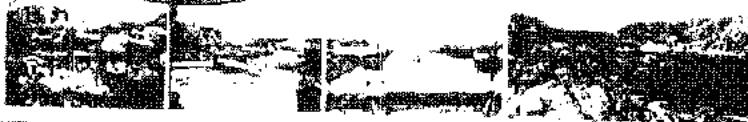
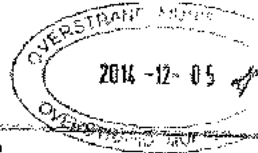
  
**COENIE GROENEWALD**  
MUNISIPALE BESTUURDER

Tel: (028) 313 8104  
Faks: (028) 313 8126  
E-mail: d.miller@overstrand.gov.za

Page 29  
PO Box 120  
BERGMANS, 7300



B Louw  
S Muller  
S Hendriks



Annexure E  
Page 30 of 31

**KLEINMOND COMMUNITY INVESTMENT HOLDINGS PTY LTD**  
 Reg. No: 2003/021343/07  
 PO BOX 585, KLEINMOND 7195

1994 KLEINMOND/NEERABERIE FORT ALL INDONESIENSIENSKO (PUBLIK) KAPITEL 1  
 ALLEWOLLENS VERENIGING  
 1994 KLEINMOND/NEERABERIE FORT ALL INDONESIENSIENSKO (PUBLIK) KAPITEL 1  
 ALLEWOLLENS VERENIGING

27 November 2013

## BEGROTING 2013/2014

### INKOMSTE - R300,000

ITEM	BEDRAG
1. Regsadvies en konsultasies met s-trekkare Cliff Dekker Hofmeyr Prokureurs - Alap Jofa	R10000
2. Reiskostes en vergadering bywoning met regerings departement, Agriculture, Forestry & Fisheries	R19000
3. Direkteurs opleiding	R13750
4. Veranderings met koste bywoning en vervoer	R8000
5. Catering vir vergaderings	R5500
6. Werkswinkels met Levendal & Associates met Managing for excellence	R12000

FILE NO:	51.6.115
SCAN NO:	
COLLABORATOR NO:	697002

7. Kantoor toerusting (Rekenars, Punte Kopieer masjien)	R43238
8. Kantoor skryfbehoeftes (Toneer, Kopieer papier)	R6760
9. Bydrae tot aandeelhouers vergadering, vervoer, bywoning & administratiewe toelae insook naar van venue's vir vergaderings	R118 928
10. Ondersoek van werkskepping in die visbedryf vir die gemeenskap	R8740
11. Opstel van bestuursplan vir beloning, Linstiltesies, vergadering en deposito vir besigheidsplan	R44 680
12. Bank kostes	R1800
13. Internetsiens	R3000

**TOTALE UITGAWES R300,000**

Geteken deur Voorsmer *G. van der Merwe*

**5.9****KLEINMOND HARBOUR DEVELOPMENT PROJECT: CLOSE OUT REPORT**

**(ITEM 17, PAGE 824 : INFRASTRUCTURE AND PLANNING PORTFOLIO - MAYORAL COMMITTEE MEETING : 25 NOVEMBER 2015)**

**RESOLVED (UNANIMOUSLY):**

1. that the fact that the Kleinmond Harbour Project has now been completed, **be noted;**
2. that the utilisation of the remaining balance of R18 410.87, which will be utilised for the additional work needed at the slipway, **be noted;**
3. that the process that will now be undertaken to complete the subdivision, rezoning and transfer of the portion of land purchased to complete the Luckhoff- and Harbour Roads traffic circle, **be noted;** and
4. that the withholding of the remaining balance of R700 000.00 which is to be paid out to KCIH until such time that they have adhered to requests of proof of expenditure of the R300 000.00 and provided the Municipality with acceptable information on the intended expenditure of the balance within six (6) months, **be noted.**

**RESPONSIBLE OFFICIAL :****B LOUW / A CAIRNS****TARGET DATE FOR IMPLEMENTATION :****NOVEMBER 2015**

