

PORTFOLIO COMMITTEE :
INFRASTRUCTURE & PLANNING

**This item was considered
during the Portfolio Committee
meeting of 22 June 2021**

Refer to Page 98a

**AGENDA of the
Portfolio Committee : Infrastructure & Planning
22 June 2021
(Also the agenda for the Mayoral Committee Meeting : 30 June 2021)**

**5.
PARTIAL AMENDMENT OF MAYORAL COMMITTEE RESOLUTION DATED
28 FEBRUARY 2018 FOR THE LEASE OF A PORTION OF PORTION 18 OF FARM
NR 644 CALEDON REGIONAL DISTRICT SITUATED AT “DIE KOP” NEAR
STANFORD TO FOOD FOUR THOUGHT COMMUNITY PROJECTS NPO**

7/2/3/1

A Le Roux

Manager: Property Administration

6 May 2021

(028) 316-3724

1. Executive Summary

To obtain approval for the amendment of the size of the lease area of Food Four Thought Community Projects NPO, hereinafter referred to as “the Applicant”, stipulated in the Mayoral Committee’s Resolution dated 28 February 2018 from $\pm 1,000\text{m}^2$ in extent to $\pm 1,120\text{m}^2$ in extent. The locality map is attached as “Annexure A”.

2. Service Delivery and Budget Implementation Plan - IGNITE

Infrastructure and Planning
Property Administration

3. Compliance with Strategic Priorities

Provision of democratic, accountable and ethical governance
Provision and maintenance of municipal services

4. Delegated Authority

Executive Mayor

5. Legal Requirements

- Municipal Asset Transfer Regulations (R. 878 of 2008)
- Administration of Immovable Property Policy of the Overstrand Municipality, 2015

6. Background/Discussion/Evaluation/Conclusion

Background

The Executive Mayor at a Mayoral Committee Meeting of 28 February 2018 resolved as follows:

**AGENDA of the
Portfolio Committee : Infrastructure & Planning
22 June 2021
(Also the agenda for the Mayoral Committee Meeting : 30 June 2021)**

- “1. *that the lease of municipal property, being a portion of portion 18 of Farm 644 Stanford ($\pm 1000\text{m}^2$ in extent) to Food 4 Thought Community Purposes NPO for the purposes of managing an Early Childhood Development Centre at the rental amount of R131.58 (ONE HUNDRED AND THIRTY ONE RAND AND FIFTY EIGHT CENTS) (VAT excluded) per month for a period of 9 (NINE) years and 11 (ELEVEN) months as from 1 February 2018 in terms of the Administration of Immovable Property Policy of the Overstrand Municipality, **be approved**; and*
2. *that the rental amount mentioned in 1 above escalate every year on the 1st of July in accordance with the tariffs stipulated in the Annual Budget as approved by Council, the next escalation to be on 1 July 2018.”*

Subsequently a lease agreement was entered into with the Applicant for a period of 9 (NINE) years and 11 (ELEVEN) months for a portion of Portion 18 of Farm no 644 Stanford ($\pm 1,093.3\text{m}^2$ in extent) which commenced on 1 February 2018 and will expire on 31 December 2027. For the preparation of the lease agreement, a more accurate measurement of the lease area was done, and it was found to be $\pm 1,093.3\text{m}^2$ in extent and not $\pm 1,000\text{m}^2$ in extent as per the approval. As this was not a material difference and would not have had an effect on the rental amount, the matter was not referred back for consideration. However, in the current instance, the application must be referred to the delegated authority as the room was specifically excluded from the lease. The purpose of the lease is for managing an Early Childhood Development Centre.

Discussion/Evaluation

There is a room which forms part of the building on the leased property which is excluded from the lease area, indicated on the plan attached marked “Annexure B”, as it is used by the Area Manager and community for community meetings. The Applicant now applied to have this room incorporated into their lease area as an additional room for the ECD to accommodate all the children.

It is recommended that if approved, the Applicant must make the room available, when needed, for community meetings at no charge to compensate for the room previously used as a community meeting place being incorporated into the current lease agreement.

Conclusion

It is recommended that paragraph 1 of the Resolution dated 28 February 2018 be amended to substitute the size of the approved lease area, being $\pm 1000\text{m}^2$ in extent with $\pm 1,120\text{m}^2$ in extent and thus including this additional room.

**AGENDA of the
Portfolio Committee : Infrastructure & Planning
22 June 2021
(Also the agenda for the Mayoral Committee Meeting : 30 June 2021)**

7. Financial Implications

The amendment of the Mayoral Committee decision and lease agreement will have no financial implications for the Municipality as the rental paid by the Applicant is a fixed tariff and not determined per square metre. The Municipality will continue to receive the monthly rental, currently R149.72 (ONE HUNDRED AND FORTY NINE RAND AND SEVENTY TWO CENTS) as determined in the lease agreement.

8. Staff Implications

None

9. Comments from other Departments, Divisions and Administrations

**Senior Manager: Gansbaai/Stanford Administration: Mr Francois Myburgh
- (028) 384 8365**

"I support the proposal."

**Manager: Social Development, Economic Development and Tourism: Mr
Gerhard Smit – (028) 313 8035**

"This department does not have any objections to the application. We welcome the initiative to increase the capacity of existing ECD facilities while still retaining the services that Rainbow Trust used to offer the community."

10. Annexures

Annexure A: Locality plan
Annexure B: Lay-out plan

RECOMMENDATION:

that the amendment of paragraph 1 of the Executive Mayor's Resolution dated 28 February 2018 to reflect the lease area as $\pm 1,120\text{m}^2$ in extent in order to include the additional room, **be approved.**

RESPONSIBLE OFFICIAL :	M ERASMUS
TARGET DATE FOR IMPLEMENTATION :	26 JULY 2021
TARGET DATE TO INFORM APPLICANT :	26 JULY 2021
TARGET DATE TO INFORM OBJECTOR :	N/A

**AGENDA of the
Portfolio Committee : Infrastructure & Planning
22 June 2021
(Also the agenda for the Mayoral Committee Meeting : 24 August 2021)**

**5.
PARTIAL AMENDMENT OF MAYORAL COMMITTEE RESOLUTION DATED
28 FEBRUARY 2018 FOR THE LEASE OF A PORTION OF PORTION 18 OF FARM
NR 644 CALEDON REGIONAL DISTRICT SITUATED AT "DIE KOP" NEAR
STANFORD TO FOOD FOUR THOUGHT COMMUNITY PROJECTS NPO**

7/2/3/1

**A Le Roux
6 May 2021**

Manager: Property Administration

(028) 316-3724

**THIS MATTER SERVED BEFORE THE JOINT PORTFOLIO COMMITTEE ON
22 JUNE 2021, WHICH COMMITTEE SUPPORTED THE RECOMMENDATION**

RESPONSIBLE OFFICIAL :

M ERASMUS

TARGET DATE FOR IMPLEMENTATION :

27 SEPTEMBER 2021

TARGET DATE TO INFORM APPLICANT :

27 SEPTEMBER 2021

TARGET DATE TO INFORM OBJECTOR :

N/A



