

BUFFALO CITY METROPOLITAN MUNICIPALITY



MT RUTH NODAL DEVELOPMENT MEETING 20 SEPTEMBER 2022 NEW COUNCIL CHAMBERS, CITY HALL

AGENDA

Time	Item	Responsibility
10h00 – 10h20	1. Welcome and Introductions. 2. Apologies - LED	Head: EPMO
10h20 – 11h30	3. Presentation on the proposed: Mt Ruth Nodal Development Application 4. Highway Urban Hub 5. East London CBD	Avuniko Developers
11h30 – 12h30	6. BCMM: Departmental comments and feedback	Directorate: Spatial Planning and Development Directorate: Human Settlements Directorate: Infrastructure Services Directorate: Economic Development & Agencies Directorate: Sports, Rec and Community Development Directorate: Finance Directorate: Corporate Services Directorate: Solid Waste and Environment
12h30-13h00	7. Meeting Conclusion and Way forward	Head: EPMO



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA



NEIGHBOURHOOD DEVELOPMENT PROGRAMME

Enquiries: E Ninham **Tel:** 012-395 6628 **Fax:** 012-315 5779 **E-mail:** eugenie.ninham@treasury.gov.za
Ref: BCM_Correspondence_UNSLetter30Jan2014

Municipal Manager
Buffalo City Municipality
P O Box 134
East London
5200

IDENTIFICATION OF URBAN NETWORK ELEMENTS

The NDP has reviewed the urban network submitted by your municipality as per the table below.

NETWORK ELEMENT	MUNICIPAL SUBMISSION	NDP REVIEW
CBD	East London CBD	Accepted
HUBS	Mdantsane CBD	Accepted as an Urban Hub.
PRIMARY PUBLIC TRANSPORT ROUTES	<ul style="list-style-type: none">• Rail link between East London CBD and Mdantsane.• BRT from CBD towards Mdantsane	The identified primary public transport routes are accepted and need to be prioritized.
ACTIVITY CORRIDORS	<ul style="list-style-type: none">• BRT Route between East London CBD and Mdantsane.• Rail link between East London CBD and Mdantsane.• Rail link beyond Mount Ruth Station towards King Williams Town.• Mdantsane CBD towards Mdantsane Shopping Centre.• BRT route towards airport.	<p>The identified activity corridors need to be prioritized.</p> <p>The activity corridor beyond the urban hub towards the secondary node is not acceptable.</p> <p>Requires further discussion since the Airport has not been identified as an existing node.</p>
SECONDARY NODES	<ul style="list-style-type: none">• Fort Jackson Industrial Node• Mount Ruth Station Node• Mdantsane Shopping Centre	<ul style="list-style-type: none">• Review secondary nodes based on UNS terminology.• Accepted
SECONDARY TRANSPORT ROUTES	All secondary linkages	<ul style="list-style-type: none">• Please indicate secondary links as per UNS terminology/diagram.
MUNICIPAL NODES	King Williams Town	<ul style="list-style-type: none">• Existing node.• Identify all existing nodes as per terminology on single map.

We request that your Municipality supply a single map and updated table with motivations (based on the above review) to conclude the identification of the urban network as part of Section 3.5 of the Built Environment Performance Plan (BEPP) before final submission as required by the Cities Support Programme (CSP).

Further engagements will be arranged with your CSP and NDP coordinators in support of the prioritisation of the identified network elements in order to commence with precinct planning and the approval of projects funded by the NDPG Capital Grant.

We trust that you find the above in order and thank you for your inputs thus far.

Should you have any queries please do not hesitate to contact the NDP Projects Manager.

Yours faithfully



David van Niekerk

Chief Director, Neighbourhood Development Programme

Date: 27 FEBRUARY 2014

Buffalo City Metropolitan Municipality
East London | Bhisho | King William's Town
Province of the Eastern Cape
South Africa

Website: www.buffalocitymetro.gov.za



Office of the City Manager

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Our ref.: 2916/HS Ifayile yethu: Ons Verw.:	Enq.: Imibuzo: Navrae:	Ms L, Maxhegwana Ext. 7051009	Your ref.: N/A Ifayile yakho: U Verw.:
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11 April 2022

Avuniko Social Housing Institution
3264 NU7
Mdantsane
5219

Attention Mr. M Ntsangani

**PROJECT SUPPORT LETTER FOR AVUNIKO SOCIAL HOUSING INSTITUTION:
PROPERTY DESCRIPTIONS:ERF 616 FOR MOUNT RUTH**

The above matter refers.

The Buffalo City Metropolitan Council amongst other areas approved the Provisional Restructuring Zones (PRZs) for Mdantsane Town Centre, Mount Ruth and East London Inner City, at its meeting held on the 2nd of November 2006, under the report number DP 115/06(NC).

The afore outlined therefore implies that the Directorate of Human Settlement supports social housing development to be undertaken at the aforementioned areas. The BCMM Directorate of Human Settlements supports Avuniko Social Housing Institution's initiative pursuing social housing developments in the areas contained in this letter. However, due processes must be followed and complied with by Avuniko Social Housing Institution (SHI). Furthermore, the Priority Human Settlement and Housing Development Areas (PHSHDAS) declared in the Gazette no 43316 of 2020 be deemed to serve the purpose of the Restructuring Zones as envisaged in Section 2(1) (i) (iv) of the Social Housing Act 16 of 2008.



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The previously declared Provisional Restructuring Zones (PRZS) be deemed to be applicable to place-names formally proclaimed as townships in terms of the applicable Town Planning & Town legislation; i.e., a Provisional Restructuring Zone of "Pretoria" shall be deemed to be "Pretoria Township and its Extensions"

Yours faithfully


A. SIHLAHLA
CITY MANAGER

ANNEXTURE: A REQUEST FOR LETTER OF SUPPORT FROM AVUNIKO DEVELOPERS
ANNEXTURE: B BCMM COUNCIL RESOLUTION
ANNEXTURE: C ACKNOWLEDGEMENT LETTER BY HUMAN SETTLEMENT MINISTER
ANNEXTURE: D LETTER OF SUPPORT FOR MOUNT RUTH BY PROVINCIAL DEPARTMENT OF HUMAN SETTLEMENT
ANNEXTURE: E LETTER OF SUPPORT FOR MDANTSANE BY PROVINCIAL DEPARTMENT OF HUMAN SETTLEMENT
ANNEXTURE: F LEASE AGREEMENT BETWEEN AVUNIKO AND RURAL DEVELOPMENT
ANNEXTURE: G DIRECTIVES ON APPROVED RESTRUCTURING ZONES AND THE DECLARED PRIORITY HUMAN SETTLEMENT AND HOUSING DEVELOPMENT AREAS IN THE SOCIAL HOUSING PROJECT



BUFFALO CITY METROPOLITAN MUNICIPALITY

Unity in Action. A City Hard at Work





Province of the
EASTERN CAPE
HUMAN SETTLEMENTS

Social & Rental Housing Intervention

Steve Tshwete House • 31-33 Phillip Frame Road • Waverly Park • Chiselhurst • East London • Eastern Cape • RSA
Office No: 043 711 9623 • Fax No: 086 6607558 • Email: Nkosinathink@ecdhs.gov.za

DATE : 19 January 2022

Enquiries: Mr N.Ntlokonkulu @ 072 5177319

**The Chief Executive Officer
Avuniko Developers Social Housing Institution
3264 NU 7
Mdantsane
5219**

Attention: Mr Mawethu Ntsangani

**APPLICATION FOR PROPOSED 3000 INSTITUTIONAL SUBSIDIES – MOUNT RUTH
SOCIAL HOUSING DEVELOPMENT PROJECT: BUFFALO CITY METROPOLITAN
MUNICIPALITY**

This serves to confirm that the Provincial Department of Human Settlements is in fully support of your plans and intentions for the proposed development and on – going management of the Mdantsane Mount Ruth Social Housing Project consisting of approximately Three Thousand (3000) affordable rental units within Buffalo City Metropolitan Municipality. Please note that the funding application will still go through the Departmental Project Appraisal Committees (PACOM) and this is subject to receipt of a grant qualifying status confirmation that the project is accredited by the Social Housing Regulatory Authority. The implementation of this proposed project will positively contribute to the National and Provincial Departments of Human Settlements targets. The Checklist for Institutional Subsidy Application for a Social Housing Project is herewith attached once more for further reference and guiding purposes to measure project state of readiness.

We further reiterate our unreserved full support for the proposed project as it will also provide social housing development in an unchartered area when it comes to social housing delivery in the Buffalo City Metropolitan municipal area.

Yours Faithfully

Mr. Desmond Ramonyadiwa
Director: Social and Rental Housing Interventions

Date: 19/01/2022

BUFFALO CITY METROPOLITAN DEVELOPMENT AGENCY

A 12 Esplanade
East London. 5201
Eastern Cape. South Africa
E info@bcmda.org.za | www.bcmda.org.za



Enquires: 043 492 2100

Ref: BCMDA-LET-020-2022

03 March 2022

Avuniko Developers

ATTENTION: Mr. Mawethu Ntsangani

Dear Sir

SUBJECT: MOUNT RUTH MIXED-USE DEVELOPMENTS ON ERF 616 - MDANTSANE ACCESS ROAD & N2 AT MOUNT RUTH TRAIN STATION

The Buffalo City Metropolitan Development Agency (BCMDSA) appreciates the time you took to engage with us and outline your business partnership proposal. We are of the view that your proposal does show good alignment to the core objectives of the Agency which include amongst others investment facilitation.

In principle, BCMDSA accepts the partnership. In taking the matter forward, you may submit to us a draft MoU entailing the modalities of the envisaged partnership. Our Investment Promotion and Tourism Development Unit will be liaising with your organization. Mr. Makalima the Manager for Investment Promotion and Tourism Development has been assigned to facilitate this process. Please also be at liberty to contact him on the following details, cell: 082 675 6167, email: Oyama@bcmda.org.za

I trust that you will find this in order and let me once again thank you for considering the Agency as a partner in your endeavor. I look forward to further engaging with your organization.

Yours sincerely

Mr. Bulumko Nelana
CHIEF EXECUTIVE OFFICER

Date: 03/03/2022

Meeting with Avuniko

20 December 2022

TOURISM | ECONOMIC & SOCIAL DEVELOPMENT | PROPERTY MANAGEMENT & COMMERCIALISATION



GROWING A BETTER CITY TOGETHER

1

BCMDA- Avuniko MOU

- AVUNIKO is an initiator in this setting, and BCMDA is a facilitator. Both collaborating and partnering to source investment and eventually develop the initiative as per the required purpose,
- BCMDA with its network of investment companies to work with AVUNIKO to motivate investment in the initiative towards the social housing development project.
- BCMDA to facilitate the process of motivating investment towards the initiative for improvement/development; including assisting with the application processes and facilitate the expedient processing of applications.
- BCMDA to facilitate negotiations with other spheres of Government (e.g., facilitation of provision of bulk services for new developments or expansions etc)
- BCMDA to earn a development facilitation fee for the rendering of these services.



2

Options for partnership

Having assessed the capacity of Avuniko and the risk elements associated with the project. The following prospects are proposed:

- That support be provided to Avuniko for the application of Zoning municipal fee. (R38 000)
- That support be provided the updating of architectural fees. (R 100 000)

BCMDA notes that Avuniko has not implemented a project of this magnitude therefore would require capacity in project implementation / property development and finance mobilisation.

- BCMDA proposes that Avuniko be introduced to its panel of fund originators for possible finance and property development assistance.
- That the relationship between Avuniko and the would be fund originator be arranged through transactional advisory services (R 500 000) of the BCMDA or the fund originator.
- BCMDA can possibly recovery cost of transaction advisory services from the development agreement phase or at a long term position.

These are subjected to EXCO approval and the availability of Budget. Support to Avuniko by BCMDA will be on a cost recovery basis as well as considerations of BCMDA recovering costs on an possible equity basis.



3

Thank you



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AGENDA: MOUNT RUTH NODAL PRECINCT MEETING



03 March 2023, 15h30 - 16h00

Chairperson- Dorette Loggenberg (Human
Settlements Sector Lead)

1. **Opening & Welcome** – Dorette
2. **Introduction and Apologies** – All
3. **Purpose of Meeting** – Rofhiwa
4. **Progress Report for Mount Ruth Nodal Precinct** - Ntru Ntsangani
5. **ISA and SHRA projects governance process**- Dorette
6. **Summary of Discussions and Way Forward** – Chairperson
6. **Date of Next Meeting and Closure** – Chairperson