

ITEM NUMBER: C 06/05/16

*RECOMMENDATION FROM THE EXECUTIVE MAYOR: 19 APRIL 2016*

**MC 32/04/16 APPLICATION TO EXTEND THE TERM OF THE PAARDEN EILAND CITY IMPROVEMENT DISTRICT (PECID) FROM 1 JULY 2016 TO 30 JUNE 2021**

It is **RECOMMENDED** that:

- (a) Council approve, in terms of Section 15 of the Special Rating Area By-law, 2012, as amended, the extension of the Paarden Eiland City Improvement District (PECID) term from 1 July 2016 to 30 June 2021
- (b) Council approve PECID's new 5 year business plan for the period 1 July 2016 to 30 June 2021
- (c) the City of Cape Town imposes the levying of an additional rate on properties in the PECID from 1 July 2016 in terms of Section 22(1)(b) of the Local Government: Municipal Property Rates Act (MPRA), Act 6 of 2004.



REPORT TO COUNCIL

DATE 2016 -04- 19

1. ITEM NUMBER : MC 32/04/16

2. SUBJECT

APPLICATION TO EXTEND THE TERM OF THE PAARDEN EILAND CITY  
IMPROVEMENT DISTRICT (PECID) FROM 1 JULY 2016 TO 30 JUNE 2021

ONDERWERP

AANSOEK OM VERLENGING VAN DIE TERMYN VAN DIE PAARDENEILAND-  
STADSVERBETERINGSDISTRIK (PECID) VAN 1 JULIE 2016 TOT 30 JUNIE  
2021

ISIHLOKO

ISICELO SOKWANDISWA KWEXESHA LOKUSEBENZA KWESITHILI  
SOPHUCULO LWESIXEKO SASE- PAARDEN EILAND (PECID) UKUSUSELA  
NGOWO-1 JULAYI 2016 UKUYA KOWAMA-30 JUNI 2021

G4704

3. STRATEGIC INTENT

- Opportunity City
- Safe City
- Caring City
- Inclusive City
- Well-run City

4. PURPOSE

In terms of the Special Rating Area By-law - promulgated as per Provincial Notice No.7015/2012 as amended (the By-law), Council received an application in terms of Section 15 to extend the term of the Paarden Eiland City Improvement District (PECID) from 1 July 2016 to 30 June 2021.

5. FOR NOTING BY / FOR DECISION BY

This report is for consideration/decision by:

- Council

## 6. EXECUTIVE SUMMARY

021

The PECID was established in 2005 and has had two successful term extensions subsequently. Application has been made for a term extension as per the new PECID Business Plan covering the period 1 July 2016 to 30 June 2021. (Annexure A).

The PECID held an AGM on 24 November 2015 to inform the property owners of the content of the new Business Plan. The notice of the AGM was sent to all property owners and advertised in the daily newspapers (Annexure B).

The term extension as per the PECID Business Plan (1 July 2016 to 30 June 2021) was supported and approved unanimously by the members of PECID at the AGM, as per Annexure C.

The application complies with the SRA Policy and By-law – the property owners were consulted, and the PECID new Business Plan was approved at the AGM.

## 7. RECOMMENDATIONS

Not delegated: for decision by Council:

It is recommended that:

- a) Council approve, in terms of section 15 of the Special Rating Area By-law, 2012, as amended, the extension of the PECID term from 1 July 2016 to 30 June 2021.
- b) Council approve PECID's new 5 year business plan for the period 1 July 2016 to 30 June 2021.
- c) The City of Cape Town imposes the levying of an additional rate on properties in the PECID from 1 July 2016 in terms of section 22(1)(b) of the Local Government: Municipal Property Rates Act (MPRA), Act 6 of 2004.

## AANBEVELING

Nie gedelegeer nie: vir besluitneming deur die Raad:

Dit word aanbeveel dat:

- a) Die Raad ingevolge artikel 15 van die Verordening op Spesiale-aanslaggebiede, 2012, soos gewysig, goedkeuring verleen dat die termyn van die PECID van 1 Julie 2016 tot 30 Junie 2021 verleng word.
- b) Die Raad PECID se nuwe vyfjaar sakeplan vir die tydperk 1 Julie 2016 tot 30 Junie 2021, goedkeur.
- c) Die Stad Kaapstad ingevolge artikel 22(1)(b) van die Wet op Plaaslike Regering: Wet op Munisipale Eiendomsbelasting (MPRA), Wet 6 van 2004, 'n bykomende tarief vir eiendomme in die PECID hef vanaf 1 Julie 2016.

## IZINDULULO

Azigunyaziswanga: isiqqibo seseBhunga:

Kundululwe ukuba:

- a) IBhunga maliphumeze, ngokwecandelo-15 loMthetho kaMasipala ongoMmandla ongeeRhafu ezizodwa wango-2012 njengoko ulungisiwe, ukwandiswa kwexesha lokusebenza kwe- PECID ukususela ngowo-1 Julayi 2016 ukuya kowama-30 Juni 2021.
- b) IBhunga maliphumeze isicwangciso sendlela yokusebenza esitsha seminyaka emi-5 se- PECID kwisithuba esisusela kowo-1 Julayi 2016 ukuya kowama-30 Juni 2021.
- c) ISixeko saseKapa masinyanzelise umrhumo olixabiso elongezelelekileyo kwii-propati ezikummandla we- PECID ukususela ngowo-1 Julayi 2016, ngokungqinelana necandelo-22(1)(b) loMthetho wobuRhulumente boMmandla ongamaXabiso eePropati zikaMasipala (MPRA) ongunomb.6 wangowe-2004.

## 8. DISCUSSION/CONTENTS

### 8.1. Constitutional and Policy Implications

The PECID was established in 2005 and subsequently had two term extensions.

Application has been made in terms of section 15 of the By-law for a term extension of the new PECID Business Plan covering the period 1 July 2016 to 30 June 2021 (Annexure A).

The Business Plan consists of a Motivation Report that defines the need and framework required to provide the additional services, an Implementation Plan proposing relevant action steps to implement the services and the 5 year Budget which indicates the provision required to fund these services. Although the Business Plan proposes a continuation of the same services as implemented during previous years the Motivation Report motivated an increase of 8.0% for the first year to ensure alignment with the associated costs of this industrial area and there after a year on year increase that varies between 7.6% and 7.7%.

The AGM held on 24 November 2015 was advertised in the daily newspapers on 30 October 2015 (Annexure B). The term extension formed part of the agenda of the AGM and all relevant documents were made available through the PECID website to all property owners.

The term extension as per the PECID Business Plan (1 July 2016 to 30 June 2021) was supported and approved unanimously by the members of the PECID as per the AGM draft minutes (Annexure C).

The application complies with the SRA Policy and By-law as property owners were consulted, and the PECID new Business Plan for 2016 - 2021 was approved unanimously at the AGM.

### 8.2. Sustainability Implications

Does the activity in this report have any sustainability implications for the City?

No

Yes

**8.3. Legal Implications**

Special Rating Area By-law - promulgated as per Provincial Notice No. Notice No.7015/2012 as amended.

**8.4. Staff Implications**

Does your report impact on staff resources, budget, grading, remuneration, allowances, designation, job description, location or your organisational structure?

No

Yes

**8.5. Risk Implications**

None

**8.6. Other Services Consulted**

The proposed term extension was circulated to all relevant Service Departments requesting them to ensure compliance in terms of the IDP (Annexure D). No such comments were forthcoming from any of the departments so it is assumed that the proposed PECID Business Plan aligns with the functions of the respective departments whom they will interact with should the application to extend the term be successful.

**ANNEXURES**

- Annexure A: The PECID Business Plan for the period 1 July 2016 to 30 June 2021.  
 Annexure B: Advertisements of AGM  
 Annexure C: PECID AGM agenda and draft minutes  
 Annexure D: Email to relevant Service Departments.

**FOR FURTHER DETAILS CONTACT:**

NAME	Runan Rossouw
CONTACT NUMBERS	(021) 400 – 5148
E-MAIL ADDRESS	runan.rossouw@capetown.gov.za
DIRECTORATE	Finance: ISL Department
FILE REF NO	
SIGNATURE :	
DIRECTOR	17/3/2016



EXECUTIVE DIRECTOR  
CFO : Kevin Jacoby

024

Comment:

NAME

DATE

22.03.2016

LEGAL COMPLIANCE

REPORT COMPLIANT WITH THE PROVISIONS OF COUNCIL'S DELEGATIONS, POLICIES, BY-LAWS AND ALL LEGISLATION RELATING TO THE MATTER UNDER CONSIDERATION.

NON-COMPLIANT

NAME

Jean-Mari Holt

TEL

021 400 2753

DATE

01/04/2016

Comment:

~~Certified as legally compliant:~~ JMH  
Based on the contents of the report.

EXECUTIVE DIRECTOR: CORPORATE SERVICES  
AND COMPLIANCE (ED: CORC)

SUPPORTED FOR ONWARD SUBMISSION TO MAYOR  / MAYCO  / COUNCIL

AUDIT/PERFORMANCE AUDIT

NOT SUPPORTED

REFERRED BACK

DATE

5/4/16

COMMENT:

MAYORAL COMMITTEE MEMBER  
Ald Ian Neilson

COMMENT:

NAME

DATE

7/4/16