

Section 5: Corporate Profile and Overview of the Entity

The City of Joburg Property Company SOC Ltd was established in 2000 as a private company and is wholly owned by the City of Johannesburg.

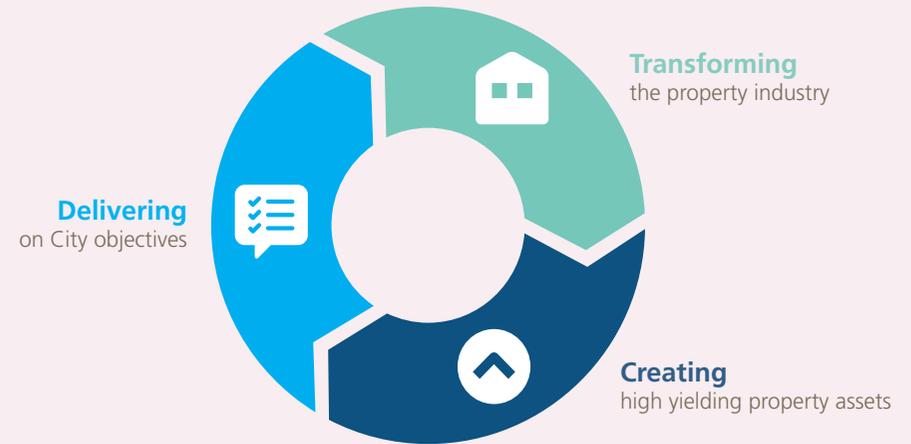
It was converted into a State-Owned Company after the implementation of the Companies Act of South Africa, 2008 (Act No. 71 of 2008). Consequently, JPC must comply with the legislative framework and reporting requirements applicable to any company in South Africa. This includes, but is not limited to, the Companies Act.

As an independent municipal entity, the company is also subject to the Municipal Finance Management Act, 2003 (Act No. 56 of 2003).

The entity has 554 employees based at the head office and depots who execute the strategy of the organisation. JPC derives its mandate from a signed service delivery agreement with its sole shareholder, the CoJ. The core functions of JPC are as follows:

Asset Management – Aims to implement sound asset management practices, including access to new assets, in a sustainable and affordable manner. These objectives are best articulated as follows:

- **Land Strategy Development** – To ensure that the City delivers portfolio-specific research, it conducts strategic planning, policy and strategic development, reviews, valuations, property life cycle modelling and monitoring.
- **Operational and Financial Performance** – To provide assurance that performance measurement and client reporting is aligned to the City's targets, this unit focuses on monitoring and evaluating the optimisation of portfolio composition, the maintenance of the property asset register, income and expenditure growth.
- **Business Development** – This consists of the analysis and land preparation by town planners and urban designers to develop business cases.



Property Development – Aims at maximising the return on City-owned land. In this regard, the objectives for public land development are understood as a trifecta of returns as follows.

- Delivering on City Objectives – These are priorities identified in the Service Delivery Budget Implementation Plan.
- Transforming the Property Industry – This is done by empowering emerging developers and contractors, and providing training and guidance on development for enterprises.
- Creating high-yielding property assets with a sustainable income stream – A large portion of City's assets are vacant land with an inherent low asset value and associated low returns.

A base of long-term recurring income is thus created by facilitating the development of well-located properties with high potential.