

**CITY OF JOHANNESBURG METROPOLITAN  
MUNICIPALITY  
LOCAL AUTHORITY NOTICE**

**PUBLIC PARTICIPATION FOR THE PROPOSED ALIENATION BY DEVELOPMENT SALE  
AND/OR DEVELOPMENT LEASE OF COUNCIL-OWNED LAND IN THE CITY OF  
JOHANNESBURG MUNICIPALITY.**

<b>Property Description</b>	<b>Regional Offices</b>	<b>Viewing sites</b>
RE of Ptn 16, RE/31, RE/34, RE/35, RE/36 & RE/62 Farm Rietvlei 101 IR	Region F	<ul style="list-style-type: none"><li>• The City of Joburg Property Company Website <a href="http://www.jhbproperty.co.za">www.jhbproperty.co.za</a></li><li>• Region F Offices: 96 Marlborough Rd, Springfield, Johannesburg</li></ul>

Notice is hereby given in terms of Regulation 34 read with Regulation 35 & 36 of the Municipal Asset Transfer Regulations, published under GN 878 in Government Gazette 31346 of 22 August 2008.

The Notice is further published in accordance with the provisions of Section 21 of the Local Government Municipal Systems Act no.32 of 2000 and Section 79 (18) of the Local Government Ordinance, 1939 (Ordinance 17 of 1937), as amended:-

of both the proposal and intention of the City of Johannesburg Metropolitan Municipality to make the aforesaid properties available for development by private sector development partners.

The details of the projects and information are available on JPC's website [www.jhbproperty.co.za](http://www.jhbproperty.co.za).

The local community and other interested persons who has a comment, claim or objection to the proposed development sale/lease of the aforesaid properties, must lodge such comment, claim or objection in writing with the Chief Executive Officer: City of Joburg Property Company (SOC) Ltd, P O Box 31565, Braamfontein, 2017, not later than 30 days after the date of this publication.

Any person who is unable to write may present herself or himself during office hours at the office of JPC as listed hereunder where a staff member of the JPC will assist such a person to transcribe that person's comments or representations.

Further particulars and plans may be inspected during working hours (Monday to Friday) 08:00 to 16:00 at the offices of City of Joburg Property Company (SOC) Ltd. on the 3rd Floor, Forum 1, Braampark Offices, 33 Hoofd Street, Braamfontein, Johannesburg. In addition, the aforementioned information is available on JPC's website.

**Tel: 010 219 9000**

**Musah Makhunga  
Chief Executive Officer  
City of Joburg Property Company (SOC) Ltd.  
P O Box 31565  
Braamfontein  
2017**

**PUBLIC PARTICIPATION FOR THE PROPOSED ALIENATION BY DEVELOPMENT SALE AND/OR DEVELOPMENT LEASE OF COUNCIL-OWNED LAND IN THE CITY OF JOHANNESBURG MUNICIPALITY.**

**INFORMATION STATEMENT IN TERMS OF SECTION 34(3)(B) OF THE MUNICIPAL ASSET TRANSFER REGULATIONS (MATR).**

In terms of Regulation 34(3)(b) of the MATR, a request to the Municipal Council for authorization to undertake a public participation process must be accompanied by an Information Statement. Accordingly, the matter is addressed as set out below.

**(i) The reasons for the proposal to grant a long term right to use, control or manage the relevant capital asset;**

- The long-term use rights arrangement facilitates strategic land management and control, enabling the optimisation of strategic assets through sustained utilisation, while preserving the Municipality's long-term ownership and oversight of the land, thereby ensuring that the property ultimately reverts to the Municipality.
- Long-term use rights assist to incentivize third parties i.e. developers to include less profitable but socially necessary components, such as affordable housing or sports facilities, alongside high-value commercial spaces which come with mixed use developments.
- Risk Mitigation: Developing large-scale capital assets involves significant financial and operational risk. By granting rights to a third party, the municipality is able to shift the burden of construction costs, market fluctuations, and operational maintenance.

**(ii) Any expected benefits to the municipality that may result from the granting of the right;**

- The development of vacant or underutilized municipal land at higher densities will contribute to curbing land invasions associated with unplanned developments, while simultaneously promoting sustainable local economic growth and facilitating the creation of employment opportunities.
- Public amenities and facilities, including parks and community centers, are typically delivered as part of new developments, thereby enabling the Municipality to address community needs without incurring additional capital expenditure.

- The Municipality will benefit from the long-term environmental sustainability associated with modern developments, which frequently incorporate green building standards into their design and provide enhanced stormwater management systems, among other sustainability measures.

**(iii) Any expected proceeds to be received by the municipality from the granting of The right;**

The financial structure associated with the granting of long-term use rights comprises of multiple revenue streams for the Municipality, not limited to the following:

- The outright sale of the land will result in the receipt of direct capital proceeds by the Municipality arising from the transaction.
- Proceeds from rates and taxes will accrue to the Municipality, as the property will no longer qualify for exemption once it has been transferred and sold.
- Lease Payments: The Municipality will receive recurring ground lease payments, which may be structured either as fixed annual amounts or as participation-based leases, in terms of which the Municipality is entitled to a percentage of the gross revenue derived from commercial activities conducted on the property.
- Development Facilitation Fees: These constitute once-off charges imposed on the developer as a condition of approval for a land development application. These are costs associated with providing new or expanded public capital infrastructure such as roads, sewer systems, and related municipal services necessitated by the proposed development.

**(iv) Any expected gain or loss that will be realised or incurred by the municipality arising from the granting of the right.**

**Expected Gains**

- Capital Appreciation: The value of municipal land is expected to increase significantly as a result of improvements arising from the anticipated development, whether through a lease or an outright sale.
- At the conclusion of the long-term lease, the Municipality retains ownership of the land and, in addition, assumes ownership of any structures constructed thereon.
- The Municipality transfers the holding costs of the asset including security and liability insurance to the lessee, thereby reducing its maintenance obligations.
- The proposed development is expected to transform this vacant land into a productive economic asset, generate employment opportunities, stimulate local

economic activity, and contribute significantly to the appreciation of surrounding property values.

**Potential Losses or Risks:**

- By committing the land to a long term lease agreement, the Municipality forgoes the ability to utilise the property for other emerging public needs throughout the duration of the lease.
- The Municipality incurs administrative costs associated to ensuring compliance with ensuring statutory requirements are adhered to, as well as the long-term monitoring of the lease agreement to ensure compliance with applicable policy requirements.
- In the event of development failure, such as the insolvency of the developer, the Municipality may be left with a partially completed project or a distressed site necessitating further public intervention.