



# BUSINESS PLAN

## FOR MANAGEMENT OF THE PAARDEN EILAND CITY IMPROVEMENT DISTRICT

**01 JULY 2016 – 30 JUNE 2021**

(Compiled August 2015)


(In accordance with the Special Rating Bylaw as promulgated  
in the Provincial Government Notice No 6651/2009)

*Your investment  
Our concern*

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Company Reg No: 2008/008315/08  
VAT Reg No: 4790223731

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The success of the Paarden Eiland City Improvement District (PECID) is largely due to the co-operation between PECID and the various departments of the City of Cape Town; the strong working relationship between PECID and the South African Police; the contribution of the various contracted service providers; and the continued support of property and business owners in the area.

In the interests of investors and industrialists in Paarden Eiland it is, therefore, important for PECID management to continue its achievements in the development of a well-managed, clean and safe area. It is to this end that the following Business Plan for the period 01 July 2016 to 30 June 2021 is submitted for the approval of property owners and Council.

1.

**CID CLASSIFICATION**

- 1.1. REGISTERED NAME OF CID  
Abrina 546 NPC  
Trading as Paarden Eiland City Improvement District
- 1.2. SECTION 21 COMPANY  
Registration No.2008/008315/08
- 1.3. NAME OF ADMINISTRATION HAVING JURISDICTION  
City of Cape Town
- 1.4. GEOGRAPHIC AREA  
The area bordered by the N1, Marine Drive (up to Boundary Road), the vlei area and green belt up to Section Street and the Canal from there to the N1.  
(Map)<sup>1</sup>
- 1.5. BOARD OF DIRECTORS  
Seven, plus representative City Councillor
- 1.6. STREET ADDRESS  
RIVERSIDE ESTATE  
62 CARLISLE STREET  
PAARDEN EILAND
- 1.7. CONTACT:  
PECID Manager  
Tel: 021 510-0040 or 082 474 0762  
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2.

**INTRODUCTION**

- 2.1. BACKGROUND TO CITY IMPROVEMENT DISTRICTS (SPECIAL RATING AREAS)  
While many South African towns, cities and urban nodes continue to display various levels of deterioration and most local authorities struggle to deal with the impact of urbanisation and limited resources, the establishment of City Improvement Districts, or Special Rating Areas, is fast becoming an effective solution to halt environmental degradation and unacceptably high degrees of crime.

City Improvement Districts are essentially geographic areas in which the majority of property owners determine and agree to fund supplementary services to those normally provided by their local authority, in order to maintain and manage the public environment at a superior level. Through legislation, the cost of the provision of services is then spread over all property owners within the specified geographic area. Unlike rates, funds contributed by the property owners may only be spent in the area in which they are collected.

While the local authority continues to provide normal services, the additional rates contributed by property owners are collected by Council and paid over to the CID. These funds are then used by the CID to provide a "top-up" to Council services, general maintenance, safety and security, environmental enhancement and marketing of the area.

- 2.2. ESTABLISHMENT OF THE PAARDEN EILAND CITY IMPROVEMENT DISTRICT  
The application for the establishment of a City Improvement District in Paarden Eiland was approved by the Cape Town City Council in May 2005 and property owners began paying special levies to fund the CID as of 01 July 2005.  
Fiscal control has been central to good management, with the bulk of expenses going to security and cleansing through the installation of a comprehensive surveillance system; contracted ground patrol vehicles; and an environmental team referred to as PET.

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<sup>1</sup> See page 8

- A fully equipped CCTV surveillance centre.
- A wireless network of 21 (twenty one) cameras and maintenance thereof.
- Contract of 2 (two) manned, dedicated patrol vehicles, 24/7.
- Employment of a permanent team of 6 (six) for environmental upkeep.

In respect of local authority service levels, PECID, in collaboration with the Cape Town City Council and various other agencies, addressed the three highest priorities of concern as set out in the approved Business Plans for the first three terms between 2005 and 2015.

2.3. WHY CONTINUE?<sup>2</sup>

Refer Annexure 1 (Synopsis of First Ten Years of Operation) and the pictures below and **then acknowledge that we must NEVER go back to an area of filth, degradation and crime.**

**NO MORE!**



**NO MORE!**



**NO MORE!**



<sup>2</sup> See Annexure 1 Synopsis First Ten Years

**3. EXECUTIVE SUMMARY**

- 3.1. Goals to attain over the next five-year term include environment, safety and security, social responsibility and marketing. The projected implementation plan is set out in Annexure 2.
- 3.2. All physical improvements are specifically contained within the City Improvement District boundaries, while social responsibility may affect those within and without the area.
- 3.3. Bound by the SRA By-law, management of the City Improvement District is obliged to comply with guidelines and policies adopted by the City and will, therefore, not strengthen existing inequities in the development of the City.
- 3.4. The CID's top priorities are in line with those defined by the City's IDP. Top-up services and safety and security are intended to complement the City's role in maintaining the area and enforcing municipal law and order.
- 3.5. As a Section 21 Company, ratepayers are required to recommend the annual budget amount as suggested in the proposed Business Plan. Once approved by Council, management of the Section 21 Company will carry out planning and administrative functions within the Paarden Eiland City Improvement District.

**4. MISSION**

To administer the area with dedicated, effective management; supply supplementary services to those already afforded by the City of Cape Town; and co-ordinate the provision of a well-maintained, safer, cleaner and greener environment, making it more attractive to those who work, visit and invest in Paarden Eiland.

**5. VISION**

For the Paarden Eiland City Improvement District to continue the successes of the past; focus on the needs of the present; and provide a sustainable, attractive asset for the future.

**6. GOALS FOR 2016-2021<sup>3</sup>**

- 6.1. Keep Paarden Eiland a clean, safe industrial area.
- 6.2. Provide an environmentally attractive and pollution free area.
- 6.3. Maintain and improve working relationship with local authorities and essential service providers
- 6.4. Provide innovative management of the area.
- 6.5. Maintain crime rate at current low level.
- 6.6. Be sensitive to our social responsibility
- 6.7. Ensure Paarden Eiland remains a prime locality and preserve its distinct identity.

**7. SERVICE LEVELS**

7.1. LEVELS OF SERVICE PROVIDED BY THE CITY OF CAPE TOWN

- 7.1.1. The City will continue basic levels of service as currently provided.

7.2. LEVEL OF SERVICE TO BE PROVIDED BY THE CID (SUPPLEMENTARY SERVICE)

The CID services are based on the successful results of the previous 120 months of operation and the existing levels of service provided by the City of Cape Town.

7.2.1. Management

- 7.2.1.1. Ensure PECID supplements the City's performance in respect of basic service levels.
- 7.2.1.2. Co-ordinate with Council to deal with problematic issues relating to rendering of basic services.
- 7.2.1.3. Manage and appraise employed team and service providers contracted to the CID.
- 7.2.1.4. Liaise with relevant departments of local authorities, SAPS and other service providers.
- 7.2.1.5. Devise & implement capital projects, communication, marketing & promotion plans.
- 7.2.1.6. Attend meetings of CID Forum, SAPS Station Joint and all other forums necessary for effective management of the area.
- 7.2.1.7. Encourage property and business owners to support various projects proposed by the CID.
- 7.2.1.8. Report activities to the PECID Executive Body and members.

7.2.2. Cleansing

- 7.2.2.1. Continue to employ general workers to keep area clean and green.
- 7.2.2.2. Instil a sense of pride in workers through provision of distinctive uniform and basic skills training.

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<sup>3</sup> See Annexure 2 Proposed Implementation Plan

- 7.2.2.3. Launch an awareness programme through special clean-up projects in specific areas where most litter occurs.
- 7.2.2.4. Liaise with Solid Waste on all aspects of street cleaning and waste removal, including illegal dumping, provision of litter bins and appropriate signage.
- 7.2.3. Environmental
  - 7.2.3.1. Continue the enhancement of the area through greening projects, cleaning campaigns and appropriate signage.
  - 7.2.3.2. Promote awareness of the unique wetland area and assist in the endeavours of the Table Bay Nature Reserve to protect the Zoarvlei section; open up its waterbodies by limiting invasive reed beds; and work together with relevant authorities to keep the wetlands free of illegal camp sites.
  - 7.2.3.3. Promote the participation of businesses in environmental programmes.
  - 7.2.3.4. Encourage businesses to implement waste minimisation strategies.
- 7.2.4. Maintenance
  - 7.2.4.1. Assist in general maintenance of fences, barriers, street lights, park benches, litter bins and signage.
  - 7.2.4.2. Assist where necessary, or possible, in upgrading of roads, pavements and open spaces.
- 7.2.5. Safety & Security
  - 7.2.5.1. Maintain increased security presence of visible, dedicated patrols to maintain order.
  - 7.2.5.2. Ensure patrol officers continue with periodic training in municipal bylaws and local knowledge of area.
  - 7.2.5.3. Co-ordinate liaison between PECID and camera monitors, patrol officers, SAPS, Law Enforcement and other security groups.
  - 7.2.5.4. Promote security awareness through crime alerts and discussion.
  - 7.2.5.5. Provide list of emergency and other useful telephone numbers to owners and tenants in the area.
  - 7.2.5.6. Foster good working relationship with Law Enforcement, Traffic Management, Fire Protection Services, SAPS and other security enforcement agencies.
  - 7.2.5.7. Increase visual monitoring through expansion of CCTV surveillance system and upgrade of existing equipment, when necessary.
- 7.2.6. Social Responsibility
  - 7.2.6.1. Relieve the plight of the jobless by employing “toch” labour to assist PET at least once per month.
  - 7.2.6.2. Encourage informal traders in the area to comply with relevant City Bylaws.
  - 7.2.6.3. Discourage businesses supplying scrap to displaced people and trolley vendors by encouraging participation in waste management projects.
  - 7.2.6.4. Liaise with Law Enforcement Displaced People’s Unit and other relevant authorities in the interests of safe re-location of the displaced where possible.
  - 7.2.6.5. Create improved environment for loitering job seekers.
  - 7.2.6.6. Assist members of PET with self-development programmes.
- 7.2.7. Marketing
  - 7.2.7.1. Promote the locality as an attractive investment through improved safety and security and an enhanced cleaner, greener industrial area.
  - 7.2.7.2. Update database of businesses and property owners within the CID.
  - 7.2.7.3. Erect information and directional notice boards and ensure existing signs are maintained.
  - 7.2.7.4. Keep businesses informed of news and events relevant to the area.
- 7.2.8.. Projects (over next five-year term; to be funded from accumulated surplus)
  - 7.2.8.1. Hold “Keep Clean” campaigns on pedestrian routes
  - 7.2.8.2. Assist Table Bay Nature Reserve with clean-ups and reed clearing in Zoarvlei section
  - 7.2.8.3. Enhance recreational space
  - 7.2.8.4. Replace border fencing

- 7.2.8.5. Contribute to, or build new pedestrian pathways
- 7.2.8.6. Install additional, or upgrade existing, cameras
- 7.2.8.7. Participate in City's "rent-a-cop" programme
- 7.2.8.8. Light up buildings, streets, walkways, alleys

## 8. ADVANTAGES OF CONTINUANCE

- 8.1. **A MANAGED ENVIRONMENT IN THE AREA**  
Dedicated management focuses on the causes of deterioration and seeks and implements solutions specifically targeted to such problems.
- 8.2. **HOLISTIC APPROACH**  
All issues negatively impacting on the CID area are investigated and dealt with on an integrated basis. Overall management provides proper co-ordination, focusing on providing services where they are most needed.
- 8.3. **ENHANCEMENT OF THE ENVIRONMENT PROMOTES MARKET VALUE**  
By implementing supplementary services in cleansing, maintenance, safety and security, the environment is improved, competitiveness expands and the area becomes more marketable.
- 8.4. **INCREASED INVESTMENT**  
The perception of crime, grime and general disorder has a negative impact on investors and visitors to the area. A CID provides a results-oriented set of programmes, which produce immediate and tangible improvements. These programmes supplement other efforts to retain, expand and attract new business and investment.
- 8.5. **INCREASED PROPERTY VALUES**  
A clean, safe and attractive area, with visible order, becomes more appealing to investors, demand for property is improved and property values increase.
- 8.6. **POSITIVE IDENTITY**  
Prior to the establishment of the City Improvement District, Paarden Eiland was one of a number of industrial areas showing signs of environmental deterioration. Through positive and controlled management, a new and positive identity has evolved, attracting customers, investment and development.
- 8.7. **PRIVATE SECTOR MANAGEMENT**  
PECID has an Executive Board comprised of property and business owners, elected by the private sector stakeholders of the area. Activities and budgets developed by CID Management and overseen by the Board ensure accountability to those who pay the levy.
- 8.8. **GUARANTEED SERVICE LEVELS**  
The CID co-ordinates its activities in relation to service levels provided by Council as per the IDP; ensures maintenance of the area complies with PECID's proposed business plan and fulfils the expectations of property owners.

The table below shows certain service levels currently received from Council.

| ACTIVITY                            | FREQUENCY          |
|-------------------------------------|--------------------|
| Street sweeping (main streets only) | Monthly            |
| Emptying litter bins                | Weekly             |
| Clearance of illegal dumping        | Within 30 days     |
| Mowing parks, verges                | Monthly / seasonal |
| Spraying herbicides sidewalks       | Annual             |
| Irrigation – grass/shrubs/trees     | Seasonal           |
| General cleaning POS                | Monthly            |
| Planting horticultural material     | Annually           |
| Fertilising / composting            | Twice per year     |
| Irrigation systems maintenance      | As required        |
| Tree / shrub maintenance            | As required        |
| Law Enforcement                     | Not dedicated      |
| Traffic Control                     | Not dedicated      |
| Roads & Storm Water                 | As required        |



## **9. ADDITIONAL SERVICES**

The following services, not reflected in current service levels, could form part of a co-operative understanding between the City Improvement District and the City.

- 9.1. CLEANING OF STORMWATER DRAINS AND SEWER BLOCKAGES  
Purpose: To ensure blockages are cleared when they occur  
Minimum standard: City Council standards - to keep all stormwater and sewer drains operational at all times
- 9.2. MAINTAIN ROADS AND PAVEMENTS  
Purpose: To maintain roads and pavements  
Minimum standard: City Council standards - public safety
- 9.3. REPLACE MISSING AND BROKEN DRAIN COVERS  
Purpose: To ensure all missing or damaged drain covers are replaced  
Minimum standard: City Council standards - public safety
- 9.4. REPLACE AND MAINTAIN CABLE BARRIERS  
Purpose: To protect verges and public open spaces  
Minimum standard: City Council standards - prevention of unauthorised access
- 9.5. MAINTAIN STREET LIGHTING  
Purpose: To ensure adequate lighting  
Minimum standard: City Council standards - public safety
- 9.6. TRENCH RE-INSTATEMENTS  
Purpose: To ensure trenches dug by various service departments, or contractors, are re-instated  
Minimum standard: City Council standards - which existed prior to trenching
- 9.7. Management of Zoarvlei section of the Table Bay Nature Reserve  
Purpose: To keep the wetlands free of illegal campers, alien bush and reed overgrowth  
Minimum standard: City Council conservation standards in accordance with the terms of the National Environmental Management: Protected Areas Act, Act 57 of 2003.

## **10. DISSOLUTION**

- 10.1. Should the City Improvement District be dissolved, the remaining assets, after satisfaction of all its liabilities, shall be utilised by Council to provide additional municipal services in accordance with the provision of this Business Plan (SRA Bylaw Chapter 4.16.)

## **11. BUDGET<sup>4</sup>**

- 11.1. As required by the City Improvement District By-law, a five-year operational budget (2016-2021) has been compiled.
- 11.2. The budget provides for envisaged supplementary and related services and actual costs of operation as well as a 3% (three percent) provision for bad debts.
- 11.3. The anticipated operational income for the City Improvement District is funded by way of levies, which are derived by calculating an additional dedicated special rate. This amount is calculated in terms of Section 22(1)(b) of the Municipal Property Rates Act, No 6 of 2004 at a rate of cents-in-the-Rand on commercial property value as determined by the municipal valuation of the rateable property within the designated City Improvement District.
- 11.4. The increase of 8% from the 2015-2016 budget is largely affected by and calculated on increases for contracted services. While these are being negotiated the budget provides for worst case scenario.

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<sup>4</sup> See Annexure 3 Proposed Budget 2016-2021



