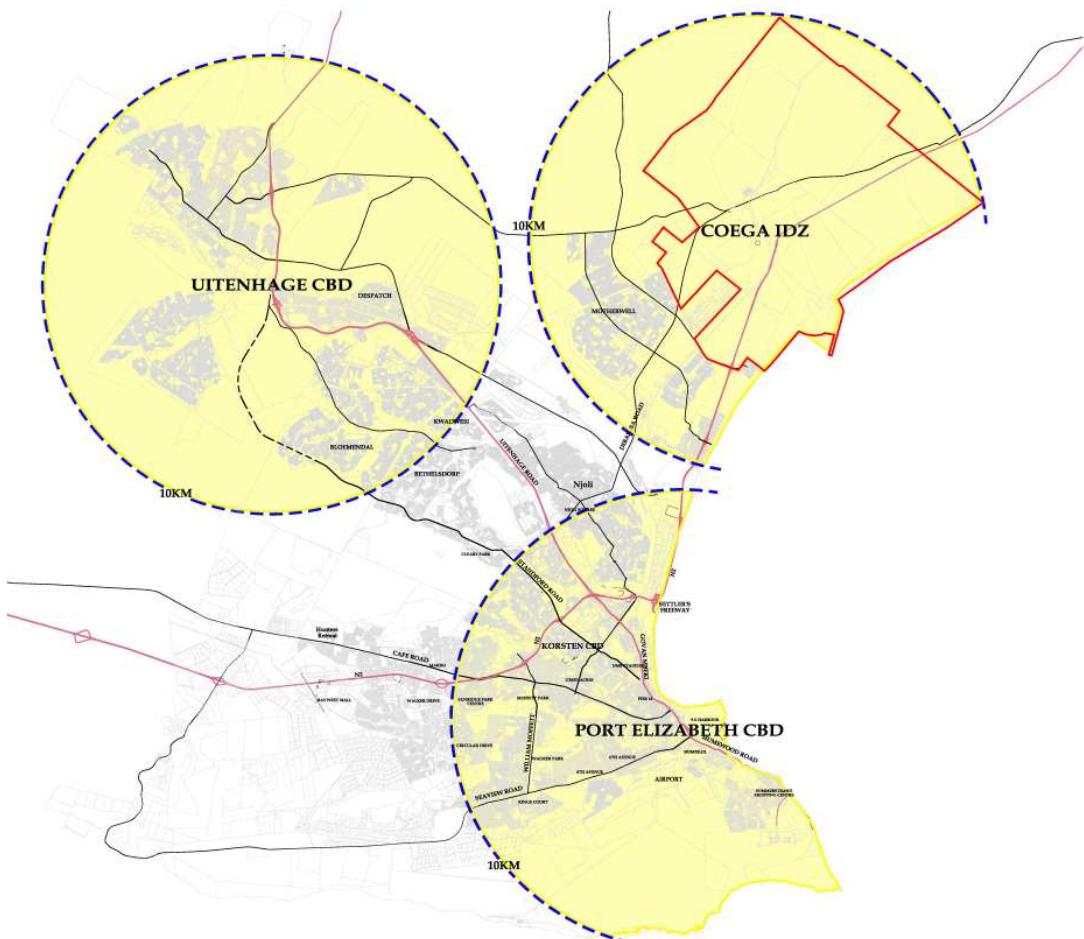
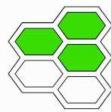


HUMAN SETTLEMENT PLAN FOR THE NELSON MANDELA BAY MUNICIPALITY



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Adopted by Council at its meeting held on 6 December 2012, Refer Item 5, p. 16 of Minutes of Council Meeting.

HUMAN SETTLEMENT PLAN FOR THE NELSON MANDELA BAY MUNICIPALITY

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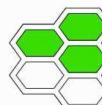
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1 INTRODUCTION

1.1 Purpose of the Report

This report deals with the preparation of a Human Settlement Plan / Housing Sector Plan for the NMBM which fulfils one of the key performance indicators for Level 2 accreditation. It integrates the housing chapter of the Integrated Development Plan (IDP), Spatial Development Framework (SDF), Land Use Management Strategy (LUMS) and Infrastructure Development Planning all of which are essential parts of the Spatial Policy Plans and Strategies for Sustainable Human Settlement Planning.

The Human Settlement Plan will meet the following objectives:

- Outline the housing / human settlement dynamics in the NMBM.
- Document housing and human settlement delivery, best practises and lessons.
- Set out proposals to fast-track human settlements and addressing shortcoming of current delivery systems in the NMBM.

The National Department of Human Settlements reserve book on Housing Chapters recommends that the Housing Chapters of IDPS should include:

- Municipal Housing Needs Assessment
- Prioritisation of informal settlements
- The identification of well located land for housing
- The identification of areas for densification and the integration of housing with other sector plan such as Transport, Environment, Water and Sanitation

1.2 Preamble

A paradigm shift in the housing programme was ushered in by the approval of the Comprehensive Plan for the Creation of Sustainable Human Settlements (also referred to as "Breaking New Ground" - BNG) by Cabinet in September 2004.

The Comprehensive Plan "shifts the focus to improving the quality of housing and housing environments by integrating communities and settlements through holistic development" (Housing Project Process Guide, September 2009).



MINMEC acknowledged the pivotal role of municipalities in the development of Integrated and Sustainable Human Settlements and made the following observations:

- The development of Sustainable Human Settlements is best achieved by Municipal Local Government which is the sphere of government closest to the communities.
- The successful implementation of Sustainable Human Settlements is possible if housing needs are aligned with other built environment functions of local government such as:
 - Infrastructure
 - Public works
 - Basic services
- Municipalities are the logical conduit for inter-governmental and intra-governmental funding systems that are critical for funding mandates associated with the delivery of Sustainable Human Settlements.

The MINMEC meeting on 16th January 2009 recommended that all Metropolitan Municipalities should be accredited to Level 2 on or before July 2010. The policy documents considered critical for a local authority to qualify for consideration for accreditation include the following:

- Accreditation Business Plan (also often called “accelerated Municipal Housing Delivery Plan”)
- Approved Housing Sector / Human Settlement Plan
- Infrastructure Investment Master Plan
- Spatial Development Plan (SDF)
- Land Use Management Strategy (LUMS)
- Integrated Development Plan (IDP)
- Service Delivery Plan (SDBIP)
- A-G Report (past five (5) years)

1.3 The Problem Defined

1.3.1 Level 2 Accreditation

The Nelson Mandela Bay Municipality (NMBM) was accredited at Level 1 during 2008 and this entitled the Municipality to perform functions in line with appropriate guidelines set for Level 1.

The NMBM was granted Level 2 Accreditation in February 2011 and has registered its intention with the Provincial Department of Human Settlements to progress to 3 Accreditation. Accreditation functions follow demonstration of capacity to deliver on the functions (i.e. function follows capacity).

Accreditation to Level 2 and 3 is predicated on the NMBM developing and preparing the Human Settlement Plan that meets national and provincial policy guidelines.



1.4 Need a clear vision for Human Settlement in the NMBM

The NMBM has approved the IDP, SDF, the Housing Turn Around Strategy and Implementation Framework which culminated in the Seven-Year Housing Implementation Plan.

These plans and policies need to be updated and reviewed in line with recent policy and legislative changes and will form part of an Operational Manual for Sustainable Human Settlement.

Although the NMBM SDF March 2009 identifies Restructuring Zones and lists a number of Strategic Development Areas (e.g. Zanemvula, Soweto-on-Sea, Chatty 2–5 and 9–17, Joe Slovo West, Walmer, Gqebera, Motherwell, Wells Estate, KwaNobuhle, Uitenhage and Hunters Retreat), the plan does not provide a clear vision and detailed implementation framework for housing development in these development areas, in respect of the following:

- Spatial definition of development areas relative to distances to places of employment, public transport infrastructure, envisaged development densities, housing typologies, housing tenure options, procurement strategies, etc.
- Land parcels to be targeted, size, ownership, etc. and a Strategy for land availability that includes the assembly of well located privately owned land.
- Prioritization of each area in respect of a set of agreed criteria for appropriate settlement location.
- Phasing of development overtime to accommodate mixed housing initiatives. (low cost, social, affordable, group, rental, etc)
- Stipulate minimum densities for development in the strategic zones or parts thereof.

This has partly resulted in the proliferation of low density settlements on Council owned land on the periphery, the relocation of low income communities from areas closer to (e.g. Ibhayi) from the CBD and areas of economic opportunity in the Metro.

1.4.1 Lack of Comprehensive Approach to Addressing Housing Backlog

The NMBM Housing Turn Around Strategy estimates a housing backlog of 80 000 units and 8 000 units amongst those earning between R3 500.00 and R12 500.00 per month. The plan does not indicate how the demand in the latter category was determined. The demand figures in the Turn Around Strategy need to be updated.

Since 2000 the NMBM has constructed approximately 42 072 houses (i.e. 4 200 per annum on average). If the current delivery rates remain unchanged, it is expected that the NMBM would take approximately 19 years (2029) to address the current backlog, let alone deal with new demand as a result of natural population growth and migration into the Metro.



At the current subsidy of approximately R77 000 per beneficiary (Serviced Site and Top Structure) that it would cost upwards of approximately R6,77 billion to address the current backlog let alone future growth.

The current housing projects are focussed on:

- Addressing the existing backlog through the delivery of RDP Housing to the “poorest of the poor” earning below R3 500. They are based on the present rather than on future needs and do not take the holistic development of Integrated Human Settlements into account.
- With the exception of the few social housing projects being delivered in PE Central and Walmer there is no coherent plan to house the R3 500.00 – R12 500.00 income bracket on a massive scale.
- Provide housing to the poor (R3 5000.00) to the virtual exclusion of other income groups, on freehold tenure basis exclusively rather than offer social and rental tenure options in order to address a range of beneficiary needs and stages in the life cycle of potential beneficiaries.

Although both the SDF and Housing Delivery Plans identify Social Housing as a major focus area to reverse the marginalisation and exclusion of a large part of the urban population in the NMBM from urban opportunities, the following issues still pervade the provision of Social Housing and integrated housing on a large scale:

- Only a limited number of sites have been identified for Social Housing to date.
- A few Social Housing developments are planned on some of the sites and very few have been fully implemented to date.
- The planning for Social Housing is not integrated with the low cost housing delivery process, with the result that housing is disjointed and reinforces separation at the expense of integration of social economic groups.
- No significant policy push for Gap Housing or Affordable Housing Provision that integrates with Social Housing Rental Housing and Low Cost Housing has taken place.
- De-densification of Informal Settlements, even those that are well located within established townships, e.g. Ibhayi and along major public transport routes e.g., Khulani Corridor, or close to places of employment e.g. Red Location, still takes place through the relocation of beneficiaries to greenfields projects on the urban periphery and further away from urban economic opportunities and social facilities.
- Delivery of large numbers of RDP housing based exclusively on the “metro-house” model of a detached house on a large stand to the exclusion of other housing typologies (semi-detached, town houses, 3-4 storey flats, double storey units, etc.)
- Housing projects that are mostly located on municipal owned land on the urban periphery using municipal delivery mechanism that exclude the Private Sector and other agencies such as Housing Associations, Co-operatives, etc.



- Residential development that is planned at densities that do not maximise the use of land, financial resources, and infrastructure and does not facilitate the integration of intergovernmental and intra-government funding thus making the provision of social amenities difficult, uncoordinated and unsustainable.

1.5 Expected Outcomes

The Human Settlement Plan ought to achieve the following outcomes:

- **Restructure the City through Housing Delivery:** Bring poor people to live close to the City Centre, around major nodes and along public transport routes (BRT and Rail network) and places of employment. This will mean the acquisition of well located private and state land on which to deliver mass housing projects.
- **Land Assembly:** Mobilise Public Land (State and Municipal) and private land in strategic locations for the delivery of integrated housing projects. The metro has to engage private property owners and the state to find creative ways to assembly the land (e.g. use incentives).
- **Community Buy In:** Canvas broad community support for areas and land to be targeted, development types to be promoted and identify benefits thereof for all to see and evaluate.
- **Pilot Integrated and Sustainable Settlement Projects:** Recommend a list of pilot project areas where the concept of integrated areas and mixed settlements will be implemented.
- **Sustainable Public Transport:** Fast Track the identification and implementation of pilot projects that contribute to the realisation of the vision of sustainable public transport by developing areas along the Integrated Public Transport Routes and close to Modal Interchanges. Public Transport becomes viable at densities of 40 – 50 units ha and it is critical that settlement designs seek to achieve and exceed these densities for the future of public transport.
- **Build Partnerships:** Build partnerships with the Public and Private Sector to secure land on preferential basis, for example, the Department of Public Works should be approached to ensure that suitable State land is set aside, allocated and used for integrated residential development programmes through Land Availability Agreements (LAA) for land to be developed under municipal auspices. It is also proposed that Memorandum of Understanding (MOU) be agreed to whereby State land made available to private developers shall be developed in line with the principles of the Human Settlement Plan of the NMBM.
- **Multiple Housing Delivery Agents:** Create space for a range of housing delivery agents to participate in the creation of new human settlements to maximise synergies and to mobilise a range of resources and support from all sectors of the society towards housing delivery. These Agents should be able to tap onto the subsidy and beneficiaries from the NMBM list and work in partnership with NMBM Housing Delivery.



- **Develop a set of Design and Development Guidelines:** In the case of land already identified by the NMBM for integrated housing (e.g. Wells Estate, Hunter's Retreat, Fairview / Salisbury Park, Algoa Park, Joe Slovo / Extension Azalen Park / Redhouse Extension) it is necessary to set development guidelines. This process should take into account current SDF/LSDF proposals and then translate these into detailed proposals and development packages to guide housing development as deemed appropriate for the respective areas.
- **Concept for Innovative and Humane In-Situ Upgrading:** Well located informal settlements should be upgraded in-situ at higher residential densities. The Human Settlement Plan should guide the implementation and prioritisation of in-situ upgrading projects and ensure the mobilisation of resources from a range of sources for upgrading other than just for the housing subsidy. A policy shift towards formalisation of backyard shacks instead of relocation to Greenfield housing areas should be developed and implemented given that over 49% of declared backlog comprises households living in the backyard.
- **Housing and Settlement Design Manual:** Compile a manual for the planning of integrated housing projects depicting the range of housing typologies, erf size / dimensions / density guidelines to be used as a reference tool for the designs, community participation and mobilisation. An overall plan will show where the respective designs and house types will be implemented e.g. along which transport corridors, which nodes and which inner city infill projects should be targeted. This will in turn inform the zoning scheme amendments to achieve the required densification.
- **Document Lessons from Precedent Studies and delivery modes** (nationally and internationally that will assist the NMBM to choose the most appropriate models to follow.



2 BACKGROUND

2.1 General

The South African Constitution, 1996 enshrines the right of all citizens to access adequate housing. It also enjoins the state to take all reasonable legislative and other measures to progressively realise this right.

The Constitution also acknowledges that the provision of housing is not just about the construction of top structures. It is equally important to establish, develop and maintain socially and economically viable communities, create safe and healthy living environments, ensure the provision of community and recreational facilities and services in respect of water, sanitation, electricity, roads and transport.

The Nelson Mandela Bay Municipality (NMBM) estimates the housing backlog in 2009 to be approximately 84 266 units made up of 49 009 households in backyard shacks in existing formal areas and 35 257 households living in informal settlements, made up largely of beneficiaries earning less than R3 500.00. The backlog is said to be growing at approximately 6000-7000 households per annum.

The estimated NMBM backlog of 84 266 does not include the rectifications of the pre-1994 housing stock build as part of the pre-1983 National Housing Rental Stock, the site and service scheme under the Independent Development Trust (IDT) and post 1994 housing subsidy scheme.

The current backlog also does not include the natural growth in the category of persons earning less than R3 500.00 which is estimated to be 6000-7000 per annum, as well as demand among those earning more than R3 500.00 per month which is estimated to be approximately 15 000 at 2011, bringing the demand to approximately 105 000. It is expected that this will increase to 120 000 by year 2020 and 140 000 by year 2030.

The NMBM is characterised by a 42% rate of unemployment (up from 35% over the last 5 years) amongst its population of approximately 1.1 million people. Furthermore approximately 44% of the 373 266 households in the City rely on social grants. This means that a significant proportion of the City's residents are either too poor or are not in a financial position to be able to solve their housing problems without significant State assistance.

The provision of housing needs to be undertaken within a comprehensive Human Settlement Framework that will not only address the construction of housing top structures but also the location, the density and urban form of human settlements, the provision of community amenities and services, including public transport facilities, as well as address poverty and unemployment, in the beneficiary communities.



It is important that the provision of houses for beneficiaries that are fully subsidized is integrated with beneficiaries earning above R3 500.00 that receive partial state subsidy and can attract bank finance in settlements are located close to places of employment, economic nodes and tourist facilities.

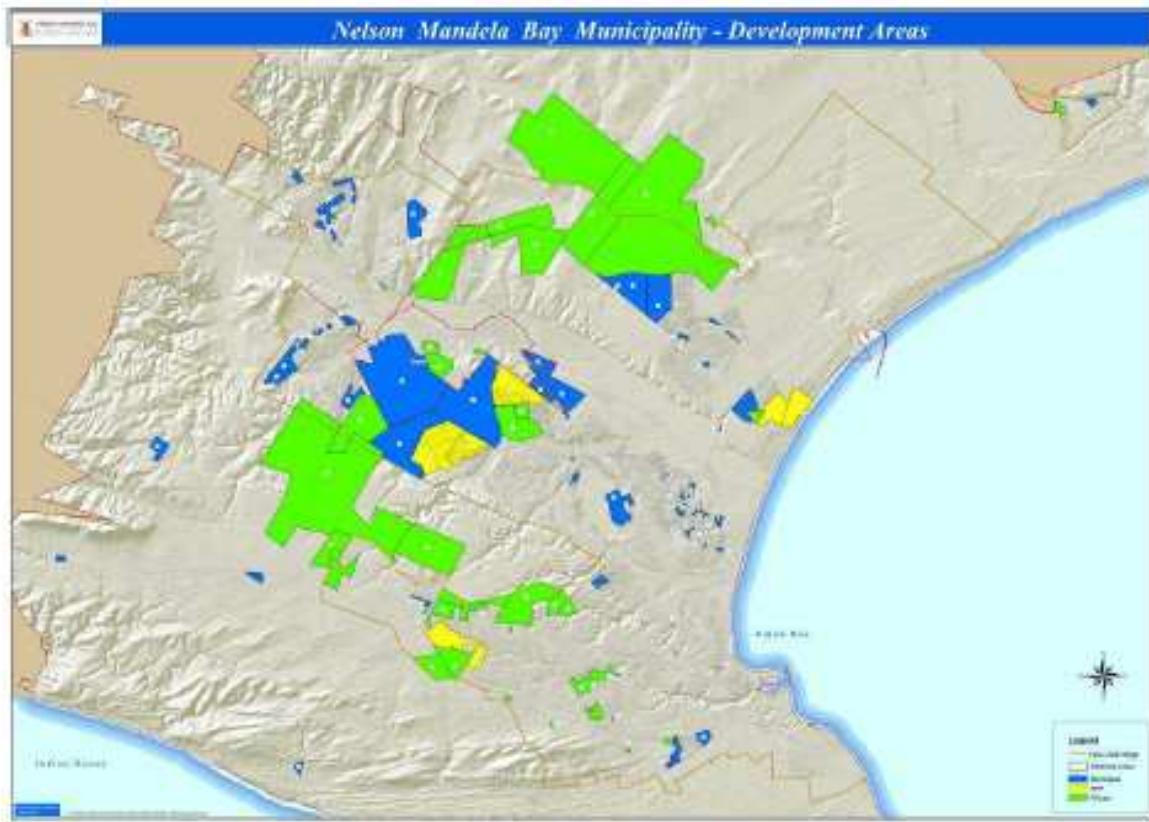
The NMBM is concerned about the appalling and degrading living conditions in informal settlements and has resolved to eliminate informal settlements by 2014 by providing shelter and dignity to beneficiaries in sustainable human settlements.

The Metro has prioritised the provision of housing beneficiaries who have been on the Housing Waiting List for a long time and those who are overlooked when housing opportunities are delivered. The Metro has also prioritised the development of integrated residential settlements in response to the paradigm shift from the focus on subsidy housing for the poorest of the poor to a more integrated approach.

2.2 Settlement Structure

The spatial layout of the NMBM has been influenced by the topography of the area which is characterized by an escarpment to the south, a 100km coast line to the east, the Sundays River on the northern boundary and highlands west of Uitenhage (NMBM SDF 2007). As a result it is estimated that only 35% of the NMBM is developed.

FIGURE 1: SPATIAL FOR & SETTLEMENT STRUCTURE



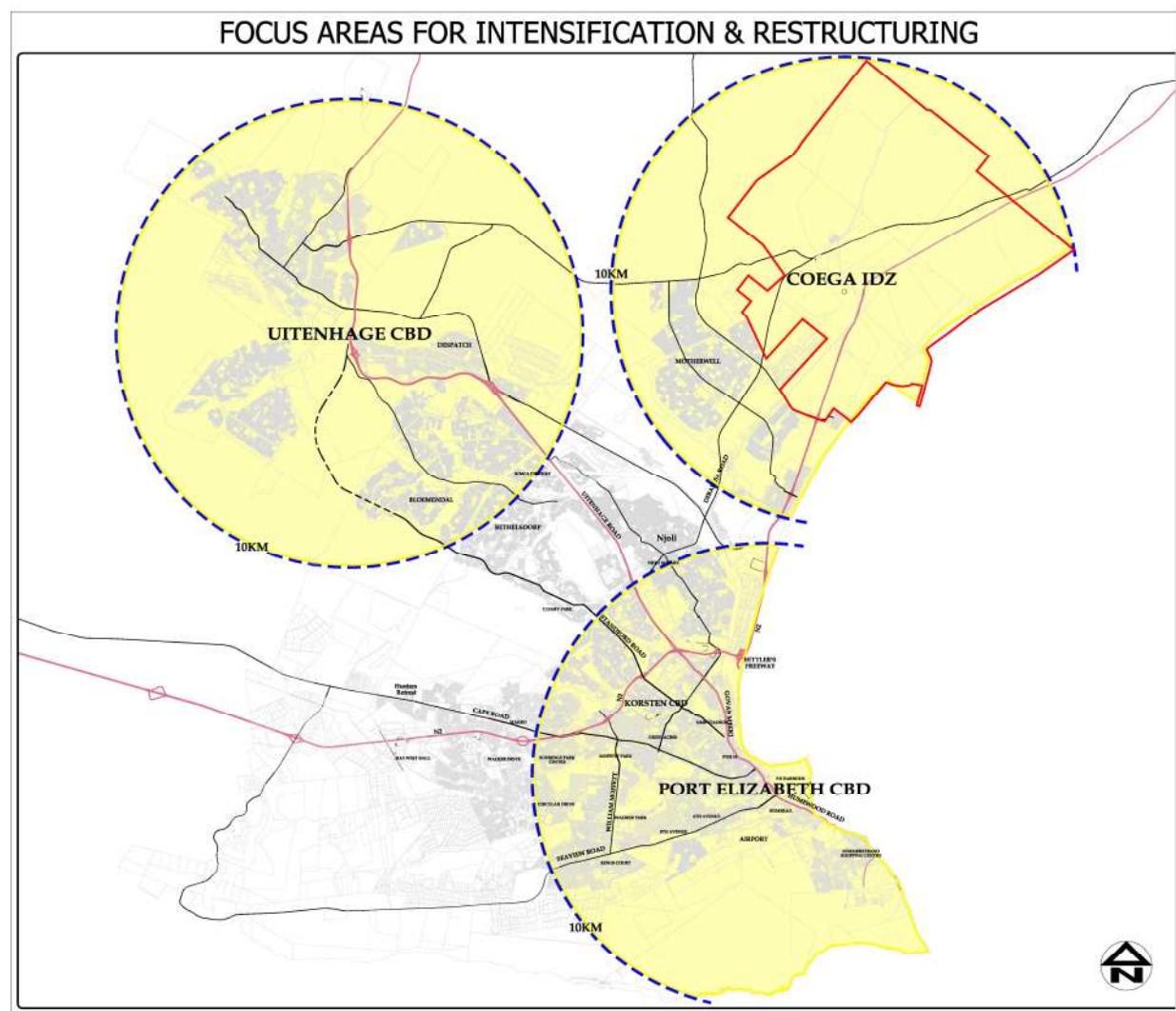


The development of the urban built form has also been influenced by the existence of the Swartkops River to the north and the Baakens River to the west, which form barriers to movement and limit the expansion of the CBD. The Baakens River is also a major barrier to the road network and has limited the provision of north-south link roads necessary for circulation and access (NMBM SDF 2007)

The heart of the municipality is the Port Elizabeth Central Business District which includes the adjacent harbour with a great potential to develop into a waterfront.

The metro has three dominant nodes of Port Elizabeth, Uitenhage Despatch and Coega/Motherwell as shown on plan below

FIGURE 2: FOCUS AREAS FOR RESTRUCTURING THE CITY



The new Coega Industrial Development Zone (IDZ) and the associated deepwater Port of Ngqura is being developed 15km north of Port Elizabeth represents one of South Africa's largest single investment. The IDZ is expected to provide much needed job opportunities as it is also strategically located in proximity to Motherwell and Well Estate.



Spatial development is also characterised by nodal and activity corridor development. The city has identified a seven (7) activity corridors namely the Cape Road and Heugh Road, Govan Mbeki-Commercial Road, Standford/Harrower which converge in the CBD, and the William Moffett Corridor, which forms a north south linkage between the south-western suburbs and the N2, and the Khulani Corridor which links the Ibhayi and Motherwell Areas with the Korsten- North End Area of the CBD.

The NMBM still retains the inherited spatial patterns (that include separate residential areas for different population and/or income groups) which is characterised by the following:

- the concentration of low cost housing to the north of the City and beyond the Swartkops River in the former Black Group Areas of Ibhayi, KwaMagxaki, KwaDwesi, and Motherwell, the former coloured groups areas of Bloemendaal, Gelvandale and Bethelsdorp.
- almost total lack of low cost housing except Gqeberha Township(Walmer) to the south, south-west and west of the CBD
- Physical separation between Port Elizabeth, Despatch and Uitenhage
- the retention of separate towns of Uitenhage and Despatch each with its separate residential areas for the various racial and ethnic groups
- Continued development of land on periphery for low cost housing with very few such developments closer to the City and along the proposed transport corridors.

This has contributed to lack of social integration, costly infrastructure, unequal provision and maintenance of services. The City is grappling with the following problems and issues that impact on the Housing Sector Plan more directly:

MANAGING URBANISATION

- Growth in informal settlement due to:
 - Increased rural-urban migration following the repeal of “influx control” regulations in the 1990's
 - Slow housing delivery resulting in escalating backlogs
- Relocation of beneficiaries from informal settlements being upgraded to the periphery of the City and in lower density settlements thus worsening inherited and distorted settlement disparities and urban sprawl.
- Difficulty to access well located privately owned land for the in-situ upgrading of informal settlements on private property hence the focus on relocating shacks to municipal land, often far away from places of where the beneficiary families are located.
- Opposition to locating informal settlements within well-established and higher income suburbs areas from property owners afraid to lose property values and for reasons associated with NIMBY attitudes.



- Inadequate delivery of integrated residential settlements comprising beneficiaries of different income, tenure, economic and social status particularly in well located areas. The City has delivered over 42 000 low cost housing since year 2000 but none in the affordable and gap housing markets, and very few in the Rental Social Housing Market

LACK OF SIGNIFICANT PRIVATE SECTOR INVOLVEMENT IN MASS HOUSING DELIVERY

- Private Sector have not been able to deliver housing in the affordable market (\pm R115 000 – R250 000) for a variety of reasons, including lack of a clear policy, inadequate understanding of the market and the reluctance to participate in this market due to perceived risks of high default rates, etc

LIMITED FOCUS ON RESTRUCTURING THE INHERITED AND UNEQUAL URBAN PATTERNS

- Proliferation of housing (especially low cost) to the north and north-west of the City as a natural extension to existing township areas declared as part of apartheid City planning to the virtual exclusion of settlements in other parts of the City, closer to the CBD, along public transport routes and commuter railway lines and more affluent suburbs that offer domestic employment opportunities to township residents. This often results in the beneficiaries living in informal settlements close to affluent suburbs having to relocate far away from potential employment in domestic services in the suburbs and in adjacent small holdings and farms
- Proliferation of low density development and urban sprawl, which manifests in excessive de-densification of informal settlements (even those that are well located), focus on “one house per one plot” housing typologies on large residential erven (\pm 150-200m²), to the north and north west of the City and over reliance on the Municipality as the main(and only) housing delivery agent in the low income sector to the virtual exclusion of other delivery agents (e.g. private developers, co-operatives, social housing agencies, financial institutions, etc.)

LAND ASSEMBLY TO PROMOTE RESTRUCTURING

- Housing development is concentrated on Municipal land, some of which is not well located in relation to jobs and urban amenities.
- Better located private and state land, including Transnet land, is being overlooked in favour of poorly located Municipal land due to lack of assembly policy, lack of financial resources to acquire the land and out-dated land use management policies that prevent higher and medium density development on well-located land.
- High costs of bulk infrastructure to serve the land on the periphery results in long delays with obtaining environmental authorisation and planning approvals.

POOR QULAITY OF LIFE IN INFORMAL SETTLEMENTS

- Poor quality of life in informal settlements due to:
 - Lack of basic services
 - Lack of facilities and amenities
 - Lack of adequate shelter in respect of minimum standards
 - Located on undevelopable areas (tip sites, floodplains, etc.)



- A number of poorly located informal settlements on the peri-urban periphery (Rocklands, Kuyga, Seaview, St Albans, Witteklip) where following problems abound:
 - Insufficient employment opportunities
 - Difficult and expensive provision of bulk services
 - High travel costs for residents to and from other parts of the City thus reducing their purchasing power even further
 - Lack of access to social, economic, cultural facilities and services found in other well located and established areas

CBD DECLINE AND DECENTRALISATION OF BUSINESS

- Decentralisation of business from City of Port Elizabeth to detriment of the CBD and North End, Sidwell & Korsten industrial and commercial areas
- Decentralisation has been followed by the relocation of retail, offices and industrial uses to Walmer, Newton Park and Fairview for North End
- Although this trend is being gradually traversed in the PE CBD and Uitenhage CBD, as borne out by the recent development of small offices and service business, the rate is still slow and has not reached the tipping point in favour of return of investment to the CBD.

LACK OF POLICY TO ADDRESS FORMALISATION OF BACKYARD SHACKS

- Backyard shacks accommodate over 49 000 beneficiaries on the declared waiting list and the current housing strategy is to relocate families in the backyards to greenfields projects, mostly on the periphery.
- Backyards fulfil a major housing need and are a major source of income for some families.
- It is critical to protect these income streams and retain socio-economic relations by promoting formalisation of backyards shacks actively in well located settlements.



3 CONTEXT

3.1 Context

The NMBM Municipality is one of seven metropolitan municipalities in the country. It has been the only metro in the Eastern Cape Province till the Buffalo City Municipality assumed metropolitan status after the May 2011 Municipal elections.

It comprises the City of Port Elizabeth and the towns of Uitenhage and Despatch and a large peri-urban hinterland. It is the second largest metropolitan municipality in the country covering an area of 1950km² after the Ekurhuleni Metropolitan Municipality in Gauteng (NMBM SDF, March 2009). The population is getting poorer and will thus become unable to address their housing needs without significant support.

The NMBM contributes 44% to the Gross Geographic Product of the Eastern Cape Province. The rate of unemployment stands at 42% (up from 35% over the last 5 years) and the number of persons living below the minimum living level is at 38% (up from 31% five years ago). (NMBM SDF, March 2009).

The NMBM has a population of approximately 1.1 million (up from 1 million in the 2001 Census). This suggests very little population growth over the last 10 years and perhaps points to significant out migration to other major cities e.g. Cape Town, Johannesburg and Durban. The NMBM is home to approximately 376 835 households of which 289 000 (77.42%) live in formal settlements and 87 835 (22.57%) live in informal areas and backyards shacks mostly in existing formal areas.

TABLE 1: POPULATION ESTIMATES: 2005 - 2020

	AFRICANS	COLOURED	ASIANS	WHITE	TOTAL	% INCREASE
2005	653 990	270 160	12 480	214 640	1 151 270	
2010	670 890	283 000	12 780	226 760	1 193 430	3.66%
2015	685 860	295 010	12 920	230 840	1 224 630	2.61%
2020	695 220	303 500	12 890	232 320	1 243 930	1.58%

Source: NMBM MSDF (March 2009)

It is estimated that the population will increase to 1 243 930 million by the year 2020 as set out above based on estimates compiled in 2006. The NMBM age distribution indicates a youthful population, with 55.3% of population in the age group 30 years and below and a female to male ratio of 48:52. This male-female gender imbalance may suggest male migration to major centres nationally.

TABLE 2: AGE & CHARACTERISTICS

AGE GROUPS	0-9	10-19	20-29	30-39	40-49	50-59	60-69	70-79	80-89	TOTAL
% of total population	16.4%	20.3%	18.6%	15.9%	12.9%	7.8%	4.7%	2.4%	0.9%	100

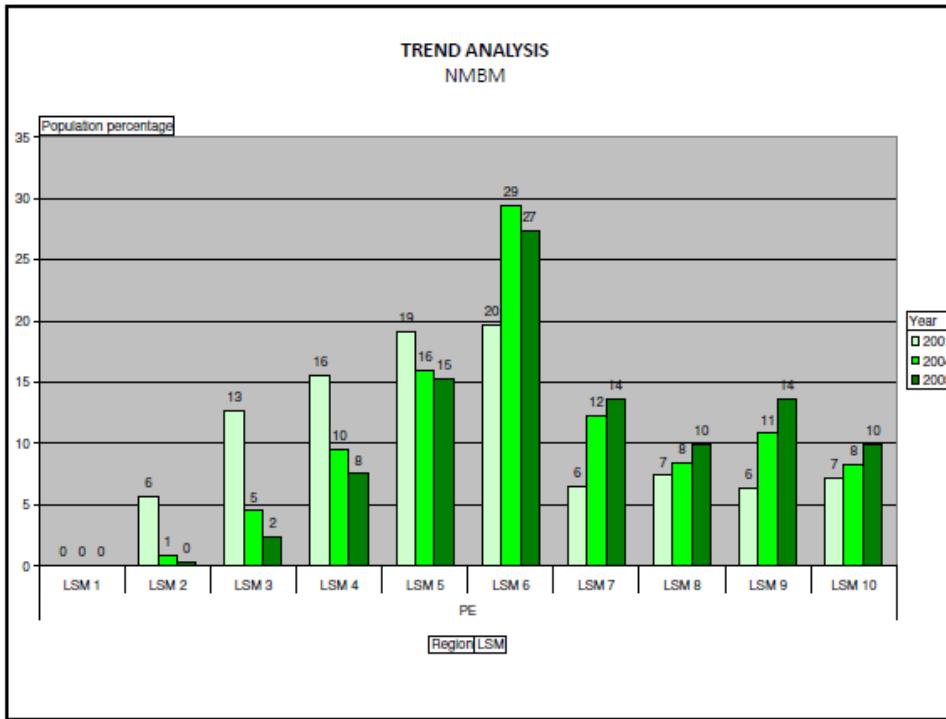
Source: NMBM Comprehensive Integrated Transport Plan; 2011-2012



3.2 NMBM LSM Trend Analysis

Approximately 112 306 of the 289 000 households in formal areas are classified as indigent (poor) and 44% of all the 373 266 households access at least one social grant.

FIGURE 3: LSM TREND ANALYSIS



SA's 10 Living Standards Measure Groups from 2008 – SAARF

The Emerging

LSM 5: "Something to lose" group (16%)

- First level to have significant levels of insurance
- Average hh. income R3,122
- Almost two thirds employed
- Almost 90% have a TV set, a VCR and/or a fridge
- Microwaves appear and almost half have at least a kitchen sink
- Rate of clothing purchases close to middle class levels

LSM 6: Folks in the Flats (18%)

- Very urban group, with the highest level of flat living
- Average hh. Income R5,386
- Virtually everyone has a TV, fridge & ents. centre
- Employment incl. "professional/technical", service and clerical/ sales
- Many have washing machines and freezers
- Hiring of DVDs/videos is common

Source: Taking Part: Arts, Culture & Civil Society: Peter Stark (29 October 2010)



The prevalence rate of HIV/ AIDS in the NMBM, based on antenatal care statistics, is about 30%. Around 66% of residents do not receive an income and the bulk of those that receive an income fall into the low to medium income profile. The average weighted monthly income for the NMBM based on the 2001 Census is R5 964.00 (say R6 000).

Affordability is limited and this impacts housing availability and the ability of the potential beneficiaries to house themselves as well as continue to maintain the houses they receive as well as pay service charges. The latter limits the Municipality's ability to render effective services delivery and makes the maintenance of services on dwindling financial resources difficult to sustain.

3.3 Household Size, Numbers and Characteristics

The NMBM is home to approximately 373 266 households of which 289 000 (77.42%) live in formal areas and 38 835 (22.72%) in informal areas and backyards.

The 2001 Census shows that the average size of households has declined nationally from 4.5 to 3.8 persons (say 4). In the NMBM household size has been recalculated downwards from 4.5 to 4 persons.

The decrease in household size has meant an increase in the number of households by up to 30%. This in turn increased the number of housing opportunities required given that the current state subsidy scheme is based on allocating subsidies to nuclear families.

This will also increase the demand for bulk infrastructure provision. If planning interventions do not adopt densification as the main pillar, it would also result in demand for land to accommodate the current and anticipated future growth in the number of households. This will ultimately promote urban sprawl.

It will therefore be necessary to maximise the utilisation of land and services to reduce sprawl through densification, mixed land use development, promoting integrated settlements and sustainable use of resources (land, infrastructure, nature, etc.)

The reduction in household size also means a corresponding increase in the number of single parent, usually female headed households. This in turn would lead to increased dependency and reduced affordability as most families would now rely on a single income.

Housing solutions need to consider the changing family sizes and dynamics by offering different housing typologies, tenure options and financing models as appropriate. The households in the NMBM are expected to increase by about 87 500 from 2005 to 2020 as set out below.

**TABLE 3: POPULATION GROWTH VS HOUSEHOLDS: 2005 - 2020**

PLANNING PHASE	POPULATION GROWTH	ADDITIONAL HOUSEHOLDS
2005 - 2010	110 000	27 500
2011 - 2015	115 000	28 750
2016 - 2020	125 000	31 250
TOTAL	350 000	87 500

Source: NMBM MSDF (March 2009)

This would mean that the potential housing demand of would increase from 105 000 to 140 000 households by year 2030 assuming that the supply of housing opportunities does not escalate significantly.

3.4 Housing Demand and Backlog

The declared housing backlog by the NMBM as at 2009 for the low income beneficiaries is estimated to be approximately 84 266 units made up of 41 009 households living in backyards and 35 157 informal settlements and the estimated annual demand of 6000-7000 per annum (NMBM MSDF, March 2009) from now going forward.

This means that current demand (2011) is estimated at 88 266 as set out below:

• Backyard Shacks in existing settlement:	41 009	46.46%
• Existing Informal Settlements:	35 257	39.94%
• Annualised Growth of between 6000-7000 per annum:	12 000	13.60%
	-----	-----
	88 266	100.00%
	-----	-----

This declared demand is only for households earning below R3500.00 that are registered on the municipal data base. It does not include beneficiaries who earn more than R3 500.00 and/or are not residing in a recognised backyard or informal settlement.

It is estimated that the real demand in 2011 is approximately 102 600 households and is expected to grow to 140 000 by year 2030 as set in more detail under the demand analysis section below.



3.5 Services Infrastructure Provision & Demand

The Services provision in the NMBM can be summarised as follows:

3.5.1 Water

All households have access to water within 200m radius of the unit with 91% having direct house connections and the remaining 9% dependant on stand-pipes.

3.5.2 Sanitation

99% of the households are provided with sanitation with about 22 500 households dependant on bucket sanitation. This suggest that 12 775 of the 35 257 households living in informal settlements either do not have bucket sanitation or some have already been provided with flush sanitation but are awaiting top structures to be constructed thereon.

3.5.3 Public Health

99% of households in urban areas receive the basic level of refuse collection. Peri-urban areas, new housing project areas and illegally occupied sites either do not receive service on a regular basis or are not serviced at all.

There is a shortage of clinics, with a number of clinics classified as being overcrowded and understaffed.

3.5.4 Electricity

Almost 98% of formal households have access to electricity and 12% of households (34 680) in the NMBM are without electricity, including unplanned informal areas.

3.5.5 Funding Requirements

The NMBM estimates that that there is a funding shortfall of approximately R6.1million to address the following sectors and intends to approach donors and other funders, nationally and internationally, to assist with the funding required as.

TABLE 4: INFRASTRUCTURE FUNDING REQUIREMENTS

FOCUS AREAS PER SECTOR	ADDITIONAL FUNDING REQUIRED(R '000)
Roads & Stormwater	2 750 000.00
Water & Reticulation	800 000.00



FOCUS AREAS PER SECTOR	ADDITIONAL FUNDING REQUIRED(R '000)
Electricity & Energy	557 500.00
Safety & Security	104 687.00
Corporate Services	428 687.00
Public Health	428 202.00
Recreation & Culture	926 669.00
Economic Development	123 825.00
TOTAL	6 119 521.00

Source: USDG (Grant Submission June 2011)

3.5.6 Bulk Infrastructure Shortfall

The City lacks the bulk infrastructure to serve the greenfields housing areas that have been identified as relocation areas for the households from the stressed informal settlements and backyard shacks as set out in the 7 -Year Human Settlement Plan. The Metro requires R500million per annum over the next five years to deliver approximately 7500 units per annum, in total R2.5billion. The Metro is currently receiving an average allocation of R280million per annum which is not sufficient to address the 7- Year Plan. The metro needs to come up with strategies to address the funding shortfall as part of the Human Settlement Plan amongst other endeavours.

Of the R180million budget required to meet expected cash flow for the 2011-12 financial year, Council has allocated only R80million for the installation of bulk infrastructure. This is sufficient to service only 3588 sites in Wells Estate and Missionvale out of a total of 7000 sites planned to come on stream in the 2011-12 financial year. This has a negative knock-on effect on the provision of housing and means that beneficiaries have to endure more time without access to basic services and shelter.

3.5.7 Summary Infrastructure Challenges

Although the statistics show a 97% availability of access to water and sanitation in the Metro, in the instances of informal settlements, this often applies only to a communal water point serving shacks within 200m of the standpipe. There is still a substantial backlog of provision for individual sites particularly in these categories and this includes 22 500 households in informal settlements that are dependent on bucket system for sanitation and which needs to be upgraded to waterborne sanitations. The high water levels in the NMBM do not allow the use of other forms of sanitation. e.g. ventilated pit latrines.

The Metro also has problems with poor drainage in many of the former and new townships built for low income households and in the informal settlements. It is estimated that the metro requires R1.8bn to ensure the tarring of 485km of roads. There is a substantial under investment in maintenance and replacement of existing aging infrastructure.



The problem is partly as a result of low settlement densities that result in high servicing costs per site making the R22 740.00 subsidy only adequate for gravel roads and overland stormwater.

3.6 Social Infrastructure

While the well developed residential areas have enough schools and facilities the new settlements on the periphery, where the beneficiaries from informal settlements are relocated to, do not have adequate facilities because the planned sites are not yet developed and existing facilities in adjacent townships are far and overloaded.

It has also been found that some schools in established townships are underutilised (some have even closed down) partly due to the relocation of families to the periphery and preference of parents to send their children to schools in the suburbs and the CBD where they perceive education to be of a better quality. This requires the Metro to re-look its policy of de-densification of informal settlements and relocating families from the backyard and informal settlements to the periphery in favour of in-situ upgrading of informal settlements at high residential densities.

FIGURE 4: HEALTH FACILITIES AND FIRE SERVICES

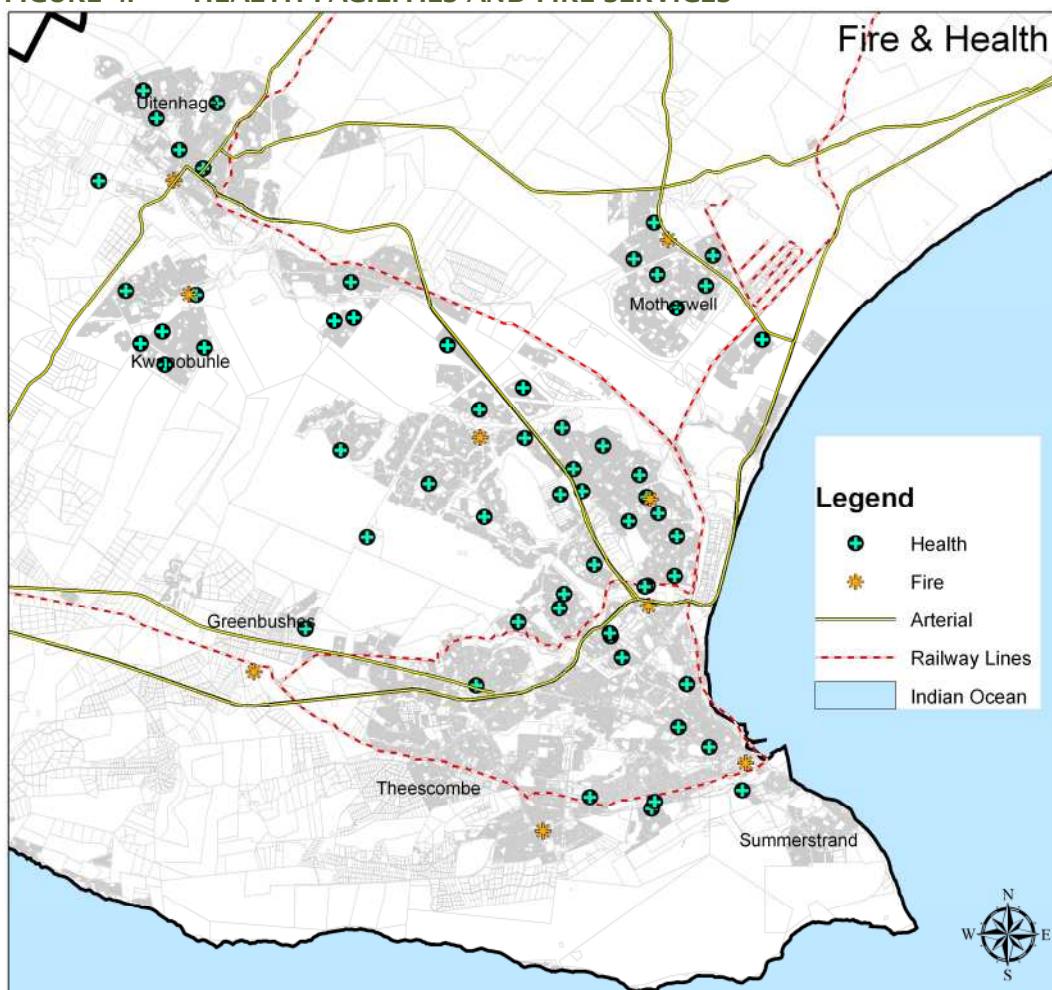
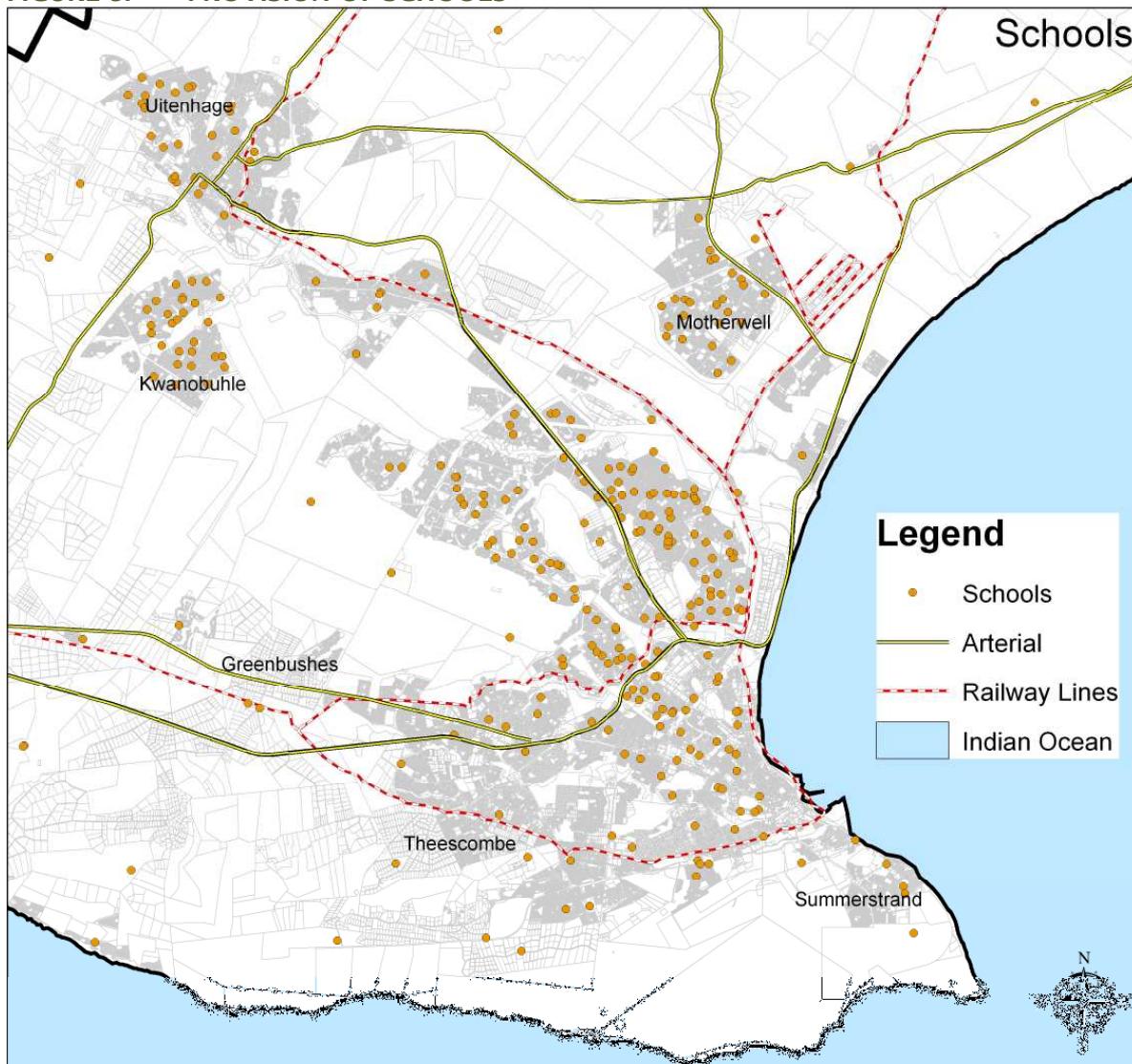




FIGURE 5: PROVISION OF SCHOOLS



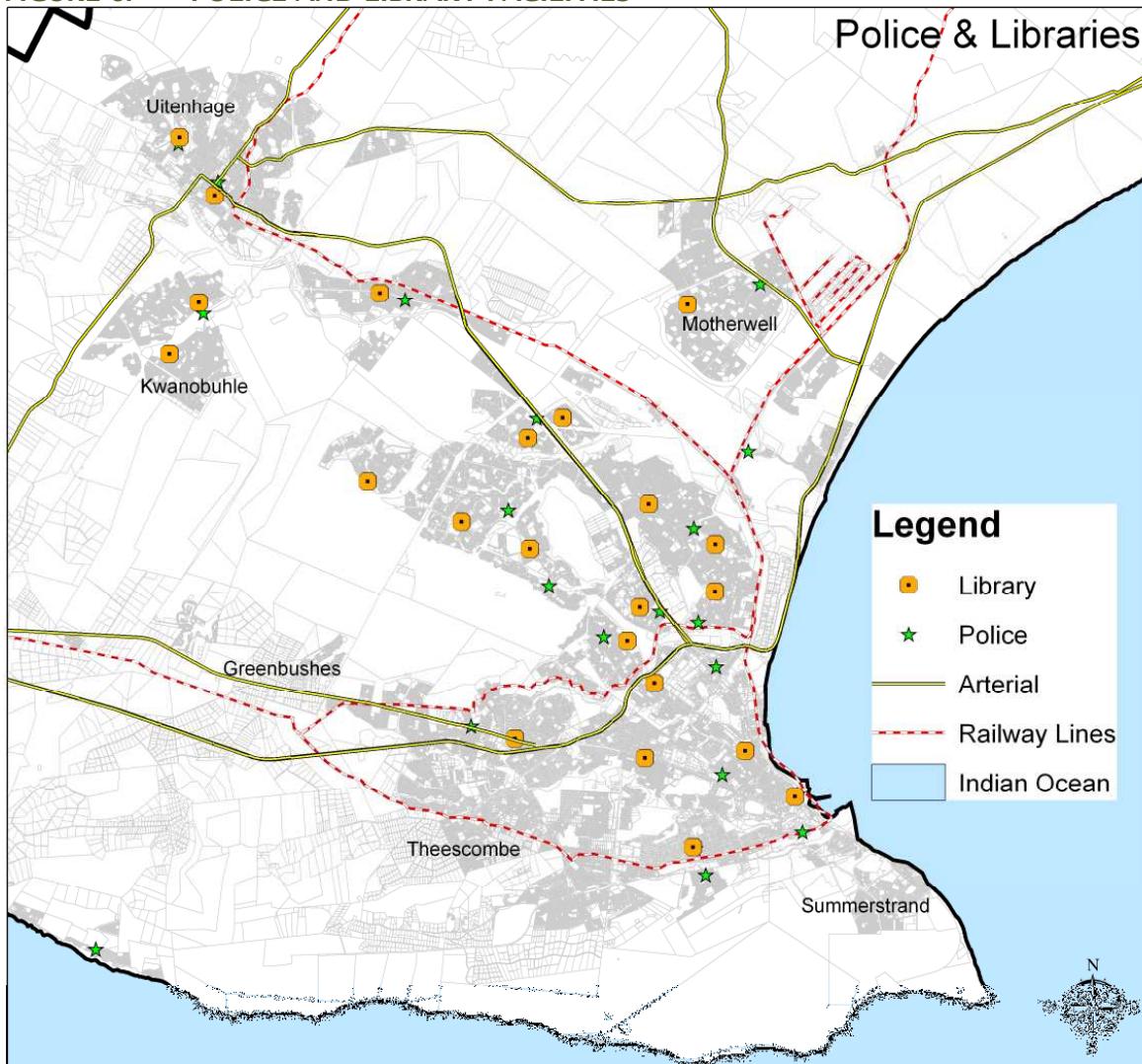
The above plans indicate that facilities in existing settlements are fairly well developed and distributed, new areas such as Wells Estate, Motherwell NU29, Chatty and Joe Slovo show a lack of facilities.

This implies that relocation from existing settlements should be minimized by proximity in-situ upgrading and formalisation of back yard shacks.

New project areas need to be preceded by submission of Business Plans to State Departments for funding to build social facilities rather than let this be done after communities have been served. It is also important to reconsider the policy of recreating beneficiaries from shack to shack by only moving people to completed settlements.



FIGURE 6: POLICE AND LIBRARY FACILITIES



The poor provision of libraries is impacting the quality of education in low income areas. Consequently parents tend to want to send their children to well resourced schools in the CBD and suburbs which in turn results in dwindling enrolment figures in certain schools.

It is important to provide additional library facilities in the schools and in community facilities in line with guidelines as set out in the Red Book.



4 POLICY AND LEGISLATIVE FRAMEWORK

4.1 National Context

The Human Settlement Plan has to take cognisance of and be influenced by the following National and Provincial Policies and legislation that influence human settlements more directly:

TABLE 5: LEGISLATIVE FRAMEWORK FOR HUMAN SETTLEMENT PLANS

ACT	MAIN ELEMENTS
The National Spatial Development Initiative	Sets out a collection of policies to address the disjuncture between where people live and where economic opportunities exist, address the legacy of dualism (suburbs and townships), service delivery backlogs, and spatial fragmentation, social and economic exclusion of settlements on the fringes of the City.
The Reconstruction and Development Programme (RDP)	Based on six principles of poverty alleviation, integrated and sustainable programmes, people driven and democratic participation, promotion of peace and security and national building, link growth, development to reconstruction, redistribution and reconciliation.
The Urban and Rural Development Strategies	Establish a framework for holistic approach to rural and urban development focussed on poverty alleviation, local democratic participation, Local Economic Development and improvements in infrastructure.
The Municipal Systems Act, Municipal Structures Act and Demarcation Act	Municipal Systems Act, 2000: Enjoins Municipalities to ensure integrated planning via the IDP supported by a number of sector plans. Municipal Structures Act, Act No. 117 of 1998 sets out municipal functions and promotes capacity building at municipal level to ensure that the functions and powers are executed efficiently. Demarcation Act: Set out wall to wall municipal boundaries to promote equitable development.
The Development Facilitation Act (DFA)	Reverse urban sprawl to reduce travel cost and time to workplaces, shops, schools and social amenities and promote better use of existing infrastructure. Reject low density, segregated, fragmented and mono-functional development and rather embrace compact, integrated and mixed use settlements.



The White Paper on Local Government (1998)	Densifying of settlement through giving people access to land which is already serviced will increase the population thresholds in sparsely populated areas and improve the efficiency of the Cities.
The National Housing Act	Promotes high density housing development to ensure economical utilisation of services and land.
The National Heritage Resources, Act ____	Protect build and Architectural heritage.
The National Environmental Management, Act	Promote sustainable development and minimise and mitigate the negative impacts of development.
White Paper on Spatial Planning and Land Use Management, 2008	Development based on principles and norms of sustainability, equity, efficiency, fairness and good governance.
Land Use Management Act (2007)	Make cities more sustainable through compaction, reduction of urban sprawl, densification of existing residential areas, promote mixed use, and restrict horizontal expansion of urban areas to enhance the use of public transport.

4.2 Policy Focus Areas

The National Policies and Legislation emphasize the following:

TABLE 6: NATIONAL LEGISLATIVE AND POLICY FOCUS AREAS

FOCUS AREA	MAIN ELEMENTS	IMPLICATIONS FOR HUMAN SETTLEMENT PLAN
Integration at all planning levels	All aspects of planning to be integrated (physical, social and economic)	Mixed, compact, dense and integrated settlements to be promoted.
Create efficient cities	Reduce urban sprawl encourage densification to make the cities more efficient, reduce the need to travel and contribute to efficient public transportation	Identify land for housing closer to the CBD, public transport routes and places of employment, etc. Stop relocating families to the urban periphery and away from areas off core-economic activity.
Cities planned for economic and environmental sustainability	Balance growth and welfare issues to ensure that Cities grow economically	Mixed use settlements that contain economic opportunities to enable residents to earn a living sustainability.



FOCUS AREA	MAIN ELEMENTS	IMPLICATIONS FOR HUMAN SETTLEMENT PLAN
Democracy, equity and people driven approach	Gender sensitivity and awareness, public participation to promote ownership of planning products and processes	Give beneficiaries complete opportunity to choose on how to address their residential needs. Avoid forced relocations and offer incentives for people to accept dense settlements closer to places of economic activity.
Satisfy basic needs	Provide Housing Land Social Security and Services equitably	Promote in-situ upgrading process for informal settlements and families in the backyards.
Good governance and institutional practice	Capacity and staff development good financial management	Proactive human settlement policy Improve project management skills and institutional capacity to deliver housing efficiently.
Natural and Built Environment	Preservation of heritage assets	Promote environment and built heritage conservation.

4.3 Outcome 8: Sustainable Human Settlement Guidelines

The problem Statement for Outcome 8 Guidelines is summarised below:

TABLE 7: OUTCOME 8 GUIDELINES

FOCUS AREA	IMPLICATIONS FOR HUMAN SETTLEMENT PLAN
Policy Focus Area	<ul style="list-style-type: none">• Accelerated Delivery of Housing Opportunities• Access to Basic Services• Efficient utilisation of Services
Problem Statement	
Apartheid Legacy	<ul style="list-style-type: none">• Marginalisation of poor people who live far from job opportunities and major services in dormitory type residential areas.• Many people live in informal settlement without basic services (water, sanitation, refuse collection and electricity)
Access to Finance	<ul style="list-style-type: none">• Many that are employed and earn regular salaries find it difficult to have a decent quality of life because they fall outside of the subsidy bracket and are unable to afford and access housing mortgages from commercial banks.• Some 17% of households who earn between R3 500 – R12 800 per month live in inadequate housing because they are excluded from the mortgage, financial housing market.



FOCUS AREA	IMPLICATIONS FOR HUMAN SETTLEMENT PLAN
State Subsidy not Sustainable	<ul style="list-style-type: none">• State subsidised housing will not be able to meet the current and future housing backlogs as it is not financially sustainable.• There is a need for diverse approaches to housing delivery including:<ul style="list-style-type: none">– Alternative development and delivery strategies, methods and products (e.g. informal sector upgrading, increase rental stock and gap housing)
Weak Housing Market	<ul style="list-style-type: none">• Inadequate supply of land, slow township establishment procedures, delays and costs associated with bulk infrastructure provision.• Mismatch between affordability and product (finance and housing products) and distortions introducing current norms and standards applicable to fully subsidized housing.
Poor Planning	<ul style="list-style-type: none">• Proliferation of marginalised and disconnected settlements.• Well located informal settlements are unable to develop because residents lack the security of tenure and/ or access to adequate basic services.• Urban Sprawl and low densities resulting in unproductive and inefficient cities with poor households burdened with having to travel long distances and at high cost to access urban amenities.• Lack of agglomeration in many urban centres which undermines economic development and efficiency.

4.4 Provincial Context: Provincial Policies and Legislation

POLICY PLAN	MAIN COMPONENTS	IMPLICATIONS TO NMBM
Provincial Growth & Development Plan (2004-2014)	Prioritises the following: <ul style="list-style-type: none">• Agrarian Transformation and Food Security• Poverty Alleviation• Manufacturing Diversification and Tourism• Private Sector Transformation• Infrastructure Development• Human Resource Development	<ul style="list-style-type: none">• Protect productive rural land by containing urban sprawl, promoting infill development, recycling of derelict urban land and buildings, increasing residential densities to maximise use of urban land.
Eastern Cape Provincial Spatial Development Framework (2003)	<ul style="list-style-type: none">• Provide framework within which Local Authorities can prepare IDP's and Land Development Objectives• Align National and Provincial goals and objectives	<ul style="list-style-type: none">• Alignment of IDP, SDF, LSDF with Provincial Norms and Standards, Development Guidelines based on implementation of DFA principles.



5 THE NMBM IDP (2006-2011 & 2010/2011 REVIEW)

5.1 Goals

The NMBM has adopted the Integrated Development Plan (IDP) for 2006-2011 and the policy is aimed at:

- Prioritising resource allocation to areas of greatest need
- Achieve sustainable development and growth
- Democratising local government to ensure full public participation in planning, implementation, monitoring and evaluation process.
- Provide access to development funding
- Encourage local and outside investment
- Use available resource capacity effectively

5.2 Key Priorities

The key priorities that emerged from the consultation process undertaken as part of the IDP review are:

- Provision and increasing rate of basic service delivery
- Crime prevention
- Eliminate illegal dumping
- Provision of quality housing
- Provision of community amenities and facilities
- Development, provision and maintenance of infrastructure
- Poverty eradication and job creation
- Provision of health service and combating diseases (e.g. TB, HIV/ Aids)
- Special sector development (youth, disabled and women)
- Responsive, people centred and integrated institution.

5.3 Core Values

Courtesy and People First	Residents to be treated with courtesy and consideration at all times
Consultation	Residents to be consulted about service levels and quality whenever possible



Service Excellence	Residents must be made aware of what to expect in terms of level and quality of service to be provided
Access	Residents should have equal access to the services to which they are entitled
Information	Residents to receive full and accurate information about their services
Openness and Transparency	Residents to be informed about government departments
Redress	Residents are entitled to remedial action if promised service standards are not delivered
Value for Money	Public Services should be provided economically and efficiently

5.4 Strategic Objectives

The NMBM IDP sets the following strategic objections which will impact on Human Settlements as set out below:

STRATEGIC OBJECTIVE	IMPLICATIONS FOR HUMAN SETTLEMENT PLAN
Correct Spatial Imbalances	<ul style="list-style-type: none">Promote integrated development to reverse racial and spatial separation
Combat and Unemployment	<ul style="list-style-type: none">Job creation as a critical part of housing deliveryHouses located close to employment opportunities
Ensure Access to Basic Services	<ul style="list-style-type: none">Residents in informal settlements to be provided with basic services (water, sanitation, roads & electricity) which would be upgraded incrementally as finance and capacity allows
Socio-Economic Growth and Sustainability	<ul style="list-style-type: none">Housing delivery to provide opportunities for employing local people in construction and post construction jobs to create jobs, build local skills and promote community ownership of projects.Houses to be located close to places of economic activity to minimise travel cost, promote better use of available financial resources and increase property asset values (better located properties normally attract higher values)
A safe, secure, healthy and sustainable environment	<ul style="list-style-type: none">Access to all social amenities in residential neighbourhoodsPlanning to promote safe, dense and walkable settlements



STRATEGIC OBJECTIVE	IMPLICATIONS FOR HUMAN SETTLEMENT PLAN
Development of Integrated and Sustainable Settlements	<ul style="list-style-type: none">Mixed rather than mono-functional settlementsPromote densification and integrated settlementsWalkable settlements and public transport dominated settlement patternsPromote tourism and industrial development to create jobs rather than concentrate on low cost housing delivery
Responsive People Centred and Integrated Institution	<ul style="list-style-type: none">Housing to be delivered with the maximum participation of communitiesAllow people to use their own resources, savings and skills to deliver housing wherever possible to create sense of ownership
Democratisation of planning and decision making	<ul style="list-style-type: none">Residents to exercise choice on where they will stay, house type, tenure and whether or not to relocate away from key areas of key economic activity
Eliminate and maintenance backlog	<ul style="list-style-type: none">Compact and dense settlements that will enable more efficient layouts that can be efficiently servicedImprove the collection of service charges to improve revenue sources through efficient provision of servicesPromote the development of affordable and higher income housing to expand City's rates and revenue base as well.
Sound and Sustainable Finances	<ul style="list-style-type: none">Extend services to all residents rather than concentrate on the subsidy market which has limited ability to pay for rates and service charges so as to increase city's rate baseCreate an enabling environment for housing needs for the middle to high income groups



6 THE NMBM METROPOLITAN SPATIAL DEVELOPMENT FRAMEWORK PLAN (MARCH 2009)

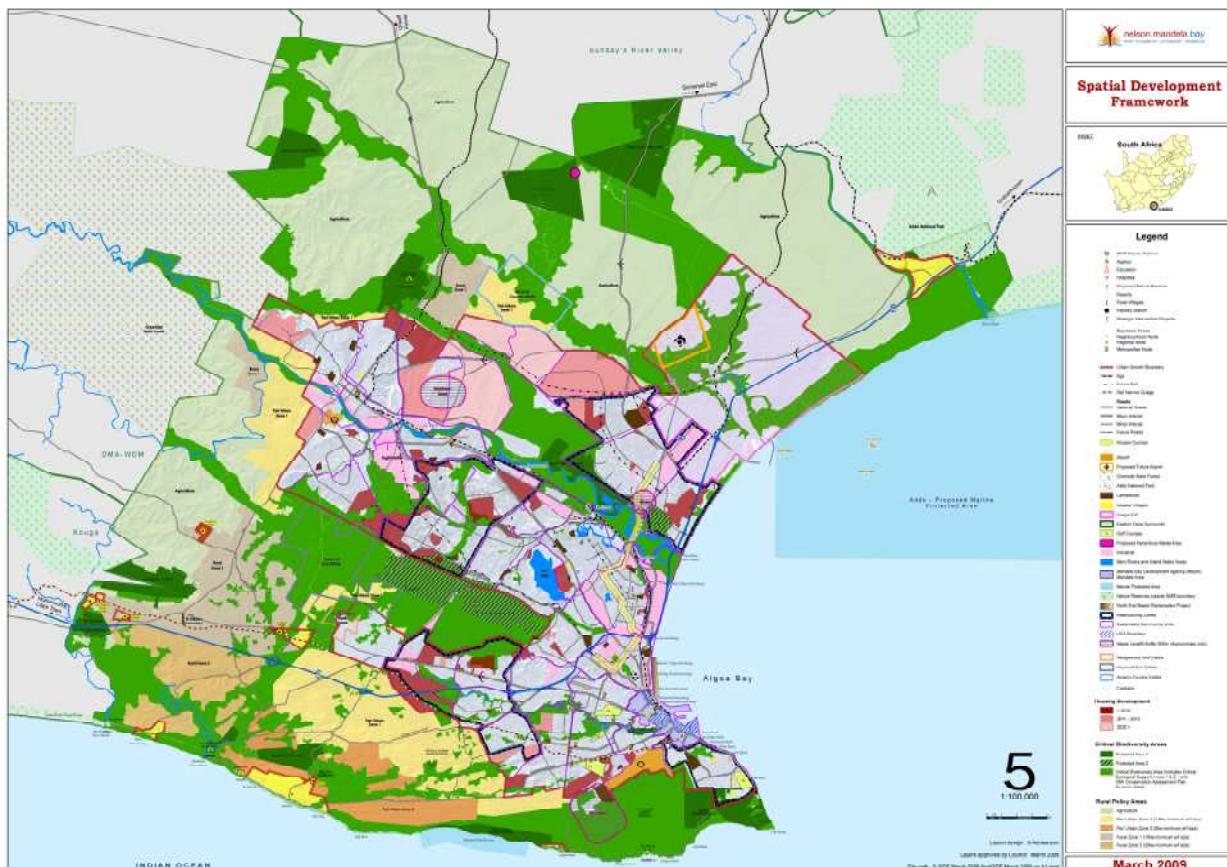
6.1 General

The NMBM Human Settlement Plan has to take cognisance of the Metropolitan Spatial Development Framework Plan (MSDF) which was approved by Council in March 2009. The MSDF is a core component of the Integrated Development (IDP) and has to be read together with other Sector Plans.

The SDF:

- Outlines the desired Spatial Development of the Metropolitan Area in accordance with Section 26(e) of the Municipal Systems Act (Act 32 of 2000)
 - Sets out basic guidelines for land use management
 - Highlights priority investment and development areas
 - Guides decision makers and investors

FIGURE 7: NMBM SDF 2009





It is not a blueprint or master plan but sets a framework that gives strategic guidance for more detailed plans making it necessary to interpret and refine the desired broad land use patterns set out in the MSDF in so far as they impact other sectoral plans, including the Human Settlement Plan for the NMBM.

6.2 Vision, Goals & Development Priorities

The Municipal Vision and Mission Statement contained in the IDP of the NMBM is as follows:

- Vision
 - The NMBM shall become “a globally competitive city that work for its people”.
- Mission Statement
 - The “Nelson Mandela Bay Metropolitan Municipality” is a global city that is governed by an inclusive and innovative Municipality, focussed on sustainable service delivery, socio-economic and infrastructure development and local regional integration.
- Development Priorities
 - The Mayoral Committee of the Council identified the following seven (7) development priorities namely; housing delivery, institution building, tourism infrastructure, crime prevention, investment and economic growth, service delivery and cleansing and the environment:

6.3 Implications for Human Settlement Plan

FOCUS AREA	MAIN ELEMENTS	IMPLICATIONS FOR HUMAN SETTLEMENTS PLAN
Housing Delivery	<ul style="list-style-type: none">• All forms of housing to be promoted.• Housing delivery in partnership with Communities, Developers, Private Sector and financial institutions.	<ul style="list-style-type: none">• Delivery housing for all economic groups to drive economic development, address poverty, skills development and reduce employment and address spatial imbalances.
Institution Building	<ul style="list-style-type: none">• Build capacity of the institution to deliver housing efficiently and effectively.	<ul style="list-style-type: none">• Employ professional staff and project managers.• Train and employ additional qualified staff.• Develop Housing Strategy, Procedures and Guidelines to set framework for quick implementation.



Tourism Infrastructure	<ul style="list-style-type: none">• Grow tourism through attracting external investments and offer high quality residential investment opportunities to bring more people to the NMBM.• Improve tourism facilities to draw niche market housing investment to the City.	<ul style="list-style-type: none">• Protect and maintain existing tourism assets to increase attractiveness of the NMBM as a tourist destination and the City as a preferred investment for high value residential estates.
Crime Prevention	<ul style="list-style-type: none">• Create safe and secure living environments.	<ul style="list-style-type: none">• Promote overlooking and human scale development to ensure eyes in the street at all times.
Investment & Economic Growth	<ul style="list-style-type: none">• Housing Delivery as a strategy for overall economic development.	<ul style="list-style-type: none">• Well located housing opportunities to ensure that property values are improved.• Use housing delivery to address and promote growth in SMME's and rope in major and small business and communities as partners in housing delivery.
Service Delivery	<ul style="list-style-type: none">• Eliminate Services Backlogs.• Promote efficiency in services provision.	<ul style="list-style-type: none">• Introduce innovative servicing solutions to minimise capital outlay, reduce maintenance costs and promote incremental upgrading.• Create jobs through use of local labour to construct houses and maintain services.• Densify settlements to improve efficiency.
Cleansing & the Environment	<ul style="list-style-type: none">• Safe and clean living environments.	<ul style="list-style-type: none">• Compact development to promote better quality public places and squares.• Densify settlements to make service provision affordable and sustainable



6.4 MSDF Main Focus Areas

The MSDF has identified three main focus areas namely:

- Sustainability and Restructuring
- Corridors and Accessibility
- Economic Development and Growth

The Human Settlement Plan has to set out a strategy on how the main principles contained in the MSDF focus areas should be implemented in the context of housing delivery, the urban form and spatial restructuring and economic development and growth.

6.5 Sector Plans

The MSDF is supported by a number of sector plans which include:

SECTOR PLAN	PURPOSE & STATUS
Strategic Environmental Assessment	<ul style="list-style-type: none">• Set out the state of the environment report and identify “go” and “no-go” areas for development in the City
Urban Edge/ Rural Management & Urban Densification Policies	<ul style="list-style-type: none">• Amend current policies that prevent densification and direct settlements towards well located land.
Demographic Update Study	<ul style="list-style-type: none">• Ensure that demand for housing is studied comprehensively
Land Use Management Systems (LUMS)	<ul style="list-style-type: none">• Prepare Integrated Zoning Scheme for the City to promote integrated development, mixed use, reverse exclusion and urban sprawl
Housing Programmes	<ul style="list-style-type: none">• Develop programmes to address comprehensive housing needs in the fully and partially subsidised housing markets and create opportunities for private sector driven housing delivery.
Coastal Management Plan	<ul style="list-style-type: none">• Protect the coast to entrance NMBM as a major environmentally planned Coastal City
Disaster Management Plan	<ul style="list-style-type: none">• Plan against unforeseen emergencies, ensure that housing is discouraged in flood prone areas, etc.
Environmental Policy Plan	<ul style="list-style-type: none">• How the City will manage development in an environmentally sustainable manner



SECTOR PLAN	PURPOSE & STATUS
Infrastructure Development Plan	<ul style="list-style-type: none">To promote development of bulk and connector and internal services in line with desired spatial configurations of the City
Integrated Transport Plan	<ul style="list-style-type: none">Promote public transport and integrated land use and transport
Integrated Waste Management Plan	<ul style="list-style-type: none">Sustainable Waste Management Plan
Local Economic Development	<ul style="list-style-type: none">Attract significant and strategic investment into the CityDevelop settlements that make adequate provision for local economic development
Metropolitan Open Space System (MOSS)	<ul style="list-style-type: none">Utilise MOSS to compliment development and promote vision of the City as a Green City.
Public Transport Plan	<ul style="list-style-type: none">Promote efficient public transport system and reduce use of private vehicles as main mode of transportation
Tourism Master Plan	<ul style="list-style-type: none">Build the city's tourism assets base to attract more investment and visitors into the City

6.6 Focus Area

The MSDF has identified a number of focus areas around which the Human Settlement Plan for the City will be managed as follows:

- Integration
- Sustainability
- Mobility & Corridors
- Enforcement
- Urban Growth Boundary/Urban Edge
- Reinforce the Inner City
- Conserve the Built Environment



6.7 Restructuring Zones

Six (6) Restructuring Zones have been identified and approved by the Council and Provincial Authorities, namely:

- Mandate Area of the Mandela Bay Development Agency
- Walmer Allotment Area (Walmer Heights, Walmer Downs and Walmer)
- Mount Road Allotment Area (Mount Croix,
- Fairview
- Uitenhage CBD
- Despatch CBD

An additional ten (10) Restructuring Zones have been identified and approved by Council but these have not yet been approved by Provincial Authorities. A broad brush analysis of the proposed Restructuring Zones is discussed below:

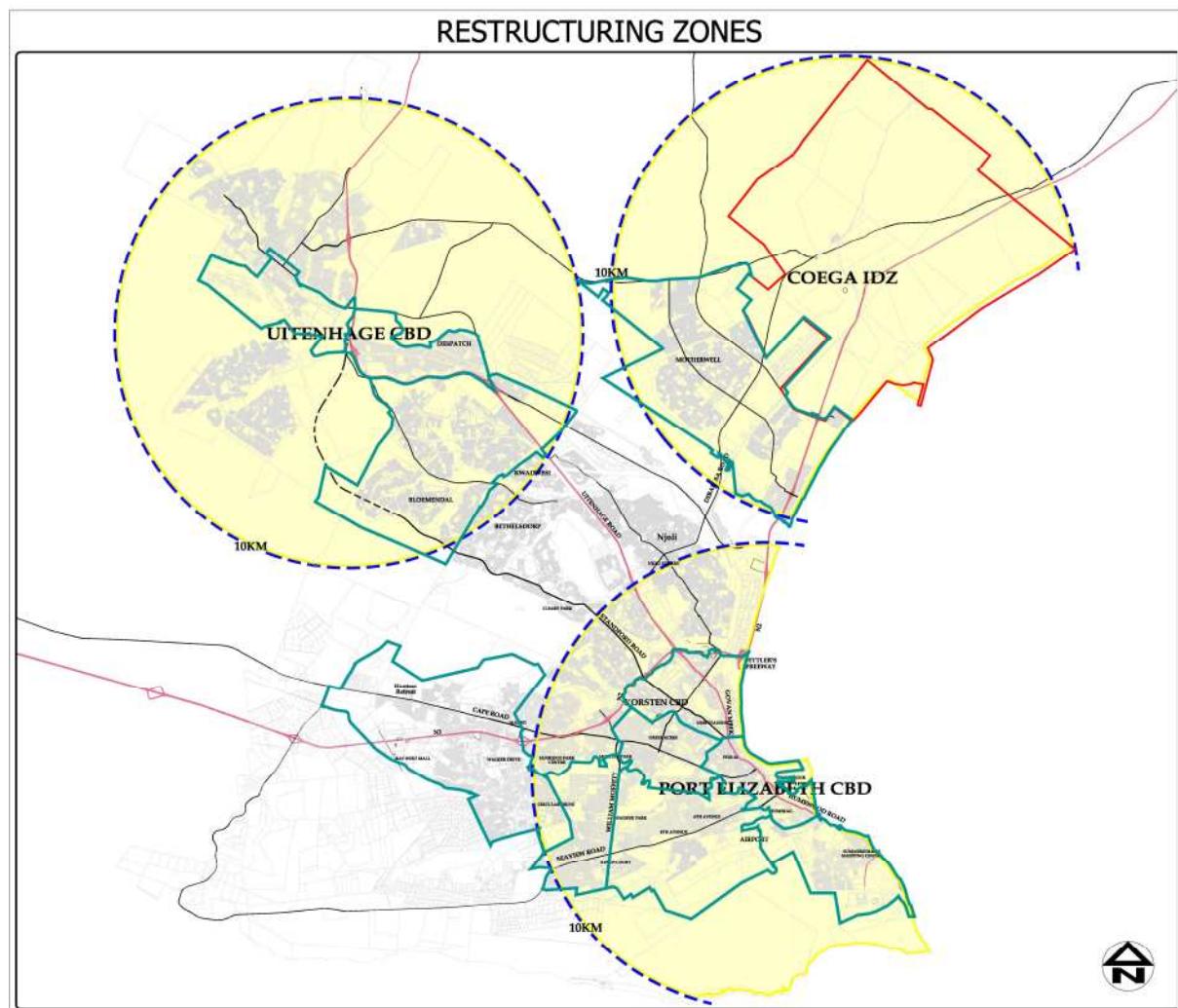
NAME	REMARKS
Parsonsvlei	Large tracts of privately owned land situated 10kms west of the CBD
Lorraine	Potential for infill development on privately owned land approximately 12-15km south west of the CBD.
Motherwell	Situated between 25-30km from the CBD and 5-10 km from Coega. Designated as a Presidential Urban Renewal Programme and comprises large tracts of publicly owned land with infill potential and informal housing. Although it is located far from the CBD and major employment areas although proximity to Coega IDZ and Markman Industrial Area is a major advantage.
Chatty Phases	Essentially a Greenfields relocation area on publicly owned land situated 15-20km from the CBD and far from established employment areas, amenities and facilities. The density of existing development is low and area lacks population threshold to support significant services.
Summerstrand	Located 5kms for the East of CBD, in a high income residential area and major tourist destination in the City. Publicly and privately owned vacant land is limited and the bulk of development would require redevelopment of existing properties at higher densities. Proximity to the university makes it ideal for development of student accommodation. The cost to access land, property and social resistance to change is likely to be high.



NAME	REMARKS
Wells Estate	Situated 10kms to the North-East of the CBD, with ease of access to the City via the N2, (\pm 10 minutes) to the Coega IDZ (\pm 5kms), close to the St Georges/ Wells Estate, Coastal Recreation belt (\pm 10 minutes walk), has large tracts of publicly owned land, portion of which is already planned and developed for low cost (RDP) Housing. Vacant land adjacent to the Bluewater Bay and Amsterdamhoek suburbs which is ideal for the development of an Integrated Residential area.
Hunters Retreat	Situated approximately 15kms on the western outskirts of the City along the N2. Part of the area is earmarked for the development of the Bay West Regional Shopping Mall and Integrated Residential development. Area is characterised by large tracks of vacant public and privately owned land that can be developed around the proposed Regional Mall for a variety of mixed uses (e.g. residential, retail, commercial, etc.)
Newton Park	Situated 5kms for the west of the CBD and contains significant residential, commercial, retail and community facilities, including the 42 000m ² . Greenacres Regional Shopping Centre. Opportunity exists to redevelop existing and developed residential properties some of which have been zoned for Business III or Business I in line with the out-dated Policy Plan for the Newton Park Area. Area is ideal for residential intensification served by a major public transport corridor (Cape Road) to the west of the City due to the large size of residential erven, low coverage, single storey and low density nature of the existing development.
2010 World Cup Stadium and Environ	The 2010 Stadium Precinct and Environs is earmarked for regeneration for leisure and entertainment, residential intensification, SMME development and retail given the good location at the northern edge of the CBD and at the confluence major routes, public transport corridors and IPTS Routes (Harrower/ Standford Road, Govan Mbeki, Kempston Road and Commercial Road).
Greenbushes	Situated 14km to the west of the City Centre and contains large tracts of mostly privately owned land that is suitable for the development (light) industries and integrated residential development. Destination point for the IPTS along the Cape Road Corridor.



FIGURE 8: RESTRUCTURING ZONES



It is clear that to restructure the City fundamentally requires that an increasing number of the residents, especially the poor are able to be provided with residential opportunities within the 10km radius of the main nodes in the City and generally closer to the PE CBD and to the south west of the City, in particular, where there is a lack of low and middle income housing opportunities. The Core around Port Elizabeth CBD (i.e. the central and south western parts of the City) have the highest level of economic opportunities, highest level of provision and/or quality of social and education facilities and enjoy the highest land values.

It is envisaged that the Coega IDZ will change the epicentre of industrial investment in the City but this will take time. Given the fact that the bulk of the residential areas around Coega IDZ lack the ability to create sustainable job opportunities, the PE CBD and Environs will still remain the dominant node in the City and it therefore means that the focus for densification is best placed around the PE CBD for a long time to come. The Uitenhage Cluster has potential to grow if industry is diversified beyond reliance on the motor industry.



7 HOUSING DEMAND ANALYSIS

7.1 Determination of Demand

Housing Demand is difficult to define precisely and is often a reflection of either poor or good or inappropriate supply of housing than merely a reflection of the number of units required. It is also often subject to different interpretations.

Demand can be measured in terms of the following:

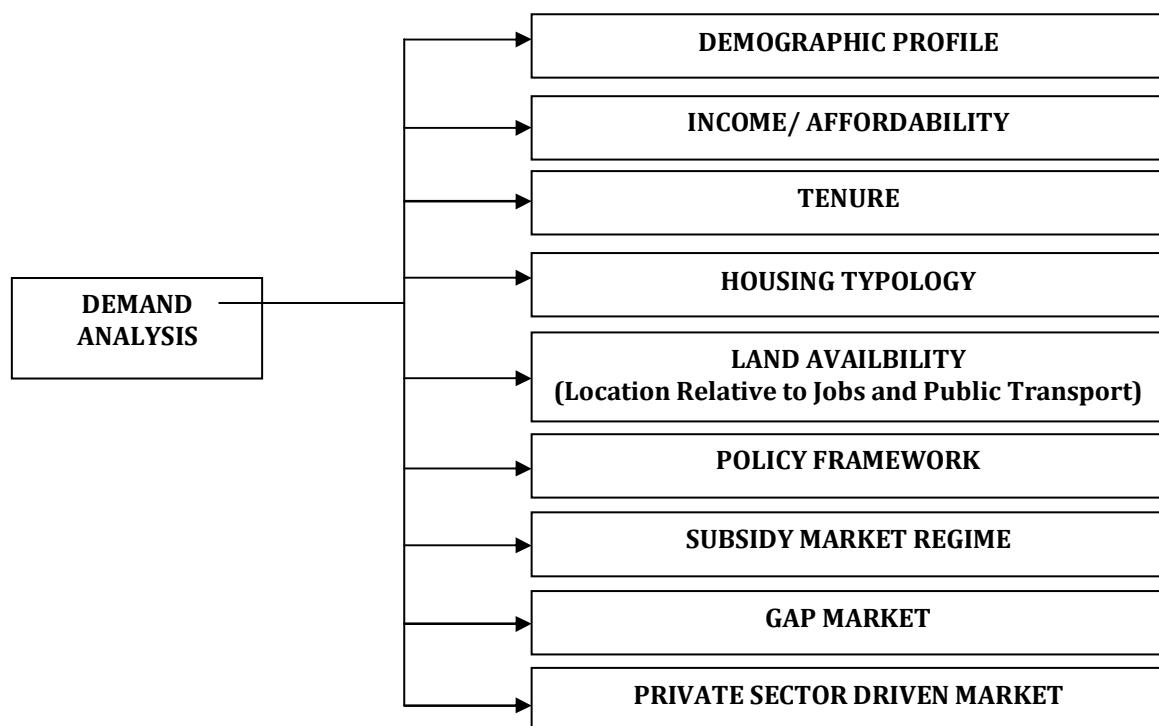
- Number of households living in inadequate shelter and/ or those without own shelter
- Cost of available of housing vs affordability of potential beneficiaries
- Size and configuration of units, including the number of bedrooms as this impacts privacy and quality of the accommodation.
- Location of housing (relative to commercial/ employment centres) transportation infrastructure, schools and other community resources
- Differential between the “ability to pay” and “willingness to pay” of households for certain housing types, and in certain locations, and the lack of resources amongst beneficiaries and funders to address expressed or perceived need.
- The number of beneficiaries registered on a comprehensive a housing waiting list
- Beneficiaries living in accommodation that fails to meet special needs (e.g. child headed households, indigent or physically disabled persons).

Demand is often caused by high costs of available housing structures, as well as restrictive housing policies, that inhibit growth and thus exacerbate shortages. In the South African City context this may include the following:

- Inability of most Municipalities and the State to deliver housing in sufficient numbers to meet expressed demand.
- The exclusion of other Housing Delivery Agents including private developers, co-operatives, individuals, self-help schemes, social housing institutions and financial institutions from the delivery of housing.
- Delivery bottlenecks that result in some housing projects either being blocked for long periods of time or houses not being delivered at all.
- Market failure to respond to affordability constraints of the population.



Demand analysis has to look at the following areas to ensure that all aspects that impact demand are investigated thoroughly:



- **Demographic Profile:** Age-Sex and Marital Status of the population
- **Income and Affordability:** Generally accepted that people should not spend more than 30% of gross income on housing
- **Tenure Options** (Offer various options to meet different preferences based on age, income, family size, etc.)
- **Housing Typology** (Offer various typologies based on preferences, age, income, family size, etc.)
- **Land Availability** (what land is made available, to whom, how and for what type of housing determines how demand is addressed).
- **Policy Framework** (what type of housing the policies promote impacts on what as and/or can be delivered, where and at what density, and by whom, etc.)
- **Subsidy Market Regime** (to date subsidies have promoted individual forms of tenure and low density settlements, excluded or discourages private sector involvement, focuses on poorest of the poor excluding the Gap/Affordable and Private Sector driven market)



The NMBM SDF estimates that the housing backlog at 2009 was approximately 88 226 households made up as follows:

• Backyard Shacks in existing settlement:	41 009	46.46%
• Existing Informal Settlements:	35 257	39.94%
• Annualised Growth 6000-7000 per annum(2009-2011) :	12 000	13.60%
	-----	-----
	88 266	100.00%
	-----	-----

The estimated demand figure of 88 266 is largely based on correlating the increase of backyard shacks and informal housing and is based mainly on the NMBM Housing Delivery Programme focussed on beneficiaries earning less than R3 500.00 per month and applying the escalation factor of 6000-7000 units per annum.

It is unclear how the estimated annualised increase of 6 000 – 7 000 households was arrived at given that the NMBM does not have a comprehensive Housing Waiting List for all housing needs for all income categories residing in the City.

The declared figures do not include “unseen” demand (i.e. persons who need a house but have either not yet put up a shack or are not living in the backyard).

This would include older children (who may have their own dependent children), people who are formally and informally employed, single and/ or married persons who continue to live with their parents or relatives living in the main house in existing formal and informal residential areas for a variety of reasons, which include:

- High levels indebtedness which limits their ability to access housing in the private market.
- Beneficiaries that do not qualify for State housing subsidies either because they either earn more than R3 500.00 or have previously accessed a subsidy and/ or sold the house, or do not have own dependent children or are single. Potential beneficiaries who are un-serviced by the current market they may not like the type of houses, tenure, location of housing projects and delivery mechanisms and thus opt to stay with parents for longer.
- Lack of knowledge on available options to address their own housing needs.
- Lack of alternative housing procurement methods utilising the whole range of available financial instruments as set out in the National Housing Code 2009.

Real demand will therefore encompass the potential beneficiaries that either cannot or are unwilling to be included in the RDP housing programme, and those that are being fully catered for by the private sector.



A study commissioned by the Mandela Bay Development Agency (MBDA) in 2005 as part of the Strategic Spatial and Implementation Framework (SSIF) for the Mandate Area, revealed the following:

- Low flats vacancy rates (at 3%) for flats, particularly in the PE CBD and this was seen to indicate high demand for flats accommodation.
- The high level of preference for rental amongst beneficiaries in the LSM Level 5 and 6.
- Large demand for units ranging in price between R76 000.00 – R306 000.00. The latest estimates indicate that the property price range has now shifted upwards to R115 2000.00 and R460 800.00. The City is still focused on RDP (<R80 000.00) for lower income earners (<R3 500.00 per month) and the people earning from R3 500.00 to R15 000.00 that require houses ranging in price from R80 000.00 and R306 000.00 – the so called GAP/Affordable market- are still not being addressed.
- The NMBM has lagged behind other Metropolitan areas in housing development for the fully or partially bonded products and needs to “catch up” to meet the needs of the emerging and unserviced middle class.
- Demand for student accommodation (especially in Humewood and Central) is high. This can be attributed to the proximity of Humewood and Central to the NMMU.

The Urban Econ Study in 2005 also identified the following potential housing opportunities in the Mandate Area:

- Emerging middle class market that is not being catered for in the various housing projects and products in the City.
- Conversion of offices in the CBD to low and middle income residential units (affordable housing)
- Pockets of vacant land in the CBD (e.g. South End, Baakens Valley, etc.)

The report also highlighted:

- The lack of developable land in Central locations (e.g. Central and Richmond Hill in the PE CBD and other areas)
- Slum like conditions of some buildings in Central
- Crime and grime in the Central area of Port Elizabeth.

7.2 Affordability

Demand outside the subsidy market and municipal housing delivery is a function of affordability. The primary factor in determining affordability is household income.



The average weighted monthly income in the NMBM is R5 964 (say R6 000) (Urban Econ, 2007) and it is safe to say that the available options for beneficiaries in the NMBM are therefore likely to be limited without significant State assistance to the majority of the beneficiaries.

TABLE 8: HOUSEHOLD INCOME CHARACTERISTICS: NMBM: 2007

INCOME PER MONTH	% OF TOTAL	ESTIMATED NO.
Household with no Income	21.60%	80 625
R1.00 – R1 600.00	36.08%	134 674
R1 601.00 – R3 200.00	14.56%	54 348
R3 201.00 – R6 400.00	11.59%	43 262
R6 401.00 – R12 800.00	9.06%	33 818
R12 801.00 – R 25 600.00	6.40%	23 889
> R25 600	0.69%	2 650
TOTAL HOUSEHOLDS (ESTIMATES)	100%	373 266
Average Weighted Monthly Income	R5 964.00 (R6 000.00)	

Source: *Urban-Econ Eastern Cape, 2007*

The Table below illustrates the rand value that the population in the NMBM could afford to pay for housing per month in 2001, based on available gross income and a 15% interest rate applicable at the time.

The interest rate has since dropped dramatically in response to the reduction in the repo rate, which now stands at 5.5%. However the cost of living, increasing petrol and food prices continue to put pressure on affordability and it is likely that the repo rate may increase, albeit much slower.

TABLE 9: HOUSING AFFORDABILITY LEVELS IN NELSON MANDELA BAY

MONTHLY INCOME	MAX HOUSING EXPENDITURE (P/M)	MAX BOND VALUE	MARKET SHARE	REMARKS
R0	R0	R0	18.57%	<i>Subsidy Market up to R3 500</i>
R200	R60	R4,800	4.05%	
R600	R180	R14,400	14.05%	
R1,200	R360	R28,800	14.25%	
R2,400	R720	R65,000	14.48%	
R4,800	R1,440	R115,200	13.25%	<i>Affordable/ GAP Market up to R16 000,00 products</i>
R9,600	R2,880	R230,400	11.55%	
R19,200	R5,760	R460,800	7.10%	
R38,400	R11,520	R921,600	1.83%	<i>Private Sector Driven Products with no subsidy.</i>
R76,800	R23,040	R1,843,200	0.40%	
R153,600	R46,080	R3,686,400	0.47%	

Source: Adapted from *Urban-Econ Eastern Cape Calculations, 2007*



7.3 Estimated Demand: 2011-2030

The NMBM does not have a comprehensive Housing Waiting List but has concentrated efforts on meeting demand from the lower income groups. The NMBM estimates the housing backlog for low cost housing to be approximately 87 000 households as set out below as follows:

- | | | |
|---|--------|--------|
| • Backyard Shacks in existing settlement: | 49 000 | 56.32% |
| • Existing Informal Settlements: | 38 000 | 43.68% |

It does not however identify backlogs among other income and housing type categories. The demand in 2011-2012 is estimated at approximately 102 600 (87 000 plus the 31.9% in the middle income (gap market) and the 2.7% in the high income category) as set out in Table below. The Table below also provides the estimated numbers in each of the income ranges:

TABLE 10: DEMAND EXPRESSED PER INCOME CATEGORY

INCOME CATEGORY	% OF TOTAL DEMAND	ESTIMATED NO. OF UNITS	REMARKS
<R3 200.00	72.30%	74 180	Includes limited rental (CRU) housing and give away subsidy housing. The latter mixed between in situ upgrade and Greenfield RDP housing.
R3 201.00 - R12 800.00	20.63%	21 166	Includes SH Rental (housing, balance of give away subsidy housing, gap affordable housing and individual subsidy housing)
R12 801.00 - R25 600.00	5.10%	5 232	Includes balance of Gap/ Affordable housing up to R16 000.00 with remainder fully privately funded via banks.
>R25 600.00	1.97%	2 022	
TOTAL	100%	102 600	

Source: Adapted from Urban Econ, 2007 & 2010

Added to this should be units that qualify for subsidy financing under the government's consolidation and rectification programme . The metro has appointed Consultants to carry out a City Wide inventory of housing projects that qualify under this programme. To date funding has been obtained for the rectification of approximately 7873 units post 1994 units. Funding is being sought for the rectification of another 4000 for pre-1994 units from places such as Helenvale, Sakkiesdorp- Despatch, Soweto-on- Sea and Walmer Dunes. While the metro has concentrated much effort on meeting the demand from the lower income groups, it has given less attention to facilitating supply for the gap housing and lower end of bond ownership market as well as the provision of well located rental stock for households on low and moderate incomes.



Based on the norm that people are willing to spend up to 30% of their income on housing it can be expected that the NMBM would show a strong demand for bond financed houses priced between (R100 000) R115 200.00 and R460 800.00.

It is critical that the Human Settlement Plan address this earnestly because:

- This market requires more than the RDP (metro house) housing delivery model. It requires other models (e.g. rental accommodation, freehold title, delayed freehold title or institutional subsidies, etc.)
- This market also requires different delivery agents to participate in the delivery of various housing products (i.e. the Municipality cannot be the only delivery agent for a variety of reasons which include; the lack of capacity, the fact that some beneficiaries would require top-up subsidies that can only be provided by banks and thus houses are best built by private developers, the need to allow for individuals to build their own houses on site and service schemes, the benefits of relying on a range of players offering various tenure options e.g. social housing, etc.)

The Urban Econ report concluded that the residential demand within the NMBM between 2005 and 2020 amounts to approximately 100 000 units (i.e. 6,666 units per year (say 7 000). It unclear if this figure takes into account the backlog identified by the NMBM for the low income housing sector. The demand at 2011-2012 would therefore be 88 6000 plus the 31.9% in the middle income (gap market) and the 2.7% in the high income category, as set out below:

TABLE 11: ESTIMATED HOUSING DEMAND: 2011-2030

MONTHLY INCOME CATEGORY	ESTIMATED % DEMAND	2011	2015	2020	2025	2030
< R 3200.00	72.30%	74 180	80141	86676	93743	101386
>R 3200- R12 800	20.63%	21 166	22867	24731	26748	28929
>R12 800- R 25 600	5.10%	5232	5652	6113	6612	7151
> R25 600	1.97%	2022	2184	2363	2555	2764
Total	100.00%	102 600	110 844	119 883	129 658	140 230

7.4 Consolidation Subsidies

The National Housing Code 2009 makes provision for consolidation subsidies that can be utilised for the repair of existing services (R22 416.98) and the reconstruction of existing houses and the construction of a new house (subsidy up to an amount equal to the prevailing individual subsidy), in order to rectify poor quality of houses built before the introduction of norms and standards and the NHBC Warranty Scheme (National Housing Code, 2009) built utilising previous housing assistance programmes.



The NMBM housing backlog of 84 266 does not include the demand for rectification of pre-1994 based past-1994 housing stock as well as emergency houses.

The housing backlog and strategy needs to be updated to address the following special housing programmes.

7.4.1 Rectification of Pre-1994 Housing: Helenvale

The Helenvale Urban Renewal Programme has identified the need for the upgrading, replacement and rectification of services and housing built under the Discount Benefit Scheme (DBS) instituted in terms of the Housing Act No. 107 of 1997(Act 107 of 1997)to address the following problems:

- **Small Size of Units:** Beneficiaries in Helenvale received 23m² two roomed houses which has resulted in high levels of overcrowding in existing units.
- **Lack of Privacy:** Families live in two roomed units with the result that privacy is severely compromised within high numbers of people per square metre of building area.
- **Backyard Shacks:** Due to the limited space within the two-roomed units, there has been a proliferation of backyard shacks occupied by members of the families who need extra space with sometimes up to 3 shacks per site. It is envisaged that the list of backyard shacks in Helenvale estimated to be approximately 900 are included in the NMBM list figure of 41 009 backyard shacks.
- **Small and Narrow Erven:** The small size and narrow shape of residential erven, some as small as 82.8m² (3.3m x 25m), limits the housing design choices available and makes it difficult to extend housing in-situ without the need to demolish a large part of the existing (and already small) house and perhaps relocate one in every three families in the two roomed units.
- **Overloaded Engineering Services:** The large numbers of people per site, coupled with the construction of backyard shacks over existing mid-block services, prevents access to services for maintenance and results in numerous backlogs and sewerage overflows. It is necessary to relocate the services from the mid-block to the roads.
- **Old Reticulation:** Due to the old reticulation in Helenvale coupled with the overloading of services due to excessive use, it is critical to repair large sections of the existing reticulation and relocate some or all the services from the mid-block to the road.
- **Unequal access to State Housing Benefits:** Beneficiaries in Helenvale have not enjoyed equal access to State Housing benefits, compared with other communities. They have received smaller houses than other beneficiaries of State Capital Discount Subsidy Scheme. Some beneficiaries in Helenvale have much bigger sites than others while a limited number received four (4) roomed units. All beneficiaries have taken up the Capital Discount Subsidy Scheme and may not qualify for further State assistance unless a special dispensation is extended to the beneficiaries.



- **Lack of developable land for Infill:** Due to the limited amount of vacant land it may be necessary that some residents will have to be relocated outside of Helenvale or the limited land available within and close to Helenvale will need to be developed more intensively into 2-4 storey units (which will push up construction costs) beyond what the current subsidy allocations permit.
- **Lack of Quality Public Places:** Due to the scarcity of land, flat land in particular, and the prevalence of rocky terrain and shallow soils, Helenvale is barren and devoid of tall trees and lacks attractive landscaping and quality public places.
- **Lack of Community Facilities:** Due to the high levels of overcrowding in existing houses, most residents lack quality space for relaxation (e.g. private gardens). Community facilities which would ordinarily compliment the lack of good home environments are also inadequately developed.
- **Social Problems:** Partly as a result of overcrowding in existing dwellings a large percentage of children and youth spend time out of the houses and in the streets, where they are susceptible to the negative influences and anti-social behaviour.

It is estimated that Helenvale requires the following housing interventions (refer to the Helenvale Housing Strategy):

- Upgrading of existing (1943 units) from 23m² to 46m² by building a storey above/next/behind the existing two roomed units.
- Relocate approximately 900 backyard or shacks from the area

The NMBM commenced with limited rectification of pre-1994 housing in Despatch focussing on less than 10 houses that were considered to be inhabitable. It is more than likely that there are other areas that would qualify for rectification subsidies as a result of service and houses that require significant upgrading. It is proposed that the NMBM should extend the current commission dealing with Despatch and Helenvale to include other areas that benefited from the Housing Benefit Subsidy Scheme.

7.4.2 Post 1994 Rectification of Structurally damaged Subsidy Housing

The NMBM as part of the National Programme for the Rectification of Post-1994 Housing that was poorly constructed and need to be rebuilt or extensively repaired has commissioned a study which has identified that approximately 7838 units needing rectification. The process to identify other units is still on-going and it is expected that this figure will be exceeded by significant margin.

Once the NMBM concludes the study and finalises the budgetary implications the metro will need to submit the reports to enable the National and Provincial Departments to make adequate provision in the budget for the rectification programme.



7.4.3 Site and Service Schemes

A number of site and service schemes were undertaken in the NMBM area of jurisdiction, including:

- Walmer Dunes (Gqebera Township)
- Helenvale Area 5
- Soweto on Sea
- Govan Mbeki/Missionvale Area

Some of the Site and Service Schemes have been bedevilled by the following problems:

- Small and structurally unsound units built (Walmer Dunes)
- Units on sites left undeveloped or partially developed(Helenvale Area 5)
- Some of the houses do not have adequate road access and are on very small sites (Soweto-on-Sea)
- Some projects have been blocked (Helenvale Area 5)

It is important for the NMBM to commission a comprehensive survey of all Site and Service Scheme projects to identify:

- Small and Sub-Standard Houses
- Vacant sites on which toilets were constructed without the formal top structure being completed in line with norms and standards set out in National Housing Code and
- Small sites and inappropriately built houses
- Toilets and/or houses built on wrong sites

7.5 Summary Housing Demand and Conclusions

Based on the figures and assumptions discussed above in the meantime it can be said that the NMBM backlog of 102 600 units can further be broken down as follows:

INCOME CATEGORY	% OF TOTAL DEMAND	ESTIMATED NO. OF UNITS	REMARKS
<R3 200.00	72.30	74 180	Includes limited rental (CRU) housing and give away subsidy housing
R3 201.00 - R12 800.00	20.63	21 166	Includes Rental (CRU) housing, balance of give-away subsidy housing, gap affordable housing and individual subsidy housing



R12 801.00 - R25 600.00	5.10	5 232	Includes balance of Gap/ Affordable housing up to R16 000.00, with remainder fully privately funded via banks.
>R25 600.00	1.97	2 022	
TOTAL	100%	102 600	
Special Housing Programmes			
Old Helenvale: Upgrade Existing two roomed units Relocate Backyard Shacks and Some Families to Infill Projects in Helenvale		1934 900	Include extending existing 1934 two roomed units Relocate families from the backyard shacks and some from the two roomed units to reduce overcrowding and to de-densify Helenvale
Helenvale Area 5: Site & Service Schemes		256	Upgrade uncompleted Site & Service Scheme Houses
Walmer Dunes: Site & Service Schemes		To be determined	
Rectification: Other Pre- 1994 Projects Post- 1994 Projects		To be determined	Finalise survey and update housing demand figures.
Total Special Housing		2588	
Total Demand: 2011		105 444	

It is expected that the estimated demand may increase closer to the 154 000 predicted by Urban Econ in 2030 if:

- The large investment lined up for the Coega IDZ in the next few years (Petro SA Refinery, Aluminium and Management Smelter, etc.) come through.
- The PE Waterfront development is realised intended.

Bay West Mall and other significant retail developments in the City are implemented.

To address the existing demand by 2014, estimated to be approximately 102 600 at present (2011), the City would have to build approximately 34 200 units per year in 2012, 2013 and 2014. The City has to date only been able to build 42 000 units since 2000, which translates per year on average to 3 800 units per year.



It is clear that a complete restructuring of the City's delivery model is required if the existing demand can be met let alone to address future demand.

In order to effectively address the current backlog the City should quantify the demand more comprehensively, in terms of the following:

- **Affordability:** Demand in terms of income bands ranging from fully subsidized groups for people earning (up to R3 500.00) up to the top end of the gap/ affordable market which currently stands at R15 000 – R16 000.00 depending on the lending criteria set by the various banks.
- **Variety of tenure options:** Freehold partially and fully subsidised housing, Community Residential Units (CRU), Social and Institutional Housing in accordance with beneficiary choices and preferences.
- **Variety of Housing Procurement Methods:** Include individual subsidies, Social Housing Institutions, Co-operatives, Private Developers, People's Housing Process, Banks in the Housing Delivery Model, etc.

Anecdotal evidence suggests that even among the 88 600 housing backlog there are beneficiaries who fail to obtain subsidies in new RDP projects either because they earn above the R3 500.00 income bracket or have obtained State Assistance before and/ or do not have dependants. This varies from project to project but indications are that significant numbers of beneficiaries are being left out in the current housing delivery models.

It can also be expected that there may well be a number of beneficiaries who would prefer rental or social housing located closer to places of employment and economic activity rather than the current RDP housing projects. This is particularly important given the potential subsidies that can be extended for Rental and Social Housing Projects in the Restructuring Zones.

The NMBM will in due course commission a market gap analysis to determine the demand for rental and social housing and assess affordability amongst the potential housing market in consultation with the Housing Development Agency (HDA).



8 HOUSING SUPPLY ANALYSIS

8.1 General

The City constructed 42072 low cost housing since 2000. This translates to 3 800 units per year (on average). In order to address the current backlog of 105 000 by 2014, as set out in the IDP, let alone address future demand, the City would have to build 34 000 units per year from 2012 to 2014. The City does not have the capacity and financial resources to achieve this target and it is clear that a complete restructuring of the current housing delivery model is required to address housing delivery at scale and quality required.

8.2 Projects

8.2.1 Completed Projects

The NMBM has been able to complete over 45 projects as set out below:

PROJECT NAME	SUBSIDIES	PROJECT TYPE	APPROVED BENEFICIARIES	TRANSFERS DONE	DEVELOPMENT TYPE	SERVICES	STATUS	DEVELOPER
John Gomomo	27	PHP	27	24	In-situ	Y	Complete	NMBM
Joe Modise	437	PHP	437	325	In-situ	Y	Complete	NMBM
Solomon Mahlangu	270	PHP	269	218	In-situ	Y	Complete	NMBM
Uitenhage Area 7 & 8 (1000)	1000	PHP	996	0	In- situ	Y	Complete	NMBM
Uitenhage Area 8 (1000)	1000	PHP	1000	51	In- situ	Y	Complete	NMBM
Area 9	745	PHP	745	659	In-situ	Y	Complete	NMBM
Walmer A&B	190	PHP	185	180	In-situ	Y	Complete	NMBM
Walmer Q 224	224	PHP	222	212	In-situ	Y	Complete	NMBM
Walmer 218	218	PHP	205	190	In-Situ	Y	Complete	NMBM
Walmer G	85	PHP	83	70	In-situ	Y	Complete	NMBM
Chris Hani	438	PHP	437	314	In-situ	Y	Complete	NMBM
Area 7 & 8	300	PHP	198	0	In-situ	Y	Complete	NMBM
Uitenhage Kabah Langa	1061	PHP	1075	891	In-situ	Y	Complete	NMBM
Uitenhage Langa	340	PHP	334	293	In-situ	Y	Complete	NMBM
Kamesh	313	PHP	317	261	In-situ	Y	Complete	NMBM
Uitenhage Kabah Langa	450	PHP	457	425	In-situ	Y	Complete	NMBM
KwaNobuhle Area 9	700	PL	247	0	In-situ	Y	Complete	NMBM
Area 6 (350)	350	PHP	253	54	In-situ	Y	Complete	NMBM
Malabar EXT 6	207	PHP	206	189	In-situ	Y	Complete	NMBM
Ngwendu Street	54	PL	46	0	In-situ	Y	Complete	NMBM
New Brighton Silvertown	269	PL	113	0	In-situ	Y	Complete	NMBM
Bethelsdorp North EXT C	1211	PHP			In-situ	Y	Complete	NMBM



PROJECT NAME	SUBSIDIES	PROJECT TYPE	APPROVED BENEFICIARIES	TRANSFERS DONE	DEVELOPMENT TYPE	SERVICES	STATUS	DEVELOPER
Bloemendaal South Jack	1134	PHP			In-situ	Y	Complete	NMBM
Bethelsdorp 460	460	PHP			In-situ	Y	Complete	NMBM
KUYGA	1170	PHP	1170	885	In- situ	Y	Complete	NMBM
HELENVALE	215	PL	211	186	In- situ	Y	Complete	NMBM
MHLABA SILVER BOAST	86	PL	76	30	In- situ	Y	Complete	NMBM
RAMAPHOSA	150	PL	150	115	In- situ	Y	Complete	NMBM
RAMAPHOSA	267	PL	244	227	In- situ	Y	Complete	NMBM
WELLS ESTATE	668	PL	611	79	In- situ	Y	Complete	NMBM
MISSIONVALE	659	PL	659	620	In- situ	Y	Complete	NMBM
Coega Ikamvelihle	2300	PLP	2299	2291	Greenfield	yes	Complete	NMBM
Eluxolweni	58	PHP	42	325	In-situ	yes	Complete	NMBM
Masangwana	376	PHP	376	218	In-situ	Y	Complete	NMBM
KwaZakhele Railway Reserve	128	PHP	128	0	In- situ	Y	Complete	NMBM
KwaZakhele Railway Reserve W4	361	PHP	361	51	In- situ	Y	Complete	NMBM
Mathew Goniwe	1259	PHP	1259	659	Greenfield	Y	Complete	NMBM
Mhlaba Village	135	PHP	135	180	In-situ	Y	Complete	NMBM
Wells Estate	935	PHP	917	212	Greenfield	Y	Complete	NMBM
Wells Estate	300	PHP	298	190	Greenfield	Y	Complete	NMBM
Wells Estate	600	PLP	571	70	Greenfield	Y	Complete	NMBM
Zwide Railway Reserve	72	PLP	75		In-situ	Y	Complete	NMBM
Silvertown Phendla	60	PLP	44		In-situ	yes	Complete	NMBM
Silvertown Sisonke	165	PLP	166		In-situ	Yes	Complete	NMBM
Sisulu Village	20	PLP	18		In-situ	Yes	Complete	NMBM

8.2.2 Running Projects

The Department of Housing indicates that the NMBM is currently busy with the following projects with a capacity of 1824 units.

PROJECT NAME	SUBSIDIES	PROJECT TYPE	APPROVED BENEFICIARIES	TRANSFERS DONE	DEVELOPMENT TYPE	SERVICES	STATUS	DEVELOPER
Arcadia North	329	PL	4	0	In-situ	Y	Running	NMBM
Joe Slovo Ext	192	IRDP	38	0	In- situ	Y	Running	NMBM
Kwanoxolo	168	IRDP	147	0	In- situ	Y	Running	NMBM
Motherwell NU 29	1135	PLP	694		Greenfield	Y	Process	NMBM
TOTAL:	1824							



8.2.3 Current Housing Projects

The metro has about 30 planned and current projects with an estimated housing potential of 22 275 units as set out below. Not all the projects are ready to be rolled out for reasons set out under the respective columns and rows while some are at various stages of implementation.

PROJECT NAME	WARDS	NO. OF SITES	BUDGET	BULK INFRASTRUCTURE IN PLACE (YES/NO)	IN PLACE / VALID YES OR NO N/A - NOT APPLICABLE U - UNDERWAY		STATUS N/A - NOT APPLICABLE N - NOT STARTED U - UNDERWAY C - COMPLETED					ON SCHEDULE Y/N
					TESTABL SHMENT	ROD	WATER	SANIT.	ROADS	HOUSES	TRANSFER	
Kleinskool Area K	37	527	R8 959 221	Yes	Yes	Yes	C	C	C	C	-	Contract terminated
Kuyga	40	630	R6 293 021	Yes	Yes	Yes	C	C	C	C	-	Original Scope Complete
Winterhoek Park	51	382	R 30 000 000	No-sewer on portion only	Yes	Yes	N	N	N	N	N	Bulk Funds not secured
Missionvale Garden Lots	31	3500	R269 500 000	Yes-water & sewer, No - Storm water	Yes	NO	N	N	N	N	N	Stormwater issues have delayed RoD Approval
Metro Infill Areas	1,7 & 9	59	R551 000	Yes	Yes	No	N	N	N	N	N	Awaiting RoD for Walmer & Framesby
Walmer Area O	4	537	R41 349 000		Yes	Yes	C	C	C	U	C	Under Construction
Motherwell NU 29	54	1000 Ph. 1	R24 099 162	Yes	Yes ph. 1;	Yes	C	C	C	U	C	Town Planning Approval in Aug. 2011. Contract for Bulk Stormwater awarded.
		2200 Ph. 2		No	No ph. 2		N	N	N	N	N	
Motherwell NU30	54	3300	R254 100 000		Yes	Yes	C	C	C	U	U	Town Planning Approval in Aug. 2011
KwaNobuhle Area 9 Phase 2	45	700			Yes	Yes	C	C	C	U	C	Under Construction including top structures
KwaNobuhle	45	1600			Yes	Yes	C	C	C	C	?	Under



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PROJECT NAME	WARDS	NO. OF SITES	BUDGET	BULK INFRASTRUCTURE IN PLACE (YES/NO)	IN PLACE / VALID YES OR NO N/A - UNDERWAY		STATUS N/A - NOT APPLICABLE N - NOT STARTED U - UNDERWAY C - COMPLETED					ON SCHEDULE Y/N	
					T/ESTABLISHMENT	ROD	WATER	SANIT.	ROADS	HOUSES	TRANSFER		
Joe Area 10													Construction including top structures
Joe Modise Peace Village Phase 2	47	512	R11 465 457										Under Construction including top structures
Khayamna di A & B	52	1229	R 927 080 000	Yes	No	No	N	N	N	N	N	N	Layout Planning & engineering design completion after RoD obtained.
Rosedale	49	520	R40 040 000	Yes	Yes	Yes	N	N	N	N	N	N	Detail design in progress
Hani Ramaphosa Phase 2	46. 53	614	R47 000 000	Yes	Yes	Yes	C	C	C	U	C		Under construction
St Albans	40	500	R11 196 736	Yes water No sewer	Yes	No	N	N	N	N	N	N	Layout change and redesign due to RoD conditions
KwaNobuhle Area 11	45	622	R47 894 000	Yes	No	No	N	N	N	N	N	N	Layout densification in progress
Arcadia North	34	329	R2 548 203	Yes	Yes	Yes	C	C	C	U	C		In-Situ Upgrading
Mandela Village & Roliyahla	16 & 19	216	R 4 836 990	Yes	Yes	Yes	N	N	N	N	N	N	Prelim design stage
Infill Areas KwaZakhele	15	50	R2 458 203	Yes	Yes	Yes	N	N	N	N	N	N	Prelim design stage
Wells Estate Phase 3 Ext. 4, 5	60	1088	R24 364 097	No	Yes	Yes	N	N	N	N	N	N	Bulk services installation in progress
Red Location	15	218	R2 458 203	Yes	Yes	Yes	N	N	N	N	N	N	Prelim design stage
Joe Slovo Power line	37	97	R2 458 203										
Joe Slovo Uitenhage	48	600	R12 4436 083	Yes	Yes	Yes exist footprint	N	N	N	N	N	N	Planning & Prelim design in progress



PROJECT NAME	WARDS	NO. OF SITES	BUDGET	BULK INFRASTRUCTURE IN PLACE (YES/NO)	IN PLACE / VALID YES OR NO N/A - UNDERWAY		STATUS N/A - NOT APPLICABLE N - NOT STARTED U - UNDERWAY C - COMPLETED		ON SCHEDULE Y/N	
					T/ESTABLISHMENT	ROAD	WATER	SANIT.	ROADS	
KwaNobuhle Area 7 Phase 3	42	350		Yes	Yes	Yes	C	C	C	Old Project Services Installed
KwaNobuhle Area 8 Phase 3	42	350		Yes	Yes	Yes	C	C	C	Old Project Services Installed
Walmer Area G West	4	619	R55 710 000	Yes	No	No	N	N	N	New Project
Walmer Area Q Phase 3	4	292	R26 280 000	Yes	No	No	N	N	N	New Project
Walmer Methane Gas	4	1092	R98 280 000	Yes	No	No	N	N	N	New Project
Ekuphumleni	17	172	R15 480 000	Yes	No	No	N	N	N	New Project

8.2.4 Current Projects – Non Municipal

The metro allocated land to Mzingisi Trust and Housing Development Agency (HAD) for the development of 8527 units in Joe Slovo West, Chatty and Area Bethelsdorp beneficiaries to be allocated to beneficiaries in the declared low cost housing backlog of 87 000. The construction of houses in the Joe Slovo West and Chatty is currently underway (sites already fully serviced) and engineering designs are currently being finalised for Area C.

DEVELOPER	PROJECT NAME	NO. OF SITES	BUDGET	BULK INFRASTRUCTURE IN PLACE (YES/NO)	IN PLACE / VALID YES OR NO N/A - UNDERWAY		STATUS N/A - NOT APPLICABLE N - NOT STARTED U - UNDERWAY C - COMPLETED				ON SCHEDULE Y/N	
					TOWNSHIP	IP ESTABLISH	ROAD	WATER	SANIT.	ROADS	HOUSES	
Mzingisi Trust	Bethelsdorp Area C	6527	R502 579 000	Yes	Yes	yes	N	N	N	N	N	Preliminary Design for various phases in progress
HDA	Joe Slovo West	2000	R154 000 000	Yes	Yes	Yes	N	N	N	N	N	Building plan approval in progress
HDA	Chatty	1347	R103 719 000	Yes	Yes	Yes	C	C	C	C	C	



8.2.5 New Projects – Readiness Matrix

The NMBM has made significant progress in preparatory work for the new projects.

NO.	PROJECT DESCRIPTION	NO. OF ERVEN	LOCALITY	TP LAYOUT	COMMENT
1	Arcadia North	329	yes	yes	Ready for implementation Application submitted (P1-P5)
2	Khayamnandi Extension	180	yes	yes	Ready for implementation
3	Motherwell NU 29 stage 3	2064	yes	yes	Ready for implementation Phase 2 designs are with Metro for approval
4	Missionvale Garden lots	2498	yes	yes	Ready for implementation Application submitted (P1-P5)
5	Walmer G- West Ph1	302	yes	yes	No Information yet still finalizing layout issues
6	Walmer Area Q Ph 3	292	yes	yes	No Information yet still finalizing layout issues
7	Joe Slovo Powerline	97	yes	yes	Ready for implementation Application submitted (P1-P5)
8	Wells Estate Ph 3 stage 2	1280	yes	yes	Ready for implementation Application submitted (P1-P3)
9	Joe Slovo Uitenhage	600	no	no	Layout approved in August 2011
10	Winterhoek Park	382	no	no	Too expensive to provide bulk infrastructure
11	Metro Infill Areas	59	no	no	No progress.
12	Motherwell NU 29 Phase 2	2535	yes	yes	Ready for implementation information submitted already except for the designs
13	Motherwell NU 30	2444	yes	yes	Layout approved in August 2011
14	Khayamnandi A & B		yes	yes	Ready for implementation
15	Rosedale Extension	804	yes	yes	Ready for implementation
16	St Albans	500	yes	no	No Information yet RoD issues pending
17	KwaNobuhle Area 11	622	yes	no	(Geotech. only, Layout being amended.)
18	MK Silvertown 2		no	yes	Ready for implementation Town Planning layout issue still pending
19	Walmer G- West	619	no	no	Town Planning layout issue still pending
20	KwaZakhele Ponds		no	no	No information yet no consultant appointed yet due to cash flow problems
21	Joe Slovo West 2800	2800	yes	yes	HDA is the implementing agent
22	Rolihlahla Village	763	yes	yes	Ready for implementation
23	Mandela Village	153	yes	yes	Ready for implementation
24	Various Erven in Ibhayi KwaZakhele		no	yes	No information yet no consultant appointed yet due to cash flow problems
25	Chatty Extension 11 & 14	4000	yes	no	Amendment of approved layout in progress as part of Jacktvlakte project.
26	Red Location	210	yes	no	Ready for implementation
27	Motherwell High Density	117	no	yes	Ready for implementation
28	Polar Park	165	yes	no	No information yet
29	Motherwell NU 12	564		yes	Layout approved in August 2011
30	Ekuphumleni (Inkatha Village)		yes	no	
31	KwaNontshinga				



8.2.6 Rectification Projects

Application for the rectification of approximately 7873 units post-1994 units have been approved as set out below:

NO.	PROJECT NAME	UNITS	PROVINCE - SUBMISSION S	PROVINCE - APPROVALS	RESOLUTION DATE	AGREEMENT S - SUBMISSION S	AGREEMENT - SOLUTIONS
1	Bethelsdorp Extension 35	895	8-Dec-10	25-Jan-11	8-Dec-10	8-Dec-10	Approved
2	Bethelsdorp Extension 36	586	8-Dec-10	25-Jan-11	8-Dec-10	8-Dec-10	Approved
3	Bethelsdorp Extension 37	454	8-Dec-10	25-Jan-11	8-Dec-10	8-Dec-10	Approved
4	Bloemendal Block 23 North	517	8-Dec-10	25-Jan-11	8-Dec-10	8-Dec-10	Approved
5	Chatty 3 & 4	766		5-May-10			
6	KwaNobuhle Area 8A	846		10-Dec-11			
7	KwaZakhele Railway Reserve	128	9-Dec-10	10-May-10	9-Dec-10	9-Dec-10	Approved
8	Missionvale	659		10-Dec-11			Approved
9	Qaqawuli Phase 2	465	9-Dec-10	6-Oct-10	9-Dec-10	9-Dec-10	Approved
10	Silvertown Limba	194	9-Dec-10	10-Dec-10	9-Dec-10	9-Dec-10	Approved
11	Solomon Mahlangu	270	10-Dec-10	11-Sep-09	10-Dec-10	10-Dec-10	Approved
12	Tambo Village	236	10-Dec-10	11-Nov-10	10-Dec-10	10-Dec-10	Approved
13	Walmer Area G			11-Nov-09			Approved
14	Wells Estate	935	8-Feb-11	6-Oct-09	8-Feb-11	8-Feb-11	Approved
15	Zwide Railway Reserve	72	10-Dec-10	10-May-10	10-Dec-10	10-Dec-10	Approved
16	Bethelsdorp Erf 1542	278	19-Jan-11		19-Jan-11	19-Jan-11	Approved
17	Motherwell Tjoksville	461	1-Dec-10		1-Dec-10	1-Dec-10	Approved
18	Sakkiesdorp	111	3-Nov-10	30-Nov-10	3-Nov-10	3-Nov-10	Approved
	Total	7873					

8.3 Applications & Approvals

The NMBM has obtained approval for 20 Projects and Approvals for another 4 projects is still outstanding as set out below:

NO.	PROJECT NAME	UNITS	PROVINCE - SUBMISSION S	AGREEMENT - SOLUTIONS	BUDGET
1	Motherwell NU29 (P1-P3)	976		Approved	
2	KwaNobuhle Area 10 (P1-P5)	1295	16-Nov-09	Approved	
3	MK Silvertown (P1-P3)	97	16-Nov-09	Approved	
4	New Brighton Silvertown (P1-P3)	269	19-Nov-09	Approved	
5	Hani Ramaphosa (P1-P4)	614	19-Nov-09	Approved	



NO.	PROJECT NAME	UNITS	PROVINCE - SUBMISSION S	AGREEMENT - SOLUTIONS	BUDGET
6	Wells Estate	644		Approved	
	KwaZakhele Infill Areas	8 Projects	25-Feb-10	Approved	
7	New Brighton Silvertown (P4-P5)	269	25-Feb-10	Approved	
8	Pendla Silvertown (P4-P5)	60	25-Feb-10	Approved	
9	Mandela Village (P4-P5)	71	25-Feb-10	Approved	
10	Sisulu Village (P4-P5)	20	25-Feb-10	Approved	
11	Ngwendu Street (P4-P5)	54	25-Feb-10	Approved	
12	Eluxolweni (P4-P5)	58	25-Feb-10	Approved	
13	KwaNoxolo (P4-P5)	168	25-Feb-10	Approved	
14	MK Silvertown (P4-P5)	97	25-Feb-10	Incorrect Approval	
15	Walmer O (P1-P5)	437	28-Jun-10	Approved	
16	KwaNobuhle Area 9 (P1-P5)	649	28-Jun-10	Approved	
17	Motherwell NU29 (P4-P5)	1142	3-Sep-10	Approved	
18	Joe Slovo Powerline (P1-P5)	97	14-Sep-10	Approved	
19	Joe Modise Peace Village (P1-P5)	512	14-Sep-10	Approved	
20	Arcadia North (P1-P5)	329	14-Jan-11	Approved	
21	Joe Slovo Extension 354 (P4-P5)	190	14-Jan-11	Approved	
22	Wells Estate Phase 3 Ext 3, 4 & 5 (P1-P3)	1280	25-Feb-11	Not approved yet	
23	Missionvale Garden Lots (P1-P5)	2498	28-Feb-11	Not approved yet	
24	Hani Ramaphosa (P5)	614	14-Jan-11	Not approved yet	
	TOTAL	12 440			

8.4 Informal Housing

It is estimated that there are 35 257 (41.84% of the current NMBM backlog) households living in informal areas. The informal areas have been numbered and the numbers are displayed on most structures. The NMBM has also identified informal settlements that it considers suitable for in-situ upgrading or those that need to be relocated in order of priority as set out in Table 6 and in more detail in Annexure C.

TABLE 12: RELOCATION VS IN-SITU UPGRADING

	IN-SITU UPGRADING		RELOCATED		TOTAL NO.
	NO	% OF TOTAL	NO	% OF TOTAL	
Despatch	66	0.31	42	0.14	108
KwaNobuhle	4074	18.84	250	0.86	4324
PE North	3702	17.12	8917		12619
PE South	2381	11.01	1931	6.65	4312
PE West	3834	17.73	561	1.93	4395
Uitenhage	767	3.55	513	1.77	1280
Zanemvula	7256	31.44	4541	7.77	11797
TOTAL	22 080		16 755		38835



The NMBM has either relocated or is considering relocating approximately 42% of households from the informal settlements. This means that in-situ upgrading is being implemented on the remaining 57% of households in informal settlements. The relocations are linked to the finalisation of services in destination areas which in turn is linked to funding availability and the installation of bulk services. Relocations normally occur to Greenfield areas, mostly located on the periphery of the City and on municipally owned land that is planned and/ or earmarked for housing development. The relocation process is dependant to the finalisation of town planning layouts, compilation of General Plans, the installation services and the availability link and bulk infrastructure in destination areas.

At 42 % (i.e. ratio 1 to 2.31 households living in informal settlements), the percentage of relocations from existing informal settlements is considered to be high. This may be partly attributed to the focus on the de-densification of informal settlement and the fact that informal settlements tend to target undevelopable and/or unserviceable land and reluctance to accept alternative housing typologies to the “metro-house”.

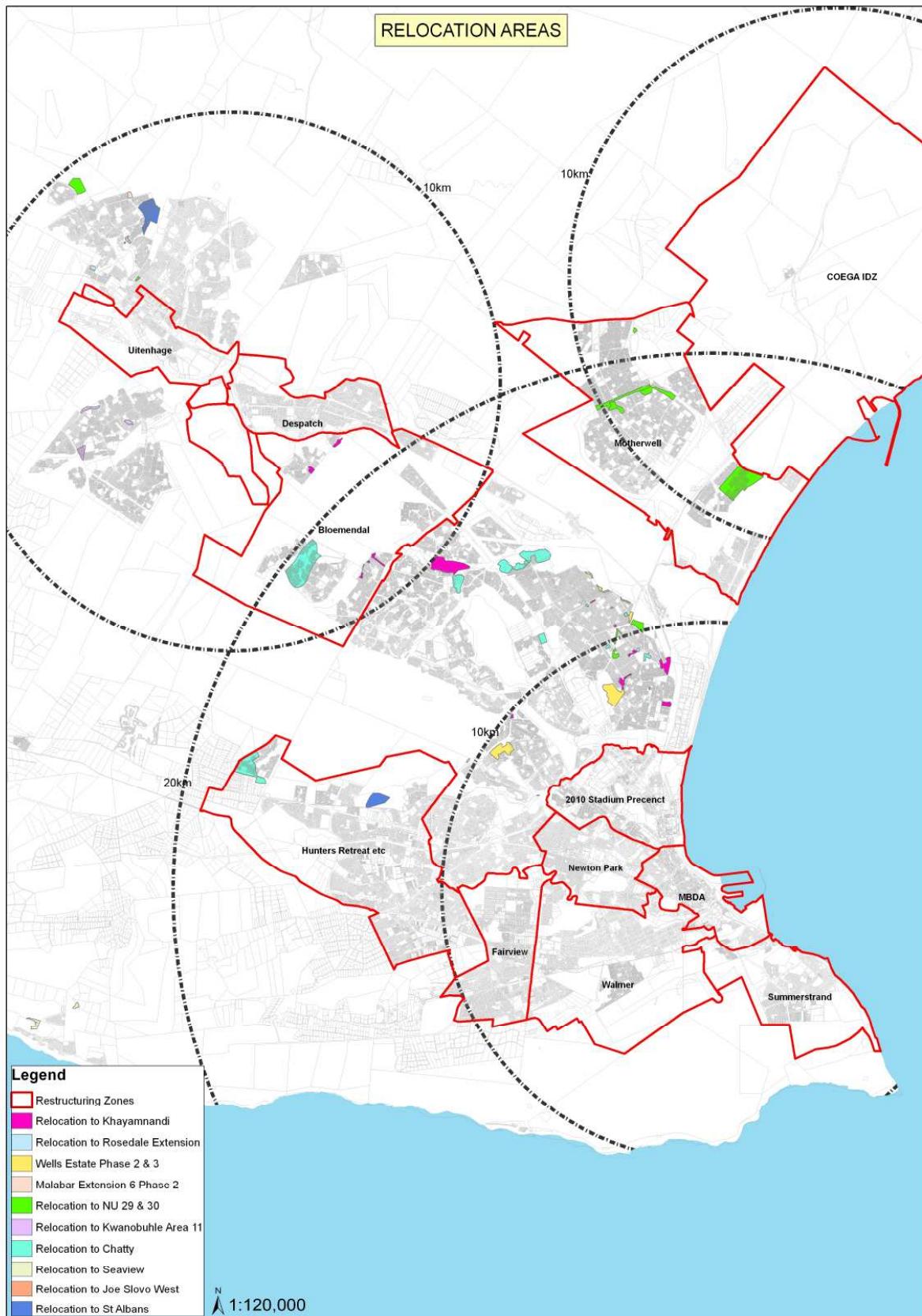
The beneficiaries generally move from a shack to a shack onto planned and surveyed sites (sometimes partially serviced sites) to await a top structure to be built later. The Greenfield areas often lack social, community, educational and retail facilities resulting in families that relocate having to endure long periods without access to facilities and amenities and having to travel to adjacent areas to receive such services. This is costly in terms of time, effort and travel costs. Some of the relocated families have been reported to have gone back to their original places due to the hardships experienced in new settlements.

The NMBM provides rudimentary services to the relocated beneficiaries which normally includes a stand pipe at every 200 metres and bucket sanitation. The City then submits applications for environmental authorisation (if required) and subsidy funding from the Provincial Government to progressively provide services and thereafter the top structure (metro house) in the Greenfields (relocation) areas.

In respect of beneficiaries that remain in-situ, the City prepares a conventional layout at a density that enables beneficiaries to acquire even large enough for a detached/ semi-detached “metro house” with only a few projects offering small sites that have necessitated the introduction of single and double storey semi-detached or row housing typologies e.g. Red Location, Rorihlahla. This is due to perceived resistance from the beneficiary community to living in dense settlements characterised by double storey, semi-detached, row houses and walk-ups, the abundance of municipal land for resettlement and the continued preference for low density residential areas in current town planning regulations and services provision standards and the general acceptance among policy makers that relocation should be promoted wherever this is possible. The density of the new settlement is often too low to accommodate all the existing shacks in-situ.



However the City often faces resistance from some beneficiaries who are unwilling to relocate for a number of reasons, thus causing delays in project implementation.





This de-densification focussed approach not only results in the reduction of residential densities in informal areas, including even in those informal settlements that are well located within established townships, and are along and on public transport corridors, close to transport nodes and the major employment areas and the CBD. This also leads to beneficiaries being relocated away from the places already provided with social, community, educational and retail facilities, to areas where such services do not yet exist and will also take a long time to be provided.

Although the NMBM has developed guidelines for ranking, prioritisation of informal settlements for relocation or in-situ upgrading of informal settlement the policy does not suit the latest national policy focus to minimise relocations in favour of in-situ upgrading programmes.. It is proposed that the guidelines should be amended and reviewed to include the following in respect of relocation and in-situ upgrading. .

TABLE 13: RELOCATION VS IN SITU UPGRADING

RELOCATION GUIDELINES	IN-SITU UPGRADING
<ul style="list-style-type: none">• Only if area is not developable• Only if gross densities of upgraded settlement may exceed 100 units/ Ha• Only if informal settlements are located away from places of employment, public transport routes, bulk services and on poorly located private/ public land (e.g. situated on periphery of the City)• Only if better located municipal land and/ private is available elsewhere• Private land ownership should not be an impediment to consideration of in-situ upgrading on well located informal settlements. The Metro should find the funds to acquire private land.	<ul style="list-style-type: none">• Minimise relocation by upgrading informal settlements at high densities of up to 75 -100 units/ Ha.• Incremental upgrading is possible from basic services, to full services and then top structures.• All informal settlements close to public transport routes, places of employment and amenities to be upgraded in-situ with no or minimal relocation.• If the informal area is developable• If land can be made available (even if it means paying a premium for well located private land).

It is important to engage with households to canvass the idea of promoting in-situ upgrading instead of relocation. It is also important to obtain views of the households in informal areas that have not yet been upgraded about how their area should be upgraded through a comprehensive housing voice study. The study would include a questionnaire that will cover the following issues:

- Beneficiary and willingness to accept alternative housing typologies
- Beneficiary willingness to relocate
- De-densification vs. retention of current densities



- Preference for gradual incremental upgrading starting with basic services and ending up with top structures over a period of few years. The potential beneficiaries need to, if given a choice, indicate if they would:
 - Prefer to stay where they are or relocate and why
 - Receive services only and a house later
 - Stay rather than relocate due to need to be close to current jobs, social and community amenities, even if they do not receive a metro house and end up staying in denser settlements utilising alternative housing models
 - Prefer rental (Rental Housing Subsidy) vs freehold tenure on dense settlements closer to the City.

The City has to consider amending the Informal Settlements Upgrading Policy as follows:

- Review the current informal settlement upgrading policy that promotes de-densification and relocation to prioritise in-situ upgrading on site by site basis.
- Prepare an updated Implementation Master Plan for Informal Settlement Upgrading for the City that will encourage residents to improve own living environment in current settlements, while drawing down state subsidies over a phased period. The plan will amongst others:
 - Set out guidelines for choosing settlements for in-situ upgrading versus relocation. It is necessary to review the current NMBM priority listing and where possible recommend changes in priorities and the manner in which the process of upgrading will take place.
 - Develop design parameters aimed at the retention of the maximum number of beneficiaries (erf size, densities, housing typologies, road widths, etc.). If this is not achieved in current plans, it is proposed that the plans in the seven (7) year Turn Around Strategy be amended accordingly prior to implementation to prioritise more in-situ upgrading.
 - Develop a strategy to extend tenure to all residents living in the settlements progressively over time through a gradual process of regularisation as set out in Figure below in line with lessons learnt from similar initiatives by the City of Johannesburg.
 - Stimulate small business expansion and retain existing business as it is not enough to merely focus on housing and services provision to the exclusion of business and SMME's development.
 - Develop financial mechanisms and set up appropriate structures to deal with upgrading process based on maximum participation of the beneficiary communities (e.g. skills, deployment of local use of own materials, participate in construction work, post construction management, participation in environmental improvement programmes in the settlement, to protect settlements against further invasion, etc.)
 - Develop an incremental upgrading plan that will lead to improvement of services and top structures over time. This will need the preparation of a concept plan to be used as a basis for gradual upgrading.



- Identify a range of sources to be approached funding and technical assistance for the implementation of upgrading programmes instead of focussing on relocation as the only solution to informal settlements upgrading.
- Build partnerships with communities and their representatives and partners in informal settlements projects, (e.g. Informal Sector Network(ISN), FEDUP, Homeless Peoples Federation, etc) and the Various Savings Clubs and Micro Finance Lending Institutions(e.g. Ubutyebi Trust)

Although the NMBM has drawn up a preliminary data base for informal areas to be upgraded or relocated it is envisaged that this plan will need to be amended after extensive consultation is undertaken as set out above and in line with Outcome 8 Guidelines.

The relocation that are being considered for a number of reasons should be reviewed where ever possible on the following basis:

- **Land in Private Ownership:** Consideration to acquire the land for housing purposes from private owners if informal settlements merit retention with respect to size, location, proximity to job opportunities, etc. Alternatively the metro should enter into a Land Availability Agreement (LAA) with the land owners who are willing to implement housing projects for the beneficiary community in line with the Human Settlement Plan, on all or a portion of the land in exchange for development rights on balance of the land. A number of other incentives need to be developed to entice private land owners to make their land available to address informal housing on private land rather than focus on relocating the beneficiaries onto projects on municipal land.
- **Land Zoned for Open Space:** Consider closing the Public Open Space and rezone the erven for in-situ upgrading wherever possible and practical to do so.
- **Development Area** (undeveloped school sites or land been allocated to potential development, etc): If possible it is proposed that the development plan for the respective area be reviewed to enable the settlement to be upgraded in situ
- **Area prone to Flooding:** Investigate flood attenuating interventions to see if this would allow part of the settled area to be developed at high density to accommodate the beneficiaries as some of the areas are well located.





8.5 Backyard Shacks Upgrading

It is estimated that 41 009 households (48.67% of the NMBM declared backlog) live in the backyard of existing residences mostly in former township areas.

It is clear that the backyard shacks fulfil a significant housing need. The current policy of the NMBM seeks to relocate backyard shacks to Greenfield areas, where they are eligible for project linked subsidies (often on the periphery of the City), thus exacerbating urban sprawl.

This policy is preferred partly because the subsidy policy up to now did not cater for housing subsidies for beneficiaries in the backyard at their current place of abode. Given the proposals to extend subsidies to backyard shacks that are contained in the Outcome 8 Policy Statement and the National Housing Code 2009 the policy of relocating backyard shacks to Greenfield areas needs to be reviewed in favour of amongst others the on-site upgrading of backyard shacks in consultation between the backyard shack dwellers and landlords.

It is proposed that a Housing Voice Study be undertaken to determine the willingness of families in the backyard to accept the formalisation in situ as a housing solution.

It is proposed that the NMBM commission a Master Plan for the formalisation of backyard shacks to come up with the policy guidelines and implementation framework for the approach in line with the subsidy guidelines.

8.6 Social Housing Supply

PROJECT	DEVELOPER	OPPORTUNITIES	TARGET DATE FOR IMPLEMENTATION
Infill on Developed Vacant Land			
Walmer - Golf Course	Imizi	400	2011-2012
Hydroponics land- Walmer (Gqebera)	To be identified	±600	2013-2015
John Street (Uitenhage)		200	2012-2013
Mount Croix	Imizi Housing Association	±100-150	Subject to EIA authorisation expected to commence in 2010
Parsonsvlei	To be identified	100	Planning approval process in process, Construction expected to commence in 2012



PROJECT	DEVELOPER	OPPORTUNITIES	TARGET DATE FOR IMPLEMENTATION
Fairview	To be identified	±300	On state land. Land availability to be negotiated with the Government subject to Council approval EIA process to follow thereafter. Expected in 2013
PE CBD	Own Haven Ndube Properties	To be determined	Two (2) properties been identified for acquisition
Mermaid Building Precincts CBD	To be identified	To be determined	Three (3) properties identified for acquisition

The NMBM has also drawn up a comprehensive list of properties in all the approved and proposed restructuring zones. Each Ward councillor in the respective zones was also given an opportunity to identify potentially suitable sites for Social and Rental Housing in the various Wards.

This information is currently being analysed. A number of areas of concern, which include the following have been identified and need to be addressed in the final land identification report.

- Not all vacant land in the City is listed. The list has to include well located private land as well
- Not all identified properties (land in particular) are suitable for social housing. Some sites are too small or are zoned for public open space. Public places require to be closed before any development can take place and thus is subject to an EIA process. Some identified sites are not suitable for economic development due to topography and other challenges.

The NMBM IDP requires that per quarter (± every 3 months) a report on progress with respect to the identification of land, the initiation of new projects and the compilation of project business plans Social Housing Projects be submitted to Council and applications be taken through the system for comment and approval.

The forward planning of projects requires that additional funding allocation to the NMBM from National Government is made to assist the City to investigate and acquire land and buildings, package the projects and call for proposals call for the development of the various Social Housing projects.



8.7 Strategic Development Areas

The City has identified seven (7) strategic development areas in the City for future residential expansion.

	LOCATION FROM CBD	RDP HOUSING		MIXED HOUSING
		NO.	DENSITY	NO. DENSITY
Zanemvula (incorporating Soweto-on-Sea, Chatty and Joe Slovo West)	±15-20kms	3786	Gross: 10.69 Nett: 49.50	An area has been left for the development of higher density housing and affordable housing. It is envisaged that the high density area will be developed at densities of at least 75-80 units per HA, increasing to 100 units/ Ha adjacent to nodes.
Walmer - Gqebera including Methane Gas Site	3.2kms	1027	Gross: 26.95 Nett: 99.74	Plan for area already provided for the highest possible densities for low income housing due to land shortage, good location and accessibility of Walmer (Gqebera) Township
KwaNobuhle South				
Uitenhage East				
Wells Estate	±10-15kms	6234	Gross: 29.89 Nett: 48.26	
Hunters Retreat (End of Walker Drive)	±15kms			
Bethelsdorp	±18km	4537	Gross: 17.86 Nett: 60.25	



	LOCATION FROM CBD	RDP HOUSING		MIXED HOUSING	
		NO.	DENSITY	NO. DENSITY	
Walmer Link	±5km	400		Social/ Rental Housing and Affordable/ Gap Housing Project	
Motherwell NU29 – Phase 2	±21km	2147	Gross: 26.85 Nett: 70.34		
Motherwell NU30	±21km	2353	Gross: 20.00 Nett: 67.06		
Motherwell NU12	±21km	356	Gross: 12.36 Nett: 75.00		
Motherwell NU31	±21km	4113	Gross: 33.10 Nett: 80.91		
Area Q1, Q2, Q3 & G-West 1 & 2	±5km	20698	Gross: 63.98 Nett: 116.75		
Khayamandi Ext. 1, 2, 9, 10, 19, 20, 21	±20km	7960	Gross: 11.40 Nett: 47.05		

8.8 Potential PPP Projects

In addition the Metro has identified the following existing and future projects with an estimated residential capacity of 32 460 erven for development through Public Private Partnership (PPP) approach.

PROJECT NAME	ERF DESCRIPTION	APPLICANT/ DEVELOPER	AREA (HA)	RES 1	RES 2	RES 3	IND/BUS	OTHER	MARKET	TOTAL SITES
Hunters Retreat	Erf 3340 & 455	NMBM	228.66	6174	0	0	0	0	Affordable	6174
Utopia	Erven 442-448 Hunters Retreat	Anathi Developers		466	824				Affordable	1290
Wells Estate 3 & 4	Rem. Erf 1 Wells Estate	NMBM	18.65	20	1305				Affordable	1325



PROJECT NAME	ERF DESCRIPTION	APPLICANT/ DEVELOPER	AREA (HA)	RES 1	RES 2	RES 3	IND/BUS	OTHER	MARKET	TOTAL SITES
Wells Estate	Rem. Erf 1 Wells Estate	NMBM	183.00	2745					Subsidised	2745
Wells Estate	Rem. Erf 1	EMBIZWENI		92	228	169			Bonded GAP	489
Uitenhage Railway Sheds	Erf 320 & 28941	UDDI/NMBM	6.50		325				Affordable	325
Mount Road Social Housing	Erf 518, 1995 & 3217 Mount Road	Imizi Housing Association	3.06		502				Affordable	502
Chatty 3 & 4	Rem. erf 590 Bethelsdorp	Zanemvula	200.00	2287	5	12			Subsidised	2304
Chatty 5,12,13, 15	Rem. Erf 590 Bethelsdorp	Zanemvula	441.91	6315	4	47			Subsidised	9962
Joe Slovo West	Rem 590 Bethelsdorp	Zanemvula	354.02	3986	3515	4	6	47	Subsidised	7344
Total PPP Projects				32460						

8.9 Private Sector Projects

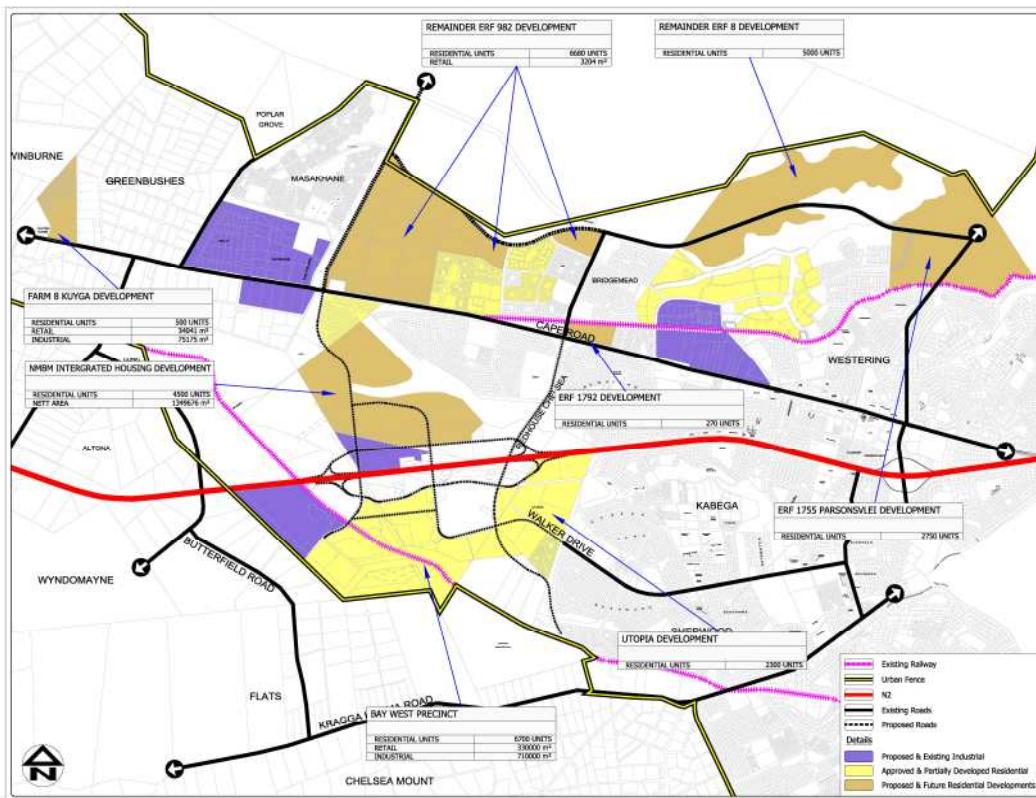
Private Developers have targeted the Western part of the City either side of Cape Road (Parsonsvlei, Bridgemead Extension, Bay West Precinct and Utopia Developing) for the development of approximately 27 000 middle to high income housing as shown on Figure below. Some of the developers paid large sums of money for the properties which they have not been able to develop due to the recent slump in the market.

There is scope to negotiate release of some of the privately owned land for housing projects for the fully and partially subsidised market in particular land close to Kuyga Township (Remainder Erf 982 Parsonsvlei, parts of the Remainder Erf 8 Parsonsvlei Utopia Development and Bay West Mall Precinct.

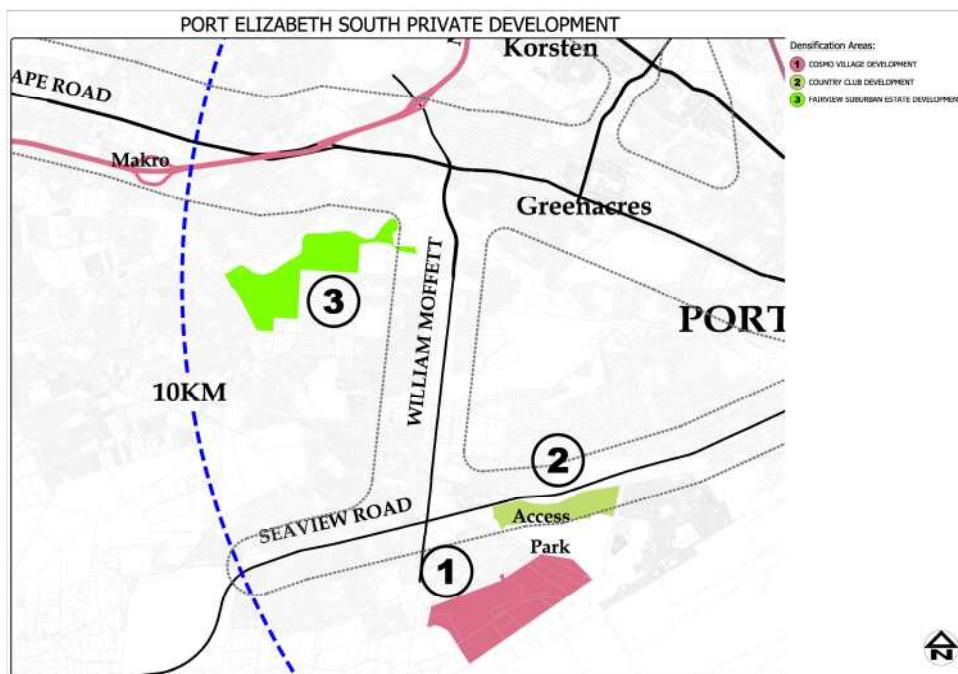


Human Settlement Plan for the Nelson Mandela Bay Municipality

A policy on land release and exchange needs to be developed and adopted as a basis to negotiate with some of the land owners.



Private Developers on the southern part of the City are limited to the Walmer Country Club, Arlington Race Course and Fairview as set out in Figure below:





9 HOUSING DIRECTORATE POLICIES & HOUSING PROGRAMMES AND ORGANISATIONAL ARRANGEMENTS

9.1 Accreditation

The NMBM with effect from 1 June 2006 was delegated to functions in line with the guidelines for level one (1) accreditation as follows:

- Beneficiary Management
- Subsidy budget planning and allocation
- Priority programme management and administration
- Local Housing Priorities
- Management of Public Stock

The NMBM was granted full responsibility for Programme Management and Administration of all National and Provincial Human Settlements programmes as set out in the National Accreditation Framework of March 2006. In preparation of the formal handover of the functions, the NMBM is required to:

- Ensure that it has the necessary capacity in the form of professionals (e.g. Engineers, Town Planners or Certified Project Managers) to commission, produce and implement feasibility assessments.
- Develop a programme administration capability for Level Two Accreditation including project cash flow management.
- Install the standardised programme management system and a Municipal Housing Subsidy System (HSS).
- Prepare a prioritised and programmed strategy for submission to the Provincial Department for the latter to use as a basis to allocate housing subsidy funding to the NMBM.
- Develop and set up a performance management and accounting system for the delegated functions that will form the basis of an agreement between the Department and the Municipality.
- To integrate and update the various planning documents into a single strategy as recommended by the compliance and capacity assessment panel in November 2009. The agreement outlining the working arrangements between the Municipality and the Department of management of Levels Two Accreditation is envisaged was officially signed on 15 February 2011.

Once the above functions are fully implemented the City intends to apply for Level 3 Accreditations.



The NMBM undertakes all the Level One (1) Accreditation functions and already undertakes a significant number of the Level Two (2) accreditation functions, which include:

- Compilation of Project Applications
- Project Planning from Inception, approval, implementation and project handover
- Housing Quality Control
- Beneficiary Identification and Management of the HSS System
- Co-ordinate the relocation of informal settlements from source to destination areas
- Co-ordinate the installation of internal and bulk services, and obtaining funding for bulk infrastructure services.
- Co-ordinate Environmental Authorisation process in accordance with NEMA Regulations.
- Liaison with Provincial and national Department of Housing in accordance with Inter Governmental Relations (IGR) Framework.
- Co-ordinate the construction of houses ranging from preparation and approval of building plans, appointment of contractors and small contractors

9.2 Housing Turn Around Strategy

The NMBM developed a Housing Turn Around Strategy in 2007 which comprised a seven (7) Implementation Plans from 2007 – 2014.

The implementation plan sets out the following:

- Project Priorities: “Old” and “New” Projects, Greenfields (relocation Projects), In-situ upgrading, Emergency Housing, Social Housing Projects, etc.
- Future Projects: Involved the planning of new projects and full township establishment of over 12 500 sites
- Running projects
- SCCCA Projects

The seven (7) year Implementation Plan has formed the basis for housing delivery in the City which included the construction of low cost housing, commencing with planning and implementation of unclosed housing projects with a capacity of 36 854 subsidies, 36 unfunded future projects with a capacity for over 12 000 subsidies and 10 running projects with a total of 2545 subsidies.



9.2.1 Vision

The NMBM Housing Delivery Vision, which is based on the Breaking New Ground (BNG) plan for Integrated Human Settlements and International Conventions and Declarations (e.g. Habitat Agenda No. 217) seeks to:

- Create Sustainable Settlements
- Redress mono-functional and unsustainable spatial and settlement patterns.

9.2.2 Mission

- The establishment and maintenance of habitable, stable and sustainable public and private residential environments to ensure viable households and communities, in areas allowing for convenient access to economic opportunities, health, education and social amenities.
- Permanent residential structures with secure tenure, ensuring internal and external privacy, providing adequate protection against the elements and provided with portable water, adequate sanitary conditions and domestic energy supply.

9.2.3 Strategic Objectives

The NMBM Housing Directorate's strategic objectives for housing delivery are:

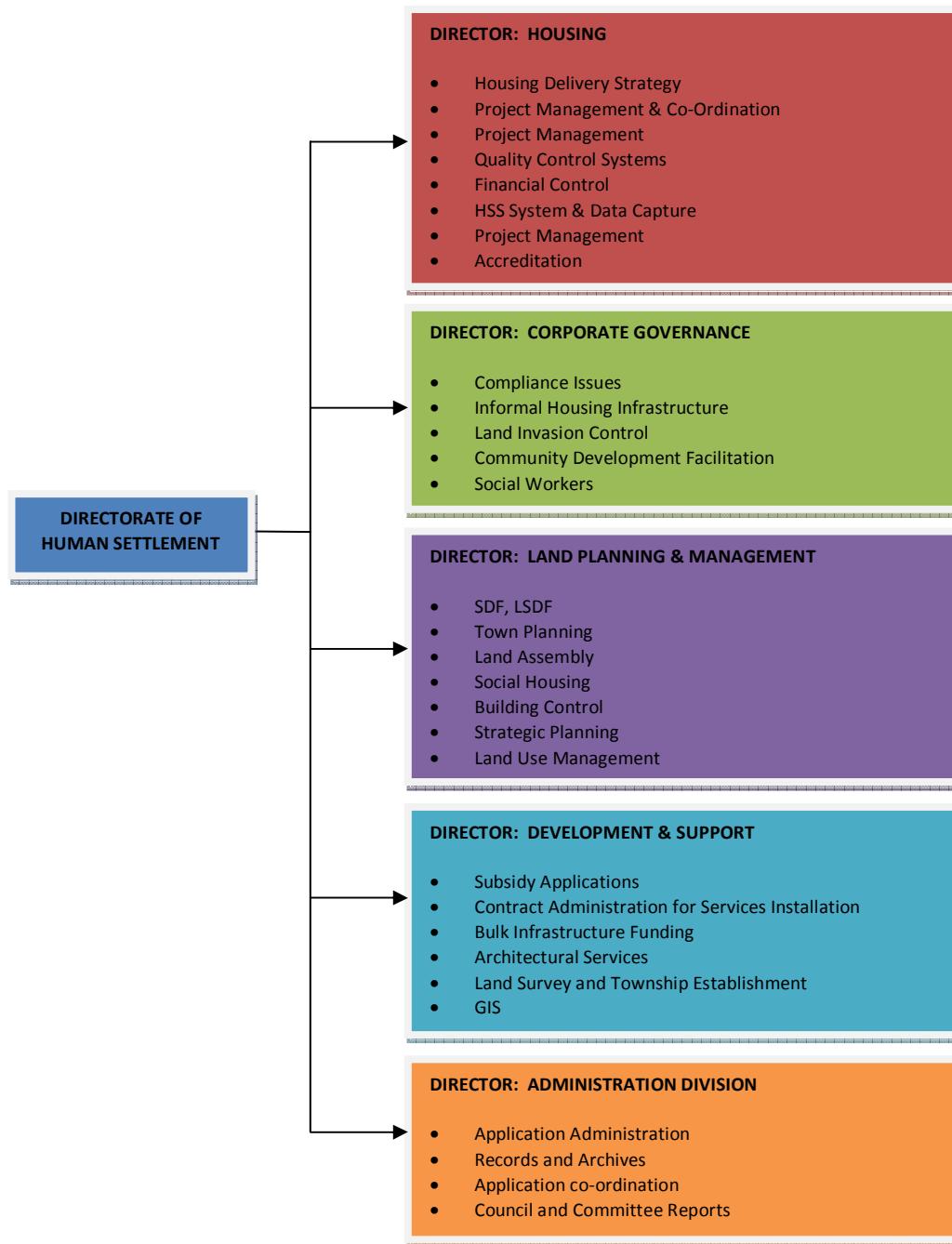
- To facilitate the planning and development of Integrated Sustainable Human Settlements
- To eradicate housing backlog and informal settlement by 2014
- To implement community and people driven housing development processes
- To develop a competent and professional housing team through the recruitment of skilled professionals and the development of the capacity of current staff
- To enhance stakeholder participation in the planning and development of policies
- To facilitate partnership with key stakeholders to ensure development of an integrated human settlement
- To ensure a fair, efficient and transparent system for the allocation of houses according to an integrated housing demand database
- To review land use management policies to facilitate integrated housing development
- To investigate alternative sources of funding for housing delivery



9.3 Organisational Arrangements

9.3.1 General

The Department of Human Settlements comprises the following Directorates.





The approved organisational structure places housing delivery under three sub-directorates in the Directorate of Human Settlement, namely:

SUB-DIRECTORATE	MAIN RESPONSIBILITIES
Development and Support	Overall Planning, Infrastructure Planning & Support, Project Business Plan, USDG and Infrastructure Budget Planning
Land Planning and Management Social Housing Strategic/ Forward Planning	Land use and Town Planning Matters, Land Identification and Land Assembly Local Housing Priorities
Housing Deliver	Beneficiary Management Subsidy budget planning and allocation Local Housing priorities
Social Relocation	Relocations, Land Invasions, Survey of informal settlements and social facilitation regarding the relocation and destination of informal settlement and backyard shack beneficiaries

The budget from the National and Provincial Department is received and accounted for separately as follows:

DEVELOPMENT SUPPORT	HOUSING DELIVERY
Bulk Infrastructure	Top Structure
Internal Services	SCCA Allowances
Geo-Technical Variance	NHBRC Enrolments
Professional Fees and Services Installation Consultant	Building Contractors and Tenders

9.3.2 Lack of Strategic Vision

While this approach has worked for the Metro, it has major limitations towards the development of integrated housing because the delivery process is not undertaken in a strategic and integrated manner. Integration demands that the benefits of smaller erven, shared walls, double storey units, shared connections are included in the project costing such that the end result is a better quality unit, better infrastructure and better quality environment around the unit. It also requires that the location of settlements consider access to bulk infrastructure, public transport facilities, social amenities and job opportunities and is based on the objectives to restructure the City.



Although each of the sub-directorates is able to carry out their respective functions, they do so in a "silo" rather than integrated manner. Often the identification of land is done without looking at other issues such as the availability, cost and time to extend bulk and link infrastructure. The layouts are completed before the top structure options are finalised resulting in monotonous housing typologies. The settlement densities and top structure options are not related to location of settlements in the context of the City i.e. along Transport Corridors, closer or further from the City, Greenfields or in-situ other social facilities.

It is critical for the metro to set up a strategic planning capacity within the housing directorate that will be responsible for:

- Developing a Comprehensive Human Settlement Plan for the City
- Identify potential housing areas in advance in line with set criteria in that include the need to fundamentally restructure City.
- Develop appropriate tenure, density, housing typology options to guide the detailed design process before the submission of applications for Township Establishment, USDG funding and Housing Subsidies .
- Draw out the benefits of densification to ensure that these are maximised as per each settlement.
- Ensure that funding made available is maximised by incorporating it into a single vote so that the planning and provision of infrastructure and housing is done holistically to optimise development.
- Develop a communication plan for the various housing projects that take into account all the issues that impact settlement planning in respect of density, erf size, housing typology and other issues. The communication plan needs to inform all affected stakeholders on the plan for each area and also set out the benefits. This will assist to address the perceived resistance from communities and local political leadership to densification of residential settlements, which results in plans made on the basis of sustainability principles and BNG criteria being rejected at the end of the design process. This results in project re-design, project delays, the massive relocation of families to the periphery of the City and higher opportunity costs.

Currently although the metro has a seven (7) Housing Plan, the plan is reactive in that it seeks to address existing informal housing and backyard shacks. Beneficiaries are predetermined before a housing project is approved. Often the project has to remain unchanged to accommodate this even though the funding regime, project timing, costing and availability of bulk services may necessitate fundamental rethink of projects or facets of the project. The current system does not provide enough flexibility to change plans if the situation requires it (e.g. inability to obtain funding for bulk infrastructure, delays in receiving the funding, etc). This could be addressed by strengthening the strategic palling capacity in the directorate.



The metro needs to deliver model settlements (fully design, built and handed over) for the metro to then allocate housing in accordance with prioritised beneficiary list, beneficiary housing priorities.

9.3.3 Land Prevention of Invasion and Illegal Settlements

The NMBM has established a Social Development and Relocation Section that deals with relocations, land invasions and the survey of informal areas which comprises the following activity areas in order to deal with land invasions and management of informal settlements:.

- Control Room for logging complaints
- Investigative Unit
- Feedback enforcement unit that develops options
- Assess and Activate
- Operationalise Proposal
- Issue interdicts against land invasions and lay charges as appropriate

Land invasion is a major threat in the NMBM and the City has identified the causes as follows:

- Landlessness
- Slow land release
- Slow housing delivery
- High expectations amongst beneficiaries
- Illegal sale of subsidy houses before the 8 year period expires
- Unfair housing allocations and perception of unfair treatment
- Poverty and unemployment
- Lack of information
- Faster rate of urbanization including inter and intra urban migration in an attempts to move to better located land
- Shortage of land for housing close to job opportunities

The land invasions have negative consequences such as:

- Farm workers and labour tenants being evicted from privately owned land and farms
- Housing projects are often stopped and disrupted as a result of illegal invasion of projects by landless people intent on jumping the queue.



The following Committee was recommended to be set up to deal with issues related to Land Invasions:

COMMITTEE NAME & INTENT	PARTICIPANTS	PURPOSE
Land Invasion Prevention and Monitoring Committee	Housing Delivery Land Planning and Management Unit Safety and Security Health Engineering & Infrastructure Recreation and Culture	Develop Policy, Identify of potential land, share information and monitor growth of informal settlements
Working Committee	Housing & Infrastructure and Engineering Business Units	Audit and Plan all vacant land or sites prone to invasion, develop a programme for the :Survey and registration of beneficiaries, provision of essential services and socio-economic amenities

9.4 Stakeholder Analysis

The housing problems facing the metro requires that other delivery agents are roped in but this process is currently being done on ad-hoc basis, without reference to a comprehensive plan or strategic partnership mode. The NMBM has created space for the other delivery agents and stakeholders to participate in housing delivery as set out below.

9.4.1 Land Availability Agreements with Accredited Social Housing Institutions

The City has secured agreement with four Social Housing Institutions for delivery of private sector managed Social Housing Projects in the City with SOHCO, Own Haven, Imizi and Abahlali Housing Associations. The City has made the land available to accredited social housing institutions in terms of a land Availability and Services Agreement.

9.4.2 Land Availability with Other Developers

The City agreed a Land Availability Agreement with the Mzingisi Development Trust in 1997 for the delivery of 7500 units for beneficiaries living in the floodplain in Soweto-On-Sea. Mzingisi Development Trust has built 3200 of the original 7500 houses and has recently obtained approval to build another 6527 even on the final phase of development. The City has to consider extending similar arrangement to other Developers in other parts of the City.



9.4.3 Provincial Government Role in Housing Delivery & Procurement

The Provincial Department has recently appointed the Housing Development Agency (HDA) to undertake mass housing delivery in Chatty and Zanemvula. The HDA has the capacity to manage housing delivery at scale and to manage small builders within their contract area. It is important for the metro to develop a framework for the further involvement of the HAD as a delivery partner in other projects in the City.

9.4.4 Private Developers for Mass Housing Projects

Although the need to facilitate partnerships and investigate alternative sources of funding and methods for housing delivery has been acknowledged in the City's IDP, the City has not appointed Private Developers, Banks and Development Companies to deliver mass housing on a turn key basis or similar. The City has to develop more detailed procurement guidelines and policies in order to attract private developers into the mass housing market and fast-track the implementation of the proposed Integrated Residential Development Programmes through Public- Private Partnerships (PPP). The City may also consider extending the relationship with the Housing Development Agency (HDA) and/ or call for proposals from established developers, banks and construction companies to partner the City in mass housing delivery.

For this to happen successfully the metro has to develop a Comprehensive Policy to engage big developers to deliver housing in the City. The policy will include the following actions amongst others:

- Draw up a database of Potential Delivery Agents
- Put out a proposal call inviting all potential delivery agents to indicate their willingness to participate in the delivery of housing in the City.

9.5 The NMBM Housing Programme

The NMBM Housing Directorate has developed a number of programmes to deliver housing to meet the current backlog as follows:

9.5.1 Informal Settlement Upgrading Policy (ISUP)

In terms of this policy shacks are grouped into two categories, namely:

- Shacks to be upgraded in-situ
- Shacks to be relocated



Relocation applies to informal areas that are in:

- Stressed areas (Public Open Spaces, Road Reserves, Future Development Areas)
- Areas to be de-densified: De-densification is recommended where development densities are deemed to be too high.
- Floodplain (below 1:100 year flood line, major drainage channels, stormwater routes and detention ponds)
- Tip Sites
- Underneath power lines and within existing and future power line reserves/ servitudes

The priority for relocation is as follows:

01. Floodplain/ Flood Prone Areas	10. Most Ready Projects (TP Layouts, Surveyed Services)
02. Tip Site Areas	11. Next Most Ready Projects (TP Layouts, Surveyed, Serviced)
03. Below Power Lines	12. Next Most Ready (TP Layouts, Surveyed, Preliminary Service Designs)
04. Road Reserves	13. Next Most Ready (TP Layouts, Surveyed)
05. Proposed Development Areas	14. Next Most Ready (TP Layouts)
06. Public Open Spaces	15. Established Pre-1994 Areas (No Planning)
07. Other Developable Areas (Schools & Business Sties)	16. Established (1995-2003 Areas, No Planning)
08. Unserviceable Land	17. Established 2003-2008 Areas
09. Private Land	

9.5.2 Greenfield Developments

The development of Greenfield Sites to accommodate beneficiaries relocated from existing informal settlement areas and backyard shacks has been the main cornerstone of the NMBM Housing Delivery Strategy.

The relocations generally occur to Greenfield areas mostly located on the periphery of the City and on Municipally owned land that is planned and earmarked for housing development in the Spatial Development Framework. The relocation is dependant on the finalisation of town planning layouts, townships establishment and compilation of General Plans and the installation of bulk and internal services.



The beneficiaries generally move from a shack to a shack onto planned and surveyed sites (some partially or full serviced sites) to await a top structure to be built later.

The City acts as the Developer and performs all the functions required of a Developer, either directly or indirectly or through the Consultants and Contractors appointed to perform various tasks. The City has planned in excess of 24 500 sites for the Greenfield housing projects.

9.5.3 Extended Peoples Housing Process (EPHP)

Provides beneficiaries with greater choice on how to use their subsidies and introduces amendments to the original PHP process. The NMBM earmarked serviced sites for the development of housing using the people's Housing Process on a number of projects with varying degrees of success. The City received a National Award for PHP projects a number of years ago. Despite initial successes with the PHP process the City also experienced significant problems in the implementation of the PHP process which include the following:

- Reluctance and/ or inability of beneficiaries to make the financial and labour contributions as set out in the Policy.
- Poor quality of houses resulting in the need for extensive rectification process to be undertaken.
- Beneficiary identification and housing allocation problems and discrepancies.
- Difficulties in the management of contractors resulting in delays with housing delivery and non-payment.
- Slow disbursements of funds from the Provincial Department of Housing Settlement (PDHS).
- Delays in approvals and signing agreements.
- Challenges with NHBRC enrolments resulting in slow disbursements of funds.

9.5.4 Consolidation Subsidies

Various consolidation subsidies are available to beneficiaries of previous government housing assistance who received serviced stands on ownership (e.g. Site and Service Projects managed by the Independent Development Trust). The Subsidy is available for project based and individual subsidies with the Municipality playing the role of Developer.

Beneficiaries qualify to receive a subsidy equal to the current subsidy either for the construction of a top structure and/ or the upgrading of a house which does not comply with minimum standards, NHBRC certification and/ or the upgrading of engineering services that do not comply to the minimum standards and require to be replaced or upgraded.



The Consolidation Subsidy Programme in the NMBM would apply to the former Site and Service Schemes and Discount Benefit Housing Schemes, which include:

- | | |
|------------------------------|-------------------------|
| • Soweto-On-sea (Zanemvula): | Site & Service |
| • Walmer Dunes Area 3: | Site & Service |
| • Helenvale Area 5: | Site & Service |
| • Old Helenvale: | Discount Benefit Scheme |

The Zanemvula Project will address the problems in Soweto-on-Sea. The Housing Strategy for Old Helenvale, compiled as part of the Helenvale Urban Renewal Programme proposes the upgrading of 1943 two-roomed units, relocation and/ or formalisation up to 900 backyard shacks, the development of infill housing to accommodate families to be relocated from overcrowded units and the upgrading of overloading and damaged engineering services.

The project close up reports for Helenvale Area 5 and Walmer Dunes identified a number of properties on which sub-standard top structures have been built some with an incomplete house and cases where the toilets were built on wrong sites. A Comprehensive Survey of the former Site & Service Schemes in the NMBM is required in order to establish the extent of services and top structures upgrading that is required.

9.5.5 Integrated Residential Development Programme (IRDP)

The IRDP Programme is a paradigm shift aimed at addressing settlement inefficiencies through the development of integrated human settlements characterised by compact and dense settlement patterns accommodating a range of housing (typologies, tenure, price categories) and social economic opportunities (business, commercial and social amenities).

The programme seeks to:

- Provide for the housing, social and economic needs of different income categories.
- Do away with the need to identify subsidised housing recipients upfront.
- Provides for both fully subsidised and financed linked housing, social and rental housing, commercial, institutional and other land uses to be developed.
- Promote integration through the development of bonded and subsidised housing as appropriate for location.



The projects under the IRDP programme can be provided into two phases:

- Phase 1: Planning, Land Acquisition, Township Establishment and providing serviced residential stands in a variety of price categories.
- Phase 2: Construct housing for qualifying beneficiaries and sale of stands not identified for subsidized housing for contractor built housing and to commercial developers.

The NMBM has resolved to implement the following as Integrated Residential Development Projects (IRD's).

Motherwell NU12, NU29-NU31	<ul style="list-style-type: none">• Draft layout for 12 000 units which include all housing types and income categories is complete and awaiting Municipal Approval.• Business plan for R1,2 billion has been submitted and approved in principle by the Services Installation is proceeding for ±2200units for fully subsidized housing on portion of NU29 phases 2 Stages 1 and 2.• Procurement Strategy to be finalised by Council in due course.• A Request for Proposals for Development of Various phases will be advertised in due course.
Wells Estate	<ul style="list-style-type: none">• Proposed restructuring zone and project will encompass the full range of housing types and income categories.• Estimated 7500 units can be accommodated and draft layout not yet completed.
Hunters Retreat	<ul style="list-style-type: none">• LSDF approved and site is within a proposed restructuring zone.• Estimated that 14 000 units can be accommodated but draft layout not done.• A request for proposals (RFP) to be advertised in due course.
Zanemvula	<ul style="list-style-type: none">• NMBM to provide detail.
Chatty	<ul style="list-style-type: none">• NMBM to provide detail.



9.5.6 Social Housing

The City has adopted a policy for Social Housing aimed at providing higher density and subsidized housing projects that are implemented, managed and owned by independent and accredited Social Housing Institutions. The scale of delivery is still low and it is expected that this will increase as more institutions are accredited or more projects are enrolled for accreditation by developers. The procurement of land and buildings and obtaining the necessary planning permissions will go a long way to increasing the role of demand.

The NMBM has identified the development of Social Housing aimed at those earning below R3 500.00 per month as a priority. Social Housing is to be provided within the approved and proposed Restructuring Zones to enable the urban poor to live close to the areas of vibrant economic growth and places with adequate social and community facilities, mostly within and adjacent the CBD and along Public Transport Corridors.

The NMBM has accredited two (2) Social Housing Institutions to partner the City in the delivery of Social Housing Institutions, namely Own Haven and SOHCO following the formal signing of agreements in September 2009.

The Imizi Housing Association which is in the process of building GAP Social and Rental Housing in Walmer is not yet accredited by the City

9.5.7 Other Programmes & Financial Instruments

The City does not utilise the full subsidy and financial instruments available for housing delivery as set out in the National Housing Code 2009, elaborated on below:

- **Affordable Rental Housing**

Aimed at eradicating housing backlogs through the provision of rental housing for low income persons who cannot be accommodated in the formal private rental market and can be accessed through Community Residential Units (CRU) and Social Housing Units.

The City does not have a policy for CRU Units that are owned and managed by the Municipality as required by legislation for a number of reasons which include:

- CRU is a recent policy directive. The City needs to develop a comprehensive strategy for CRU housing before it can start implementing the policy.
- Over the years the NMBM Municipality has downscaled its Housing Department due to the decision by National Government to sell off the Pre-1994 Rental Housing Stock.
- Emphasis on freehold title in subsidy programme has negated rental housing.



- The NMBM also adopted a policy to transfer all non-core assets, including housing formerly held under the 99 year lease schemes and community facilities to tenants and Section 21 companies or Trusts respectively. The implementation of CRU would require the decisions to downscale the Housing Departments Property Management Portfolio to be reversed. These decisions will have financial (offices, equipment, policy strategy, etc.) and human resource (staffing) implications. The City will require additional financial and technical assistance from National and Provincial Governments to be able to fulfil the City functions effectively.

Indications are that there is a significant demand for CRU Housing based on the following:

- Preference for rental accommodation amongst the LSM Levels 5 and 6 who constitute the bulk of the metro's working population .
- High occupancy levels for rental flats in the CBD (estimated to be around 97% in 2005). Incidence of 49 009 (55.79%) beneficiaries in the NMBM waiting list living in backyard shacks in existing townships often renting rooms from land lords without formal contracts being agreed and no protection from summary evictions.
- A significant number of potential beneficiaries often do not qualify for the subsidy either because they own a fixed property elsewhere or earn more than the maximum income for subsidy housing or do not have own dependants, or the households are headed by minors and/ or aged persons who are single and have no dependants.

- **Individual Subsidies**

Individual subsidies are available to beneficiaries to utilise the subsidy to acquire an existing house or a serviced site linked to a building contract. The individual subsidy instrument can stimulate the local housing market, promote growth of local builders and emerging property entrepreneurs. Individual subsidies can either be:

- **Credit Linked:** For Beneficiary who can afford a mortgage loan finance and need to apply for a subsidy which is linked to credit from financial institution.
- **Non-Credit Linked:** Individuals who cannot afford mortgage finance and do not meet loan qualifying criteria can utilise the subsidy to acquire serviced land through small to medium sized house construction projects.

Demand for Individual Subsidies would include:

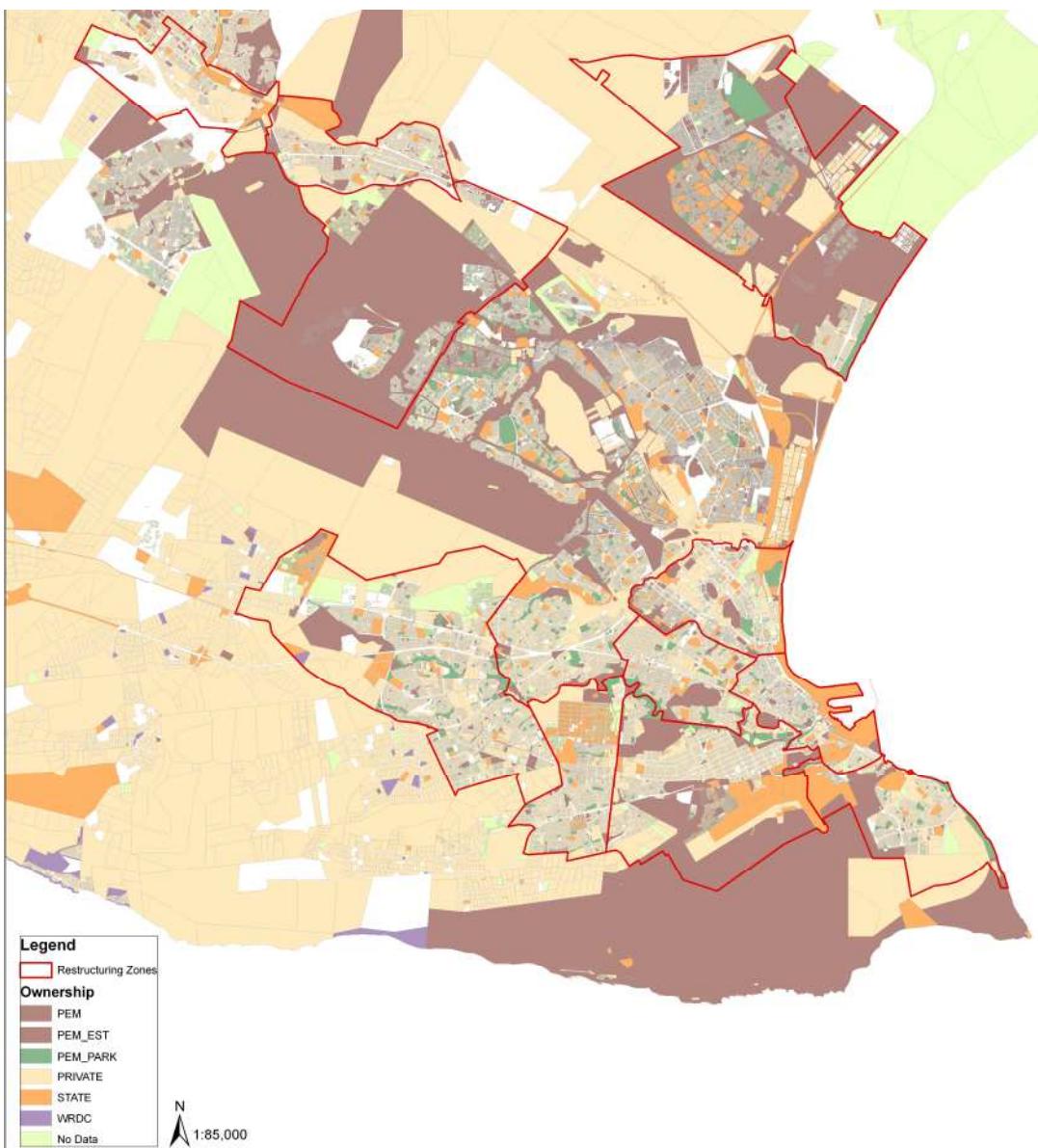
- Military Veterans
- Aged persons with no dependants and children
- Beneficiaries who earn above the maximum subsidy limits set by MEC but wish to stay within mass housing project areas
- Disabled persons who meet qualifying criteria
- Developer driven (small and emerging) constructor housing



10 LAND OWNERSHIP

10.1 General

Unlike other metros the NMBM owns large tracts of land in the Metro and uses the land for the development of housing that it manages and delivers in accordance with the Seven Year Housing Strategy. The problem is that the municipally owned land is located far from places of employment, and from the CBD and the development of such land exacerbates urban sprawl. This has prompted the Metro to declare Restructuring Zones where development aimed at bringing lower income beneficiaries closer to places of employment and to benefit from an improved residential market will be promoted.





OWNER	VACANT LAND OWNERSHIP PER RESTRUCTURING ZONE(HA)										
	MBDA MANDATE AREA	WALMER	FAIRVIEW	HUNTERS RETREAT	NEWTON PARK	MOTHERWELL	2010 STADIUM PRECINCT	GREENBUSHES	UITENHAGE	DESPATCH	BLOEMENDAL
Municipal	124.8	4609.9	114.7	504.9	484.1	2598.6	153.2		1189.7	3386.9	3853
State	284.2	299.7	162	369.5	79	266.3	393.9		113	256.9	14.98
Private	270.8	1547.6	999.3	42213.8	524	4382.3	796.3		834	1796.2	958.9
Total	679	6457.2	1276	43088.2	1087.1	7247.2	1343.4		2136	5440	4826.8

NMBM will be approaching the State for state land to be transferred or donated to the municipality for the development of social and rental housing. However as most of the land in the Restructuring Zones is in private ownership, it will be necessary to develop a policy to acquire and assembly private land if the metro is able to restructure the city to any significant extent.

10.2 Land Availability

The 30 projects identified by the Municipality for implementation starting from the 2011-2012 financial year are on municipally owned land. This is partly the reason why the municipality has continued with the development of the land even though some of the areas are poorly located in respect access to economic opportunities, public transport corridors and the CBD.

10.3 Strategic Land Parcels for Future Housing Projects

The NMBM has resolved to identify vacant and underutilised Municipal Land(strategic land parcels) that has great potential to attract investment and promote development and which needs to be developed for infill housing, social/ rental and/ or affordable housing mixed with other local economic activities and community facilities . The areas are aimed primarily at restructuring the unequal urban settlement pattern through the development of residential areas closer to areas of employment and to reverse sprawl. It is expected that development guidelines for these strategic areas shall take into account the principles of the DFA, the SDF and other legislation aimed at creating efficient and integrated settlements.

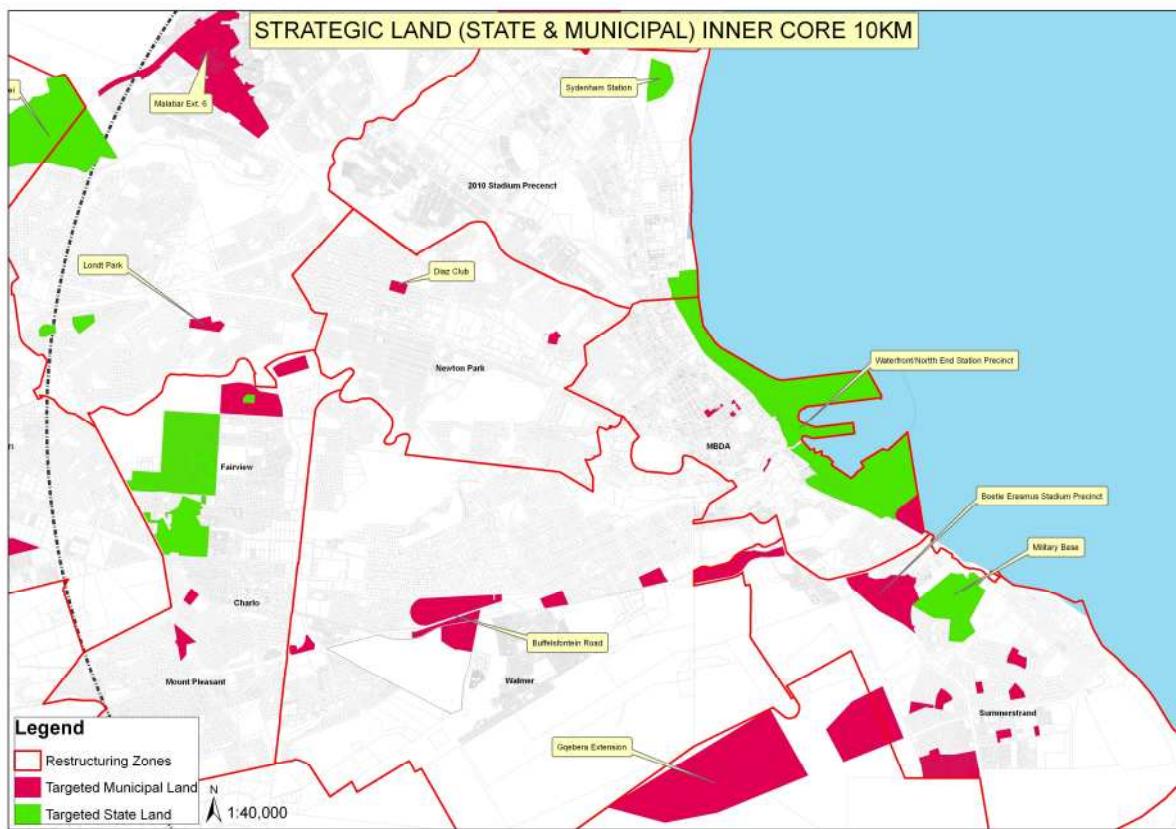
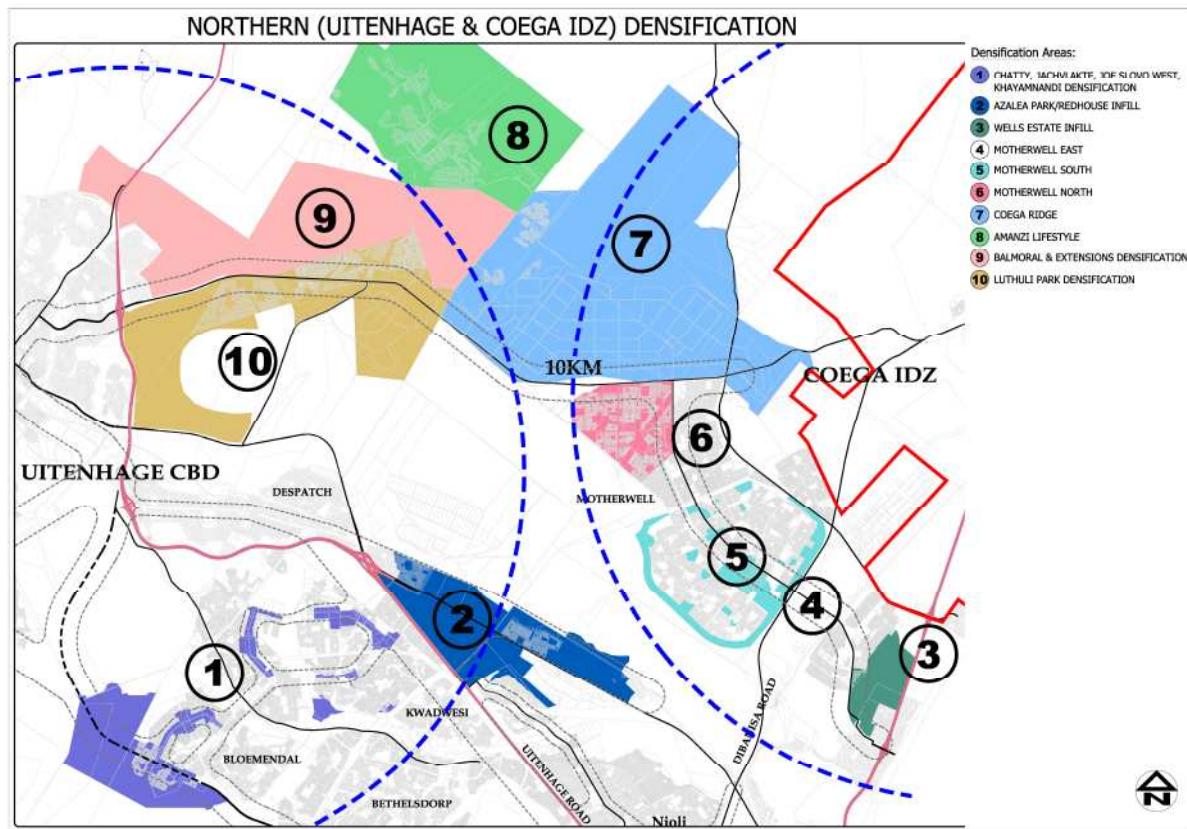
NAME	REMARKS
Parsonsvlei	Large tracts of privately owned land situated 10kms west of the CBD
Lorraine	Potential for infill development on privately owned land approximately 10-12km south west of the CBD.
Motherwell	Situated between 25-30km from the CBD and 5-10 km from Coega. Designated as a Presidential Urban Renewal Programme and comprises large tracts of publicly owned land with infill potential and informal housing. Although it is located far from the CBD and major employment areas although proximity to Coega IDZ and Markman Industrial Area is a major advantage.

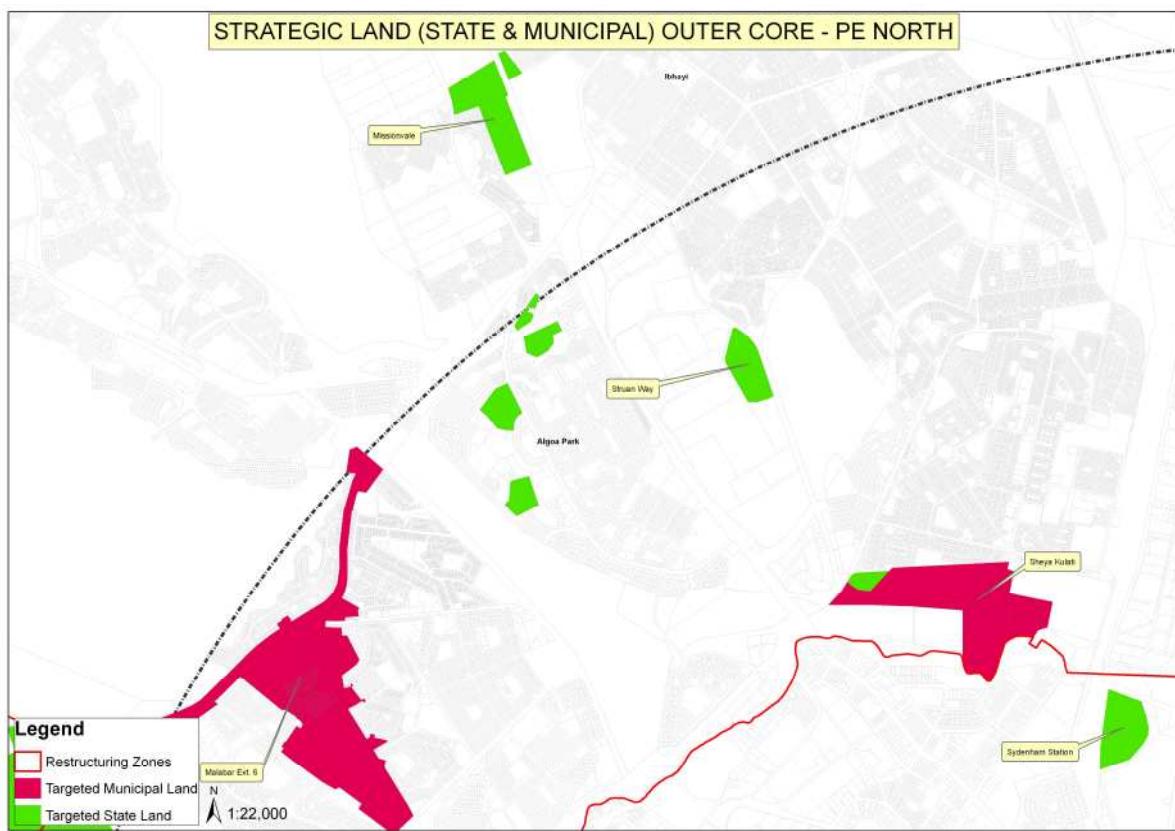
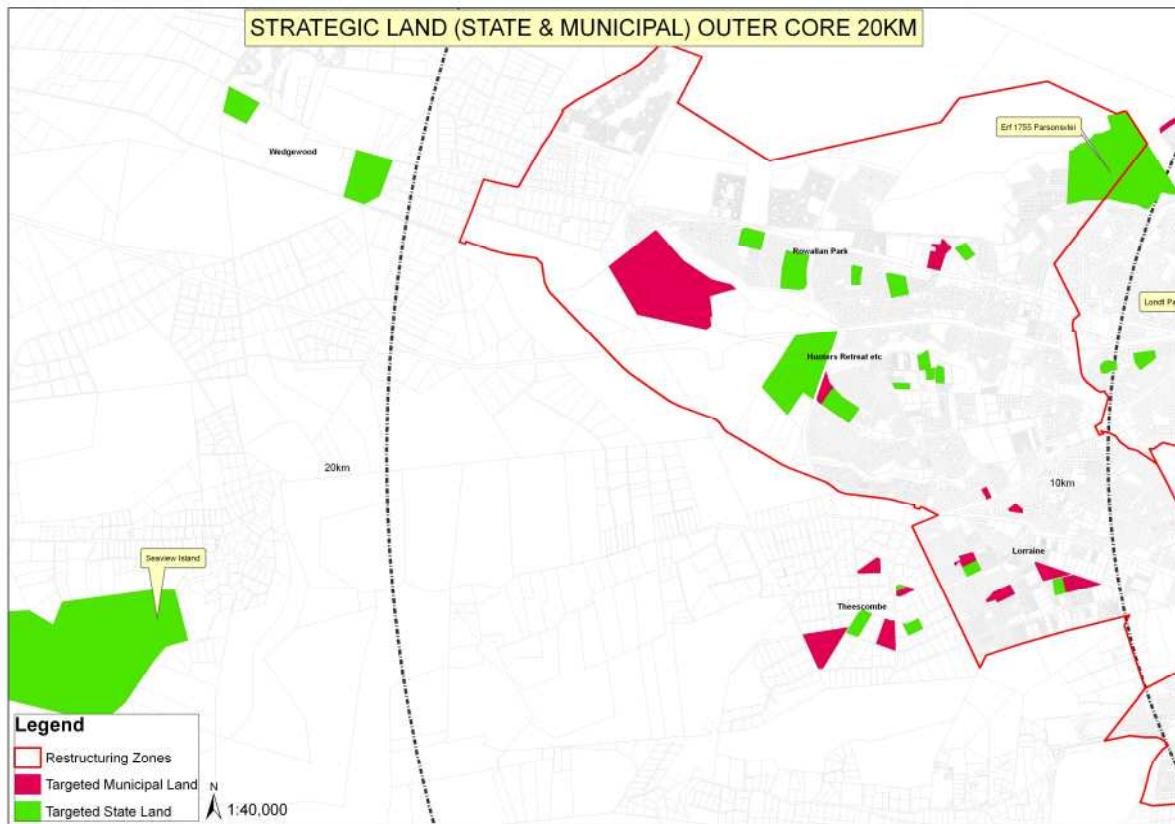


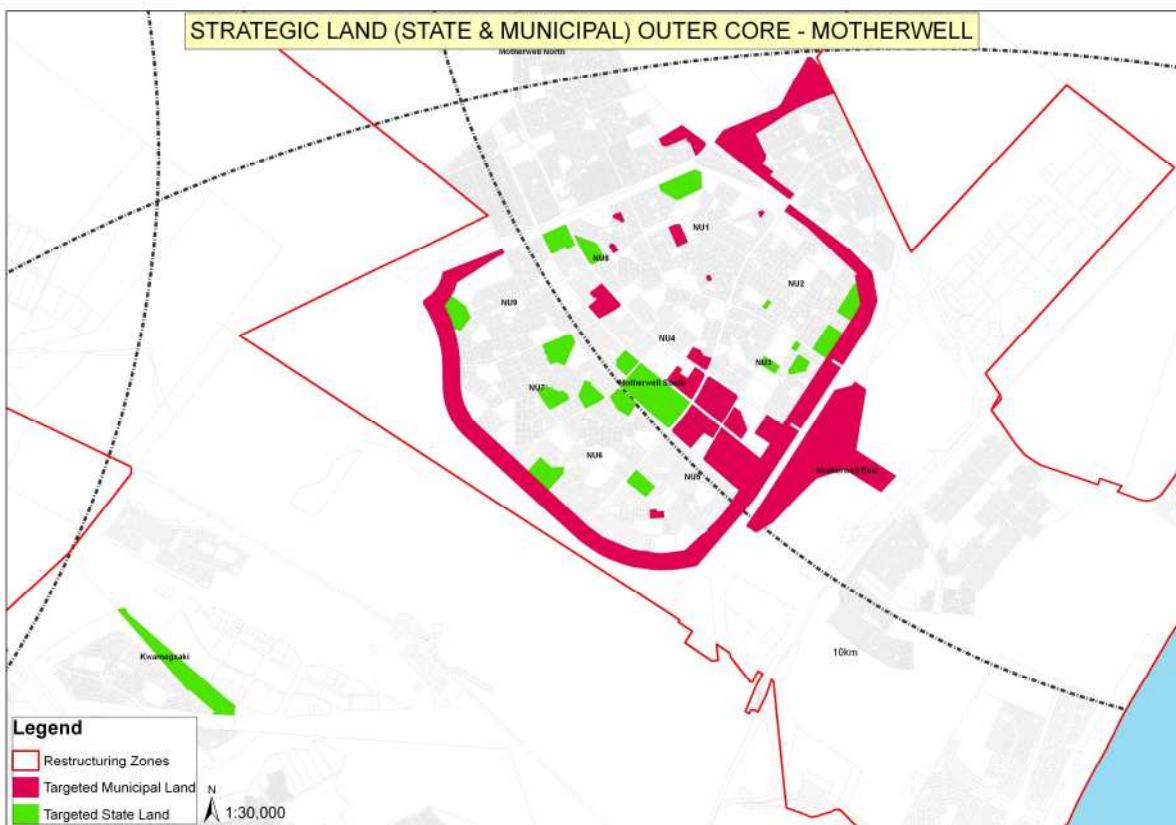
NAME	REMARKS
Chatty Phases	Essentially a greenfields relocation area on publicly owned land situated 20km from the CBD and far from established employment areas, amenities and facilities. The density of existing development is low and area lacks population threshold to support significant services.
Summerstrand	Located 5kms for the East of CBD, in a high income residential area and major tourist destination in the City. Publicly and privately owned vacant land is limited and the bulk of development would require redevelopment of existing properties at higher densities. Proximity to the university makes it ideal for development of student accommodation. The cost to access land, property and social resistance to change is likely to be high.
Wells Estate	Situated 10kms to the North-East of the CBD, with ease of access to the City via the N2, (\pm 10 minutes) to the Coega IDZ (\pm 5kms), close to the St Georges/ Wells Estate, Coastal Recreation belt (\pm 10 minutes walk), has large tracts of publicly owned land, portion of which is already planned and developed for low cost (RDP) Housing. Vacant land adjacent to the Bluewater Bay and Amsterdamhoek suburbs which is ideal for the development of an Integrated Residential area.
Hunters Retreat	Situated approximately 15kms on the western outskirts of the City along the N2. Part of the area is earmarked for the development of the Bay West Regional Shopping Mall and Integrated Residential development. Area is characterised by large tracks of vacant public and privately owned land that can be developed around the proposed Regional Mall for a variety of mixed uses (e.g. residential, retail, commercial, etc.)
Newton Park	Situated 5kms for the west of the CBD and contains significant residential, commercial, retail and community facilities, including the 42 000m ² . Greenacres Regional Shopping Centre. Opportunity exists to redevelop existing and developed residential properties some of which have been zoned for Business III or Business I in line with the out-dated Policy Plan for the Newton Park Area. Area is ideal for residential intensification served by a major public transport corridor (Cape Road) to the west of the City due to the large size of residential erven, low coverage, single storey and low density nature of the existing development.
2010 World Cup Stadium and Environ	The 2010 Stadium Precinct and Environs is earmarked for regeneration for leisure and entertainment, residential intensification, SMME development and retail given the good location at the northern edge of the CBD and at the confluence major routes, public transport corridors and IPTS Routes (Harrower/ Standford Road, Govan Mbeki, Kempston Road and Commercial Road).
Greenbushes	Situated 14km to the west of the City Centre and contains large tracts of mostly privately owned land that is suitable for the development (light) industries and integrated residential development. Destination point for the IPTS along the Cape Road Corridor.
Azalea Park, Redhouse, Joe Slovo North and Perseverance	Situated within 10kms of Uitenhage CBD and about 15- 20kms from PE CBD. The site is highly accessible and visible from R75 and Swartkops Road. Provides an opportunity to integrate PE, Uitenhage and Despatch, upgrading of Redhouse and Swartkops Estuary and extension of Perseverance Industrial Area.



FIGURE 9: STRATEGIC LAND PARCELS









11 SPATIAL AND POLICY PROPOSALS FOR NMBM HUMAN SETTLEMENT PLAN

11.1 Key Strategic Objectives

The NMBM through the IDP set strategic objectives for housing delivery. The following proposals need to be implemented through the Human Settlement Plan towards meeting the strategic objectives

KEY OBJECTIVES	IMPLICATIONS FOR HUMAN SETTLEMENT PLAN
Planning and development of Integrated Sustainable Human Settlements	<ul style="list-style-type: none">- Implement all housing subsidy options including:<ul style="list-style-type: none">-Gap/Affordable Housing-Social Housing, Community-Residential Units, Special Housing)-Informal Sector Upgrading-Formalisation of Backyard Shacks- Access all available financial instruments as set out in National Housing Code 2009 including individual subsidies, plot and plan projects, owner built projects, social and rental housing, consolidation subsidies, project linked subsidies, etc- Identify, secure and assembly well located municipal, public and private land for the development of IRDP projects- Implement a range of housing options to create mixed settlements and to attract a mix of beneficiaries of different incomes- Develop guidelines for Higher Density and Integrated Residential Settlements to assist in urban planning and layout design- Open up housing delivery to other agencies to reduce reliance on Municipality as the main delivery vehicle. This will free the metro to play a facilitative and supporting role.
To eradicate housing backlog	<ul style="list-style-type: none">- Engage National and Provincial Government to obtain priority funding for mass housing delivery models through submitting Business Plans and Project Plans for priority projects.- Focus on spending allocated budgets to prevent return of unspent funds



KEY OBJECTIVES	IMPLICATIONS FOR HUMAN SETTLEMENT PLAN
	<ul style="list-style-type: none">- Facilitate policy changes in order to allocate land to financial institutions, private developers, community based partners to assist the municipality in housing delivery at scale and to address the massive and growing backlog within the horizon set out in the IDP.- Identify partners and secure agreements through MOU's for Turnkey Projects that will deliver projects at scale, with Financial Institutions, Private Developers, Big and Small Contractors and Community Based Organisations(CBO's)-Identify delivery bottlenecks and develop proactive and innovative plans to address these as part of the Level Two Accreditation Strategy- Accelerate the provision of serviced stands and rapid land release to enable individuals, emerging developers and medium sized developers to build houses on a "plot and plan" basis alongside the big projects by the NMBM.- Put out Requests for Proposals (RFP's) calling on Developers, Private Land owners, financial institutions and Informal Sector Organisations, Savings Clubs, Co-operatives to submit housing proposals according to their technical ability, capacity and financial strength from which the Metro can choose.-Improve project management skills, among the staff, simplify procurement methods to open up the housing delivery process beyond the metro(and “metro house” approach)etc
To eradicate informal settlement by 2014	<ul style="list-style-type: none">- Facilitate in -situ upgrading and minimise relocations of informal areas-Provide funding for the registration of beneficiaries and the planning of informal settlements in order to build a comprehensive data base. This should include the social and physical surveys of each settlement, marking and numbering of all shacks, proliferation survey, etc- Support a range of housing options and typologies- Review Current Plan and Prepare an Updated Informal Settlement Plan and Master Plan for the City



KEY OBJECTIVES	IMPLICATIONS FOR HUMAN SETTLEMENT PLAN
	<ul style="list-style-type: none">- Provide basic services incrementally and allow for regularisation to create security of tenure over time.Accelerate provision of serviced sites to alleviate poverty and promote dignity while communities wait for top structures.- Establish community partnerships and networks to curb illegal land invasions- Develop a campaigns to informal land owners about responsibilities towards prevention of illegal land ownership- Develop relations with SAPS and Community Police Forums to prevent illegal land invasions- Identify land for housing that is well located in relation to work opportunities which in turn will act as a preventative measure against illegal land invasion.find resources to acquire the land as set out in the land assembly strategy.- Identify and develop land with rudimentary services for reception areas where people can settle lawfully as part of the IDP and SDF- Procure agreements with major land owners (Government Departments) to allow Municipality to act swiftly against invasion
To implement community and people driven housing development processes	<ul style="list-style-type: none">- Enhance stakeholder participation in the planning and development of policies- Build partnerships with informal settlement communities and their representatives and agents, including savings clubs, forums for various informal settlements (e.g. Informal Sector Networks (ISN), FEDUP, NGO's, micro finance organisations (e.g. Ubutyebi Trust), private land owners of illegally occupied land.- Incorporate EPWP and EPHP procedures for housing construction programmes and projects- Facilitate partnership with key stakeholders including local emerging builders, representatives of major employers, housing finance lenders, accredited social housing institutions.



KEY OBJECTIVES	IMPLICATIONS FOR HUMAN SETTLEMENT PLAN
To develop a competent and professional housing team	<ul style="list-style-type: none">- Recruit and appoint competent staff and project managers- Staff training and capacity development of staff- Develop an Implementation Plan for Level Two Accreditation and implement systems starting from 2011- 2012- Facilitate Level Three Accreditation for period 2012-2013
To ensure fair, efficient and transparent system for the allocation of houses	<ul style="list-style-type: none">- Establish a Comprehensive Housing Waiting list- Obtain access to HSS System and obtain hardware and software to manage a Comprehensive HSS System and Electronic database- Train Staff to render effective services.- Introduce monitoring mechanisms to ensure full compliance with criteria- Develop criteria for allocating per project
To review land use management policies to facilitate integrated housing development	<ul style="list-style-type: none">- Implement Sustainable Communities Planning Guidelines- Prepare innovative land use and planning guidelines to promote sustainable settlements in line with national policies- Complete the Integrated Zoning Scheme Project to usher in an integrated scheme across the City.- Integrate the various LSDF's prepared for the various parts of the City to ensure development that is consistent with the national policy framework.
To investigate alternative sources of funding for housing delivery	<ul style="list-style-type: none">- Approach national and provincial housing departments for additional funding- Identify Donor Agencies and External Partners that can contribute funding towards housing delivery and management



11.2 Spatial and policy proposals

The SDF has identified the integration, sustainability, mobility and activity corridors, enforcement, urban fence, central city upgrading and conservation of the built environment as the main pillars for the restructuring the City. The Human Settlement Plan proposes to respond to this framework through the following spatial interventions:

11.2.1 Integration

PURPOSE <ul style="list-style-type: none">• Maximise choice in all aspects of life
STRATEGIC POLICY INTERVENTIONS <ul style="list-style-type: none">• Increase densities• Promote mixed use and sustainable settlement patterns
BENEFITS OF INTEGRATION BASED PLANNING <ul style="list-style-type: none">• Improve access to services• Create opportunities close to where people live• Makes provision for facilities more efficiently• Better utilisation of land, buildings and services• Improve housing quality through delivery at scale• Better and bigger green areas to improve environmental and aesthetic quality in human settlement• Protect agricultural land against urban encroachment
RECOMMENDED SPATIAL POLICY INTERVENTIONS <ul style="list-style-type: none">• Adopt minimum residential density guidelines for new development areas, even those removed from the City Centre, which are to be planned at higher densities (at least 40 units/ ha). Future development densities to average at least 40-50 units/ Ha (not 20 units/ Ha as is the case at present in some of the current existing residential developments).• Promote integration of various uses though mixed use development approaches• Infill development on vacant and derelict land and underutilised buildings not required for other purposes• Increase densities on and along Transport Routes transport routes and activity Corridors, through development of Nodes and Activity Streets for higher building and residential density (multi-unit and mixed use buildings) ($\pm 400-800m$)• Promote smaller residential erven for lower income developments ($80-120m^2$) as the $200-250m^2$ currently used/ or preferred are no longer sustainable• Set maximum erf sizes of say $120m^2$ for low cost housing projects in good locations.



- Layouts to contain and make provision for corridor planning that will promote mixed development in terms of:
 - Housing typology (move away from single house per stand to row, semi and duplex units and walk-up)
 - Tenure: Promote mixed tenure within residential areas, (Freehold, Rental, Social Housing, Sectional Title)
- Land Use Mix: (Business, Commercial & Residential, Light/ Clean Industry, etc.)

11.2.2 Sustainability

PURPOSE

- Meet current needs without compromising the ability for future generations to meet own needs

STRATEGIC POLICY INTERVENTIONS

- Sustainable Community Planning Principles to be applied in planning and decision making

BENEFITS OF SUSTAINABILITY

- Self-sufficient neighbourhoods within walking distance of most community residents
- Reduce travel costs, time and effort
Increase individual choice and accessibility

RECOMMENDED SPATIAL POLICY INTERVENTIONS

- Protection of human health through provision of basic services to all.
- Preservation of biological diversity
- Protection of natural and cultural resources
- Poverty alleviation, through Local Economic Development
- Public and Community involvement to harness all local resources and built pride and good citizenship
- Create neighbourhood planning units that contain all facilities, services and job opportunities close to place of residence.
- Accommodate different housing typologies, income groups, densities, within residential neighbourhoods, etc.
- Enforce densification of residential areas within 2kms of most nodes in order to create higher population thresholds around major nodes(e.g. Greenacres, Walmer Park, Cleary Park, Motherwell, Njoli Square, etc)



11.2.3 Mobility and Activity Corridors

PURPOSE <ul style="list-style-type: none">• Use infrastructure and land efficiently• Prevent unnecessary extension of road networks and keep extensions (roads and rail) to the absolute minimum
STRATEGIC POLICY INTERVENTIONS <ul style="list-style-type: none">• Densification and mixed use along public transport corridors, along railway lines and around railway stations and nodes.
BENEFITS OF CORRIDORS <ul style="list-style-type: none">• Promote better use of infrastructure• Minimise the need to extend networks unnecessarily<ul style="list-style-type: none">Make public transport to be more viable than private transport
RECOMMENDED SPATIAL POLICY INTERVENTIONS <ul style="list-style-type: none">• Review services standards (narrower road widths, shared service connections and promote use of mid-blocks services where it is efficient and cheaper).• Increase residential and commercial densities along transportation corridors not merely permit low intensity businesses ($\pm 50\text{-}100$ units/ ha)• Transform main routes into activity and development corridors• Make the environments along corridors conducive to residential development to attract more people to live there• Prepare a Transport Plan for the City that will:<ul style="list-style-type: none">– Initiate the development of transport corridors looking at type, location, nature of corridors, etc.– Study transport routes in NMBM and develop policy guidelines to make them successful public transport routes integrated with land-use.– Focus on Khulani Corridor as a start and apply lessons learnt to other parts of the Metro– Develop public spaces and plazas as part of public transport corridors to attract more residential development.

11.2.4 Enforcement

PURPOSE <ul style="list-style-type: none">• Enforce innovative land use policies and by laws (e.g. land invasion)
STRATEGIC POLICY INTERVENTIONS <ul style="list-style-type: none">• More effective enforcement of land use policies in order to prevent illegal uses



- Amend outdated policies that promote illegal uses, low density urban sprawl and mono-functional land uses as appropriate

BENEFITS OF ENFORCEMENT

- Protect public good and health
- Provide certainty and prevent ad-hoc development by planning ahead
Instil investor confidence through consistent decision making

RECOMMENDED SPATIAL POLICY INTERVENTIONS

- Dealing with illegal uses, identify sites for rapid settlement to address emergency situations
- Prevent illegal invasion through rapid land release of well located land
- Purchase well located land to develop low cost housing will help to discourage illegal settlement as people seek to be closer to jobs by settling on land illegally

11.2.5 Urban Growth and Inner Urban Core Boundary

PURPOSE

- Urban Edge is a conceptual boundary that delineates the urban area from areas outside (peri-urban and rural areas) is agricultural holdings, etc.
- Urban Core is an inner focus area (+- 10kms of the CBD) in which priority should be focussed to bring low income persons into the City in the next 5 years.

STRATEGIC POLICY INTERVENTIONS

- Adopt urban edge to contain urban sprawl and contain development within designated areas for urban development

BENEFITS OF URBAN EDGE POLICY

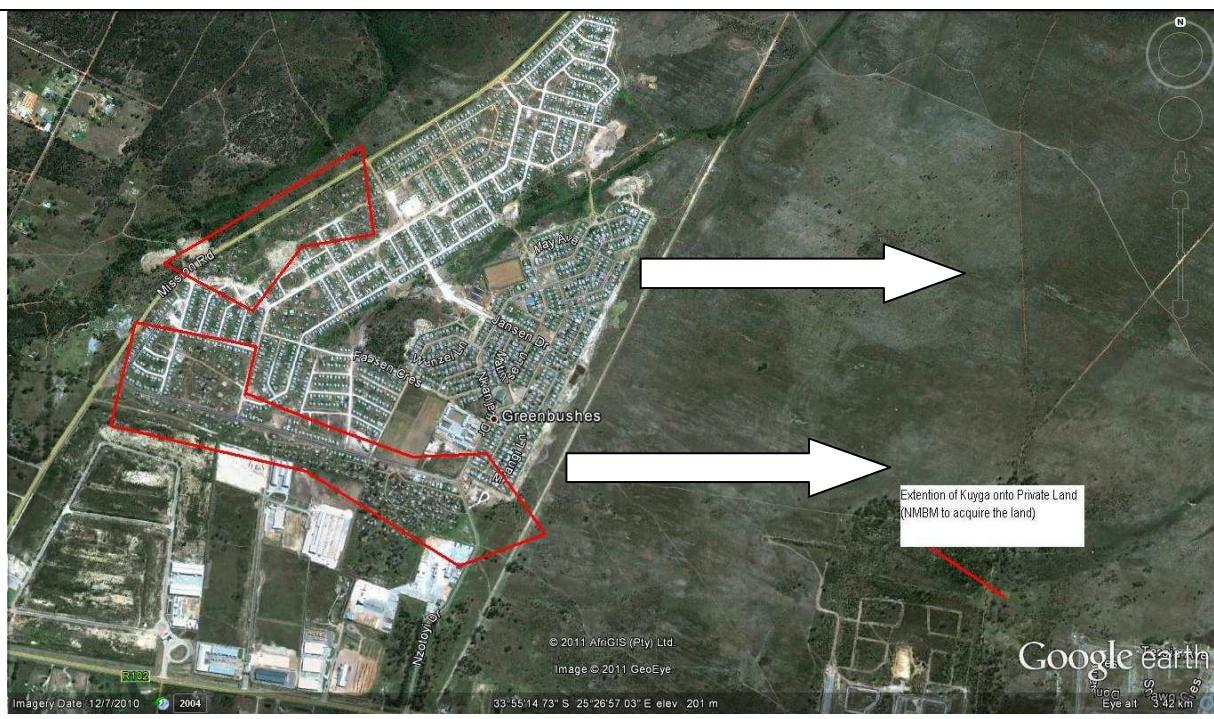
- Promote integrated sustainable and functionally efficient settlements at high urban densities (minimum ±40 units/ Ha)
- Improve accessibility to employment and services by developing human settlements on well located land.
- Utilise land and infrastructure optimally and curtail servicing costs through innovative sharing of services and higher density planning.
- Protect agricultural land and other bio-physical natural resources to safeguard food and conserve environmental areas
Keep transportation distances to the minimum

RECOMMENDED SPATIAL POLICY INTERVENTIONS

- Define an inner city core area (say 10kms from CBD) to be the main focus of densification. Encourage the relocation of low cost housing into the inner core to reverse the trend of relocating families to the periphery



- Offer incentives to land owners to offer land and/or develop land to accommodate low cost housing in the inner core over and above their target markets
- Infill development and recycling land and buildings in the inner core. All state and municipal land in the core to be assembled for housing and mixed use development to create impact.
- Adopt minimum residential densities that promote the provision of efficient public transport (at least 50 units/ Ha) particularly in the inner core. This would necessitate the amendment to current minimum erf size restrictions applicable to areas in the inner core.
- Phasing and managing development to prevent sprawl and ad hoc development
- Promote Land Use Management Policies that promote integration, efficiency and higher residential densities and amend old policies that discourage change.
- Develop policy for urban, peri-urban and rural areas as appropriate but concentrate on making the inner core more attractive to dissuade people and developers from favouring development on the periphery.
Introduce a set of incentives and disincentives for appropriate development inside and outside the Urban edge.
- Discontinue the policy to relocate informal settlements on private land in Parsonsvlei, Greenbushes, Ericadene and Kragga Kamma to areas outside of the Urban Edge such as Rocklands, St Albans, etc to municipal, state land inside the urban edge. Where no State or municipal land is available the metro should engage with land owners to either allocate part of their land for in-situ upgrading of informal settlements, assemble land to be the destination point for a number of informal settlements on various private properties.





11.2.6 Reinforce Central City

CURRENT STATUS AND/OR PROBLEM DEFINITION

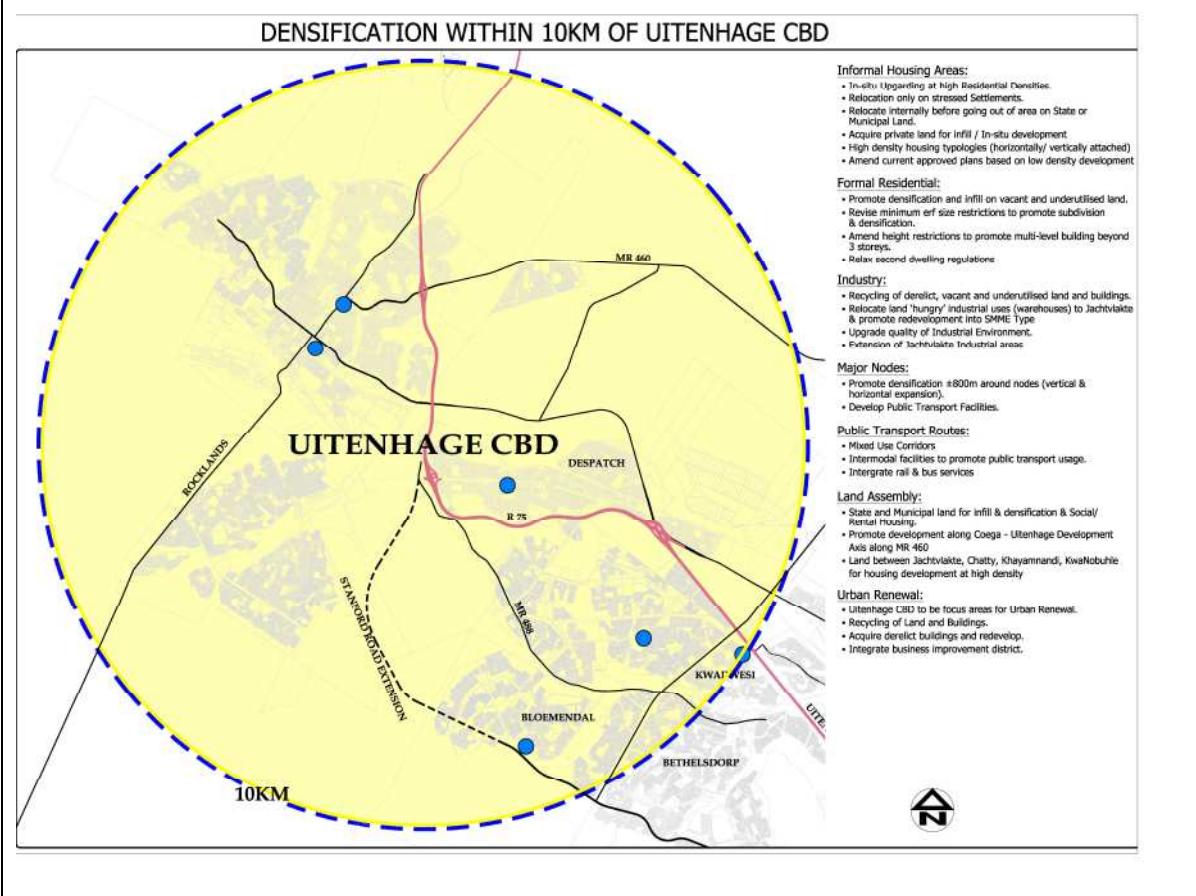
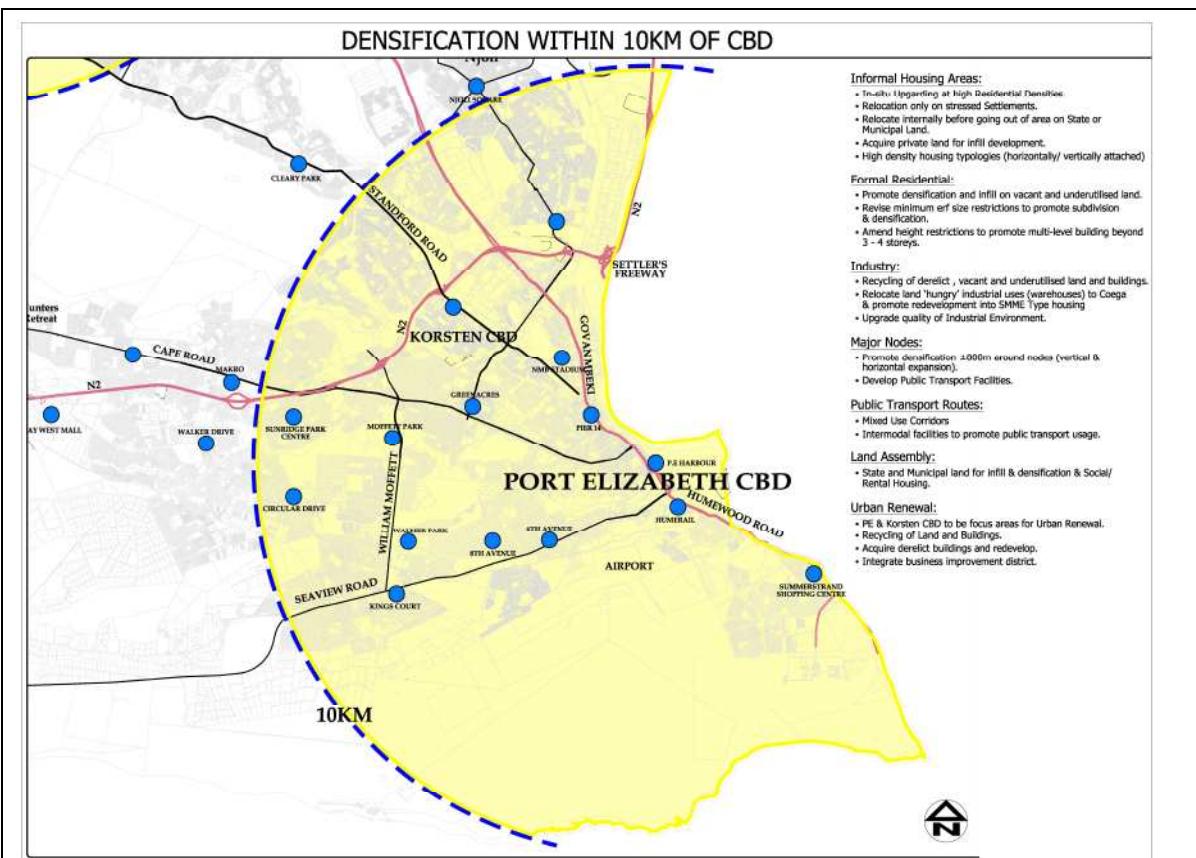
- The City Centre is often the oldest node and is the heart of the City.
- It needs to be protected in order to promote social integration
- Decentralisation of business from City of Port Elizabeth to detriment of the CBD and North End, Sidwell & Korsten industrial and commercial areas has been identified as a major concern.
- Decentralisation has been followed by the relocation of retail offices and industrial uses to Walmer, Newton Park and Fairview for North End
- Although this trend is being gradually traversed in the PE CBD and Uitenhage CBD as borne out by the recent development of small offices and service business the rate is still slow
- Despatch CBD has remained largely unchanged due to its small size

PROPOSED STRATEGIC POLICY INTERVENTIONS

- CBD Revitalisation and Urban Renewal through the recycling of land and buildings, especially upper floors, derelict Transnet land in Harbour Precinct, etc
- Create City Improvement Districts (CID's) to focus efforts into specific areas(e.g. Baakens) Valley Precinct
- Recycling of vacated buildings and offices and underutilised/ derelict land for Social Housing
- Recycling of vacated industrial premises into smaller SMME type and mixed use enterprises that can co-exist and are compatible with residential environments
- Promote CBD revitalisation through environmental upgrading to prevent decay that tends to promote or exacerbate the flight from CBD. Lend support to initiatives of the MBDA to improve the CBD and extend initiative to the Uitenhage and Despatch CBD.
- Promote intensification of residential densities and mixed use within and adjacent the decentralised nodes through the recycling of underutilised buildings and single residential erven for Social (Rental and Institutional) Housing.

BENEFITS OF CBD RENEWAL

- Prevent and discourage further decentralization of business from the CBD through incentives and policy and density penalties as appropriate.
- Maximise on location, main civic facilities and retain civic role of the CBD
- Recycling of derelict and underutilised land and buildings
- Infill development on land within existing and well served residential areas





RECOMMENDED SPATIAL POLICY INTERVENTIONS FOR HUMAN SETTLEMENT PLAN

- Compliment the Mandela Bay Development Agency (MBDA) in its efforts upgrade the PE CBD. Include the Uitenhage and Despatch CBD areas as Mandate Areas for MBDA or other similar agency.
- Spatial Strategic Implementation Framework for Mandate Area for PE, Uitenhage and Despatch to be updated to reflect latest policy changes.
- Promote Social Housing and Rental Housing Initiatives in the CBD's of PE, Uitenhage and Despatch on State, municipal and private land.
- Precinct Environmental Upgrading in City Centre to improve aesthetic appeal and create sense of confidence in the area. This in turn is expected to attract more private investment into focus areas.
- Focus on land assembly to develop higher density residential development in the CBD to increase population threshold within walking distance of the CBD
- Upgrade Transport Interchange into a multi-modal interchange to bring buses, taxis and commuter and passenger trains together. This will encourage people to travel to CBG by public transport, facilitate the improvement in retail and office demand and offerings in the City
- Upgrade Harbour and Station precincts to make the CBD an attractive investment and entertainment destination.

ACTION PLAN

- Draw up register of buildings and land suitable for redevelopment
- Allocate Budget to assess feasibility for conversion of buildings and to facilitate proactive planning in the 3-5 year expenditure framework
- Build partnership with Architectural Institutions and Private – Public Sector to ensure protection of heritage buildings in the City
- Procurement of buildings suitable for recycling for the development of Rental and Social housing

11.3 Conserve Built Environment

PURPOSE

- Protect historical and cultural heritage sites
- Create attractive places and spaces to bring people into the City
- Promote areas in city and region to boost tourism

POLICY STRATEGIC INTERVENTIONS

- Heritage Conservation Management Plan for the City including buildings, artefacts and places



BENEFITS OF BUILT ENVIRONMENT CONSERVATION

- Identify, manage and protect heritage assets

RECOMMENDED SPATIAL POLICY INTERVENTIONS

- Identification, grading, protection and rehabilitation of Heritage assets
- Management policies for Heritage Areas
- Preservation and promotion of heritage assets
- Heritage Asset management with Tourism Policy and City Improvement District Plans.

11.4 Built Form Proposals

11.4.1 Focus Housing along Development Axis

The Housing Settlement Plan should address built form in the following manner:

CURRENT STATUS AND/ OR PROBLEM STATEMENT

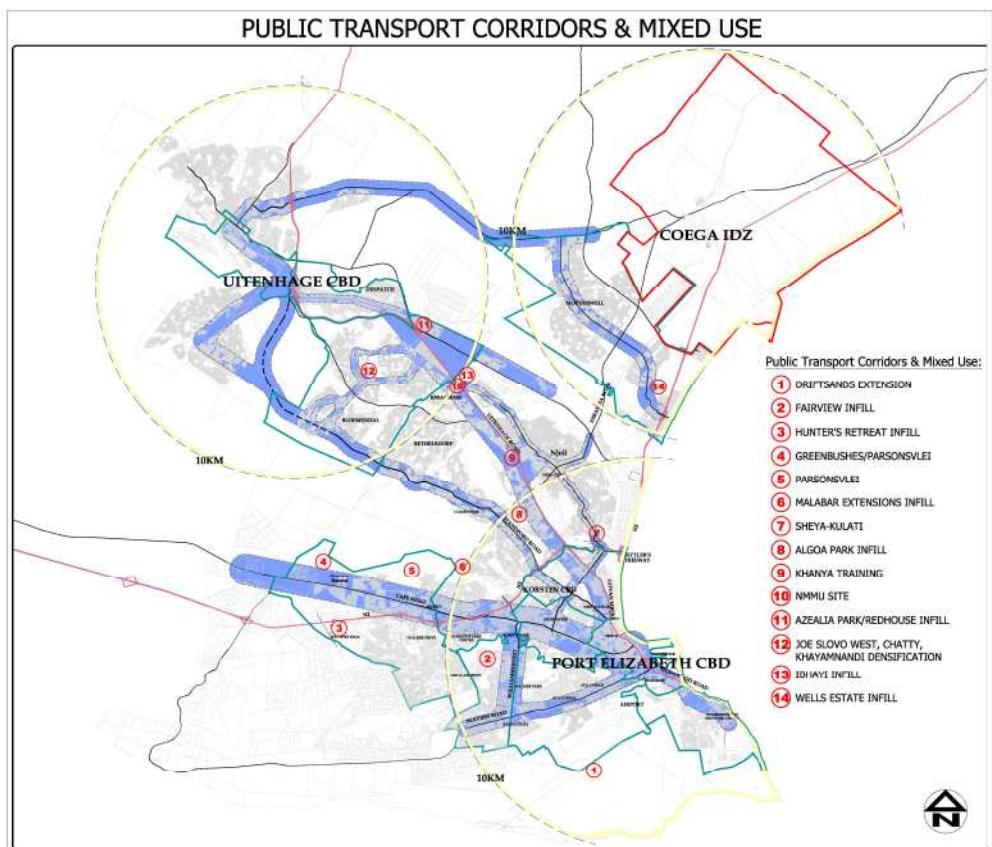
- Development Axis spreading north-westerly from Central City towards Uitenhage
- Approximately 35% of NMBM area is considered built up except for:
 - Small agricultural holdings
 - Undeveloped areas
 - Land for future urban expansions
- Major conservation and protected areas

OPPORTUNITIES PRESENTED

- Development Axis which passes through well-established Commercial, Retail and Residential areas of North End, Govan Mbeki, and significant facilities and Community Nodes, e.g. NMMU Missionvale Campus, Dora Nginza Hospital
- Development Axis supported by Public Transport Infrastructure, (including existing and declared public transport routes, proposed modal Interchanges to be build in PE, Uitenhage CBD, KwaDwesi, etc)

IMPLICATIONS FOR HUMAN SETTLEMENT PLAN

- Reinforce the development axis by utilising vacant land along the Development Axis for infill development at high density and mixed use (e.g. Algoa Park, Joe Slovo, KwaMagxaki) (Refer to Figure below)
- In-situ upgrading of all informal areas along and close to the Axis instead of promoting de-densification and relocations to areas far from the Development Axis and on the urban periphery.
- Recycling of land and buildings including state land, public open space and privately owned property within 10km of the CBD and within 400-800m of the main development axis.
Land along the public transport routes ($\pm 400\text{m}$) and close to proposed modal interchanges and local nodes (± 800 metres) to be developed more intensively



POTENTIAL DEVELOPMENT SITES

- **Missionvale Garden Lots:** Private and Public Land to be secured to promote in-situ upgrading of the area
- Missionvale NMMU Informal Settlement in-situ upgrading
- Khanya Training Centre Redevelopment for Social/ Rental Housing and High Density Housing. (Refer to Figure above)
- Algoa Park Infill: Secure State land for social, rental and group housing within and adjacent existing flats and residential in Algoa Park (Refer to Plan)
- Infill Development on the old Vista Site owned by the State adjacent Dora Nginza Hospital
- Development of land set aside for Higher Density in Joe Slovo West, Khayamnandi, Chatty through calling for proposals from Developers, Banks and Individuals to develop the land designated for higher density development in approved layouts. (Refer to Figure). This should be done ahead of opening up new areas beyond Motherwell NU29, Jacktvlakte and amongst others.
- Facilitate the development of new Integrated Residential on land Development adjacent to Perseverance, Redhouse, Azalea Park Extension (to include the extension to Perseverance Industrial Area along the Swartkops – Redhouse Road). This project to follow on after the densification of Chatty, Joe Slovo West, Khayamnandi, has been implemented.



- KwaMagxaki Infill: Between Perseverance – Existing KwaMagxaki and undeveloped school sites within KwaMagxaki
- Promote the subdivision of undeveloped residential sites and other non-residential sites in existing residential areas, e.g. KwaDwesi and KwaMagxaki to increase residential opportunities
- Identify other infill areas along the Development Axis and facilitate rapid land release.
- The metro to call for proposals, once a policy for private land acquisition, and partnerships is developed to facilitate quick development.

ACTION PLAN

- State Land Assembly: NMBM to approach the State to donate and/ or reserve land in select areas along the axis for housing development in line with the Human Settlement.
- Proposal call for partners to deliver the housing jointly with the Municipality.

11.4.2 Innovative Settlement Design and Densification

CURRENT STATUS AND/OR PROBLEM DEFINITION

- Housing development in the metro is largely characterised by urban sprawl low residential densities, limited socio-economic integration in residential areas, in efficient provision of public transport, low population threshold in general and in particular in and along the most accessible parts of the City. Authorities choose the path of least resistance giving “communities” what they want resulting in low density settlement typologies and resulting in low density settlement typologies and relocation of beneficiaries to the periphery which results in high travel time and cost to the poor.

OPPORTUNITIES PRESENTED AND IMPLICATIONS FOR HUMAN SETTLEMENT PLAN

- National policy settlement paradigm shift towards densification on general and in well located land, along public transport routes and in order to maximise the use of available land and services.
- Opportunity to use densification to restructure the City, increase population thresholds in well located areas (close to jobs, services, public transport and nodes).
- Promote the recycling of derelict land and buildings, respectively in restructuring zones.
- Development of a range of financial instruments that contribute to improving the quality and variety of housing provided in the various settlements.

POTENTIAL DEVELOPMENT SITES AND/OR STRATEGIES:

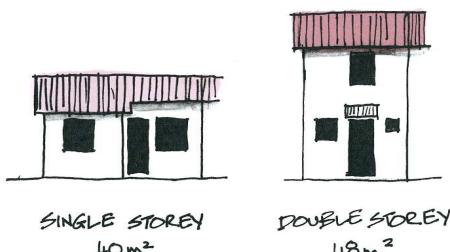
- Introduce and adopt design guidelines that contribute to the creation of a varied attractive housing typologies and densities

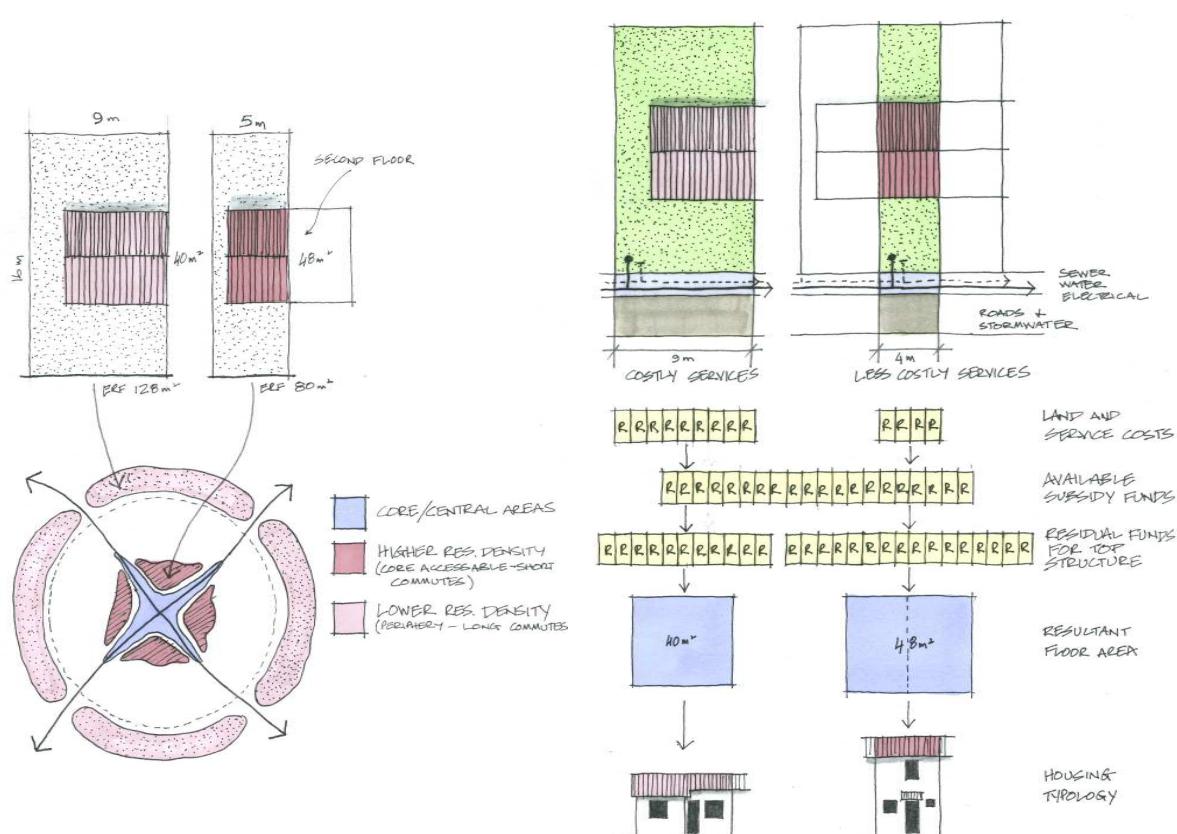


TYPE	INCOME GROUP	LEVELS	HEIGHT CAT.	PLOT SIZE	FLOOR AREA	NETT DENSITY	GROSS DENSITY Roads incl. only	GROSS DENSITY Total
Free Standing	High	1 - 2	Low Rise	500m ² - 1500m ²	100m ² - 500m ²	5 – 20 U/HA	3 – 12 U/HA	3 – 10 U/HA
	Medium	1 – 2	Low Rise	250m ² - 500m ²	40m ² - 100m ²	20 – 40 U/HA	12 – 24 U/HA	10 – 20 U/HA
	Low	1 – 2	Low Rise	120m ² – 250m ²	30m ² - 40m ²	40 – 80 U/HA	24 – 48 U/HA	20 – 40 U/HA
Semi Detached	High	1 – 2	Low Rise	250m ² - 500m ²	120m ² - 240m ²	20 – 40 U/HA	12 – 24 U/HA	10 – 20 U/HA
	Medium	1 – 2	Low Rise	150m ² - 250m ²	50m ² - 120m ²	40 – 65 U/HA	24 – 39 U/HA	20 – 32 U/HA
	Low	1 – 2	Low Rise	100m ² - 150m ²	40m ² - 50m ²	65 – 100 U/HA	39 – 60 U/HA	32 – 50 U/HA
Row Housing	High	1 – 2	Low Rise	150m ² - 250m ²	140m ² - 260m ²	40 – 65 U/HA	24 – 39 U/HA	20 – 32 U/HA
	Medium	1 – 2	Low Rise	100m ² - 150m ²	52m ² - 140m ²	65 – 100 U/HA	39 – 60 U/HA	26 – 50 U/HA
	Low	1 – 2	Low Rise	75m ² - 100m ²	48m ² - 52m ²	100 – 145 U/HA	60 – 87 U/HA	50 – 73 U/HA
Walk Ups	High	2 – 4	Medium Rise	N/A	80m ² - 150m ²	100 – 120 U/HA	60 – 72 U/HA	50 – 60 U/HA
	Medium	2 – 4	Medium Rise	N/A	50m ² - 80m ²	120 – 140 U/HA	72 – 84 U/HA	60 – 70 U/HA
	Low	2 – 4	Medium Rise	N/A	30m ² - 50m ²	140 – 180 U/HA	72 – 108 U/HA	70 – 90 U/HA
Apartments/Flats	High	5 – 12	High Rise	N/A	120m ² - 200m ²	160 – 180 U/HA	96 – 108 U/HA	80 – 90 U/HA
	Medium	5 – 12	High Rise	N/A	80m ² - 120m ²	180 – 200 U/HA	96 – 120 U/HA	90 – 100 U/HA
	Low	5 – 12	High Rise	N/A	50m ² - 80m ²	200 – 240 U/HA	120 – 144 U/HA	100 – 120 U/HA

TRADE OFF SPACE FOR DENSITY:

- Infrastructure costs are related to levels of density, high density settlements results in lower infrastructure costs per unit and cost savings can be re-invested in the housing and improvement in the public areas





PROMOTE USE OF ALTERNATIVE CONSTRUCTION MATERIALS

- While conventional brick or block and mortar are the predominant materials used, the use of alternative materials needs to be considered due to potential to reduce construction costs, the high level of quality and structural integrity and the advantage of rapid creation which results in limited theft and damage to materials.

BETTER UNDERSTANDING OF TRADITIONAL CUSTOMS AND APPROPRIATE DESIGN RESPONSES:

- The need to pursue customs in an urban context is often used to push for larger residential sites and consequently low density residential settlements.
- A cursory assessment of the space needs and utilisation indicates that customary practices occur less frequently and generally occupy a small part of the erf. It is proposed that a detailed study be commissioned to understand the practices without negatively impacting the policy for the densification of settlements. Alternatives are for these practices required per site to consideration of utilising common areas on a rotational basis for some of the practices in well located and denser settlements



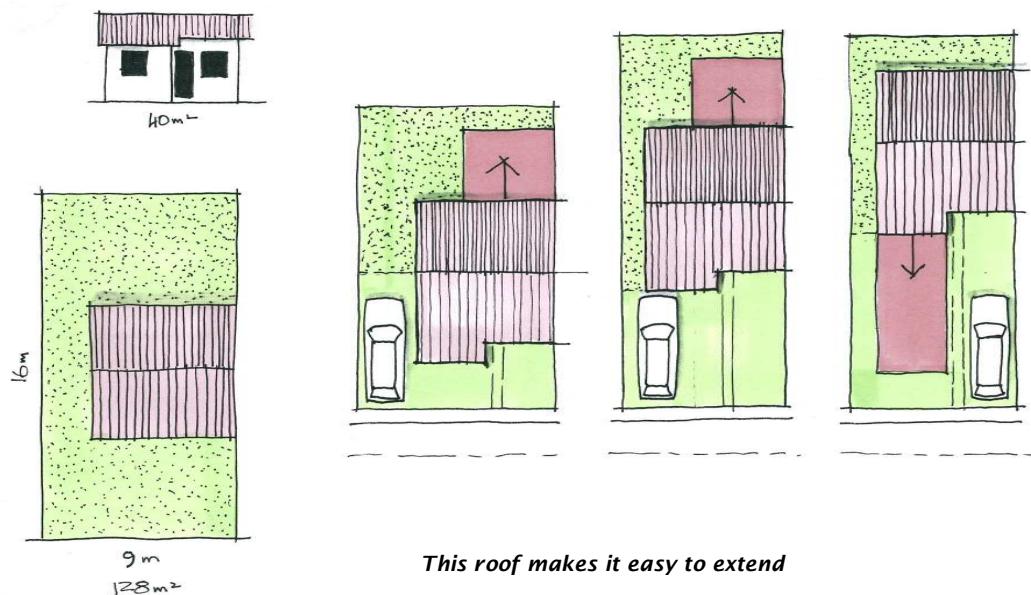
An example of a Ixhanti



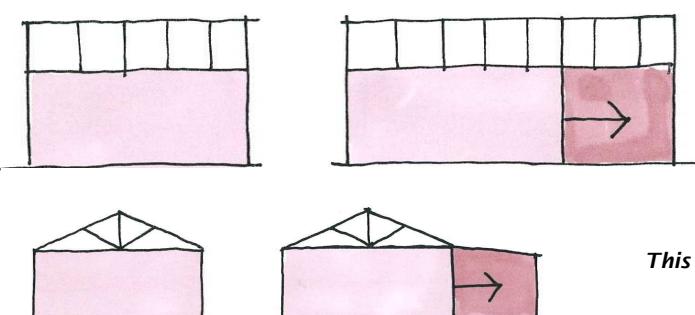
Example of an Ubuhlanti in a township setting

ERF AND ROOF CONFIGURATIONS FOR EASE TO EXTEND HOUSING

- Designs should promote narrow frontages in order to maximise the number of sites per given length of services and to length Housing typologies should promote linear extension towards the back or front as illustrated.



This roof makes it easy to extend

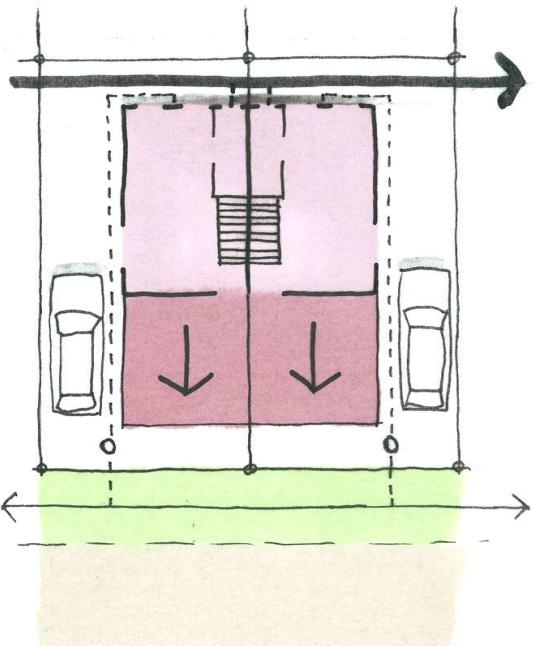


This roof makes it difficult to extend (lean to)

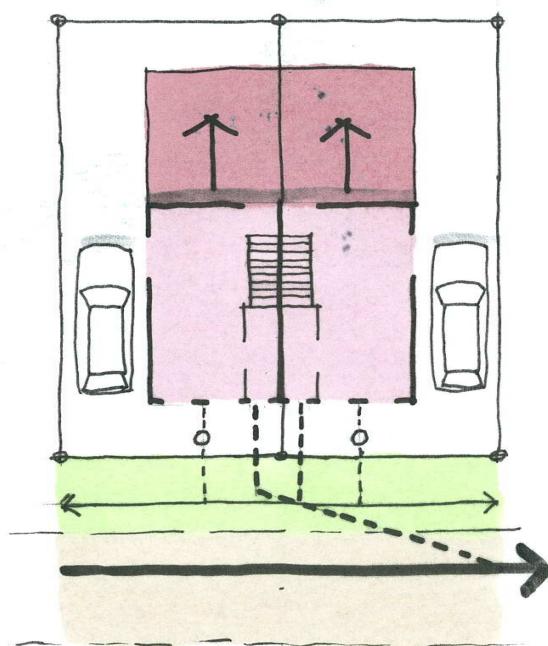


SERVICING AND ON-SITE PARKING OPTIONS

- On small and narrow sites it is best that services are positioned in the street and the house is best extended to backwards. The drainage and bathroom therefore need to be placed to the front (street) side to take advantage of short pipe runs to street based connection points.
- This is not only serves to lease the back available for extension, it also helps to resolve the street elevations and prevent ad-hoc and un-coordinated extensions along the street edges.
- On site parking should preferably be accommodated in 5m building line in front of the house otherwise side parking will result in increase side frontage. Side parking for semi-detached or free standing units requires an erf frontage of 7.5m minimum as illustrated below.



Sewer main at the rear of the site allowing house extension to the front (street side of house)



All services in the road reserve allowing unobstructed extension to the rear of the house

11.4.3 Reinforce Industrial Areas and Locate Residential Close to Industry

COEGA IDZ INDUSTRIAL DEVELOPMENT ZONE

CURRENT STATUS AND/OR PROBLEM DEFINITION:

- Coega: The establishment of Coega IDZ will change epi-centre of industrial growth towards the north of the City.

OPPORTUNITIES PRESENTED:

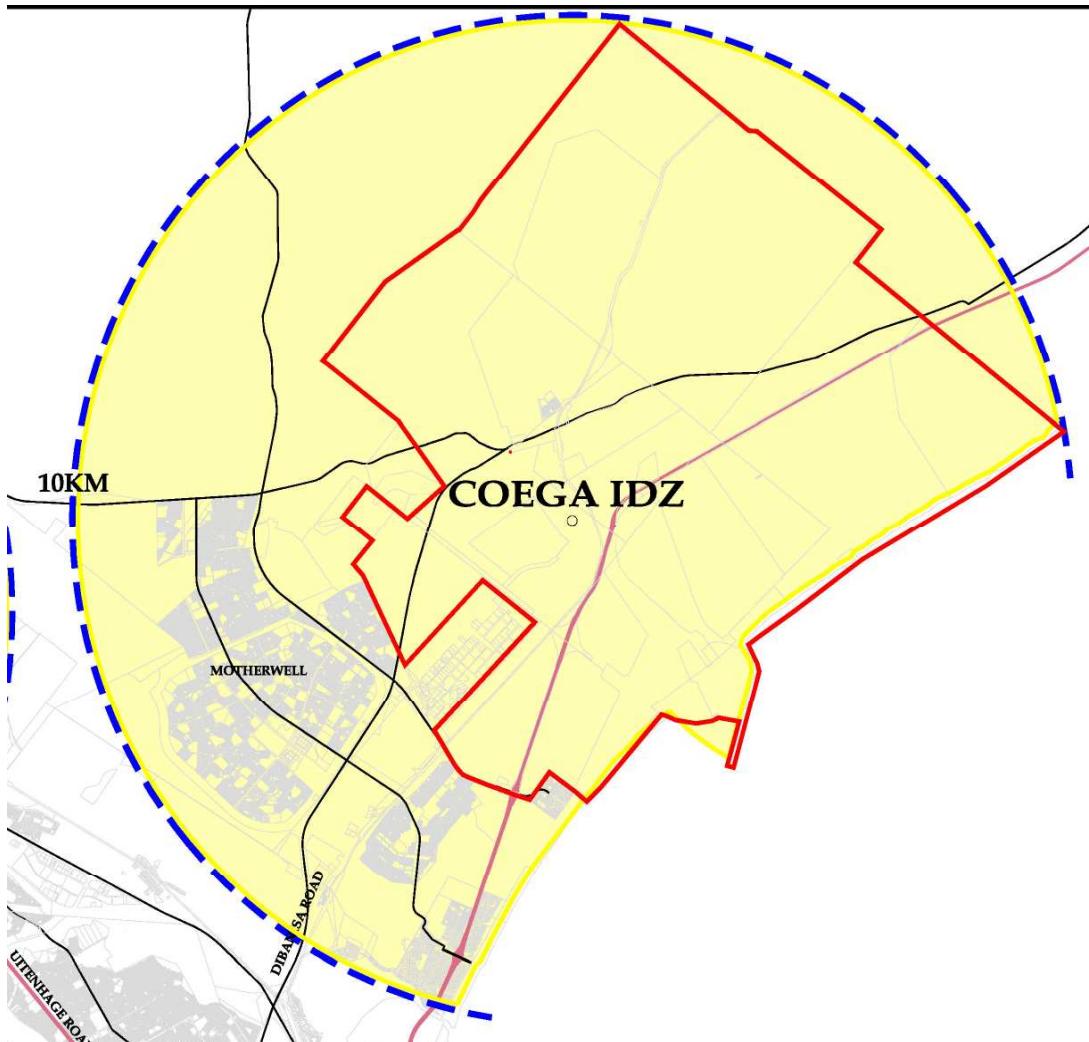
- Housing development adjacent and close to Coega IDZ in short, medium and long term will become a necessity as the IDZ Regulations preclude residential development inside the Coega IDZ.



IMPLICATIONS FOR THE HUMAN SETTLEMENT PLAN:

- Integrated Residential Development (Higher Density) Housing in Motherwell, Wells Estate, Motherwell North, Development Axis between Motherwell and Uitenhage and in general within 10kms of the Coega IDZ.

INTENSIFICATION OF RESIDENTIAL DEVELOPMENT AND DENSITY CLOSE TO COEGA IDZ



POTENTIAL DEVELOPMENT SITES AND STRATEGIES:

- The Human Settlement Plan to promote densification in Motherwell – Wells Estate at a density of 40 units (minimum) in general and 80-100 units/ Ha close to nodes and along public transport corridor
- Target vacant land for development of IRDS at high density with a mix of housing typologies, tenure, income and cultural groups to compensate for poor location in respect of the CBD and other nodes of economic developers

MARKMAN INDUSTRY

CURRENT STATUS AND/OR PROBLEM STATEMENT:

- Is designated for heavy industry but has developed slowly due to perceived long distance from the CBD and poor environmental quality. It now enjoys a more strategic position in relation to the Coega IDZ

**OPPORTUNITIES PRESENTED:**

- Improve environmental quality in the area and facilitate recycling of derelict and underutilised land for industrial development
- Underutilised rail infrastructure and land and
- Proximity to Coega IDZ makes it marketable area

IMPLICATION FOR HUMAN SETTLEMENT PLAN:

- Mixed use along main routes into and part of Markman (Addo Road, MR450 Land Reclamation to promote recycling of derelict land and to promote industrial infill in Markman and Brickfields Industrial Areas

POTENTIAL DEVELOPMENT SITES AND/OR/ STRATEGIES:

- Redevelop Markman and Brickfields Industry to attract more industrial investment
- Prepare a precinct improvement plan for Markman and Brickfields Industrial areas to make the area more attractive and marketable

PERSERVERANCE INDUSTRIAL AREA**CURRENT STATUS AND/OR PROBLEM DEFINITION:**

- Well located close to Ibhayi, KwaDwesi and KwaMagxaki residential areas and along the PE- Uitenhage-Despatch Development Axis.
- Perseverance Industrial area is almost being fully developed

OPPORTUNITIES PRESENTED:

- Possible extension of industrial area on adjacent vacant land towards Despatch to maximise on location and synergy with the developed portion of Perseverance is considered appropriate

IMPLICATIONS FOR THE HUMAN SETTLEMENT PLAN:

- Need to prioritise the LSDF for the area
- Prepare a Master Plan for area adjacent the R75, Azalea Park, Swartkops Estuary/Redhouse and Perseverance to facilitate it being developed as a mixed use area development

POTENTIAL DEVELOPMENT SITES AND/ OR STRATEGIES:

- Possible extension of Perseverance Industrial area onto vacant land in the area and towards Azalea Park/ Despatch
- Development of the area as a mixed use development

AIRPORT INDUSTRIAL AREA**CURRENT STATUS AND/OR PROBLEM STATEMENT:**

- Industry related to Air Transport but area is underdeveloped and vacant spaces are still prevalent

OPPORTUNITIES PRESENTED:

- Infill development on vacant and underutilised land within and adjacent the Airport precinct.
- Recycling of underutilised buildings and land north of Alistair Miller



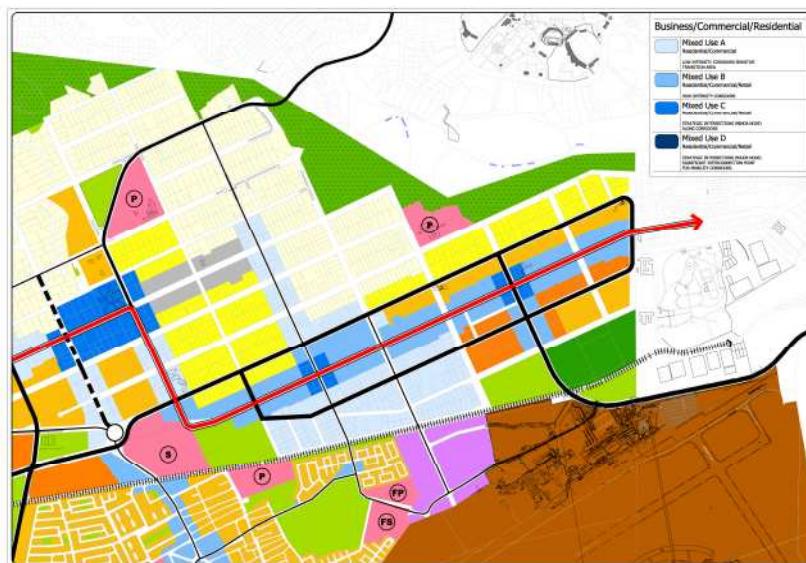
- Development of Modal Interchanges to promote public transport use to and from the Airport, the CBD and adjacent residential areas
- The residential area of Walmer is characterised by low density, one house on one big plot. It has great potential for subdivision, densification and conversion of land and buildings to mixed use and/ or light industrial development Close to Gqebera Township which is characterised by informal dwellings, housing shortages and significant labour pool.
- Municipal land along Buffelsfontein Road and set up to Villiers Road to be targeted for densification and infill development.

IMPLICATIONS FOR HUMAN SETTLEMENT:

- Promote densification of Walmer to provide much needed population threshold close to industrial area, airport and CBD and accommodate housing needs in the Gqebera area.
- In-situ upgrading at high densities to retain most people in, and attract more people, into the area
- Designate vacant land south of Airport for integrated Residential Development (part of Madiba Bay Lease Area) as an extension to Gqebera Township Densification of Gqebera Township to ensure that most residents are not relocated to areas far from the City and Airport

POTENTIAL DEVELOPMENT SITES AND /OR STRATEGIES:

- Extend Airport related industry from Airport into Walmer Area south of Heugh Road and West of 3rd Avenue top to 7th Avenue
- Infill development for Airport Industry and Related Development
- Develop vacant land along Alistair Miller Road for Airport related Industry and public transport node
- Extension of Gqebera Township towards Driftsands to retain communities in the areas close to the Airport and the CBD





STRUANDALE INDUSTRIAL AREA

CURRENT STATUS AND/OR PROBLEM STATEMENT:

- Established industrial area situated close to labour sources but land for expansion is limited

OPPORTUNITIES PRESENTED:

- Limited opportunity to extend Struandale area which is home to significant motor related industries
- Recycling of land and buildings, infill industrial development (e.g. Mentone Factory) into SMME type facilities

Redevelop Gas Station Site, Incinerator Site and Vacant land in Sheya Kulati Road for industrial infill as extension to Struandale and Deal Party Industrial Areas

IMPLICATIONS FOR HUMAN SETTLEMENT PLAN:

- Target infill residential development in Ibhayi (former PPC dump site, Algoa Park and land along Uitenhage-PE Development (Axis) to bring people closer to CBD and in order to bridge former buffer zone and the promote recycling of land.
- Upgrade Iqhaya College area to accommodate social/ rental housing where appropriate
- In-situ upgrading of developable informal areas to retain most people in the immediate area

POTENTIAL DEVELOPMENT SITES AND/OT STRATEGIES:

- Retain most settlements in Ibhayi area to minimize relocation
- State owned land adjacent the New Brighton Tip Site, land in Algoa Park, the former PPC Lease Area which forms part of the Sheya Kulati Node to be used for Residential Development
- Open up Sheya Kulati Node for development as per Spatial Implementation Policy Plan dated February 2003
Secure State land close by for relocating families currently living on New Brighton tip site at high of density (Erf 178)- refer to Section 1.54.5

KORSTEN INDUSTRIAL AREA AND CBD

CURRENT STATUS AND/OR PROBLEM STATEMENT:

- Established industrial area close to significant buildings, small-scale industries and community facilities (Mercantile and Livingstone Hospital)

OPPORTUNITIES PRESENTED:

- Derelict land and buildings suitable for recycling, rehabilitation and re-introduction of residential uses above ground floor, especially in Korsten CBD area
- Proximity to the Standford Road Corridor, Durban Road Taxi Rank and Bus Depot, designated as IPT's Routes and Modal Interchange for the Khulani Corridor and Standford Road Corridors



IMPLICATIONS FOR HUMAN SETTLEMENT:

- Development of Social Housing (Rental, Institutional Housing via recycling of derelict buildings and land)
- Development of SMME Hives to replace large industrial structures
- Develop Urban Renewal Plan for Korsten CBD Revitalisation as an extension of the Zosa Street Project and Public Transport Corridor Project in order to open up the area to the bigger market
- Promote full implementation of the Modal Interchanges Project in Korsten CBD
Budget for land assembly and purchase of derelict buildings as part of the Land Assembly S strategy

DEAL PARTY INDUSTRIAL AREA

CURRENT STATUS AND PROBLEM DEFINITIONS:

- Established industrial area that is fully developed except for land belonging to Transnet situated close to the existing low income areas of Ibhayi and parts of North End, Algoa Park and Sydenham
- Traversed by N2, IPTS Routes and other major roads in the City and therefore highly accessible

OPPORTUNITIES PRESENTED:

- Transnet owned land and buildings along railway lines (that are underutilised (e.g. Early Learning Centre that appears to be underutilised
- Recycling of big industries into smaller SMME type and bigger industries to be encouraged to relocate to the Coega IDZ



**IMPLICATIONS FOR HUMAN SETTLEMENT PLAN:**

- Infill industrial development and SMME Hives on Transnet land and buildings where appropriate adjacent to the Ibhayi area (New Brighton & KwaZakhele)
- Informal settlements to be upgraded in-situ to minimise relocation away from potential job opportunities

UITENHAGE INDUSTRIAL AREA**CURRENT STATUS AND/OR PROBLEM DEFINTION:**

- Well established industrial area but still contains pockets of underutilised land and buildings
- Home to the VW Motor Plant and associated Logistics Park

OPPORTUNITIES:

- Adequate Municipal land to extend industrial development towards Jachvlakte

IMPLICATIONS FOR HUMAN SETTLEMENT PLAN:

- Open up Jachvlakte for Industrial Development
- Link Road to the N2 from KwaNobuhle and PE – Uitenhage via Standford Road
- Develop residential extension to KwaNobuhle towards Jachvlakte Industrial Area to promote physical integration with Khayamnandi and Chatty areas

GREENBUSHES INDUSTRIAL AREA**CURRENT STATUS AND/OR PROBLEM STATEMENT:**

- New industrial area some ±10kms to the west of City Centre. Well located close to the Kuyga low income area and informal settlements in adjacent private farms and on major IPTS Route and Road of Metropolitan significance (Cape Road).
- Greenbushes is designated as western end for IPTS from the CBD through Greenacres along Cape Road

OPPORTUNITIES PRESENTED:

- Large tracts of vacant and underutilised private land.
- Situated on and along Cape Road, a designated IPTS Route

IMPLICATIONS FOR HUMA SETTLEMENT PLAN:

- Develop more land for industry and mixed use (offices, retail and residential to take advantage of location along IPTS, (low and middle income) good market potential of the land in the area.
- Develop vacant land for residential development, at high densities to accommodate informal settlements on private, state and municipal land, evicted farm workers and labour tenants, that are converging in the area and migrate from rural areas in search of jobs



POTENTIAL DEVELOPMENT SITES AND/OR STRATEGIES

- Greenbushes
- Ericadene
- Parsonsvlei
- Kuyga Extension

11.4.4 Residential Proposals

CURRENT STATUS AND/ OR PROBLEM STATEMENT:

- Growth in informal settlement due to:
 - Increased rural-urban migration following the repeal of "influx control" regulations in the 1990's
 - Slow housing delivery resulting in escalating backlogs
- Relocation of beneficiaries from informal settlements being upgraded to the periphery of the City and in lower density settlements thus worsening inherited and distorted settlement disparities and urban sprawl.
- The Metro's reluctance to purchase well located privately owned land for the in-situ upgrading of informal settlements on private property but focusing instead of relocating to municipal land, often far away from places where the beneficiary families are currently living.
- Opposition to locating informal settlements within well-established and higher income suburbs areas from property owners afraid to lose property values.
- Inadequate delivery of integrated residential settlement projects where beneficiaries of different income, tenure, economic and social status particularly in well located areas can live. The City has delivered over 42 000 low cost housing since year 2000 but none in the affordable and gap housing markets, and very few in the Rental Social Housing Market.
- Private Sector have not been able to deliver housing in the affordable market (\pm R115 000 – R250 000) for a variety of reasons, including lack of policy incentives to encourage them to enter this market.
- Proliferation of housing (especially low cost) to the north and north-west of the City as a natural extension to existing township areas declared as part of apartheid City planning to the virtual exclusion of settlements in other parts of the City, closer to the CBD and along public transport routes and commuter railway lines and more affluent suburbs that offer domestic employment opportunities to township residents. This often results in the relocation of beneficiaries living in informal settlements close to affluent suburbs far away from employment in domestic services and in adjacent small holdings and farms



- Proliferation of low density development and urban sprawl, which manifests in excessive de-densification of informal settlements (even those that are well located), focus on “one house per one plot” housing typologies on large residential erven ($\pm 150\text{-}200\text{m}^2$), to the north and north west of the City and the over reliance on the Municipality as the main(and only) housing delivery agent in the low income sector to the virtual exclusion of other delivery agents (e.g. private developers, co-operatives, social housing agencies, financial institutions, etc.)

OPPORTUNITIES PRESENTED:

- In-situ upgrading of developable and well located informal settlements
- Purchase well located public and private land that can accommodate relocated informal settlements and green field housing projects to minimise relocations.
- Land release for low income housing and integrated residential development closer to places of employment
- Opening up housing delivery to the Private Sector with the municipality playing a facilitative role rather than being the main and only developer for low cost housing which will increase the rate of delivery.

IMPLICATION FOR HUMAN SETTLEMENT PLAN:

- Promote gradual and incremental in-situ upgrading of informal settlements to reduce the need to relocate families to Greenfield areas where they often stay for long periods in shacks and without facilities. The relocation of informal settlements should be undertaken only as a last resort
- De-densification of well-located settlements to be discontinued in favour of retaining all residents, and where possible, even increase densities by bringing more beneficiaries into well located informal areas.
- Shack to shack relocation to be undertaken in emergency situations only. The City Policy should concentrate on building mixed housing settlements where the allocation of housing shall be done in accordance with beneficiary preferences, family size, age, etc. The City shall give preference to the provision of housing on well-located land (within 10kms of the CBD along public transport route) and in high residential densities(> 40 units/Ha or more) and let those people that prefer low density settlements either develop their own housing solutions far away from the City or wait for their turn.

POTENTIAL DEVELOPMENT SITES AND/ OR STRATEGIES:

- Start development with high density residential typologies and place less emphasis on detached, low density development. The latter should receive less priority and be built after high density settlements are built. This will ensure that the bulk of the housing is
- Beneficiaries opting for low density units to be dealt with last and be located further from well-located areas and nodes



11.4.5 Master Plan for Informal Settlements Upgrading

CURRENT STATUS AND/ OR PROBLEM STATEMENT:

- Poor quality of life in informal settlements due to:
 - Lack of basic services
 - Lack of facilities and amenities
 - Lack of adequate shelter in respect of minimum standards
 - Located on undevelopable areas (tip sites, floodplains, etc.)
- A number of poorly located informal settlements on the peri-urban periphery (Rocklands, Kuyga, Seaview, St Albans, Witteklip) characterised by:
 - Insufficient employment opportunities close by
 - Difficult and expensive provision of bulk services
 - High travel costs for residents to and from other parts of the City thus reducing their purchasing power even further
- Lack of access to social, economic, cultural facilities and services found in other well located and established areas
- Over 42% of households in existing informal settlement, even those that are well located, are being relocated away rather than closer to the CBD thus exacerbating urban sprawl, promoting the de-densification of existing informal settlements and consequently breaking up existing social networks and income streams.

OPPORTUNITIES PRESENTED:

- Upgrading of informal settlement through in-situ upgrading as the primary policy focus
- Retain existing income streams and socio-economic relations among the poor and marginalised
- Ensure continued use of existing facilities in well established areas than to relocate beneficiaries to urban periphery where amenities are often lacking and take a long time to be provided.

IMPLICATION FOR HUMAN SETTLEMENT PLAN:

- Introduce incremental services upgrading in terms of the National Settlement Upgrading Programme (NSUP) and upgrading of Informal Settlement Programme (UISP)
- Undertake comprehensive surveys of informal settlements to determine the priorities of beneficiaries (basic services vs. top structures, etc.)
- All informal areas along and close to the public transport routes ($\pm 800m$) of the route e.g. Khulani Corridor, Standford Road, TR75, etc. to be upgraded
- Upgrade all Informal settlement on undeveloped school sites (within existing settlements and well located areas) that are no longer required for educational purposes, and other undeveloped community sites. The informal areas should be developed in situ and at higher residential densities to accommodate as many households possible.



- Well located informal settlements earmarked for de-densification where project implementation has not commenced and/ or where Council is in legal dispute with beneficiaries (who are not willing to relocate), to be replanned at higher residential densities.

ACTION PLAN

It is important to obtain view of the households in informal areas that have not yet been upgraded about how their area should be upgraded by asking the following questions amongst others:

- Beneficiary and willingness to accept alternative housing typologies
- Beneficiary willingness to relocate
- De-densification vs. retention of current densities
- Preference for gradual incremental upgrading starting with basic services and ending up with top structures over a period of few years The potential beneficiaries need to, if given a choice, indicate if they would:
 - Prefer to stay where they are or relocate and why
 - Receive services only and a house later
 - Stay rather than relocate due to need to be close to current jobs, social and community amenities, even if they do not receive a metro house and end up staying in denser settlements utilising alternative housing models
 - Prefer rental (Rental Housing Subsidy) vs freehold tenure on dense settlements closer to the City.

PROPOSED CHANGES TO POLICY ON INFORMAL SETTLEMENTS UPGRADE TO INCLUDE:

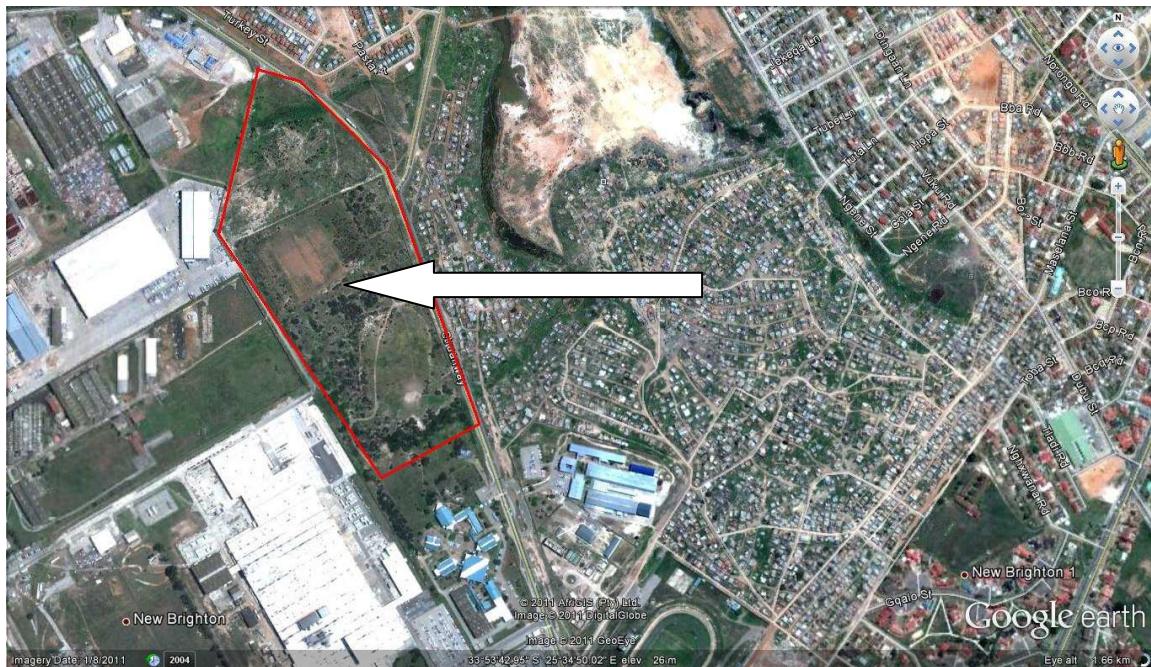
- Review the current informal settlement upgrading policy that promotes de-densification and relocation to prioritise in-situ upgrading on site by site basis.
- Prepare an updated Implementation Master Plan for Informal Settlement Upgrading for the City that will encourage residents to improve own living environment in current settlements, while drawing down state subsidies over a phased period. The plan will amongst others:
 - Set out guidelines for choosing settlements for in-situ upgrading versus relocation. It may be necessary to review the current NMBM priority listing and where possible recommend changes in priorities and manner in which the process of upgrading will take place.
 - Develop design parameters aimed at the retention of the maximum number of beneficiaries (erf size, densities, housing typologies, road widths, etc.). If this is not achieved in current plans, it is proposed that the plans in the seven (7) Turn Around Strategy be amended accordingly prior to implementation to prioritise more in-situ upgrading.



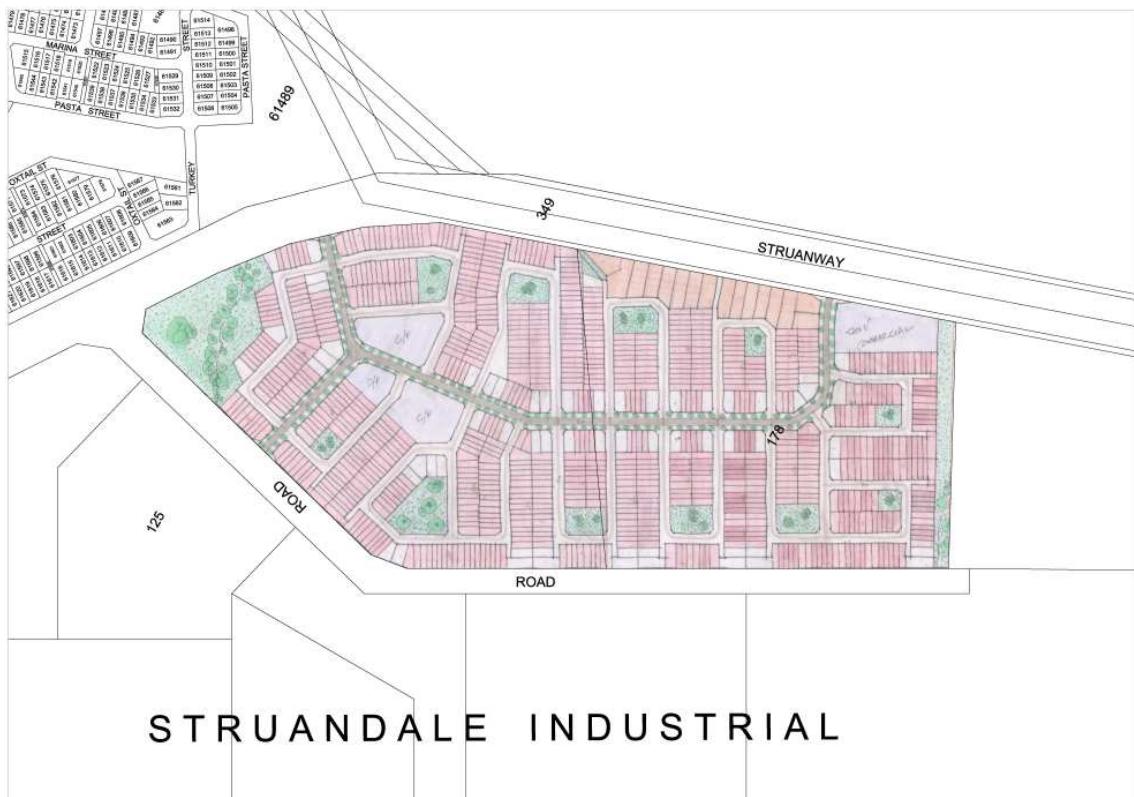
- Develop a strategy to extend tenure to all residents living in the settlements progressively over time through a gradual process of regularisation in line with lessons learnt from similar initiatives by the City of Johannesburg.
 - Stimulate small business expansion and retain existing business as it is not enough to merely focus on housing and services provision to the exclusion of business and SMME's development.
 - Develop incremental upgrading programmes taking account funding availability affordability and skills, ability to work on the upgrading project amongst the beneficiary for all informal settlements
 - Develop financial mechanisms and set up appropriate structures to deal with upgrading process based on maximum participation of the beneficiary communities (e.g. skills, deployment of local use of own materials, participate in construction work, post construction management, participation in environmental improvement programmes in the settlement, to protect settlements against further invasion, etc.)
 - Identify a range of sources to be approached funding and technical assistance with implementation of upgrading programmes instead of focussing on relocation as the only solution to informal settlements upgrading.
 - Build partnerships with communities and their representatives and partners in informal settlements projects, (e.g. Informal Sector Network(ISN), FEDUP, Homeless Peoples Federation, etc) and the Various Savings Clubs and Micro Finance Lending Institutions(e.g. Ububyebi Trust)
-
- Relocation are being considered for a number of reasons which include the following and it is suggested that the decisions to relocate some of the settlements should be reviewed where ever possible on the following basis:
 - Land in Private Ownership: Consideration to acquire the land for housing purposes from private owners if informal settlements merits retention with respect to size, location, proximity to job opportunities, etc.
 - Land Zoned for Open Space: Consider closing the Public Open Space and rezone the even for in-situ upgrading
 - Development Area (undeveloped school site or land been allocated to potential development, etc): If possible it is proposed that the development plan for the area be reviewed to enable the settlement to be upgraded in situ
 - Area prone to Flooding: Investigate flood attenuating interventions to see if this would allow part of the settled area to be developed at high density to accommodate the beneficiaries



REQUEST ACCESS TO STATE LAND FOR RELOCATION OF FAMILIES FROM NEW BRIGHTON TIP SITE



PROPOSED CONCEPT PLAN ON ERF 178: STATE OWNED LAND



- Assess development potential of the site and if developable NMBM to approach State for land to be made available to the metro for housing development
- Acquire Stateland and plan for the development of high density housing for some of the beneficiaries from the New Brighton tip site to minimise the relocation away from the CBD



11.4.6 Backyard Shacks Upgrading Policy

CURRENT STATUS AND/OR PROBLEM STATEMENT

- Backyard Shacks accommodate over 49 000 households in the declared municipal housing backlog.
- Metro approach which is currently focussed on the relocation of backyards fails to recognise the role they play in housing delivery

**OPPORTUNITIES PRESENTED:**

- Outcome 8 Policy supports in-situ upgrading of backyard shacks creates huge opportunity to address the burden without the need to open up large greenfields projects
- Backyard shacks provide valuable source of income for landlords and protects existing income streams.
- Ensure existing social and other economic ties to be retained
- Families in the backyards continue to access facilities in the existing

IMPLICATIONS FOR HUMAN SETTLEMENT PLAN:

- Recognise backyard shacks as a legitimate housing delivery model
- Formalise backyard shacks and enable occupants to access subsidies on their current sites and formalise arrangements with current landlords
 - Allow separate connections to municipal services to families living in the backyard so they can also enjoy access to municipal services
- Develop a Backyard Shack Formalisation Policy Plan

ACTION PLAN FOR BACKYARD SHACKS FORMALISATION POLICY

- Infill sites need to be identified to accommodate backyard shacks within the existing areas. Other innovative options for in-situ upgrading of backyard shacks should also be investigated (e.g. utilising land within the primary erf on which the backyards are located, the subdivision of properties, construction of multiple dwellings on main erf and/ or other alternative tenure arrangements where feasible and supported by the landowners in line with Rental Subsidy Policy).
- A comprehensive policy for the formalisation of backyard shacks needs to be developed for the City to accommodate the families in the backyards that do not want to relocate to Greenfield areas but would rather access their subsidy in their current place of residence. Such a policy should be informed by a broad based questionnaire survey that will elicit views of the beneficiaries living in the backyard directly and the property owners.
- It is also proposed that the City undertakes a comprehensive survey of backyard shacks to better understand their profile, housing needs and housing preferences. The survey should include the following questions, amongst others:
 - Are they members of the family living in the main house that are now old enough to want to get their own property, or have they moved out due to overcrowding in the main house.
 - Do they prefer to rent rooms in backyard rather than obtain a their own house due to affordability or social reasons (e.g. cannot afford their own unit yet, still wish to live closer to main family and maintain socio-economic relations with members of the extended family, etc.?)



- Are they looking for a house but either do not qualify for a subsidy and/ or have not yet been allocated a subsidy house before or do not like the location of the current housing project?
- Are they on the waiting list for a Municipal Housing Subsidy Scheme Project?
- Are they unwilling to relocate to Greenfield areas where RDP housing is being built, and if so, why? (e.g. distance from work, social amenities, educational facilities, etc.)
- Would they prefer an individual subsidy and build own house if such an option were available.
- Where do they work at present, and will relocation result in either the potential of loss of a job or increased travel costs to and from current place of employment or other?
- Do they prefer to continue living with the family at their current place of residence?
- Would they be willing to access a rental or other housing subsidy instrument to formalise the rental accommodation at the backyard

11.4.7 Commercial & Business Areas

CURRENT STATUS AND/OR PROBLEM STATEMENT:

- Concentrated in the CBD of Port Elizabeth and Uitenhage and to a lesser extent Despatch

OPPORTUNITIES PRESENTED

- Significant floor space for the redevelopment is still available in the CBD Core and Outer CBD
- Good accessibility of Central Locations from main routes into the CBD makes them ideal places for residential development.
- High Demand for rental accommodation characterised by less than 3% vacancy in flat occupancy in the PE CBD.
- Proposed development of modal interchanges in the PE and Uitenhage CBD and upgrading of routes into the City as part of the Integrated Public Transport System (IPTS).
- The PE, Uitenhage and Despatch CBD are home to the main municipal offices, Council Chambers and State Departments.
- Derelict land and buildings which include discussed municipally owned playgrounds and underdeveloped open spaces and Transnet land and buildings that can be recycled for redevelopment

IMPLICATIONS FOR HUMAN SETTLEMENT PLAN

- CBD is ideal for revitalisation based on principles of integration, mixed land uses and densification



- Port Elizabeth and Uitenhage CBD are ideal for revitalisation for leisure, entertainment, cultural activities to bring life into the City.
- PE Waterfront development to facilitate CBD revitalisation, promote tourism and development of high value residential leisure and entertainment

POTENTIAL DEVELOPMENT SITES AND/OR STRATEGIES:

- Social housing (rental and institutional housing) through the recycling of derelict land and buildings, infill development on vacant or underdeveloped land in inner City
- Development of PE Harbour Waterfront with significant residential opportunities at higher densities (>100 units/ Ha)
- Recycle land in CBD in areas with high re-development potential such as Baakens Valley, North End, South End, Mount Croix, Newton Park, etc

ACTION PLAN:

- Identify derelict land and buildings in the inner City of Port Elizabeth, Uitenhage and Despatch that are suitable for recycling for Social Housing.
- Ensure that at least 3 sites for Social Housing are identified and approved by Council and project funding applications are submitted to relevant authorities and/or ±800 units are delivered per year.
- Allocate rolling budget to carry out feasibility assessments of the potential sites; to identify planning steps to be undertaken to ready the land for development, costs of acquisition, commence with steps to obtain preliminary planning permission.
- Approach National Government for funding for the acquisition of land and buildings to assemble suitable for Social Housing over the next 3-5 years.
- Advertise the municipality's intention to acquire land and buildings in the inner City thus attract land owners to offer their properties for redevelopment.
- Develop a Generic Land Availability Agreement and Memorandum of Understanding that sets out payment terms and other legal incentives to encourage the
- Undertake proactive rezoning of properties for Social Housing prior to Request for Proposals to develop the land.
- Empower MBDA to act as a Lead Agent and Project Manager for Inner City housing projects in the CBD of Uitenhage and Despatch that fall outside the PE Mandate Area.
- Increase capacity of City Social Housing Unit to handle all Social and Rental Housing Projects in the City employing qualified project managers and or training current staff.
- Formalise the approval of other Restructuring Zones and/or amend boundaries in the Despatch and Uitenhage CBD to ensure that most appropriate areas are included.



11.4.8 Main Regional and Sub-Regional Nodes

CURRENT STATUS AND/OR PROBLEM DEFINITION:

The NMBM is dominated by three Main Nodes:

- Green Areas, Walmer Park and Moffet Retail Park offer significant retail, commercial and ancillary functions that have contributed to, and resulted from, the decline of the CBD.
- The proposed Bay West Regional Shopping Mall to Western Edge of the City along the N2 will be amongst attraction supported by nodes at Cleary Park, Pier 14, Makro and Korsten.

OPPORTUNITIES PRESENTED:

- Nodes are heavily reliant on customers coming to the centres by vehicular mode and mostly private transport
- Existing centres lack significant and dense residential concentrations within walking distance of the Centre ($\pm 800\text{m}$ - 2kms)
Inadequate provision for public transport facilities due to reliance on private transport and lack of publicly owned land within and in the immediate vicinity of privately owned shopping nodes

IMPLICATIONS FOR HUMAN SETTLEMENT PLAN:

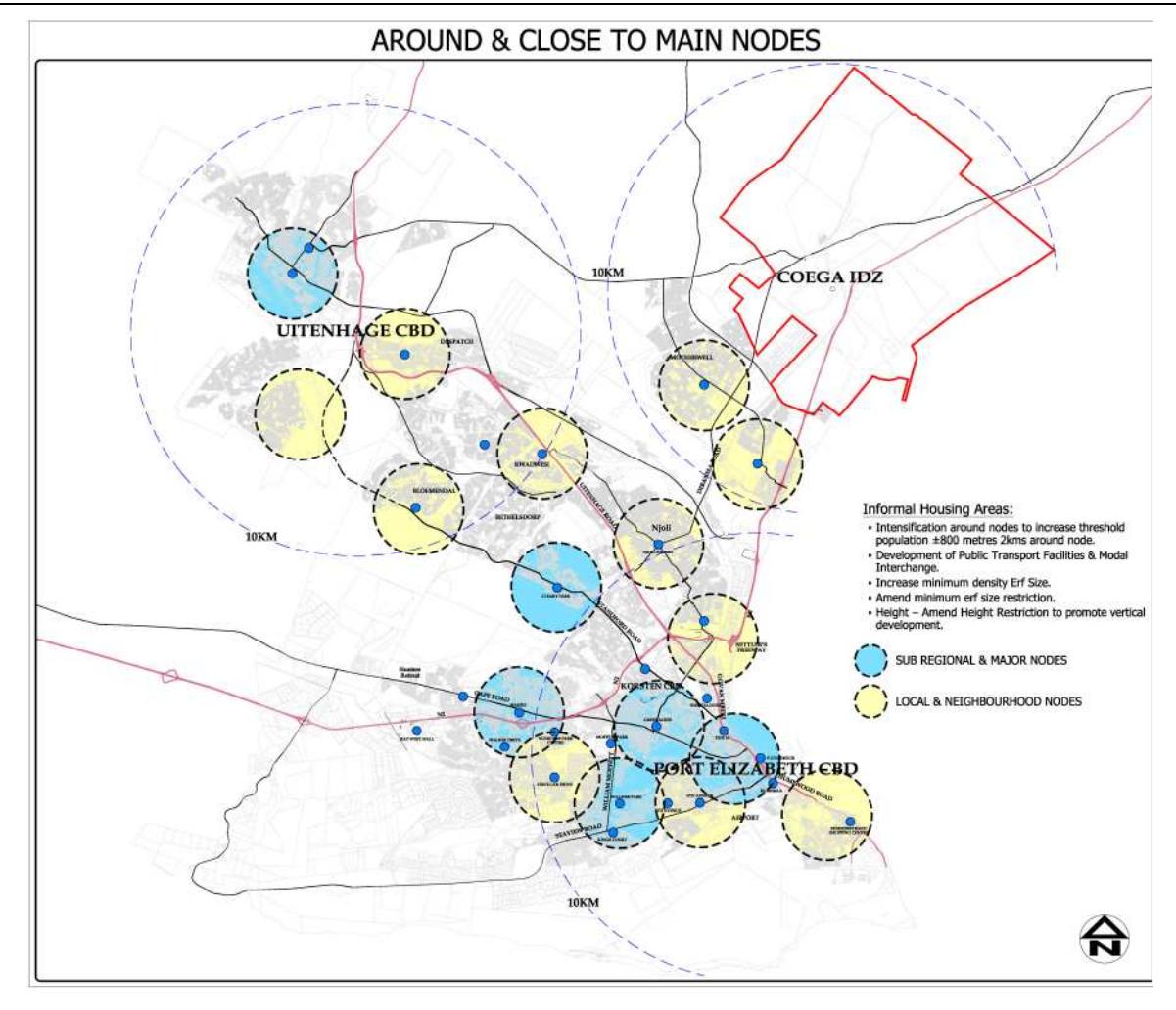
- Opportunity to promote intensification of residential densities within $\pm 2\text{kms}$ of nodes (walking distance)
- Development of public transport terminals linked to IPTS to promote public transport use and greater mobility even on privately owned land in the shopping malls
- Opportunity to extend existing nodes through increased bulk (built upwards) and extension (built outwards) onto adjacent (often mostly low density residential) precincts. LSDF and detailed precinct plans that set guidelines for intensification of land uses are currently being prepared.

POTENTIAL SITES AND/OR STRATEGIES:

- **Greenacres:** Intensification of Newton Park, Mount Road and Mill Park.
- **Walmer Park (Shopping/ Centre):** Intensification of land use/ densities Walmer, Charlo and Fairview and parts of Lorraine.
- **William Moffet Retail Park:** Intensification of Walmer Downs, Fairview, Lorraine and along William Moffet Corridor.
- **Clearly Park Shopping Centre:** Intensification of Standford Road Corridor, Bethelsdorp low density residential areas and vacant land to the north of Standford Road, (Opposite the Mall) and in the immediate vicinity (± 800 metres)
- **Bay West Mall:** Development of high density residential development within 2kms of the Bay and associated Commercial (offices) and light industrial development within the 800m



- **Pier 14:** Recycling of underutilised buildings and land in North End, Sydenham, Kensington and Mount Road up to Perridgevale to increase threshold population in the immediate area and along the Govan Mbeki and Fettes Road/ Standford Road IPTS Routes. Utilise vacant and derelict land for social housing at high densities, promote recycling of existing low density residential developments behind Pier 140
- Korsten CBD:** Highly accessible area by public transport and characterised by Urban and Visual blight, underutilised and derelict properties and vibrant lower income trading area that has great potential for Urban Renewal to accommodate retail, SMME Hives, informal trading and residential intensification (social, rental and affordable housing neighbourhood sites).



11.4.9 Minor & Local Neighbourhood Nodes

CURRENT STATUS AND/OR PROBLEM STATEMENT

- Minor Nodes would include local neighbourhood shopping centres such as Motherwell, Wells Estate, Greenbushes, etc.
- Undeveloped and/ or (partially developed) local



OPPORTUNITIES PRESENTED:

- Surrounded by large tracts of underdeveloped vacant land and low density residential areas (less than 20 units/ Ha)
- Nodes lack diversity due to limited commercial, light industrial and high density residential development and ancillary uses
- Inadequate Public Transport facilities and higher order social amenities
Need to develop local nodes in new housing areas in former township areas to bring services closer to the residential areas

IMPLICATIONS FOR HUMAN SETTLEMENT PLAN

- SCU Planning concept to be implemented in order to strengthen nodes
- Infill development on vacant land within 800 metres of centres to increase residential densities and local threshold population
- Development of Rental and Social Housing, infill gap housing integrated with Business and Commercial
- Development of Thusong Centres, SMME Hives and Public Transport Intermodal facilities to strengthen the minor nodes.
- Implement concepts of Sustainable Community Unit Planning in the following areas:
 - Wells Estate Node
 - Motherwell NU29-NU30
 - Joe Slovo West
 - Chatty (All Phases)
 - Khayamnandi
 - KwaNobuhle
 - Greenbushes
 - Parsonsvallei
- Nodes (e.g. Motherwell Shopping Centres) are ideal for residential intensification and social housing within walking distance of the Centre ($\pm 80-100$ units/ Ha)
Underdeveloped School Sites and public open spaces in Motherwell

ACTION PLAN:

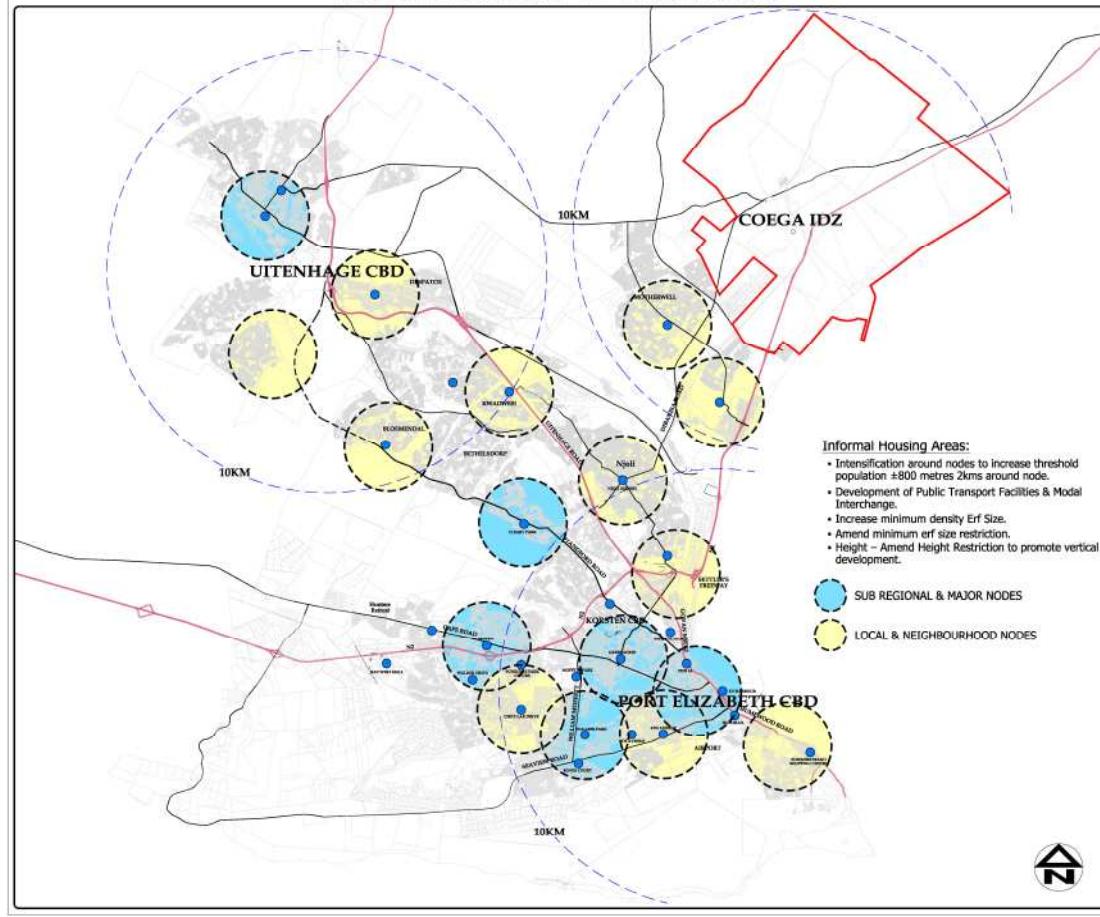
- Facilitate formal approval of Greater Motherwell as restructuring zones to include Motherwell and Wells Estate Nodes.
- Detailed precinct plans for priority nodes in approved and proposed restructuring zones including Motherwell CBD, Motherwell West (NU8 - Mission Road Node), Motherwell NU29-31 Node, Wells Estate Node, Zanemvula/ Khayamnandi Area, Greenbushes based on LSDF and public transport proposals.
- Facilitate rezoning and subdivision approvals for Social Housing and Rental Projects within the precinct plan for the various nodes.
- Facilitate Land Assembly



- Facilitate Environmental Authorisation
- Call for proposals for interested Social Housing Institutions and Developers to submit development proposals.
- Draw up Land Availability Agreements and Memorandum of Understanding for the Development of the land.

INTENSIFICATION WITHIN 800METRES- 2KMS OF MAJOR AND LOCAL NODES

AROUND & CLOSE TO MAIN NODES



11.5 Land Assembly

CURRENT STATUS AND/OR PROBLEM STATEMENT:

- Housing development is concentrated on Municipal land, some of which is not well located in relation to jobs and urban amenities.
 - Better located private and state land including Transnet land is being overlooked in favour of poorly located Municipal land due to lack of assembly policy, lack of financial resources to acquire the land and out-dated land use management policies that prevent higher and medium density development on well-located land.
- High costs of bulk infrastructure to serve land on the periphery results in long delays with obtaining environmental authorisation and planning approvals



OPPORTUNITIES PRESENTED:

- Identify well located land closer to the City to relocate unsuitably located settlements
- Planning new settlements at higher densities and for a variety to income groups, housing typologies and mixed use (incorporate employment facilities)
- Reverse urban sprawl by developing areas close to the City, places of employment and well served areas in respect of facilities.
- Purchase well located Private and Public land close (bulk infrastructure services, public transport, proximity to job opportunities) for housing development
- Densification of existing areas served with bulk infrastructure to reduce the need to extend bulk services at great cost

IMPLICATIONS FOR HUMAN SETTLEMENT:

- Land assembly of municipal (private and public land) (non-municipal land) in good locations for infill development
- Allocate budget to acquire land and request the States to assist in the acquisition of private land.
- Ensuring that state land is made available for development to the Municipality on preferential terms.
- MOU with the State on all well located land to be developed for housing in the City to protect the land against inappropriate development in conflict with the Housing Sector Plan.
- Introduce innovative design to promote densification, mixed use, alternative housing typologies, etc
Infill development and recycling of buildings and land for higher residential density development closer to CBD, Places of Employment, etc

POTENTIAL DEVELOPMENT SITES AND/OR STRATEGIES:

- Focus on assembly land and buildings within 10km radius of the CBD, within Restructuring Zones and adjacent major Industrial and Recreational areas, namely:
 - **Fairview:** Mostly public land 8-10kms from CBD and along the William Moffet IPTS Route with significant infill potential
 - **Salisbury Park:** Mostly private land
 - **Parsonsvallei** (10-20km): Mostly private owned and planned and close to Cape Road IPTS Route
 - **Sherwood/ Lorraine** (10-12km): Private Land with infill potential to be targeted.
 - Private land in general along public transport routes and corridor
 - Close to major recreational areas (beaches, natural areas, etc.)
 - **South End:**
 - Baakens Valley/ South End has significant State and Municipally owned land.
 - Baakens Valley derelict buildings ripe for development.



- Proximity to PE Waterfront, Humewood/ Summerstrand Beaches and to CBD makes area ideal for infill development.
- **Wells Estate:**
 - Mostly municipally owned land on both sides of the N2.
 - Good access to the Beach and CBD.
 - Vacant land has massive opportunity for development at very high residential densities.
 - Linked to Aloes Train Station and promote use of Commuter Line.
- **Hunters Retreat:**
 - Large municipally owned vacant land.
 - Proximity to the proposed Bay West Regional mall makes it ideal to develop the area to a very high density.
 - Opportunity for the development of significant low cost housing to the south west of the City.
 - Enable families located outside urban edge on private land to be relocated to Hunters Retreat.

ACTION PLAN:

- List of well-located private and public land along and close the CBD, Public Transport Routes, major and minor retail nodes that is considered suitable for infill development within the next 3 years.
- Negotiate in principle release of the land for Integrated Residential Development and Social Housing with Private land owners.
- Draw up a MOU with State to ensure that all well located state land is reserved for housing development in line with the Human Settlement Plan.
- Liase with National Department of Housing and Treasury to develop fiscal incentives (and disincentives) to promote development of well-located Private and State land for integrated housing projects.
- Advertise for major land owners of well-located land to offer land to the Municipality for development as part of the Human Settlement Plan.
- Consult with National Government to obtain approved for funding to acquire well located private land for housing development. The NMBM to prepare funding applications for at least 3 major land parcels every year.
- Open up well located Municipal land (e.g. Mixed Use and Higher Density Precincts) in Joe Slovo West, Khayamnandi, Chatty and Wells Estate for integrated housing development, social and rental housing.
- MOU of understanding with Banks, Private Developers, Solid Housing Institution
- RFP's
- Incentives for Private Sector



11.6 Housing Delivery

CURRENT STATUS AND/ OR PROBLEM STATEMENT:

- Slow rate of housing delivery resulting in:
 - Housing backlog of 87 835 only of low cost housing
 - Proliferation of shacks and backyards as people seek to address their own housing problems
- Lack of policy for private sector involvement in Mass Housing Market.
- Limited implementation of Integrated Residential Settlements in line with BNG Policy.
- Lack of funding to deliver mass housing projects
- Lack of policy framework to create space for sourcing private funding.

OPPORTUNITIES PRESENTED:

- Broaden the number of delivery agents to introduce private sector developers, financial institutions and social housing institutions.
- Implement turnkey housing solutions to address backlog on a massive scale.
- NMBM to play role of facilitator more than Developer as is the case at present.
- Promote the development of small infill projects on well located land on an ongoing incremental basis.

IMPLICATION FOR HUMAN SETTLEMENT PLAN:

- Policy for partnerships with private developers and financial and other institutions
- List of Credible Partners that the NMBM can engage in significant housing delivery projects, with the metro playing a facilitative role and partners acting as delivery agents and developers.
- Promote implementation of a large turnkey projects to make a significant dent on housing delivery using Developers as agents of the NMBM.

POTENTIAL STRATEGIES:

- City to utilise full range of subsidy financial instruments rather than be confined to project based and Social Housing Instruments, including formalisation of backyard shacks, individual subsidies, CRU Housing, etc.
- The metro to consider extending incentives and penalties to encourage private land owners to incorporate low and medium cost housing as part of future housing development on well located land.
- The metro to act as facilitator rather than Developer in future leaving space for housing delivery to partners who can deliver at scale.
- CRU housing within 10kms urban core close to major nodes, CBD and on derelict state land (municipal land).



THE NMBM AS FACILITATOR TO ENGAGE THE FOLLOWING AGENTS:

- Private developers to deliver housing on turn key basis
- Community Partnership, with CBO's and representatives of Informal Settlement Communities, e.g. ISN, Micro-Lenders e.g. Ubuteybi Trust, Donors, etc.
- Service land and allow individuals & small builders to build units on an incremental basis. This could include providing housing for municipal and state employees and trade union membership on state & municipal land on preferential basis
- Draw up a Register of Big Developers to be allocated (who have the capacity to plan housing projects, oversee and fund the design and implementation of service, construct top structures and even & allocate some housing units to potential beneficiaries)
- Enter into agreement with State Agencies e.g. the Housing Development Agency(HDA) to deliver housing on turn key and/ or on project management basis
- Large private sector funders who can extend large sums of money to the municipality or its agents to implement projects that are currently being held back or broken up into smaller phases to accommodate financial draw downs from the State.



12 IMPLEMENTATION PLAN

The Human Settlement Plan sets a detailed plan for the NMBM covering a whole range of policy proposals and actions that will be undertaken over the short, medium and long term time horizon.

12.1 Goal 1: Approval of Human Settlement Plan As A Framework For New Housing Delivery Model

Approval of the Human Settlement Plan as the basis to deliver housing will indicate the NMBM's acceptance of the following principles and objectives as being critical to implement in the metro:

- **Institutional and Organizational Improvements:** The recruitment on qualified staff and the upgrading of the skills level and capacity of current staff which are critical in order to meet housing challenges and objectives and deliver in line with the paradigm shift in human settlement development.
- **Restructuring the City:** The metro will seek to restructure the City through housing delivery in well located places for integrated and socio-economically diverse groups.
- **Land Assembly :** Assembly public (state) and private land to ensure that housing is not merely developed on municipal land, some of which is located at the periphery and away from major economic centres.
- **Communication Plan:** Develop a Communication Plan to obtain broad based acceptance of concepts, plans and policies underlying the Human Settlement Plan to ensure that the BNG principles are not compromised to placate local community views
- **Partnerships:** Build partnership across a range of delivery models and gradually transform the NMBM to act as a facilitator for all forms of housing rather than Developer for low cost housing only.
- **Design Guidelines:** Agreement on the set of minimum guidelines for integrated and dense settlement planning that will be applied throughout the metro.
- **Formalisation Of Backyard Shacks:** Introduce policy on formalisation of backyard shacks rather than continue to promote relocation to the periphery. Such policy requires a partnership with property owners and the need to permit multiple dwellings on small sites.
- **Master Plan for Informal Settlement Upgrading:** Amend in-situ upgrading Master Plan aligned to the seven (7) year strategy to reflect. Outcome 8 guidelines given the realization by the State that the eradication of informal settlements is not achievable by 2014 as anticipated in policy
- **Pilot Projects:** Pilot Projects for Integrated Housing Developments as at scale utilising Private Develop starting with Motherwell NU29-32, Wells Estate and higher density areas in Joe Slovo, Chatty, Khayamnandi and KwaNobuhle.



- CRU Housing:** Introduce CRU Housing as a critical tool for the development of municipally owned rental housing units in Restructuring Zones. This will enable the City to develop compact and high density units that can be allocated to a number of beneficiaries who prefer rental housing in the medium to long term. This can contribute to the significant restructuring of the City. The NMBM may consider entering into Management Agreement with companies to manage the rental stock while it develops its own internal systems and capacity.
- Fast track the Rectification of Pre-1994 Housing:** It is proposed to include Old Helenvale as a Special Programme for the rectification of the pre-1994 housing to address high levels of overcrowding in existing 1934 two -roomed units, the high levels of social and criminal violence, improve privacy, rationalise the narrow and small residential erven, and rehabilitate the overloaded engineering services due to age and inadequate maintenance in line with the Helenvale Housing Strategy. The HURP has complied a Business Plan for the rectification of Helenvale housing and funding is also reliant on the metro approval of the overall strategy as part of the NMBM Human Settlement Plan.

Special Housing Programmes			
Old Helenvale: Upgrade Existing two roomed units Relocate Backyard Shacks and Some Families to Infill Projects in Helenvale	1934 900	Include extending existing 1934 two roomed units Relocate families from the backyard shacks and some from the two roomed units to reduce overcrowding and to de-densify Helenvale	
Helenvale Area 5: Site & Service Schemes	256	Upgrade uncompleted Site & Service Scheme Houses	
Walmer Dunes: Site & Service Schemes	To be determined		
Rectification: Other Pre- 1994 Projects	To be determined	Finalise survey and update housing demand figures.	

It is proposed that the metro extends the investigations into the rectification of pre-1994 units to other areas that benefited from pre-1994 including all other IDT Site Service Schemes in the metro(e.g. Walmer Dunes, Helenvale Area 5, Soweto on Sea, etc)



- **Unsolicited Bids:** The metro is approached by a number of Developers or Agents working for developers with unsolicited bids on a number of projects and/or land parcels. There is currently no formal process to deal with these bids, to separate bids from capable developers who have the financial and technical know how and track record from those that have none. Some of the bidders claim that they can extend loan funding on favourable terms to the metro for bulk infrastructure and housing to deliver as well as provide bridging finance for a number of projects. There is no formal process currently to register the bids or enable Council to express an in principle decision on any one unsolicited bid or to formally approve or reject any bids. It would appear that some of the bidders have a track record and the requisite financial muscle to enter into arrangements to deliver housing on a mass scale in the metro. The metro needs to develop and adopt a policy setting out how the unsolicited bids will be handled as well what terms and conditions may be imposed to any bid the metro finds to be beneficial for housing delivery. The proposed strategic planning unit within the Housing and Land Directorate would be responsible for leading the investigations and recommending solutions.

12.2 Goal 2: Understand Demand

The estimate housing demand of 102 600 at 2011 based on secondary data sources and is the guest mate. It is important that the metro commissions a comprehensive demand study to better understand the extend of demand (numbers), but also beneficiary preferences regarding housing typologies, tenure options, beneficiary affordability to assist in packaging the demand. The metro needs to look beyond the provision of low cost housing to the poorest of the poor to beneficiaries who earn above R3 500.00. These housing needs should be provided in integrated projects that cater for a range of income groups rather than the current scenario that looks only at low cost housing or social housing.

The metro needs to implement a fully integrated housing project which will enable a better understanding of the dynamics of the market and provide the opportunity to develop and test guidelines that will in turn be used to improve future project agreements and incentives.

12.3 Goal 3: Land Assembly

- Develop a plan for the acquisition of land for housing in line with the Human Settlement Plan and SDF Proposals, starting with State Land and later Privately owned land.
- Draw up an Agreement with representative organizations including the Informal Sector Network (ISN) and others regarding the proposed review of the Informal Settlement Plan and how it will impact the current planning on the respective informal settlements still to be upgraded.
- Facilitate amendments of current plans to promote greater in-situ upgrading on a phased basis in line with the outcome 8 guidelines.



12.3.1 State Land

- Implement the assembly of State Land in restructuring zones within 10kms of the CBD, along public transport routes and in the vicinity of major shopping nodes in the City.
- Conclude a Memorandum of Understanding (MOU) with the State (Provincial Department of Public Works or National Government as appropriate) to ensure that priority selected land parcels are placed under the control of the metro for the delivery of integrated housing projects in line with the Human Settlement Plan.
- Conclude a Land Availability Agreement (LAA) with the State for specific land parcels as a follow up to the MOU that will permit the Joint Development of the identified land parcels by the State and Municipality for the delivery of integrated housing projects.

12.3.2 Targeted State Land

- Fairview: Various Erven
- South End: Various Erven
- Summerstrand: (Military Base, land adjacent the Airport Park)
- North End (Transnet land)
- Malabar/ Parsonsvlei – Erf 756 Parsons vlei
- Struandale Industrial Area – Erf 178
- Algoa Park – Various Properties

12.3.3 Assembly Private Land

- Vacant private land with potential for infill within 10kms of the PE and Uitenhage CBD's falls within a Restructuring Zone
- Emphasis on land within the CBD for Social/ Rental Housing
- Negotiate release of well located private and already occupied by informal settlements to be developed in partnership with the owner or the owner paid compensation for the land.
- Land exchange between private and municipality to enable well located private land to be made available for housing
- Develop incentives for private owners to release land which may include density bonuses, transfer or property rights to other erven, release of portion of the private site for housing development, etc. to enable the assembly of targeted land.



12.3.4 Target Areas

- PE and Uitenhage CBD's
- Fairview, Walmer, Lorraine, Charlo, Parsonsvlei, Greenbushes, Ericadene
- Algoa Park
- Sheya Kulati (PPC owned land adjacent incinerator)

12.3.5 Targeted Municipal Land

- Walmer Tunnel Sites (Buffelsfontein – 9th – 10th Avenue)
- Vacant land between 10th Avenue – Sasol Garage, Remainder 1948 Walmer
- Extension of Gqebera Township to the south of the Airport (into Driftsands)
- Baakens Valley land and buildings designated for Social/ Rental Housing
- Sheya Kulati Node: New Brighton adjacent PPC Cement Factory
- Khanya Training Centre Site and adjacent vacant land
- Municipal land in Algoa Park
- Derelict sports facilities and undeveloped open spaces
- Fairview/ William Moffet and Walmer Downs

12.4 Goal 4: Master Plan for Innovative and Human In-Situ Upgrading

- Review criteria for informal settlement upgrading plan and develop an updated Master Plan that seeks to promote more in-situ upgrading than relocation.
- Implement a phased legalisation of informal settlement based on model adapted from the City of Johannesburg set out below:





12.5 Goal 5: Master Plan for Formalisation of Backyard Shacks In-Situ

- Develop a Policy Plan for the formalisation of Backyard Shacks especially in areas within 10kms of the CBD's and along public transport areas and well located settlement.
- Develop a Housing Voice Survey to elicit views on how to implement formalisation of Backyard Shacks.
- Enter into agreement with National and Provincial Departments to guide the process of formalisation of backyard shacks.
- Develop generic agreements and tenure options to facilitate formalisation of backyard shacks.
- Amend zoning and building line policy guidelines as appropriate.
- Amend regulations governing services connections to permit shared connections on sites with formalised backyard shacks so that the occupants can transact directly with the Metro and be able to take transfer of the Backyard Shacks.

12.6 Goal 6: Build and Establish Partnerships for Broad Based Housing Delivery

- NMBM to play the role of the Facilitator rather than Developer as is the case at present
- List potential Delivery Agents with which with metro can conclude agreements for Housing Development including:
 - Social Housing Forum
 - Accredited Social Housing Institutions
 - Private Developers
 - Financial Institutions
 - Co-operatives
 - Informal Sector Network (ISN) Members and Settlements
 - Micro-lending Organisations
 - Special purpose vehicles which may include Trade Union Investment Companies
- Develop a qualification criteria to group the potential delivery agents according to a list of criteria such as financial capacity, technical ability, ability to raise external finance, ability to bridge finance developments for a number of years before the funding becomes available, track record, empowerment credentials, etc.
- Draw up a Registrar of potential Partners and enable the metro to start engaging the preferred candidates to deliver identified Integrated Housing Projects in Motherwell NU12, NU29 and NU31, Wells Estate and High Density Housing Areas in Chatty, Joe Slovo West and Khayamnandi.
- Draw up a MOU with State (National and Provincial Departments) to enable implementation of all the three integrated projects as set out above, in particular relating to the flow of funding and subsidies.



- Advertise at least one big (± 5000 units) turnkey projects for integrated housing development per year from 2012 (plan, service installation, raise finance, top structures and allocation of units)
- Advertise proposal calls for private land owners willing to make well located land available for housing development.

12.7 Goal 7: Develop progressive and flexible development policy to facilitate Integrate Development

12.7.1 Zoning Departures and Land-Use Amendments

Integrated Settlement Planning requires amendments to existing scheme provisions that prevent densification. The Metro to consider the following amongst others:

- **Erf Size Restriction:** Do away with the $600m^2$ erf size restriction for Residential 1 type development to promote subdivision of existing properties and infill development at high density.
- **Amend Second Dwelling Guidelines:** Enable two or more dwellings on larger sites, enable subdivision of sites to enable second dwelling to be alienated separately and revise the maximum limit for second dwellings.
- **Height Restrictions:** To be relaxed in line proposals n of Tall Buildings Policy to promote densification of well located land and buildings and the development of walk ups.
- **Density Relaxations:** Ensure that residential areas can be developed at densities that make the provision of public transport viable (750 units/ Ha). Implement a minimum density policy for well located land.
- **Integrated Zoning Scheme:** Fast track the implementation of the Integrated Zoning Scheme.
- **Building Line Relaxations:** Relaxation of Building Lines coverage as appropriate to promote in-situ upgrading of backyard shacks and the densification of existing erven through subdivisions and development of additional dwellings.

12.7.2 Levies and Incentives

Exempt higher density development on well located land that accommodate a significant number of beneficiaries and receive some form of full or partial state subsidy and at densities that support viable public transport from a number of levies including:

- Building plan submission fees (current policy exempts units of up to $40m^2$ in size). The envisaged densification will enable units bigger than $40m^2$ being built from subsidies and it is critical that those be exempted as well.



- Relaxation of road widths standards in higher density developments and cluster units to pass on savings for the construction of better quality units and public areas.
- Private land owners wishing to make part of their land available for subsidy, social and affordable/ gap housing to receive rates rebates, increased development and density bonuses, in exchange for the land.
- Exempt from paying full electricity connection fees for subsidised and partially subsidised housing developed by private and municipal agents.



13 RISK ABATEMENT AND MANAGEMENT

The implementation of the proposals set out in the Human Settlement Plan are dependent on the management of risks associated with the following:

- **Institutional and Organisational changes**

The housing problems facing the metro require a fundamental change in the housing delivery model. This requires the strengthening of the strategic planning role within the Housing and Land Business Unit to lead the development of Integrated Human Settlements.

- **Staff Training and Recruitment**

The staff recruitment process and training needs to be significantly improved to enable the Metro to play a stronger project management and conceptualisation role for housing for all sectors rather than concentrate only on the poorest of the poor.

- **Accreditation**

The metro has now been granted Level 2 Accreditation. It is critical that the functions and systems that are entailed in Level 2 Accreditation are fully implemented and that the necessary financial allocations are made to the Metro to be able to discharge the functions effectively.

- **Land Assembly**

It is critical that the metro obtain preferential access to State land for housing aimed at the restructuring of the City.

The State needs to make available the land timeously and where possible with funding for the provision of bulk infrastructure or link services as appropriate.

The state needs to make funds available for the metro to acquire well located private land to facilitate low cost housing development especially to the south and south-west of the City.

The metro to update the Land Disposal Policy to favour the exchange of Municipal Land with well located private land/ or state land to facilitate housing development in appropriate areas.

The metro should develop incentives to entice private land owners to donate land for low cost housing in good locations and introduce penalties to force the release of well located private land that is not being beneficially used. It may make economic sense to acquire pricey private land if it is well located as this would result in significant savings for the residents and the City overtime.



- **Pilot Projects**

It is critical that pilot projects are rolled out for the development of CRU Housing and Integrated Housing Projects to lead the way on the future housing delivery models based on dense and compact settlements.

- **Bulk Infrastructure Investment Plan**

The Human Settlement Plan has identified the need to keep housing development within 10km of the main core areas in the City.

The Core areas generally have older services infrastructure that is in need of upgrading and which was designed for lower settlement densities than are being proposed. It is critical that a bulk infrastructure investment plan is prepared to show how the intentions of the Human Settlement Plan to densify the inner core and along public transport corridor, will be funded. The future USDG applications should be based on the need to restructure the metro in line with the Human Settlement Plan, SDF and LSDF proposals.

14 CONCLUSION

The Human Settlement Plan sets the framework for the delivery of housing in a manner that will contribute to increased rate of delivery, improvement in the quality and edge of housing products, expanding to the number of housing delivery agents and improving the integration of housing with other sector plans such as transport, environment and infrastructure.

The Plan will need to be continually reviewed to ensure that remains relevant to the changing housing scenario.

LIST OF ANNEXURES

ANNEXURE A:

STRUCTURING ELEMENTS

ANNEXURE B:

STRATEGIC LAND PARCELS

ANNEXURE C:

INFORMAL SETTLEMENT PROPOSALS

ANNEXURE D:

DESIGN GUIDELINES & HOUSING
TYPOLOGIES FOR HIGH DENSITY
RESIDENTIAL DEVELOPMENTS