

**REQUEST FOR THE CONCLUSION OF A LAND AVAILABILITY AGREEMENT
BETWEEN MATJHABENG LOCAL MUNICIPALITY, FIKILE CONSTRUCTION
AND SA HOMES FOR A PERIOD OF THREE YEARS (EXECUTIVE MAYOR)**
(20/14/4/3)

PURPOSE

To request Council to authorise the Municipal Manager to conclude a Land Availability Agreement with Fikile Construction for a period of three years.

BACKGROUND

Fikile Construction has partnered with SA Homes to develop GAP market in South Africa. They have identified Matjhabeng as an area where there has been underdevelopment regarding GAP market. It is a fact that the development of GAP market in Matjhabeng has not happened in many years. This has affected the provision of GAP houses in the Area for most professionals and had directly affected revenue or tax base for Matjhabeng. It is therefore critical that companies with capacity should be allowed to develop sites (land) that have infrastructure, especially bulk services.

It is also important that investors who are able to bring investment for the provision of GAP market and infrastructure in areas where there are no bulk services should be considered in order to provide houses for the community of Matjhabeng. Importantly, the development will reduce the risk of land theft and land grab.

FINANCIAL IMPLICATIONS

Fikile construction has committed that there will be no financial implications from the municipality in that they will bring funding from SA homes. The municipality will benefit from the sale of land and increase of the tax base.

*** Attached on page 1 to page 15 of the Addendum Annexures is the document from Fikile Construction.

LEGAL IMPLICATIONS

The disposal of land should comply with the provisions of section 14 of the Municipal Finance Management Act. In an instance where a land availability Agreement is concluded, the land can only be disposed to the beneficiary after the Banking Institution has approved the loan. The land will automatically revert to the municipality if development does not take place within the stipulated period.

RECOMMENDATIONS

It is recommended:

1. That the Municipal Manager be authorised to conclude a three year Land Availability Agreement with Fikile Construction.
2. That a quarterly progress report must submitted to Council.

**REQUEST FOR THE CONCLUSION OF A LAND AVAILABILITY AGREEMENT
BETWEEN MATJHABENG LOCAL MUNICIPALITY AND PRO AFRIKA LED
CONSORTIUM FOR A PERIOD OF THREE YEARS (EXECUTIVE MAYOR)**
(20/14/4/3)

PURPOSE

To request Council to authorise the Municipal Manager to conclude a Land Availability Agreement with Pro Afrika LED Consortium for a period of three years.

BACKGROUND

Pro Afrika LED Consortium has funding for the development GAP market in South Africa. They have identified Matjhabeng as an area where there has been underdevelopment regarding GAP market. It is a fact that the development of GAP market in Matjhabeng has not happened in many years. This has affected the provision of GAP houses in the Area for most professionals and had directly affected revenue or tax base for Matjhabeng. It is therefore critical that companies with capacity should be allowed to develop sites (land) that have infrastructure, especially bulk services.

It is also important that investors who are able to bring investment for the provision of GAP market and infrastructure in areas where there are no bulk services should be considered in order to provide houses for the community of Matjhabeng. Importantly, the development will reduce the risk of land theft and land grab.

FINANCIAL IMPLICATIONS

Pro Afrika LED Consortium has committed that there will be no financial implications from the municipality in that they will bring funding. The municipality will benefit from the sale of land and increase of the tax base.

*** Attached on page 16 to page 29 of the Addendum Annexures is the document from Pro Afrika LED Consortium.

LEGAL IMPLICATIONS

The disposal of land should comply with the provisions of section 14 of the Municipal Finance Management Act. In an instance where a land availability Agreement is concluded, the land can only be disposed to the beneficiary after the Banking Institution has approved the loan. The land will automatically revert to the municipality if development does not take place within the stipulated period.

RECOMMENDATIONS

It is recommended:

1. That the Municipal Manager be authorised to conclude a three year Land Availability Agreement with Pro Afrika LED Consortium.
2. That a quarterly progress report must submitted to Council.