

APPLICATION: ALIENATION OF A PORTION OF COMMONAGE LAND (*between van Eeden- and Moolman streets*), SWELLENDAM, ADJACENT TO ERF 1203, SWELLENDAM

Municipal Manager	A Vorster
Department	Corporate Services
Section	Property Administration
File Number	7/2/R

PURPOSE OF REPORT

To submit an application to purchase a portion of municipal land for residential development in Swellendam.

FACTS AND BACKGROUND

An application was received from Mr Hans J. Steyn, owner of Erf 1203, Swellendam, who already submitted the same application in 2019, but did not want to proceed at that stage.

The following decision was made by Council:

UNANIMOUSLY RESOLVED: Item A55/30/05/2019

1. *"that Council resolves that the land parcel, comprising approximately 3881m² of municipal commonage situated between Buitekant and van Eeden Streets, Swellendam, as depicted on the plan as per the annexure, and hereafter further referred to as "the development area" is not needed for the provision of a basic level of municipal services in terms of Section 14 of the Municipal Finance Management Act, 2003.*
2. *that the alienation of "the development area" as described in Paragraph 1 above to the applicant, Dr H Steyn, be approved in principle at a fair market related price to be determined by Council, subject to the following:*
 - a. *that public be invited to make comments or to lodge objections to the Council resolution relating to the proposed development and alienation of the "development area"; and*
 - b. *that two fair market related valuations be obtained for consideration by Council;*
 - 2.1.1 *that, after the Council has considered feedback from the community and has determined a reserve price on the land, the applicant be requested to submit a detailed proposal for consideration by Council;*
 - 2.1.2 *that the applicant be informed that the land will be offered for sale as unproclaimed and unserviced and that the purchaser will be responsible for the township establishment process, environmental impact assessment, biodiversity study and for the provision of all engineering infrastructure;*
 - 2.1.3 *that the applicant be informed that the following conditions will be applicable to the construction of engineering infrastructure:*
 - a. *All municipal services, including roads must be built to the standard set by the Director Infrastructure Services and the funding thereof must be done proportionality amongst the proposed new stands to be developed and must include the proposed six new full title stands of Erf 1504;*

- b. *The owner of Erf 1504 will not be exempted to make a financial contribution towards the new development, specifically for the establishment of the new road;*
- c. *The engineering infrastructure that will be required to make basic services available to the new stands must be installed and paid for by the successor in the procurement process of the land. The engineering infrastructure will consist of the:*
 - *Internal reticulation in front of the new stands;*
 - *The bulk link infrastructure that must connect the new internal reticulation with the backbone infrastructure;*
 - *The developer and /or applicant will also pay a proportional contribution towards the bulk backbone infrastructure for the capacity allocation or creation towards these new stands."*

DISCUSSION

Mr Steyn wants to buy the mentioned portion (3881 square metres) of municipal land to upgrade the street, that service his property on Erf 1203. It is still a gravel road and his only access. He wants to create a private establishment, with a private road (*extension of Moolman Street*), to serve his existing three units and the newly development on portion G, as indicated on the attached map.

A servitude will also be registered for the municipality to have access to the bulk services on portion G.

Find the applicable documents on **pages 125 to 126 of the Annexures.**

LEGAL IMPLICATIONS

The following legislation regulates property management:

- The provisions of Section 14 of the Municipal Finance Management Act, 2003, (Act 56 of 2003);
- The By-Law relating to the Management and Administration of Immovable Property, 2018.
- The Asset Transfer Regulations, 2008.
- Land Disposal Policy, 2018

FINANCIAL IMPLICATIONS

None

PERSONNEL IMPLICATIONS

None

COMMUNICATION IMPLICATIONS

According to the resolution.

COMMENTS FROM DEPARTMENTS

Corporate Services

Town Planning & Building Control – Mr R. Brunings

The previous decision was taken some 4 years ago. The process was then subject to considerable further discussion between Mr Steyn and the Administration, particularly Infrastructure Services. The project was not taken further given the cost and servicing implications, these issues remain. Notwithstanding, the proposal cannot be supported in its current format, from a land use perspective, for 2 key reasons; 1. The proposal will cut off future municipal access to the balance of Remainder Erf 1 from both Moolman and Van Eeden St for potential residential development, 2. We need to have further detail as to what is proposal on the property, given its location. Finally, and as was discussed at length with the applicant previously, Mr Steyn continues to utilise a portion of Remainder Erf 1 in an unauthorised manner to access his units. He was advised at the time that this needs to be addressed, this is yet to be done.

Director: Community Services

None

Director: Financial Services

None

Director: Infrastructure Services

Selling a portion of Erf 1 in that location will essentially block and close the road reserve on the edge of the developed part of town in order to create a private estate with no development possibilities further down.

The Council decision stated seems to speak to an extension of a road reserve to service a single erf with multiple dwellings that should not have been constructed in that way in the first place.

It is still a very different decision than to buy the land to create a private estate.

For the purpose of protecting and reserving access to the outlying parts of Erf 1, the proposal is not supported.

Municipal Manager

The application is not supported due to the reasons provided by Town Planning and the Infrastructure Department.

This item served on the Corporate and Financial Services Portfolio Committee meeting held on 18 September 2023.

This item served on the Mayoral Committee meeting held on Tuesday, 10 October 2023.

RECOMMENDED TO COUNCIL

1. that the application by Mr Hans J. Steyn to purchase a portion of municipal land approximately 3881m² of municipal commonage situated between Buitekant and van

Eeden Streets, Swellendam be **REFERRED BACK** for further discussion with Mr Steyn to provide Council with more information regarding his development plans on the property.

DISCUSSION

The Speaker, Councillor J.R. van Schalkwyk indicated that it was proposed that the item be referred back by the Mayoral Committee and he ruled that the item be referred back for further discussion with the applicant.

RESOLVED

Item A137/31/10/2023

1. that the application by Mr Hans J. Steyn to purchase a portion of municipal land approximately 3881m² of municipal commonage situated between Buitekant and van Eeden Streets, Swellendam be **REFERRED BACK** for further discussion with Mr Steyn to provide Council with more information regarding his development plans on the property.