

# **SPECIAL COUNCIL MEETING**

## **MINUTES**



**MINUTES OF A SPECIAL COUNCIL MEETING OF THE MUNICIPAL COUNCIL OF SWELLENDAM MUNICIPALITY HELD ON MONDAY, 22 JUNE 2026 AT 10:00 IN THE COUNCIL CHAMBERS, RHENIUS STREET, SWELLENDAM.**

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Yours sincerely

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**J. du T. Loubser**

**SPEAKER**

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**DATE**

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**MINUTES OF A SPECIAL COUNCIL MEETING OF THE MUNICIPAL COUNCIL OF SWELLENDAM  
MUNICIPALITY HELD ON MONDAY, 22 JUNE 2026 AT 10:00.**

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|                       |                   |                  |                                                          |
|-----------------------|-------------------|------------------|----------------------------------------------------------|
| <b>PRESENT:</b>       | <b>Councillor</b> | F. Kees          | Acting Speaker (from 10:05)                              |
|                       |                   | J. du T. Loubser | Speaker (until 10:04)                                    |
|                       |                   | H.F. du Rand     |                                                          |
|                       |                   | A. Bokwana       |                                                          |
|                       |                   | D. Julius        |                                                          |
|                       |                   | E.J. Lamprecht   |                                                          |
|                       |                   | J.A. Matthysen   |                                                          |
| <br>                  |                   |                  |                                                          |
| <b>IN ATTENDANCE:</b> |                   | A. Vorster       | Municipal Manager                                        |
|                       |                   | E. Wassermann    | Director: Financial Services                             |
|                       |                   | W. Treurnicht    | Acting Director: Infrastructure<br>and Planning Services |
|                       |                   | J. Etzebeth      | Manager: Administrative Support<br>Services              |

**SECRETARIAT:**

K. Opperman  
A. Eksteen

**RECORDING OFFICER:**

K. Opperman

|                               |
|-------------------------------|
| <b>1. OPENING AND WELCOME</b> |
|-------------------------------|

*At 10:00, the Speaker, Alderman J. du T. Loubser welcomed everyone at the Council meeting and declared the meeting duly constituted with a quorum present.*

*Councillor F. Kees rendered an opening prayer.*

|                                                    |
|----------------------------------------------------|
| <b>2. ELECTION OF ACTING SPEAKER, IF NECESSARY</b> |
|----------------------------------------------------|

None

|                                            |
|--------------------------------------------|
| <b>3. APPLICATION FOR LEAVE OF ABSENCE</b> |
|--------------------------------------------|

The Speaker, Alderman J. du T. Loubser shared that the Chief Whip of the ANC, Councillor M.T.A. Swart provided an informal leave of absence message via WhatsApp that the ANC Councillors would not be present for the meeting due to the short notice given as well as the fact that their personal emails were not used for notices regarding Council meetings.

He said that he took note of the request for leave of absence as provided, however, the prescribed procedure was not followed.

#### 4. DISCLOSURE OF INTERESTS BY COUNCILLORS

*The Speaker, Alderman J. du T. Loubser informed Council regarding Item A28: Application to Reduce Capital Contribution: Erf 5474 Swellendam he noticed from the signature of the applicant that the applicant was a foster child of his brother N. Loubser and in terms of the regulation regarding disclosure of interest, he confirmed that he had no financial interest in the matter, however, he indicated that he would prefer to not participate in the deliberations on the Item and as such would recuse himself from the meeting.*

*The Speaker excused himself from the meeting at 10:04.*

*The Municipal Manager, Mrs A. Vorster called for nominations for an Acting Speaker.*

*Councillor D. Julius proposed Councillor F. Kees as Acting Speaker.*

*Councillor A. Bokwana seconded the proposal.*

*The proposal was supported unanimously.*

*Councillor F. Kees accepted the nomination as Acting Speaker.*

#### 5. SPEECHES AND SUBMISSIONS

None

#### 6. MATTERS FOR CONSIDERATION

##### 6.1 Items submitted by officials of Council.

##### 6.1.1

Item number A128. 22.06.2026

##### APPLICATION TO REDUCE CAPITAL CONTRIBUTION: ERF 5474 SWELLENDAM

**Property Management**

A Vorster

**Department**

Municipal Manager

**Section**

Local Economic Development

**File Number**

##### PURPOSE OF REPORT

To consider an application to reduce capital contribution in respect of Erf 5474 Swellendam.

##### FACTS AND BACKGROUND

Swellendam Municipality received an application in terms of the Swellendam Incentives Policy, to grant relief on development contribution owing for the Station Square Development on Erf 5474 Swellendam. The capital contribution as determined by the Municipality is attached as **Annexure A.1.**

The application motivation as received from the developer is attached as **Annexure A.2.**

The approval of the Site Development Plan is attached as **Annexure A.3.**

Council's Incentive Policy is attached for reference as **Annexure A.4.**

The applicant wishes to request a rebate under two categories namely: A Desirable Development as per section 9.3 of the Incentive Policy, closing the gap between SMME's and more formalised development.

In terms of Section 7 of the Incentive Policy, there is also an opportunity for a deferral of capital contributions, namely a phased payment or discount.

The applicant also requests a reduced contribution in terms of roads contribution as they will erect a taxi rank.

The applicant indicated that they would invest R45 000 000 into the development of the project and will employ between 90 and 120 people. They motivate to be seen as a class 5 category.

The categories applicable are as follows:

## 7 Classification Per Investment

| Classification According to Investment | Class 1                    | Class 2                    | Class 3                    | Class 4                    | Class 5                    |
|----------------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Industry                               | Minimum Ratable Investment | Minimum Ratable Investment | Minimum Ratable Investment | Minimum Ratable Investment | Minimum Ratable Investment |
| Industrial and manufacturing           | R5m                        | R10m                       | R25m                       | R50m                       | R100m                      |
| Adventure and experience tourism       | R1m                        | R2m                        | R5m                        | R10m                       | R20m                       |
| Convention Centre and Hotels           | R10m                       | R20m                       | R50m                       | R100m                      | R250m                      |
| Medical Industry                       | R5m                        | R10m                       | R25m                       | R50m                       | R100m                      |
| Waste Reduction, recycling and re-use  | R1m                        | R2m                        | R5m                        | R10m                       | R20m                       |
| Renewable energy industries            | R5m                        | R10m                       | R25m                       | R50m                       | R100m                      |
| Airport Development                    | R5m                        | R10m                       | R25m                       | R50m                       | R100m                      |
| CBD Regeneration & Precinct Projects   | R5m                        | R10m                       | R25m                       | R50m                       | R100m                      |
| SMME's addressing the economic gap     | R1m                        | R2m                        | R5m                        | R10m                       | R20m                       |

**Table 2.2 Classification Per Employment**

| Classification per number of permanent, direct employment  |         |         |         |         |         |
|------------------------------------------------------------|---------|---------|---------|---------|---------|
| Number of permanent, direct employment opportunities added |         |         |         |         |         |
|                                                            | Class 1 | Class 2 | Class 3 | Class 4 | Class 5 |
| Industry                                                   | Minimum | Minimum | Minimum | Minimum | Minimum |
| Industrialisation and manufacturing                        | 40      | 55      | 70      | 85      | 100     |

|                                              |           |           |           |           |            |
|----------------------------------------------|-----------|-----------|-----------|-----------|------------|
| <b>Adventure and experience tourism</b>      | <b>40</b> | <b>55</b> | <b>70</b> | <b>85</b> | <b>100</b> |
| <b>Convention Centre and Hotels</b>          | <b>40</b> | <b>55</b> | <b>70</b> | <b>85</b> | <b>100</b> |
| <b>Medical Industry</b>                      | <b>40</b> | <b>55</b> | <b>70</b> | <b>85</b> | <b>100</b> |
| <b>Waste Reduction, recycling and re-use</b> | <b>40</b> | <b>55</b> | <b>70</b> | <b>85</b> | <b>100</b> |
| <b>Renewable energy industries</b>           | <b>40</b> | <b>55</b> | <b>70</b> | <b>85</b> | <b>100</b> |
| <b>Airport development</b>                   | <b>20</b> | <b>25</b> | <b>30</b> | <b>40</b> | <b>50</b>  |
| <b>CBD Regeneration Projects</b>             | <b>20</b> | <b>25</b> | <b>30</b> | <b>40</b> | <b>50</b>  |
| <b>SMME's addressing the economic gap</b>    | <b>20</b> | <b>25</b> | <b>30</b> | <b>40</b> | <b>50</b>  |

The investment must create new and sustainable full time employment opportunities to be eligible for an incentive package.

95% of jobs created in Category A or B must be occupied by South African residents

75-80% of jobs for unskilled or lower skilled employees must be occupied by local residents. The onus is on the investor to provide auditable and verifiable evidence and will be subject to monitoring.

In light of the above the applicant requests a phased payment of the capital contribution as follows:

| <b>Fase</b>   | <b>Tydperk</b>                                          | <b>% van Totaal</b> | <b>Geskatte Bedrag*</b>                                                                  | <b>Betalingskondisie</b>                                                                                               |
|---------------|---------------------------------------------------------|---------------------|------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|
| <b>1</b>      | <b>Voor 30 Junie 2026 (voor tariefverhoging)</b>        | <b>33%</b>          | <b>33% van goedgekeurde bedrag (TBD)</b>                                                 | Voor einde Junie 2026 - om huidige 2025/2026-tariewe te benut voordat nuwe tariefkoste op 1 Julie 2026 in werking tree |
| <b>2</b>      | <b>Middel konstruksie (±12 maande na Fase 1)</b>        | <b>33%</b>          | <b>33% van goedgekeurde bedrag (TBD)</b>                                                 | By amptelike opening van die sentrum                                                                                   |
| <b>3</b>      | <b>Een jaar na amptelike opening van Station Square</b> | <b>33%</b>          | <b>33% van goedgekeurde bedrag (TBD)</b>                                                 | Een jaar na openingsdatum (datum in Insentiefkontrak vasgelê)                                                          |
| <b>TOTAAL</b> |                                                         | <b>100%</b>         | <b>Finale bedrag (TBD) - na hersiening van padkomponent en taxistaanplek-verrekening</b> |                                                                                                                        |

The applicant further requests:

- a reduction in the roads contribution as most people visiting the area will do so on foot;
- a reduction in capital contribution due to employment opportunities and investment
- that the cost of the taxi rank be countered against the capital contribution
- that a 50% rebate be allocated in terms of building plan cost
- finalisation of the incentive contract by 30 June 2026

## **DISCUSSION**

The investment is indeed a desired development that will promote the local economy and provide more accessible retail options to the community.

Though it is agreed that 90-120 work opportunities and an investment of R40 million will qualify in two categories, these are currently only projections and not proven fact.

Should Council wish to provide a rebate on the capital contribution, it can only be done, once audited proof of investment and job opportunities is provided.

The levy on road impact is based on an approved engineering calculator and considers the impact of pedestrians as per the road impact study undertaken by the developer. A reduction in the base line levy for roads is thus not supported.

The development does not have sufficient parking spaces available and thus there was an agreement that the parking requirement will be offset against the taxi rank to be completed. The Municipality has thus already offset the taxi rank benefit against the development, and it is thus not supported that a further reduction be given.

## **LEGAL IMPLICATIONS**

The following legislation regulates the incentive framework:

The Constitution of Republic of South Africa (Act No 108 of 1996)

The Public Finance Management Act (MFMA, 2003)

Municipal Finance Management Act (MFMA, 2003)

Property Rates Act (Act No 6 of 2004)

The Municipal Systems Act (Systems Act, 2000)

National Development Plan

Swellendam Municipal Tariff Policy

Municipal Rates Policy

Integrated Development Plan

Municipal ordinances and by-laws

Swellendam Annual Tariff List (as published annually)

## **FINANCIAL IMPLICATIONS**

The building fee for Erf 5474 Swellendam is R132 160.00

### **Acting Director: Infrastructure Services**

As per report

### **Town Planning & Building Control**

As per report

### **Director: Financial Services**

Rebates can only be considered after audited proof on investment and work opportunities are provided.

### **Municipal Manager**

As per report

## **RECOMMENDED**

1. that the application to reduce capital contribution in respect of Erf 5474, Swellendam received from Ms O. Swart on behalf of Oude Caepse Drankhandelaars, be noted.
2. that Council confirms the capital contribution as determined by the Infrastructure Department with no rebates at present.
3. that the cost of the taxi rank not be offset against the capital contributions as it is already offset against the development to address the parking bay shortages.
4. that Council approves a phased payment of capital contributions with 33% of the due capital contribution payable by 30 June 2026; 33% payable 12<sup>th</sup> months after construction and the last 33% payable one year after the official opening of the Station Square.
5. that Council approves a 50% rebate on the building plans for Erf 5474, Swellendam as it pertains to the current building plan application.
6. that Council considers further rebates on receipt of audited proof on investment and job opportunities created.

## **DISCUSSION**

*The Municipal Manager, Ms A. Vorster shared that an application was submitted for the development of Erf 5474 with various requests in the application amongst others, the phasing in of development charges, lower contribution charges in terms of the roads and rebates in terms of building plans and also that the agreement in terms of the Incentive Policy of Council be taken into account.*

*She added that the Incentive Evaluation Committee looked at the recommendations in an earlier meeting and made an amendment to the recommendation.*

*She said that the application was in accordance with the Incentive Policy as it was a desired development, however, there was no reason to change the development contribution from the already calculated amounts by the Infrastructure Department as the roads contribution was already included for pedestrians. She added that the taxi rank to be developed next to the station was already offset against the development due to a shortage of parking on the premises.*

*She shared the recommendation by the Incentive Evaluation Committee that was as follows for consideration by Council:*

1. that the application to reduce development contribution in respect of Erf 5474, Swellendam received from Ms O. Swart on behalf of Oude Caepse Drankhandelaars, be noted.
2. that Council confirms the development contribution as determined by the Infrastructure Department with no rebates at present.
3. that the cost of the taxi rank not be offset against the development contribution as it is already offset against the development to address the parking bay shortages.
4. that Council approves a phased payment of development contribution with 50% of the due development contribution payable upon the signature of the Service Level Agreement with the remaining 50% payable prior to the issue of the occupation certificate.
5. that Council approves a 50% rebate on the building plans for Erf 5474, Swellendam as it pertains to the current building plan application.
6. that Council considers further rebates on receipt of audited proof on investment and job opportunities created.

*She said that this was the first time that the Incentive Policy was implemented and believed that this development would change the face of Railton.*

*The Executive Mayor, Councillor H.F. Du Rand said that no rebate would be given on development contributions and that the 50% must be paid before 30 June 2026 before signage of the SLA and the remaining 50% before the occupation certificate was issued.*



*The Acting Director Infrastructure and Planning Services, Mr W. Treurnicht shared that the final calculations would be included in the SLA.*

*Councillor E.J. Lamprecht enquired about future rebates as cited in recommendation 6 and the Municipal Manager responded that it would be considered in terms of the Incentive Policy.*

*The Executive Mayor concurred that recommendation 6 be amended accordingly.*

*The Executive Mayor, Councillor H.F. du Rand proposed that the amendments to the recommendation be supported.*

*Councillor J.A. Matthysen indicated that the PA was in favour of development and job opportunities for the community and was in support of the recommendation proposed by the Executive Mayor.*

*The Acting Speaker, Councillor F. Kees confirmed that the recommendation was supported by all Councillors as amended.*

#### **UNANIMOUSLY RESOLVED**

**Item A128/22/06/2026**

1. that the application to reduce the development contribution in respect of Erf 5474, Swellendam received from Ms O. Swart on behalf of Oude Caepse Drankhandelaars, be noted.
2. that Council confirm the development contribution as determined by the Infrastructure Department with no rebates at present.
3. that the cost of the taxi rank not be offset against the development contribution as it is already offset against the development to address the parking bay shortages.
4. that Council approve a phased payment of development contribution with 50% of the due development contribution payable upon the signature of the Service Level Agreement with the remaining 50% payable prior to the issue of the occupation certificate.
5. that Council approve a 50% rebate on the building plans for Erf 5474, Swellendam as it pertains to the current building plan application.
6. that Council consider further rebates in terms of the Incentive Policy on receipt of audited proof on investment and job opportunities created.

#### **7. CLOSURE**

The meeting adjourned at 10:17.