

ITEM NUMBER : C 47/02/12

RECOMMENDATION FROM THE EXECUTIVE MAYOR: 21 FEBRUARY 2012

MC 31/02/12 APPLICATION FOR THE EXTENSION OF THE IMPLEMENTATION PLAN OF OBSERVATORY CITY IMPROVEMENT DISTRICT TO 30 JUNE 2017

RECOMMENDED that:

- (a) for the reasons stated in the report on the agenda, Council note but not uphold the objections to the proposed extension of term
- (b) Council approve, in terms of Section 15 of the Special Rating Area (SRA) By-Law, the extension of the Implementation Plan of the Observatory City Improvement District dated September 2011 from 1 July 2012 to 30 June 2017.



REPORT TO COUNCIL

1. ITEM NUMBER : MC 31/02/12

2. SUBJECT

APPLICATION FOR THE EXTENSION OF THE IMPLEMENTATION PLAN OF OBSERVATORY CITY IMPROVEMENT DISTRICT TO 30 JUNE 2017

ONDERWERP

AANSOEK OM VERLENGING VAN DIE IMPLEMENTERINGSPLAN TEN OPSIGTE VAN OBSERVATORY-STADSVERBETERINGSDISTRIK TOT 30 JUNIE 2017

ISIHLOKO

ISICELO SOKWANDISWA KWESICWANGCISO SOPHUCULO LWESITHILI SASE-OBSERVATORY SESIXEKO UKUYA KOWAMA-30 JUNI 2017

LSU C0164

3. PURPOSE

In terms of the Special Rating Area By-Law - promulgated as per Provincial Notice No.6651/2009 dated 21 August 2009 (the By-Law), Council received an application, in terms of Section 15 to extend the Implementation Plan of Observatory City Improvement District.

4. FOR DECISION BY

Council.

5. EXECUTIVE SUMMARY

5.1 Application has been made in terms of Section 15 of the By-Law for the extension of the Implementation Plan of Observatory City Improvement District from 1 July 2012 to 30 June 2017.

5.2 The Motivation Plan proposes the same services as currently provided by the Observatory City Improvement District. The Implementation Plan



proposes relevant action steps to implement the services, while the budget proposes an annual growth of 8.80% to that of the existing Business Plan. This relates to an additional rate impact on the residential and commercial residents of 8.00% and 10.00% respectively.

- 5.3 The property owners were given the opportunity to comment/object to the proposed extension of term. **Four objection letters were received and are discussed in the body of the report.**

This report recommends that the application to extend the Observatory City Improvement District term to 30 June 2017 be approved.

6. RECOMMENDATIONS

Not delegated: for decision by Council:

- a) Recommended that Council note but not uphold the objections for the reasons stated in the report on the agenda,
- b) Recommended that Council approve, in terms of Section 15 of the SRA By-Law, the extension of the Implementation Plan of the Observatory City Improvement District dated September 2011 from 1 July 2012 to 30 June 2017.

Nie gedelegeer nie: vir besluitneming deur die Raad:

- a) Aanbeveel dat die Raad kennis neem van maar nie die besware handhaaf nie op grond van die redes in die verslag op die agenda.
- a) Aanbeveel dat die Raad goedkeuring verleen ingevolge artikel 15 van die Verordening op Speciale-aanslaggebiede vir die verlenging van die implementeringsplan ten opsigte van die Observatory-stadsverbeteringsdistrik gedateer 20 September 2011, vanaf 1 Julie 2012 tot 30 Junie 2017.

Azigunyaziswanga: Isigqibo seseBhunga:

- a) Kundululwe ukuba iBhunga maliqaphela kodwa lingazixhasi izichaso ngokwezizathu ezicaciswe kwingxelo ekwi-ajenda;
- b) Kundululwe ukuba iBhunga maliphumeze ngokweCandelo-15 loMthetho kaMasipala ongoMmandla weeRhafu eziZodwa/i-SRA, ukwandiswa kwesiCwangciso sokuMiselwa koPhuculo lwesiThili sase-Observatory sesiXeko esibhalwe uSeptemba 2011 ukususela kowo-1 Julayi 2012 ukuya kowama-30 Juni 2017.



7. DISCUSSION/CONTENTS

7.1. Constitutional and Policy Implications

The Observatory City Improvement District was approved by Council on 26 August 2009 (Item C 44/08/09).

The Observatory City Improvement District has made an application in terms of Section 15 of the SRA By-Law, to extend the Implementation Plan for another five years (1 July 2012 to 30 June 2017), as per Annexure A.

The application, for extending the Implementation Plan of Observatory City Improvement District, was advertised in the daily newspapers, local newspaper, sent to the property owners, calling for comments/objections and approved unanimously by the members Observatory City Improvement District at the AGM held on 8 October 2011 as per Annexure B.

Four letters with objection were received. The objections are extracted and discussed in the attached table (Annexure C) with the full objection letter and relevant documents attached as Annexure D (1 - 4).

As the objections are more addressed around operational and communication of what the OBSID needs to do no substantial objections were raised to prohibit Council from approving the OBSID term. Notwithstanding the above Council needs to ensure that OBSID addresses the issues highlighted and ensure corrective action be taken where needed.

The Observatory City Improvement District did not introduce any new services in the Motivation Report. The Implementation Plan proposed relevant action steps to implement the services with a year on year increase in the budget of 7.5%.

This term increase is 8.8% when comparing the existing term with the proposed new budget. This relates to an additional rate impact on the Residential and Commercial residents of 8.00% and 10% respectively.

Council could justify approving the renewal application in terms of Section 15 (a) and (b) of the SRA By-Law.

As the application complies with the SRA By-Law requirements and the property owners were consulted, Council may approve the extension of the Implementation Plan dated October 2011 for the Observatory City Improvement District as from 1 July 2012 to 30 June 2017.

7.2. Environmental implications

Does your report have any environmental implications: No Yes

7.3. Legal Implications

Special Rating Area By-Law - promulgated as per Provincial Notice No.6651/2009 dated 21 August 2009

7.4. Staff Implications

Does your report impact on staff resources, budget, grading, remuneration, allowances, designation, job description, location or your organisational structure?
No

Yes

7.5. Risk Implications

None

7.6. Other Services Consulted

None

ANNEXURES


Annexure A: Observatory City Improvement District Business Plan dated September 2011.

Annexure B: Advertisement of application

Annexure C: Summary of objections with Council response.

Annexure D (1-4) Objection letters and related documentation

FOR FURTHER DETAILS CONTACT:

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SIGNATURE : DIRECTOR (Delete if not necessary)	

Sayed

LEGAL COMPLIANCE

REPORT COMPLIANT WITH THE PROVISIONS OF COUNCIL'S DELEGATIONS, POLICIES, BY-LAWS AND ALL LEGISLATION RELATING TO THE MATTER UNDER CONSIDERATION.

NON-COMPLIANT

NAME Rianna Sayed
TEL 021 400 4508
DATE 06 / 02 / 2012

Comment:

Certified as legally compliant:
Based on the contents of the report.

[Signature]

[Signature]

EXECUTIVE DIRECTOR
Acting CFO: Johan Steyl

Comment:

DATE 3.02.2012

MAYORAL COMMITTEE MEMBER
Ald Ian Neilson

COMMENT:

NAME *[Signature]*
DATE 6/2/2012