



INFORMATION STATEMENT IN RELATION TO A LONG TERM LEASE OF PORTIONS OF THE TRANSVALIA COMPLEX (ERVEN 825, 1123, 1125, 1130, 1133, 1128, 1129, 1124, 1134, 1142 and 1160 STELLENBOSCH)

1. PURPOSE

The purpose of this statement is to provide the prescribed information in terms of regulation 34 and 35 of the Asset Transfer Regulations, published in terms of Section 168 of the Local Government: Municipal Finance Act (R878, 22 August 2008), to the public to provide input on during the public participation process.

2. BACKGROUND

2.1 Existing Contractual arrangements

Stellenbosch Municipality owns erven 825, 1123, 1125, 1130, 1133, 1128, 1129, 1124, 1134, 1142 and 1160, Stellenbosch and is currently leasing unit 1 of the “Dorpstreet flats” to the IEC.

It has been a long time vision of the Municipality to use the land in a manner to create economic activity in the historic centre of Stellenbosch. Some of the erven is also providing access to adjacent private properties as well as parking at the Stelkor centre. Due to the historic area it is situated in any proposed development will have to take that into account.

3. DISCUSSION

3.1 Public Participation Process

Council intend to request proposals to lease the land on a long term lease to an entity/person to develop which development must include parking for the development as well as the same amount of parking currently available to the public, tourist accommodation, other tourist attractions like a restaurant taking the historic area and the historic nature of the existing buildings into account. Permission will have to be obtained for the development and any possible changes to the historic buildings from Heritage Western Cape. No office accommodation is intended as part of the development proposals.

The public may submit written inputs on the term of the lease as well as the proposed development that is intended before a final decision is made.

In terms of the Asset Transfer Regulations, before Council can make a decision on whether to make rights on Municipal property available to a party, the Municipal Manager must first conduct a public participation process in terms of the provisions of the MFMA.

The item that served before Council on 23 November 2022 is available on the website for perusal.

3.2 Information Statement

In terms of regulation 35, the Municipal Manager, when making public the proposal to grant the relevant long term right(s), must also make available the Information Statement referred to in regulation 34.

In terms of regulation 34 an Information Statement must consist of the following:

- i) the reason for the proposal to grant a long-term right to use, control or manage the relevant capital asset;
- ii) any expected benefit to the municipality that may result from the granting of the right;
- iii) Any expected proceeds to be received by the municipality from the granting of right; and
- iv) Any expected gain or loss that will be realised or incurred by the municipality arising from the granting of the right.

3.2.1 Reason(s) for proposal to grant a long term right to use, control or manage the relevant capital asset

The Transvalia complex has long been regarded as ideal opportunity to breathe some economic upliftment of the area. It is situated in the centre of the historic area in Stellenbosch and the need for some tourist accommodation and other tourist attractions will benefit the greater Stellenbosch town.

3.2.2 Expected benefits to the municipality that may result from the granting of the right

The facilities will provide much needed space for economic activity like tourist accommodation, restaurants and parking for visitors to Stellenbosch. The residents can also benefit from using the facilities.

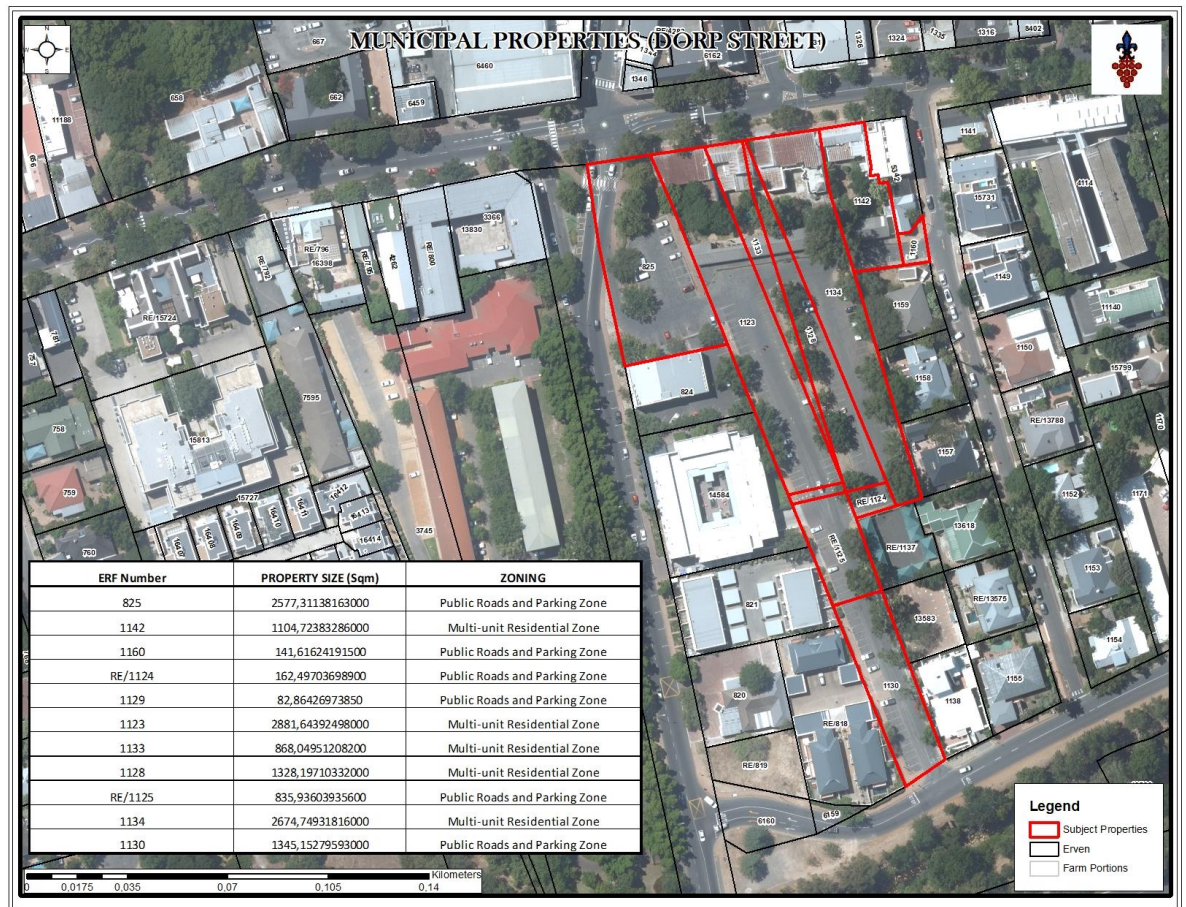
3.2.3 Expected proceeds to be received by the Municipality form the granting of the right

The erven will be much more efficiently used bringing economic activity to the area and will remain in the ownership of the municipality. Money from the leasing of the erven and the development will benefit the whole of the municipality.

3.2.4 Expected gain or loss that will be realised or incurred by the municipality arising from the granting of the right.

The aim of the proposed long-term lease is to use the facilities that is already there namely the "Dorpstreet flats" as possible tourist accommodation in an friendly amended form with the permission of Heritage Western Cape and provide better and safer parking to residents visiting the area as well as for the development in line of policies. The third party will be responsible for the costs of the development and all the upkeep of the area and facilities as well as security around the area.

3.3 Location and context



3.4 Public Comment invited:

The public are herewith invited to provide input/comment/alternative proposals to the municipality on the intended proposal to request proposals for the development of The “Transvalia complex (erven 825, 1123, 1125, 1130, 1133, 1128, 1129, 1124, 1134, 1142, and 1160 Stellenbosch) on the basis of a long term lease with the objective of creating an economic upliftment in the area by creating tourist facilities including a restaurant and tourist accommodation as well as enough parking for the development and the current parking on the site for the public. Comment must reach the offices of the Municipality on or before **22 August 2023** and must be addressed to the Municipal Manager via email at Municipal.Manager@stellenbosch.gov.za. Any queries can be directed to Me A de Beer @ (021) 808 8018 or Annalene.deBeer@stellenbosch.gov.za