



VRCID
Voortrekker Road Corridor Improvement District
Bellville & Parow



RADIO 104
TYGERBERG
ONS VERKONDIG CHRISTUS
WE PROCLAIM CHRIST



Bellville
Sakekamer

Public Meeting
27 July 2011

Agenda

1. Opening and welcome by chairman
2. Introduction to the VRCID initiative
3. Presentation on the VRCID SRA
4. Questions
5. Closing



Key points to remember

1. Our commercial properties in this area are valued at R5.8 billion
2. Our area is currently billed R72 million in commercial property accounts per annum by the CoCT (rates and services).
3. That is an investment that we need to look after and ensure that as much as possible of it is spent enhancing this area.



The challenges

- **Safety and Security:**
 - 79% of people don't feel safe in public
 - 74% of people named safety and security their most important priority.
 - Only 26% of people agree that current policing efforts are effective
 - 46% of all survey participants indicated that the railway stations are not safe to use



The challenges - continues

- **Cleanliness:**
 - 80% of people feel that cleanliness is a concern
 - 70% characterised the area as dirty and unsafe
- **Social issues:**
 - Homelessness, drug trading and prostitution is increasing
 - 96% say this is a problem



Urban eyesores and challenges

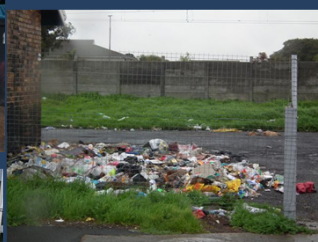


Informal Trading Waste



Illegal dumping of waste

Littering



Homelessness

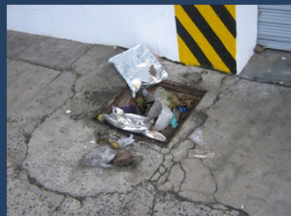


Urban eyesores and challenges

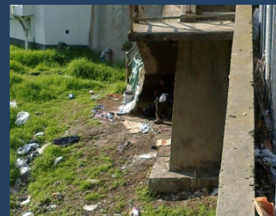
Graffiti and Posters



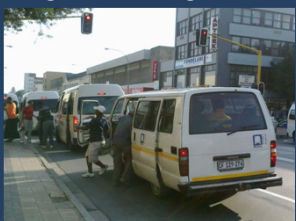
Litter blocking drains



Degraded parks



Illegal taxi ranking



Pavement problems



Degraded street furniture



What is a Special Ratings Area (SRA or CID)

- An SRA (Section 21 Company – now NPC) provides top-up services (security, cleansing and urban management) to those provided currently by the City of Cape Town
- A statutory body established under the SRA by-law (Provincial Gazette 6651/2009) previously known as a City Improvement District (CID)
- Funded by an additional rate collected from rate payers by the City and paid over to the SRA management board
- Funds raised are dedicated to provide services (security, cleaning, urban upgrades) exclusively within the SRA as per the business plan
- Cape Town has 23 SRAs in operation, and 40 more communities have expressed interest to form SRAs.



Typical Benefits

- Well managed area
- Low vacancy rates
- Pride in communal achievements
- Social responsibility
- Environmental awareness (recycling, greening, energy efficiency, conservation)
- Attract new capital investments
- Market / promote area



Some statistics

- In many of the business district SRAs much has been achieved over the last number of years:
- As an example the following were achieved in the Cape Town Central City Improvement District
 - 40% drop in crime by the second year of operation
 - 440 homeless adults placed in shelters
 - 211 homeless adults re-united with families
 - Vacancy rates stabilised to 6% and 7% for A & B grade offices over varied economic cycles
 - Retailers report increase in retail sales overall
 - 431 tons of waste recycled in 2009
 - By the tenth year 47 772 specialised maintenance tasks completed

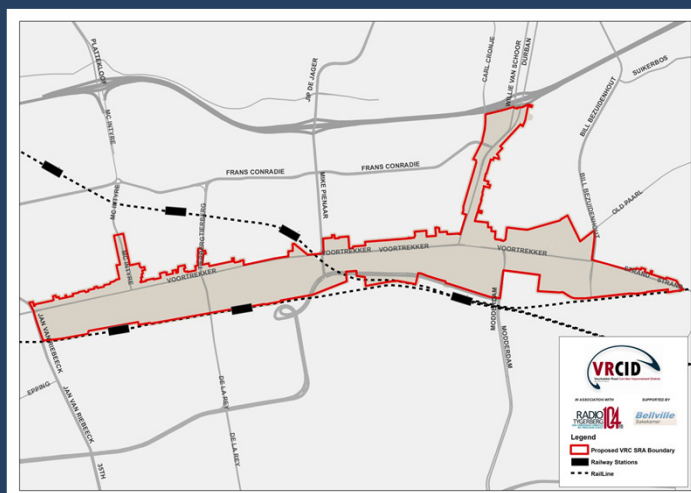


What is the VRCID?

- The VRCID is a commercial initiative
- Provides 'top-up' municipal services
- The additional rates are dedicated to the area
- The additional rates may only be used for services stipulated in the business plan
- Similar to rates, the additional rates are paid by property owners, who may pass them on to their tenants.
- Commercial property owners registered for VAT may claim back VAT



Proposed boundary of the VRCID



Goals

- Reducing crime significantly by proactive visible patrolling and cooperation with existing SAPS efforts in the area
- Creating a safe and clean public environment by addressing issues of maintenance and cleansing of streets, pavements and public spaces
- Seeking to rehabilitate and provide jobs for the homeless
- Enhance property values
- Support the promotion of the VRCID neighbourhood as a safe and clean environment to live and work
- The sustained and effective management of the VRCID



VRCID Management

- NPC formed
- Appoint staff and service providers
- Board responsible for implementation of the Business Plan
- Directors elected annually from members at AGM
- AGM annually to reflect on past year and confirm planning and budget for next year's operations
- Board meets once a month



VRCID services

Security

- The deployment of 3 neighbourhood service officers
- 4 security response vehicles with appropriately skilled security officers
- 4 Mobile command posts
- 24 foot patrollers in staggered shifts on a 24/7 basis



VRCID services

Cleansing

- 24 cleaners undertaking cleansing duties
- A Reaction Team to deal with illegal dumping



VRCID services

Social Intervention

- With a job creation programme

Urban Management

- Graffiti removal
- Painting of road markings
- Greening, tree pruning and landscaping
- Kerb reinstatements



VRCID Budget

- The main elements to the budget are:
 - Salary costs for operational staff (11%) – R 1 356 000
 - Security and law enforcement (62%) - R 7 632 000
 - Cleansing and Urban Management (14%) - R 1 800 00
 - Social programmes (7%) - R 600 000
 - SRA company operational costs (4%) - R 476 500
 - Bad debt provision (3%) - R 364 902
- 5-year budget escalation
 - 8 % for operational costs
 - 7 % for salaries



VRCID Contributions

MUNICIPAL PROPERTY VALUE	APPROXIMATE RATE PER YEAR	APPROXIMATE RATE PER MONTH
R 500 000	R 1 123.32	R 93.61
R 1 000 000	R 2 246.64	R 187.22
R 1 500 000	R 3 369.96	R 280.83
R 2 000 000	R 4 493.28	R 374.44
R 4 000 000	R 8 986.56	R 748.88
* Please note that these are illustrative values only. All calculations Excl VAT		



The Legal Process

- ✓ Form steering committee
- ✓ Draw up business plan
- ✓ Host Public Meeting
- Obtain 50% + 1 votes from commercial property owners
- Submit application for an SRA
- Objection period – 60 days
- Obtain approval from Council
- Appoint service providers
- Commence operations (1 July 2012)



Questions?



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or

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