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WESTERN CAPE: HUMAN SETTLEMENTS PROJECT PROFILES

Table of Contents

1. BACKGROUND.....	1
2. CONRADIE PARK PROJECT	2
3. NEW WOODLANDS BACKYARDS DWELLERS.....	2
4. ANCHORAGE SOCIAL HOUSING PROJECT	3

1. BACKGROUND

As of January 2019, a total of 534 1871 households have registered their need for housing in the Western Cape. The biggest share of the need is at 320 957 and it is based within the City of Cape Town.

Challenges experienced in the Western Cape include:

- Accelerating provision of basic services, increases pressure on municipal bulk infrastructure, a gap in the housing market excludes low-income groups from both subsidies and mortgage loans,
- Beneficiaries lease or sell their houses at a fraction of its value, and development is hampered by inadequate coordination between different spheres of government¹.
- Significant housing demand (creating backlogs), overcrowding, and Insufficient delivery of housing stock.
- Major challenges for human settlement delivery are land invasions and vandalism of houses during construction, and illegal land occupation on completion of projects. The province is necessitated to employ additional security, erecting fencing to secure sites, and providing a budget for litigation, should it be necessary. The province is thus faced with the unintended consequences of paying exorbitant security costs to ensure the safety of sites.² For example, The City of Cape of Cape Town identified Khayelitsha, Mfuleni, Delft, Kraaifontein, Philippi and Du Noon as hotspots of land invasion³.
- Timeframes as prescribed by several pieces of legislation relating to planning and development processes remain lengthy.⁴
- Several municipal housing projects cannot proceed due to pending environmental authorisations, or due to the lack of bulk services capacity.⁵

¹ Ibid.

² DHS Western Cape (2021)

³ DHS Western Cape

⁴ DHS Western Cape (2021)

⁵ Ibid.



- Limited capacity at municipal and provincial level to plan, implement and monitor housing projects.⁶

2. CONRADIE PARK PROJECT

Conradie Park is a new mixed-income, mixed-use housing development in Cape Town. The R3-billion, 22-hectare development is a partnership between developers, Concor, and the Western Cape Government. It comprises more than 3 500 homes. It's located near main arterial routes and the Mutual and Thornton railway stations in Pinelands, a Cape Town suburb best known for Mutual Park, the enormous local headquarters of Old Mutual⁷.

Construction of the first phase of the social housing part of the project started in August 2020 and will, when completed, consist of 432 units located across four blocks. It is projected that by the end of 2022, an additional 1 120 units will be under construction, as part of this project⁸.

Development features

- ✔ More than 3 000 properties upon completion
- ✔ Two affordable private schools & three creches
- ✔ Convenient retail centre & Sports field
- ✔ Medical facilities
- ✔ Doggy day-care
- ✔ Retirement Village with Frail Care facility
- ✔ Community centre with number of pocket parks
- ✔ Electrified perimeter fencing
- ✔ Biometric access controlled with LPR-cameras
- ✔ On public transport routes (Mutual Station and future MyCiti)
- ✔ High-demand rental area
- ✔ Ideal location with easy access to major freeways

Investment benefits

- ✔ Occupation from end 2022
- ✔ Gross rental yields up to 11,66%
- ✔ Rental income projected from R6 500 to R8 300 per month
- ✔ Bond and transfer fees included
- ✔ Up to 100% bond financing available
- ✔ Deduct up to R852 445 against taxable income Section 13sex tax incentives*
- ✔ Buy directly from the developer
- ✔ Tenant insurance offered - secure your rental income
- ✔ No transfer duty payable
- ✔ Property tax strategies offered by IGrow Chartered Accountants
- ✔ Company & trust advice and setup through IGrow Trusts
- ✔ 3% reservation deposit required (refundable should financing not be approved)

Source: <https://igrow.co.za/properties/silvermine-conradie-park>

3. NEW WOODLANDS BACKYARDS DWELLERS

The 'Farm 694 Housing Development' in Miychells Plain, Cape Town, will provide a total of 434 housing opportunities to qualifying beneficiaries. The project has been earmarked to provide housing opportunities to backyarder dwellers from New Woodlands and the informal settlement residents from Kosovo. Fifty percent of the housing opportunities will be allocated to beneficiaries from New Woodlands, and the other 50% will be allocated to residents from Kosovo informal settlement.

⁶ Ibid.

⁷ Conradie Park (2022)

⁸ Western Cape (2021)



The Western Cape Department of human Settlements has appointed the Housing Development Agency (HDA) as the beneficiary administrator to facilitate the subsidy application process and pre-screening of all potential beneficiaries.

To date more than 130 New Woodlands backyarders have been approved as potential recipients of the project, which has 360 foundations; 230 floor slabs; and 54 roofs completed⁹. It is envisaged that the first 110 qualifying beneficiaries of the Farm 694 Housing Development in, will move into their homes by May 2022, while the balance of 324 will be handed over during the 2022/23 financial year.¹⁰

The entire development, which commenced in September 2019, consists of various phases and has a combined Human Settlement Development Grant (HSDG) and Urban Settlement Development Grant (USDG) funding of R 299 million. In addition to the housing opportunities, 38 people from the local area have been employed, with a further 43 receiving job skills training. Amongst others, these opportunities include painting, security, bricklaying and plastering.¹¹

4. ANCHORAGE SOCIAL HOUSING PROJECT

Construction of this development, which is nestled in Glenhaven, Bellville South, commenced in October 2018, and has a budget of close to R 200 million. It consists of a total of 512 Social Housing Units. The first phase of social housing consists of 416 apartments arranged in 4-storey walk-ups across five buildings. To date, 209 of the completed 416 units as part of the first phase have been occupied. The second phase consists of a single four-storey building of 96 units¹².

The project is the product of collaboration between a private company, Devmark., a social housing institute Urban Status Rentals, the City of Cape Town, Provincial and National government. In total, the project has 944 units consisting of 253 Gap Housing rental units, 416 Social Housing units and 275 open market units¹³.

The Anchorage project include centralised water heating (which results in significant savings on electricity), a dedicated smart metering application for purchasing prepaid utilities, access to fibre and television over fibre, a park with mini-basketball courts and a children's play area. The rentals fee and the size of their units are determined by personal circumstance. Units range between one and two bedrooms, and rental fees from R 535.00 to just over R 2 600.00 per month, which is well below the market rate¹⁴.

⁹ Plainsman (2021)

¹⁰ Western Cape Government (2022)

¹¹ Ibid.

¹² Western Cape (2021)

¹³ Saaffordablehousing (2021)

¹⁴ Ibid



ANCHORAGE | GLENHAVEN



Source: <https://urbanstatus.co.za/application-form/>

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