



**CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD**

ANNEXURE 3

CITY IMPROVEMENT DISTRICTS ADDITIONAL RATES

May 2020

Version:

Department:

Urban Management



CITY IMPROVEMENT DISTRICTS (CIDs) ADDITIONAL RATES 2020/2021

Each CID must submit a budget to the City annually in terms of the Special Rating Areas (SRA) By-Law. This budget must be in accordance with the approved business plan of the CID and be approved by the company members at an Annual General Meeting (AGM) or Members Meeting. The budgets for 2020/21 for all existing CIDs included in the table below were all approved in terms of this requirement prior to submission to the City for inclusion in the City's budget document. The CIDs have a 5-year budget as per their approved Business Plan and as such cannot anticipate future development or valuation fluctuations due to successful appeals etc. Communities are informed from the outset regarding the impact of valuation fluctuations on CID budgets and also individual contributions. Accordingly, various scenarios materialize in later years where the CID budget may be spread over a broader community thus reducing the burden on individuals. Similarly, successful appeals could result in a bigger than anticipated burden on other individuals due to the valuation base reducing concomitant to annual budget increases. The impact on individuals is extensively modelled to ensure that it does not exceed the original approved impact as per the 5-year budget and if greater than the budget growth it remains within the threshold of affordability and sustainability.

The amount of any additional rate levied in a CID area is determined by Council. The additional rate is a debt owing to the City and is payable and collected in the same manner as any other property rates imposed by Council. Two different categories of property are identified when imposing an additional rate in a CID: Residential and Non-residential. The SRA Policy, as approved by Council, further clarifies that any non-residential property with a municipal valuation of 50% or more of the total municipal valuation of the CID it is located in will not fund more than 25% of the budget.

All the CIDs approved their budgets unanimously at their Member's meetings. Twelve CIDs (Airport Industria, Cape Town Central, Claremont, Elsies River, Fish Hoek, Groote Schuur, Maitland, Montague Gardens Marconi Beam, Parow Industria, Somerset West, Wynberg and Zeekoevlei Peninsula) have applied for a new 5-year term commencing on the 1st of July 2020. At their AGMs their members voted unanimously in favour of the continuation of the CIDs. These are included in the table below subject to Council approving a further term.

Four applications were received for the establishment of a CID in their area and are included in the table below subject to Council approving the applications (Boston, Lower Kenilworth, Scott Estate & Baviaanskloof and Welgemoed).

The additional rates for 2020/21, expressed as Rand-in-the-land and based on the total property valuation per CID, are submitted for Council approval.



City Improvement District	2020/21 Proposed Budget R	2020/21 Proposed Residential Additional Rate R	2020/21 Proposed Non- Residential Additional Rate R
Airport Industria #	5,047,201	N/A	0.001988
Athlone	1,053,182	N/A	0.002453
Beaconvale	3,715,670	N/A	0.002223
Blackheath	3,286,744	N/A	0.001288
Boston *	3,725,000	0.001054	0.001673
Brackenfell	3,429,311	N/A	0.002200
Cape Town Central City #	79,088,167	0.001189	0.001992
Claremont #	10,670,188	0.000423	0.001492
Elsies River #	3,203,196	N/A	0.002983
Epping	11,479,753	N/A	0.001297
Fish Hoek #	1,095,736	0.000564	0.001779
Glosderry	1,823,378	0.000423	0.002699 >50%=0.000449
Green Point	8,740,952	0.000347	0.002040
Groote Schuur #	7,627,649	N/A	0.001468
Kalk Bay and St James	2,028,275	0.000424	0.001655
Little Mowbray / Rosebank	2,232,726	0.000541	0.001492
Llandudno	3,141,758	0.000557	0.000621
Lower Kenilworth *	1,523,506	0.000776	0.001824
Maitland #	3,551,340	N/A	0.001892
Mitchells Plain Town Centre	1,918,558	0.000397	0.002845
Montague Gardens-Marconi Beam	7,260,849	N/A	0.000762
Mount Rhodes	599,526	0.001239	0.001545
Muizenberg #	2,420,000	0.000932	0.002446
Northpine	2,285,453	0.001124	0.001676
Oakwood / Hughenden / Meadows	860,756	0.001278	0.001549
Observatory	6,957,384	0.000865	0.002104
Oranjekloof	7,291,803	0.000359	0.001900
Overkloof	460,676	0.001426	0.001465
Paarden Eiland	5,071,816	N/A	0.001053
Parow Industria #	5,331,774	N/A	0.001608
Penzance Estate	1,238,300	0.001475	0.002876
Salt River	4,095,635	N/A	0.001669
Scott Estate & Baviaanskloof *	2,633,005	0.000940	0.001357
Sea Point	6,722,680	0.000611	0.001769
Somerset West #	3,252,876	N/A	0.002879
Stikland Industrial	4,797,629	N/A	0.001764
Strand	1,371,724	N/A	0.002943
Triangle Industrial	2,519,432	N/A	0.002451
Tygervalley	4,022,719	N/A	0.001406
Voortrekker Road Corridor	21,752,151	N/A	0.002078



Vredeloof	3,485,261	0.001681	0.001936
Welgemoed *	3,720,360	0.000661	0.001133
Woodstock	5,950,000	N/A	0.001259
Wynberg #	5,914,021	0.001122	0.003032
Zeekoevlei Peninsula #	601,384	0.001938	0.002358
Zwaanswyk	1,239,866	0.000758	0.000816

Note: Additional Rates are reflected exclusive of VAT. VAT inclusive rates can be found in the City's Tariffs, Fees and Charges book.

* Subject to Council approving the establishment of the CID starting on the 1st of July 2020.

Subject to Council approving that the CID implements its new business plan for a further period of 5 years starting on the 1st of July 2020.