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# **N2 Gateway Housing Project Presentation to the Select Committee on Public Service (NCOP)**

## **28 March 2007**





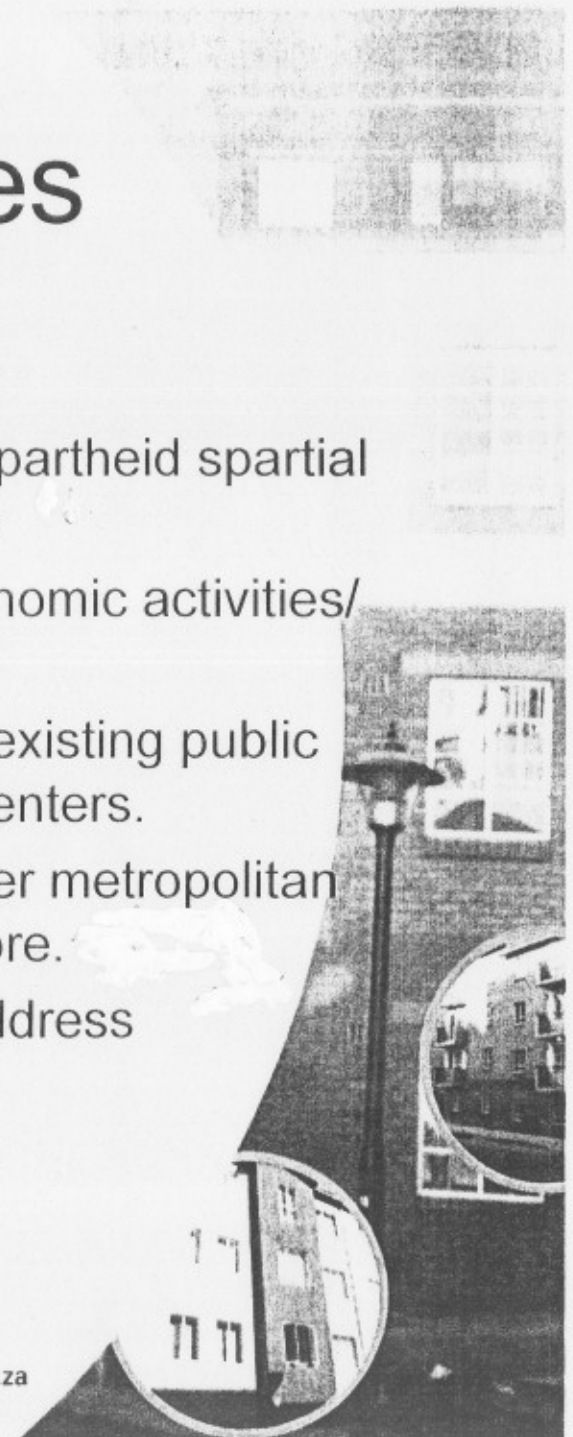
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# Project Objectives

The N2 Gateway Housing Project is intended:

- To fundamentally restructure and re-design the apartheid spartial economy characterized by class and racial divide
- To integrate communities with the centres of economic activities/ places of work
- to remain in well located areas that are **close to** existing public transport routes and major urban **employment** centers.
- substantially **restructure** the workings of the wider metropolitan **spatial economy** by bringing the poor into the core.
- Ultimately, provide a better housing solution to address a large portion of the Nations needs.





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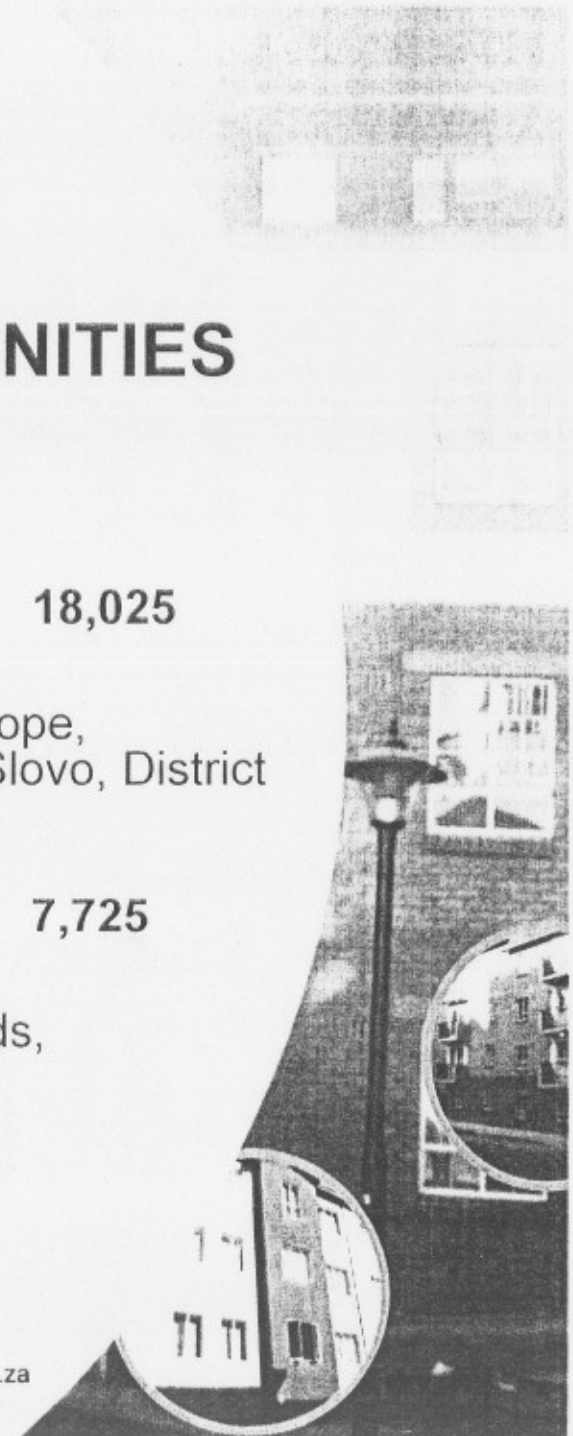
## BENEFICIARY COMMUNITIES

**Informal Settlements:**                      70%                      18,025

- Boystown, Lusaka Vukuzenzele, Europe, Barcelona, Kanana, New Rest, Joe Slovo, District 6

**Backyard Shacks:**                      30%                      7,725

- Guguletu, Langa, Nyanga, Crossroads, Kensington, Delft, Belhar





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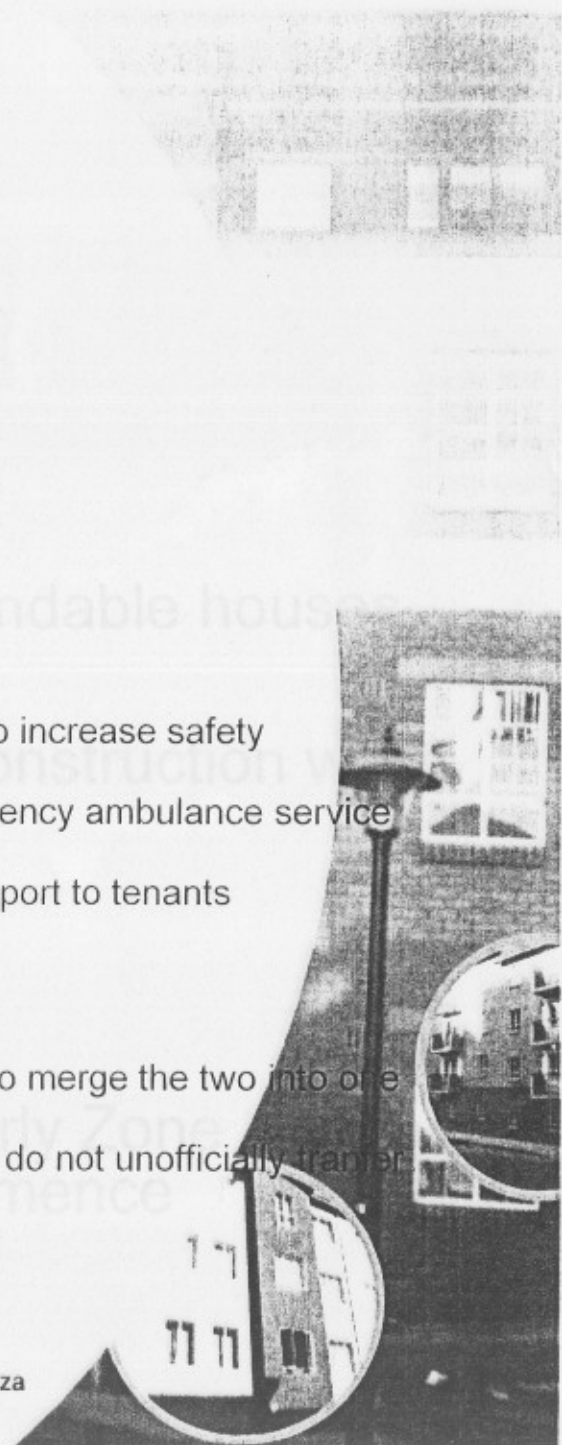
## JOE SLOVO PHASE I

### Achievements:

- Completed 705 flats
- 690 Flats occupied and affordable rentals determined
- Default management processes are in place
- Management and maintenance structures established
- 1 market place, 1 creche and 2 play areas completed
- 25 members of the SAPS are tenants to increase police visibility and to increase safety awareness.- integrated human settlements
- One unit allocated for St. Johns Ambulance Services to provide emergency ambulance service and care-giver support to HIV/ AIDS victims
- On unit for caretakers to provide for management, cleanliness and support to tenants

### Challenges:

- There are two fora that represent the tenants. Negotiations underway to merge the two into one structure
- Sub-letting poses a challenge/ caretaker to monitor contracted tenants do not unofficially transfer lease agreements to third parties.





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## DELF 7-9

### Achievements:

- **Precinct 2**

- 1,478 Erven fully serviced
- 700 Erven used for the construction of 1,800 TRA's
- 700 Erven available for immediate construction of BNG houses

- **Precinct 1**

- Servicing of 1,223 erven commenced with in January 2007

- **Precinct 3**

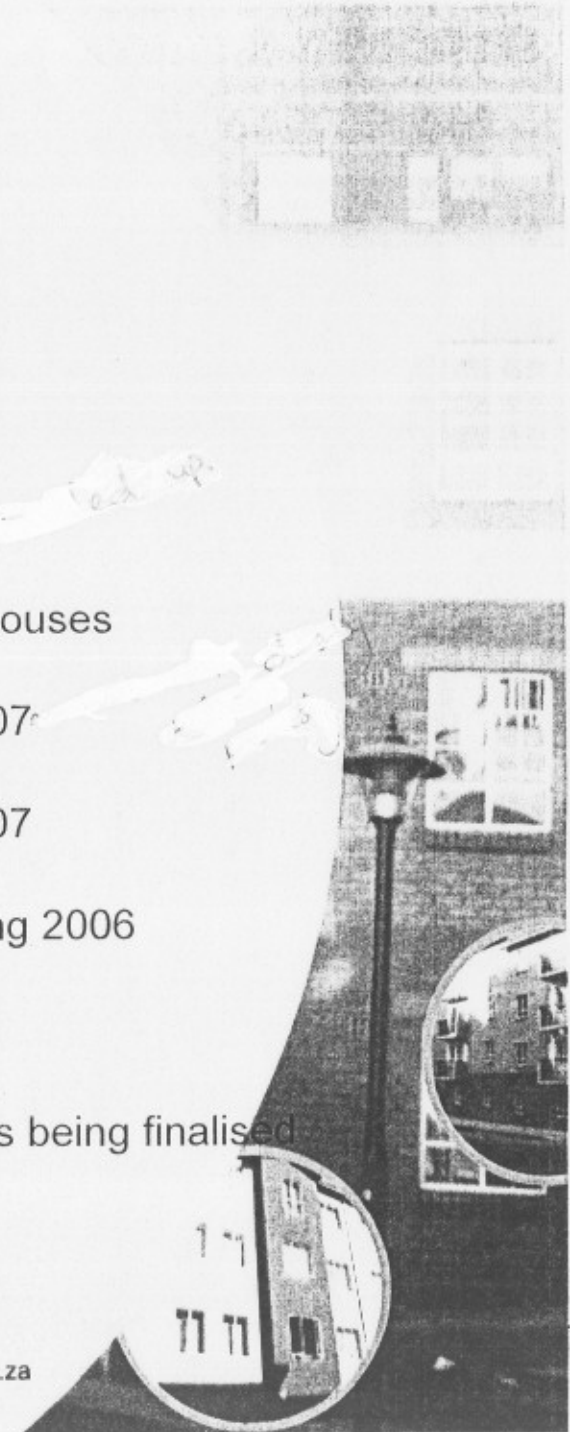
- Servicing of 1,263 erven commenced with in January 2007

- **Bulk Infrastructure**

- Hindle Road Extension completed and handed over during 2006
- Delf bulk and link-sewer completed during 2006
- All MIG Projects approved and are under construction

### Challenges:

- Consortia top-structure costs too high, prices negotiations being finalised





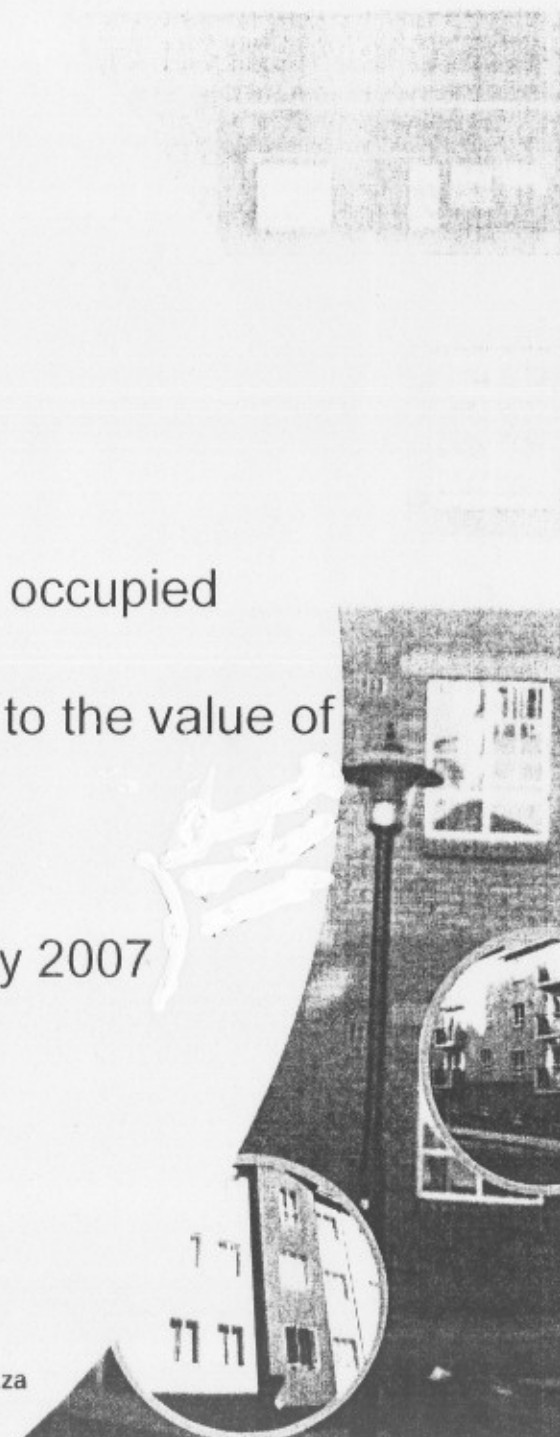
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## Delft 7-9 TRA 4

### Achievements:

- **TRA4-1,300 Units**
  - All 1300 TRA units have been completed and occupied
  - Ablution facilities managed by Sobambisana
  - Contract with PHD WC signed and payments to the value of R26m made to Thubelisha
- **TRA4-500 Units**
  - Construction commenced in January 2007
  - All units to be completed and occupied by May 2007
- **Philliphi phase1,Delft 1,2&3 and Intersite**
  - 3,243 TRA's built and occupied





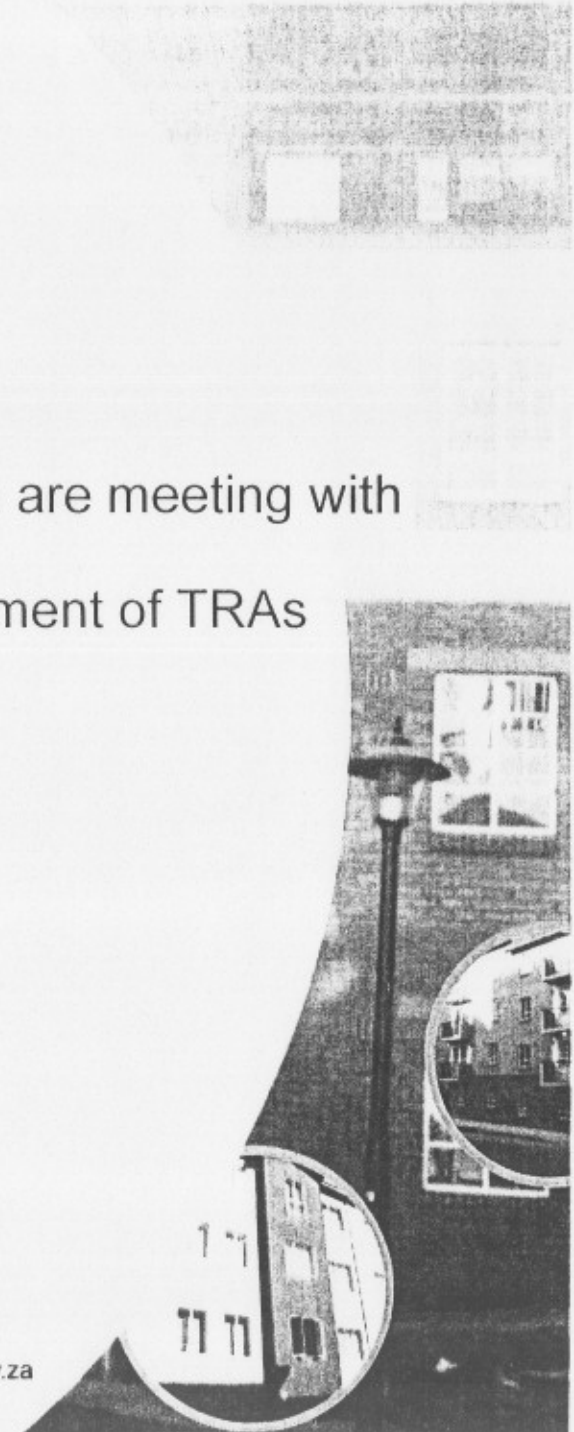
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## Delft 7-9 TRA 4

### Challenges:

- Electrification of TRA4 by Eskom (Thubelisha are meeting with DME today in Pretoria,
- City has agreed to continue with the management of TRAs beyond June 2007,





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# DELFT SYMPHONY

## Achievements

- **Precincts 1-6 (6242 units)**
  - Township planning approved for entire Project
- **Precincts 4&6 (2374 units)**
  - 2374 erven fully serviced
  - 300 foundations completed
  - Contractual delivery schedule requires 30 houses by 28<sup>th</sup> Feb 07 with 400 completed houses every 45 days thereafter.
  - **Precincts 1,2,3&5 (3868 erven)**
  - UISP commenced during February 2007 and will be completed by the end of October 2007
  - Engagements with FNB for some bondable houses completed.

## Challenges

- Electricity – Negotiations with Eskom and DME currently underway.
- Allocations – Engagement with the communities of TRA's 1,2,3, & 4 as well as Tygerberg and Intersite to identify the first 100 approved beneficiaries who are defined as most in need e.g. aged, disabled, etc.
- Subsidy applicants are currently being verified, 1000 beneficiaries have been approved.







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# NEW REST & BOYS TOWN

## NEW REST

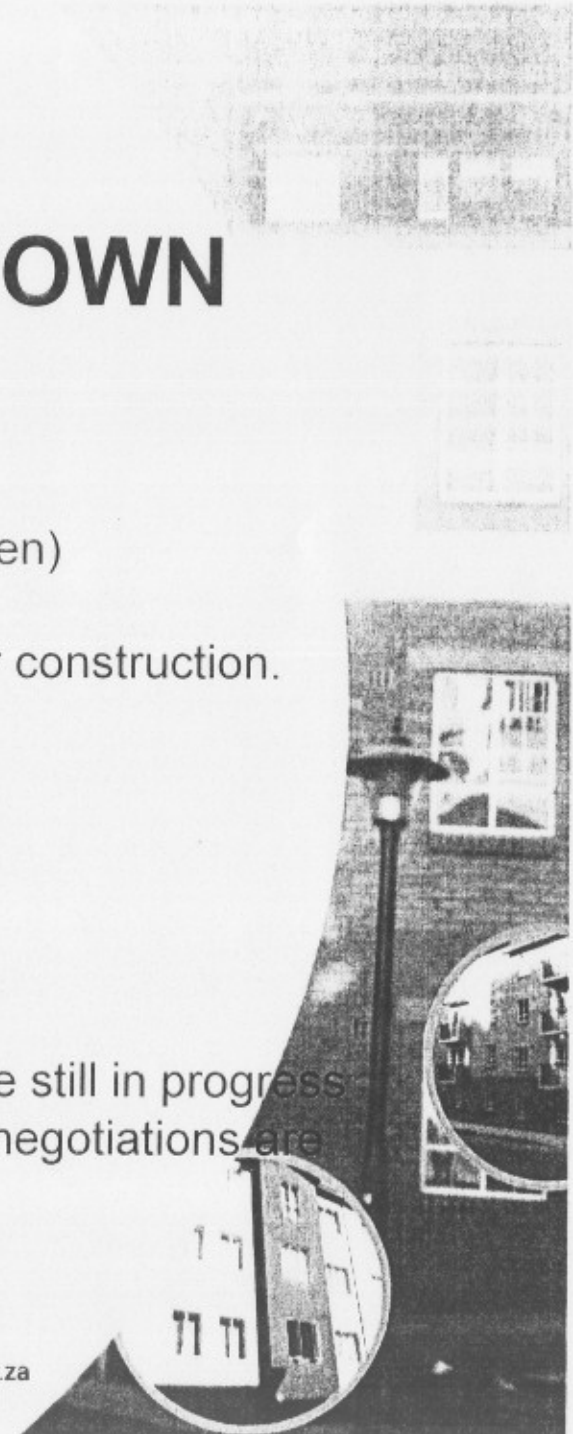
### Achievements:

- Township establishment process completed (1155 erven)
- 520 Erven serviced and 635 to be serviced
- 190 Serviced stands are unoccupied and are ready for construction.
- Construction of houses commenced on 5 March 2007

## BOYSTOWN

### Challenges

- Registration: Beneficiaries refuse to register
  - Negotiations with community on layout plan are still in progress
  - Community will register once the layout plans negotiations are concluded





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# Housing Delivery Programme

H2 Gateway : Project Programme			2006-07				2007-08				2008-09			
Area	Description	Quantity	Jun-06	Sep-06	Dec-06	Mar-07	Jun-07	Sep-07	Dec-07	Mar-08	Jun-08	Sep-08	Dec-08	Mar-09
Joe Slovo Phase 1	Rental Units	705	█											
	Land rehab & servicing													
Joe Slovo Phases 2 & 3	BIIG Houses	464				█	█	█						
	Credit-linked units	567				█	█	█	█	█				
	Social infrastructure													
Delft Towns 7-9	Land rehab & servicing	4500												
	TRV units	3200												
	BIIG Houses	4500				█	█	█	█	█	█	█	█	
	Rental & bonded units	700												
Delft Symphony	Social infrastructure													
	Land rehab & servicing	6242												
	BIIG Houses	4242				█	█	█	█	█	█	█	█	
	Rental & bonded units	1000												
New Rest	Social infrastructure													
	Land rehab & servicing	1155												
	BIIG Houses	1155				█	█	█	█	█	█	█	█	
Boystown	Social infrastructure													
	Land rehab & servicing	1500												
	BIIG Houses	1500												
	Rental & bonded units	150												
New land to be identified	Social infrastructure													
	Land rehab & servicing	10767												
	BIIG Houses	10467												
	Rental or bonded units	300												



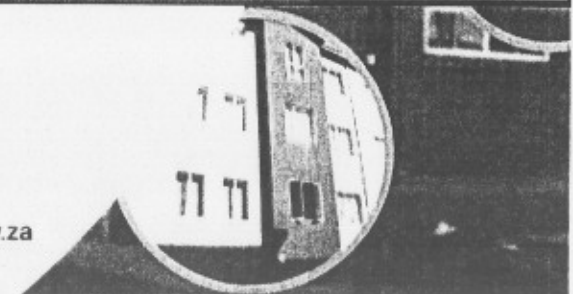


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# Housing Delivery Summary (Units)

	2006/7	2007/8	2008/9	2009/10	Total
Serviced Stands	7,074	8,972	8,704	-	<b>24,750</b>
BNG Houses	300	7,608	9,000	6,637	<b>23,545</b>
Walkups	705	400	600	500	<b>2,205</b>
TRAs	5043	2,250	-		<b>7,293</b>





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# AVAILABLE FUNDING

	2006/7 (Rm)	2007/8 (Rm)	2008/9 (Rm)	TOTAL (Rm)
PGWC Budget (N2 Treasury Allocation)	372	200	300	872
<i>city</i> COCT Budget (MIG)	-	85	25	110
COCT and DME Budget (Electrical)	-	-	-	-
<b>TOTAL</b>	<b>372</b>	<b>285</b>	<b>325</b>	<b>982</b>



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# TOTAL N2 GATEWAY BUDGET REQUIREMENT

	2006/7 (Rm)	2007/8 (Rm)	2008/9 (Rm)	2009/10 (Rm)	TOTAL (Rm)
Housing Component & Communications	224	664	765	697	2,350
Bulk and Link Infrastructure	35	197	179	61	472
Electrical Bulk and Link infrastructure	12	52	59	47	170
TRA Maintenance and Dismantling	1	10	14	15	40
Social and Economic Infrastructure	-	107	198	81	386
<b>TOTAL</b>	<b>272</b>	<b>1,030</b>	<b>1,215</b>	<b>901</b>	<b>3,418</b>