

# AGENDA

Ordinary Council Meeting

on

**THURSDAY**

**27 FEBRUARY 2014**

at

**19:00**



**MUNICIPALITY OF SWAKOPMUND**



(064) 4104206



088 614 514



53 Swakopmund  
NAMIBIA



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Ref No        A 2/3/5

Enquiries:    A Gebhardt

20 February 2014

The Mayor and Councillors  
Municipality  
SWAKOPMUND

Dear Sir / Madam

**NOTICE:    ORDINARY COUNCIL MEETING**

Notice is hereby given of an **ORDINARY COUNCIL MEETING** to be held in the Council Chambers, Municipal Office Building, Swakopmund on:

**THURSDAY, 27 FEBRUARY 2014 AT 19:00,**

**E U W Demasius  
CHIEF EXECUTIVE OFFICER**

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(C/M 2014/02/27 - A 2/3/5)

3.1 Minutes of an **Ordinary Council Meeting** held on **28 January 2014**.  
(pp 1/2014 - 22/2014)

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5.2 Long Service Awards.

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10. **REPORT TO COUNCIL ON RESOLUTIONS TAKEN BY PREVIOUS  
MANAGEMENT COMMITTEE MEETINGS HELD IN NOVEMBER 2013**

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10 (A) **MINUTES OF AN ORDINARY MANAGEMENT COMMITTEE MEETING  
HELD IN FEBRUARY 2014**

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2. **CONFIRMATION OF MINUTES**  
(M/C 2014/02/18 - A 2/3/5)

2.1 **MINUTES OF AN ORDINARY MANAGEMENT COMMITTEE MEETING  
HELD ON 16 JANUARY 2014**

On proposal of Councillor N N Salomon seconded by Councillor  
L M Tlhabanello-Madi it was:-

**RESOLVED:**

**That the Minutes of the Ordinary Management Committee meeting  
held on 16 January 2014 be confirmed as correct.**

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5. **REPORTS: HEADS OF DEPARTMENTS**

5.5 **FINANCE**

5.5.1 **TOTAL EXPENDITURE**  
(M/C 2014/02/18 - D 7/3/2/1)

**RESOLVED:**

**That the total expenditure of N\$22 265 304.74 for the period 01-31  
January 2014 be accepted and approved as correct.**

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7. **MATTERS REFERRED BY PREVIOUS COUNCIL- AND MANAGEMENT  
COMMITTEE MEETINGS**

7.1 **PRESENTATION: INVITATION FOR BUSINESS PROPOSALS TO LEASE  
AND MANAGE THE TAXI RANK ON ERF 4353, MONDESA**

(M/C 2014/02/18 - M 4353)

During the discussion of this item both the NPPTA and NABTA presented their  
proposals for the management of the Taxi Rank. After various questions were  
raised and answered to the satisfaction of Management Committee, it was:-

**RESOLVED:**

- (a) **That the presentation by Messrs NPPTA and NABTA regarding the  
management of the Taxi Rank be noted.**
  - (b) **That the General Manager: Community Development Services  
obtains a detailed business plan (income / expenditure) from  
Messrs NPPTA for submission to the Management Committee.**
-

7.2 **PROPOSAL TO HOST THE NAMIBIA ANNUAL MUSIC AWARDS (NAMAS) IN SWAKOPMUND**

(M/C 2014/02/18 - N 7/3/1/2)

**RESOLVED:** (For Condonation by Council)

- (a) That the hosting of the Namibia Annual Music Awards (NAMAs) on the 03 May 2014 in Swakopmund be noted.
- (b) That a letter of commitment be forwarded to Messrs Mobile Telecommunications Ltd (MTC).
- (c) That Council avail accommodation for the crew members, performers and nominees of the NAMAs at the Municipal Rest Camp at the cost of N\$217 394.71 and that the funds be defrayed from Council's surplus funds vote where sufficient funds are available.
- (d) That the organizers be requested to confirm bookings for accommodation by 16 April 2014.
- (e) That the Office of the Mayor and the Corporate Officer: Marketing and Communication approach local business for sponsorship to help raise funds for accommodation.

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7.4 **04: 2008 TO DATE: LAND APPLICATIONS (x 58) - MONDESA, PROGRESSIVE DEVELOPMENT AREA AND DRC**

(M/C 2014/02/18 - H 5/8)

**RESOLVED:**

That this item be combined with Item 7.16 regarding Mass Housing Development in Swakopmund.

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7.9 **MARKET VALUATION: A PORTION OF LAND LOCATED ON BLOCK 19 - MESSRS MEDICAL DIAGNOSTIC CENTRE NAMIBIA (PTY) LTD**

(M/C 2014/02/18 - G 3/9/20)

During the discussion of this item Councillor A N Bessinger declared his interest on the item and recused himself from the chamber. It was:-

**RESOLVED:**

That it be noted that Councillor A N Bessinger declared his interest and left the chamber.

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7.16 **MASS HOUSING DEVELOPMENT - SWAKOPMUND**

(M/C 2014/02/18 - H 5; H 5/5; H 5/8)

During the discussion of this item the Chief Executive Officer briefed the meeting on a meeting held with the line ministry regarding the Mass Housing Development Project in Swakopmund. It was:-

**RESOLVED:**

- (a) That the briefing by the Chief Executive Officer on a meeting held with the line ministry regarding the Mass Housing Development Project in Swakopmund be noted.
  - (b) That the matter be held in abeyance until the Chief Executive Officer arranges a meeting with the line ministry, NHE and Council to discuss the Mass Housing Development Project in Swakopmund.
  - (c) That the Chief Executive Officer arranges a meeting for Council to discuss the Mass Housing Development Project in Swakopmund before the meeting in (b) above.
- 

7.19 **LEGAL SERVICES - PROFILES**

(M/C 2014/02/18 - A 2/1/5)

**RESOLVED:**

- (a) That this item be kept in abeyance.
  - (b) That Mr H Angula be requested to confirm whether his appointment as arbitrator will not be affected by the current process in which they are shortlisted as a possible future service provider for Council.
- 

8. **POLICY MATTERS**

8.1 **ESTABLISHMENT AND FUNDING OF SWAKOPMUND MUNICIPAL INSTITUTE OF LEARNING AND EXCHANGE (SMILE) AND THE PROPOSAL OF CITY TO CITY COOPERATION BETWEEN SWAKOPMUND AND KWADUKUZA MUNICIPALITY**

(M/C 2014/02/18 - A 2/3/1/7/1)

**RESOLVED:** (For Condonation by Council)

- (a) That the General Manager: Corporate Services and Human Resources liaise with Mr Sikhumbuzo Hlongwane of KwaDukuza Municipality (South Africa) regarding the exchange programme.

- (b) That Council approves the twinning with KwaDukuza Municipality (South Africa) and that twinning agreements be drafted for approval.
  - (c) That all Councillors, Chief Executive Officer and General Managers attend the 2-day peer learning on 25-27 February 2014 in Swakopmund.
  - (d) That the budget for the activities be forwarded to GIZ offices in Windhoek in order for funds to be allocated.
  - (e) That the Mayor, Chief Executive Officer, General Manager: Corporate Services and Human Resources and the Chairperson of Management Committee visit the KwaDukuza Municipality to explore and prioritise area of cooperation and exchange.
- 

**8.2 OFFER TO PURCHASE REDUNDANT TIPPER TRAILER**

(M/C 2014/02/18 - L 2)

**RESOLVED:**

That the offer by Mr P Lotto to purchase a redundant trailer at a cost of N\$1 000.00 not be approved and that the redundant trailer be sold at the next auction.

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**8.8 REZONING OF VARIOUS ERVEN IN KRAMERSDORF EXTENSION 18, SWAKOPMUND**

(M/C 2014/02/18 - E 5797, E 5798, E 5799, E 5800, E 5801, E 5802, E 5803, E 5804, E 5805, E 5806, E 5807, E 5808, E 5809, E 5810, E 5811, E 5812, E 5813)

**RESOLVED:**

That this item be referred back.

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**8.9 REZONING OF ERF 637 SWAKOPMUND FROM "SPECIAL" TO "GENERAL RESIDENTIAL" WITH A DENSITY OF 1:100**

(M/C 2014/02/18 - E 637)

**RESOLVED:**

That this item be referred back.

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8.12 **APPLICATION TO OPERATE A PLACE OF PUBLIC WORSHIP FROM ERF 3991, SWAKOPMUND**

(M/C 2014/02/18 - E 3991)

**RESOLVED:**

That this item be referred back.

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8.20 **MISS TOURISM NAMIBIA 2014**

(M/C 2014/02/18 - D 5)

**RESOLVED:**

That the request of Mr V Rukero, The National Director of Miss Tourism for Council to participate in Miss Tourism Namibia 2014 be turned down.

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9. **PERSONNEL MATTERS**

9.1 **APPOINTMENT OF GENERAL MANAGER: HEALTH SERVICES ON NATIONAL ORGANIZING COMMITTEE OF THE ENVIRONMENTAL EDUCATION ASSOCIATION OF SOUTHERN AFRICA CONFERENCE IN NAMIBIA**

(M/C 2014/02/18 - A 4/3/1/8)

**RESOLVED:**

- (a) That the appointment of the General Manager: Health Services as a member of the National Organizing Committee for the 32<sup>ND</sup> Environmental Education Association of Southern Africa Conference in Namibia be recognized.
  - (b) That the attendance of scheduled meetings of the National Organizing Committee by General Manager: Health Services be addressed in terms of policy.
  - (c) That the General Manager: Health Services be mandated to share best practices in terms of Environmental Education and Education on Sustainable Development at the proposed conference and that related costs as approved by Council be defrayed from the relevant Votes.
- 

9.3 **LETTER OF APPRECIATION**

(M/C 2014/02/18 - B 1/1/9)

**RESOLVED:**

That the letter received from Messrs Namib Desert 4x4 Club, expressing their appreciation towards the Traffic Section for escort services rendered to them on 21 December 2013 be noted

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9.4 **NEW POSITION: SME MARKET OFFICER**  
(M/C 2014/02/18 - B 1/1/12)

**RESOLVED:**

**That the creation of the SME Market Officer position in the Community Development Service Department not be approved.**

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11. **RECOMMENDATIONS BY THE MANAGEMENT COMMITTEE**
- 11.1 **MANAGEMENT COMMITTEE MEETING AND ORDINARY MANAGEMENT COMMITTEE MEETING HELD ON 18 February 2014**
- 11.1.1 **PROPOSAL TO HOST THE NAMIBIA ANNUAL MUSIC AWARDS (NAMAS) IN SWAKOPMUND**  
(C/M 2014/02/27 - N 7/3/1/2)

**Management Committee Meeting of 18 February 2014, Addendum 7.2**  
page 04 refers.

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**A. The following item was submitted to the Management Committee for consideration:**

The Namibia Annual Music Awards (NAMAs) are an annual award ceremony under the auspices of Mobile Telecommunications Ltd (MTC) and the Namibian Broadcasting Corporation (NBC). The awards exist to recognize the accomplishment of Namibian artists in the music industry by celebrating those groups and individuals who have excelled in the past year.

The first ceremony of the Namibian Annual Music Awards took place in **May 2011** at the Safari Court in Windhoek, Namibia but because of unexpected large increase of the audience, it was moved to the Ramatex building, Windhoek during **2012** and **2013**.

The NAMAs is one of the biggest social events on the Namibian music calendar and more than 5 million Namibian dollars are invested annually by the sponsors for this event. Towards the closing of the 2012 NAMAs, the presenters announced that the NAMAs can be hosted in other towns in Namibia not only Windhoek.

Swakopmund has the infrastructure in place to host this event. With the many social events held during 2013 and mainly during the December holiday, many Namibians will not hesitate to flock to our beautiful coastal town to attend more events since we accommodate, welcome and provide comfort to all visitors locally, nationally and internationally.

On **7 January 2014**, Mr Tim Ekandjo, the Chief Human Capital and Corporate Affairs Officer and Mr Joseph Mudjindi, the Manager: Promotions and Sponsorships at MTC paid a courtesy visit to the Office of the Mayor of Swakopmund. After the meeting an "*in loco*" inspection of the proposed venue (the new Indoor Sports Centre) was done. The organisers were very impressed with the venue and they gave us on-site feedback and concerns.

They extended a verbal invitation to the Swakopmund Municipality to host the NAMAs on **3 May 2014** (preparations starts from **24 April 2014** to **4 May 2014**) and requested Council, given all the expenses involved, to explore ways in minimizing any hosting costs. However given the fact that most sponsors are based in Windhoek, they will not be present and also the hosting venue being in Swakopmund, those responsibilities will be expected to be shouldered by Council.

**Attached** are email correspondences, which were received from Mr T Ekandjo, requesting Council to write a commitment letter, indicating whether Council will be responsible for the payment of the following:

1. *That the Municipality will at its own cost avail the Swakopmund Indoor Centre venue for a period of +- 10 days to host the event inclusive of chairs.*
2. *That the Municipality will at its own cost provide sufficient accommodation for the Production crew for a period of 10 days as well as for a maximum of 222 nominees for a period of 3 nights.*
3. *That the Municipality will assist the organizing committee in organizing security at the event, and provide logistical support where necessary.*

Informal quotes for the venue were requested and the estimated prices were as follows:

- N\$138,000.00 per day for the dome.
- 4000 chairs at N\$ 5.00 per day
- N\$50,000.00 for security for the period of time.
- Catering and Bar separate as we have a contract with a company
- Rigging available to rent
- Preferred service suppliers on our list for the dome
- Total estimated price = **N\$1 450 000.00.**

*(Quotes for the accommodation are not included. It was not obtained because the dates for the event were not confirmed yet.)*

The Mayor requested for the number of days to be reduced since the amount of the venue was still too high and that the security services be removed. Total days were reduced from 10 days to 7 days and the new total from Messrs Swakopmund Indoor Sport Centre was **N\$1 133.900.00.**

The Mayor than requested Mr T Ekandjo to negotiate with Mr H Buttons and the price for the venue (and chairs) was reduced to N\$320 000.00. Dates were submitted and the accommodation was reserved. The total was N\$271 744.49 (no discount). The total cost for venue and accommodation was N\$591 744.49. The amount was still over half a million, the Mayor than proposed that the NAMAs be hosted in Swakopmund during 2015 so that Council can budget and prepare better.

The MTC group has already started preparing and planning to host in Swakopmund and was just waiting for Council to submit the commitment letter. Although valid reasons for the withdrawal of the NAMAs in Swakopmund, it was not acceptable to MTC and they then took upon them to negotiate the venue and chairs with Messrs Swakopmund Indoor Sport Centre. The total amount for the venue was finally N\$200 000.00 and MTC will cover those costs.

The Municipality will at its own cost provide sufficient accommodation for the Production crew, performers and nominees.

The estimated costs for the NAMAs is as follows: *(quotes are attached for ease of reference - 20% discount)*

Description	N\$
Accommodation for 45 production crew from 23 April - 5 May 2014	97 759.56
Accommodation for 20 production crew from 26 April - 5 May 2014	32 467.95
Accommodation for 80 performers from 29 April - 4 May 2014	52 103.20

Accommodation for 180 nominees from 1 May - 4 May 2014	35 064.00
<b>TOTAL</b>	<b>217 394.71</b>

This is a huge deduction in total. From: **N\$1 450 000.00. (Venue, security and chairs)**

**N\$271 744.49 (Accommodation - no discount)**

**Total N\$1 721 744.49**

**Now the only amount to be paid by Council is N\$217 394.71**

Music and Sports are the key elements that unify any community, considering the varying culture and differences that may exist. Not only will this event benefit our economy and expose the town but also it will give an opportunity to all Swakopmund residents and the neighboring coastal town's residents the opportunity to be seen on live television since the NAMAs are broadcasted live, nationally. More than three thousand people are expected to attend the event.

All participating artists must be present at the event as there are 37 categories to judge from and some artists compete in more than one category, which means that more than 200 artists must be present. Swakopmund can easily accommodate the large influx of people to the event.

It is proposed that the accommodation cost can be defrayed from surplus fund votes or the SAIMSA vote if funds are available. Businesses can also be approached for sponsorships and help to raise funds to cover the above-mentioned costs.

The Honorable Mayor directed that the matter be submitted to the Management Committee for discussion and consideration.

**B. After the matter was considered, the following was:-**

**RESOLVED: (For Condonation by Council)**

- (a) That the hosting of the Namibia Annual Music Awards (NAMAs) on the 03 May 2014 in Swakopmund be noted.**
  - (b) That a letter of commitment be forwarded to Messrs Mobile Telecommunications Ltd (MTC).**
  - (c) That Council avail accommodation for the crew members, performers and nominees of the NAMAs at the Municipal Rest Camp at the cost of N\$217 394.71 and that the funds be defrayed from Council's surplus funds vote where sufficient funds are available.**
  - (d) That the organizers be requested to confirm bookings for accommodation by 16 April 2014.**
  - (e) That the Office of the Mayor and the Corporate Officer: Marketing and Communication approach local business for sponsorship to help raise funds for accommodation.**
-

11.1.2 **REFUND OF PART PAYMENT OF PURCHASE PRICE FOR ERF 5632, SWAKOPMUND AND RESALE OF ERF 5631 AND 5632 SWAKOPMUND**

(C/M 2014/02/27 - E 5632, E 5631, A 2/3/6)

**Ordinary Management Committee Meeting of 18 February 2014, Addendum 7.3 page 19 refers.**

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**A. The following item was submitted to the Management Committee for consideration:**

**Resale of Erf 5632, Swakopmund**

Following the Closed Bid Sale of **7 June 2013**, Erf 5632 was sold to the highest bidder. This sale was however cancelled and the property was offered for sale to Ms Engelhardine Katjivikua and Mr Karl-Hans Daiber who bid jointly as one entity and was the next highest bidder in line.

The purchase price of N\$520 000.00 had to be paid in cash or secured by a suitable bank guarantee by **05 January 2014**. The purchaser elected to secure the purchase price with a bank guarantee. Their finance arrangements were such that the bank guarantee would only cover the total amount of N\$435 000.00 and the remaining N\$85 000.00 would be secured in cash.

By the due date of **05 January 2014**, no guarantee had been presented to Council or its conveyancers and the sale was thus cancelled as a result of non-compliance with the conditions of sale. Ms E Katjivikua had however already deposited the N\$85 000.00 into Council's bank account in anticipation of the remaining purchase sum being secured by the bank guarantee. Receipt 56141 was issued in the name of Ms E Katjivikua for this payment. (**Annexure "A"**)

Clause 11.3 of the Deed of Sale states as follows:

*Should this agreement be cancelled in terms of the provisions of **clause 11.1** hereof the SELLER shall also have the right to retain all moneys paid by the PURCHASER in terms of this agreement or retain any part thereof as a pre-estimated amount in consideration of the PURCHASER's breach of contract as a penalty which the PURCHASER agrees to pay to the SELLER in terms of the Conventional Penalties Act, 1962 (Act No 15 of 1962) for any breach by the PURCHASER of any provision of this agreement.*

**Part payment for Erf 5632, Swakopmund**

According to this provision, the N\$85 000.00 can be retained by Council as a result of the breach of contract by the purchaser.

Written correspondence was received from Ms E Katjivikua on **13 January 2014** requesting that the N\$ 85 000.00 be refunded to her regardless of the cancellation of the sale. (**Annexure "B"**)

Following a similar application after the cancellation of the sale of Erf 5338, Swakopmund, Council on **28 November 2013** under item 11.1.13 resolved that:

- (b) *That Council does not invoke the forfeiture clause but that the amount of N\$133 000.00 paid to Council be refunded to Messrs Zilla Calleb Trading Enterprises CC.*
- (c) *That the N\$5 000.00 deposit paid by Messrs Zilla Calleb Trading Enterprises CC be forfeited.*

Council resolved not to invoke the forfeiture clause and to refund the received money. It is suggested that the refund of the N\$85 000.00 to Ms E Katjivikua be approved similarly whilst the N\$5 000.00 registration fee is forfeited to Council.

### **3<sup>rd</sup> Offer to purchase Erf 5631 and Erf 5632, Swakopmund**

Apart from the sale of Erf 5632, the sale of Erf 5631 was similarly cancelled due to non-compliance with the due date of payment.

The erven were then offered to the next highest qualifying bidder from the bids submitted on **07 June 2013**. For both properties, Mr Alfredo Fernando was the next highest bidder and both properties were offered for sale to him. Mr Fernando was given 4 days' notice with constant reminders to confirm which of the 2 properties he wished to purchase but did not respond within the allocated deadline. (**Annexure "C"**)

Both Erf 5631 and 5632 therefore remains unsold.

**B. After the matter was considered, the following was:-**

#### **RECOMMENDED:**

- (a) **That Council takes note of the cancellation of the sale of Erf 5632, Swakopmund to Ms Engelhardine Katjivikua and Mr Karl-Hans Daiber and Erf 5631, Swakopmund to Mr Ibrahim Funtua.**
- (b) **That Council does not invoke the forfeiture clause but that the amount of N\$85 000.00 paid to Council for the purchase of Erf 5632, Swakopmund and it be refunded to Ms E Katjivikua.**
- (c) **That the N\$5 000.00 registration fee paid by Ms E Katjivikua and Mr K Daiber for Erf 5631, Swakopmund and by Mr I Funtua for Erf 5632, Swakopmund be forfeited.**
- (d) **That Council approves the sale of Erf 5631 and Erf 5632, Swakopmund at a Closed Bid Sale in 2014 the exact date of which will still be determined.**
-

11.1.3 **DETERMINATION OF CONDITIONS OF SALE OF LAND TO BE SOLD TO SALT COMPANY (PTY) LTD**

(C/M 2014/02/27 - E 466, G 4/2/1/2)

**Ordinary Management Committee Meeting of 18 February 2014,**  
Addendum 7.5 page 142 refers.

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**A. The following item was submitted to the Management Committee for consideration:**

**Introduction**

The purpose of this submission is for Council to reconsider the Management Committee decision taken on **19 November 2013** and **16 January 2014** both of which are quoted in the below paragraphs.

Following the Management Committee meeting of **19 November 2013**, it was resolved under item 7.15:

*That the sale of the unserviced portion of the Remainder of Portion B of the Swakopmund Town and Townlands No. 41 measuring approximately 44 037m<sup>2</sup> to Messrs Salt Company (Pty) Ltd be turned down and that the previous resolution related hereto be repealed.*

At the Management Committee meeting of **16 January 2014** it was resolved under item 7.13:

*That this item be referred back and that it be resubmitted to a Special Management Committee to be held at a date to be determined by the Chief Executive Officer.*

**Background**

The sale of land to Messrs Salt Company (Pty) Ltd is directly linked to the relocation of the railway line because of the Bahnhof Square Development on Erf 444, 466 and 773 in Mandume Ndemufayo Avenue. It is also tied to the donation of land to Messrs Trans Namib Holdings Limited for the establishment of the new railway facilities and which was approved by Council at the meeting of **28 November 2013** under item 11.1.8 (a):

*That the portion of the Remainder of Portion B of the Swakopmund Town and Townlands No 41. established in (a) be donated to Messrs TransNamib Limited.*

**Railway sidings**

Due to the malls, commercial units and accommodation units being developed by Messrs Bahnhof on Erf 444, 466 and 773, Messrs Trans Namib is obliged to remove the rail link to the Salt Company's erf. The Salt Company depends on the rail link to transport their bulk salt products. Accordingly they will not be able to continue operating from their current erf and Council approved the sale of a portion of land north of the airport to the Salt Company which is exactly the same size as their current erf at the Council meeting of **27 June 2013**:

*That the allocation of a portion equal in size to Erf 2774, Swakopmund (44 037m<sup>2</sup>) of the Remainder of Portion B of Swakopmund Town and Townlands No 41 to Messrs Salt Company (Pty) Ltd be approved in principle, subject to the following:*

- (i) *The completion of the statutory requirements for town planning;*
- (ii) *A market related price being determined for the land; and*
- (iii) *Completion of the statutory requirements for the sale of the property.*

Trans Namib is a shareholder in the Bahnhof Development and Bahnhof has come to an agreement with Salt Company based on Council's decision of **27 June 2013** about the relocation of the salt works from their current erf to the new northern Industrial Area and the establishment of a temporary rail link.

Trans Namib will establish a temporary rail link to the Salt Company's Erf and the new link will access the erf from the east. Due to the fact that the current shunting rail will be removed to make place for the development of the Bahnhof Square, 2 temporary sidings will be put in place to allow for the required shunting of the trains. The new sidings will cross Mandume Ndemufayo Avenue to connect with Salt Company's property further east on Mandume Ndemufayo Avenue. The intention is that both these temporary sidings will be removed once Salt Company has moved to its new location.

However, if the Sale Company remains on their current property, this will result in the 2 railway sidings across the busy Mandume Ndemufayo Avenue not being removed on the completion of the project. As the intention of relocating the Salt Company was specifically to eliminate *any* rail sidings running across this busy street, the decision to not sell the new land to them would in fact result in an additional siding being established and 2 lines then crossing the road.

### **Price Determination**

In execution of the Council resolution of **27 June 2013** (b) (ii) above, a valuation for the relevant portion of land was requested from Council's official valuator. On 7 October 2013 the probable market valuation was received in a communication from Messrs The Trust & Estate Co (Pty) Ltd and the General Industrial property was valued as follows:

	<i>Remainder of Portion B of Swakopmund Town and Townlands No. 41 to <b>Messrs Salt Company (Pty) Ltd</b></i>
<i>Zoning:</i>	<i>General Industrial</i>
<i>Size:</i>	<i>44 037 m<sup>2</sup></i>
<i>Rate for unserviced land:</i>	<i>N\$40.00 / m<sup>2</sup></i>
<i>Rate for serviced land:</i>	<i>N\$120.00 / m<sup>2</sup></i>

The total purchase price of the General Industrial land to the size of 44 037m<sup>2</sup> to be sold to Messrs Salt Company (Pty) Ltd will amount to N\$1 761 480.00 (excluding VAT) if this calculation is used. It is immediately apparent that this price for a property of such an extensive size is completely undervalued.

Following the last Closed Bid Sale on **04 October 2013** of, amongst other, General Industrial erven in Extension 10, an average price of N\$220.00 / m<sup>2</sup> (excluding 15% VAT) for these erven were obtained.

The erven in Extension 10 are in close proximity to the area in question and can therefore serve as valid comparison.

At the Closed Bid sale Erf 4875 zoned General Industrial and measuring 47 764 m<sup>2</sup> was sold at N\$184.00 / m<sup>2</sup>. This erf compares very well with the size of 44 037 m<sup>2</sup> of the property in question. Erf 4875 was however serviced which bulk services currently cost Council N\$80.00 / m<sup>2</sup> to install.

Council should also bear in mind that Messrs Salt Company (Pty) Ltd finds itself in the privileged position of not having to compete with other bidders to acquire the land. It is on these grounds that it is proposed that the rate of N\$ 184.00 / m<sup>2</sup> which was paid for the serviced Erf 4875 at the Closed Bid Sale be made applicable to the sale of the unserviced property to Messrs Salt Company (Pty) Ltd. The mark-up in price is regarded as the premium to compensate for the preferential treatment they are afforded. The purchase price is accordingly proposed to be  $N\$184.00 / m^2 \times 44\,037\,m^2 = N\$8\,102\,808.00$  (15% VAT excluded).

### **Coordination of all developments**

It is proposed that a tripartite agreement be entered into between Messrs Bahnhof, Messrs Salt Company (Pty) Ltd and Council to regulate the interaction of the development of Bahnhof Square, the railway changes and relocation of Messrs Salt Company (Pty) Ltd. An agreement will make it easier for the parties to measure progress and provide clarity on completion dates such as the removal of the temporary sidings across Mandume Ndemufayo Avenue.

#### **B. After the matter was considered, the following was:-**

##### **RECOMMENDED:**

- (a) That Council repeals the Management Committee decision of 19 November 2013 and 16 January 2014.**
- (b) That Council, in principle, approves the sale of the unserviced portion of the Remainder of Portion B of the Swakopmund Town and Townlands No. 41 measuring ±44 037m<sup>2</sup> to Messrs Salt Company (Pty) Ltd at the purchase price to be determined after the auctioning of adjacent erven.**
- (c) That the prospective purchaser must accept that no rights will accrue to him or her from Council's resolution unless all the relevant conditions of the Property Policy are complied with in full and all the relevant authorities have given the necessary permission, if applicable.**
- (d) That a minimum deposit of N\$100 000.00 (to be decreased or increased by Council depending on the value of the development) shall be required of the prospective purchaser to cover all fees and costs to Council, prior to attending to the statutory processes.**
- (e) That should a balance remain after Council's costs have been covered, it will be refunded by the Finance Department to the prospective purchaser.**

- (f) That the successful prospective purchaser shall be required to pay the above deposit within 90 days from the Council resolution approving the purchase price, failing which Council's resolution will be revoked at the next Council meeting following after the expiry of the 90 days.**
- (g) That the requirements regarding the alienation of immovable property as prescribed in terms of the Local Authorities Act 23 of 1992, as amended, and the Townships Ordinance 11 of 1963 respectively, must be complied with in full.**
- (h) That the agreement of sale must be concluded and signed within:**
  - (i) 12 months from the closing date for objections, should none be received; or within*
  - (ii) 3 months from date of approval of the transaction by the Minister of Regional and Local Government, Housing and Rural Development, in cases where objections were received;*

**failing which Council's offer will lapse.**

- (i) That the agreement of sale be signed and returned to the Swakopmund Municipality, by the purchaser or developer within 21 days of being requested to do so.**
- (j) That all costs relating to the transfer of the erf, (including but not limited to transfer duty, conveyancer's costs, compilation of Agreement of Sale, as well as any legal or other costs that may arise from this application), shall be for the prospective purchaser's account.**
- (k) That the purchase price and 15% VAT (if applicable) shall be secured by means of a bank guarantee payable on date of transfer.**
- (l) That the financial institution of the purchaser provides a letter of undertaking within 90 days from the date of signing the deed of sale.**
- (m) The prospective purchaser shall submit layout plans, indicating the civil services infrastructure, drawings of the buildings, as well as the service demand for the intended project for approval by the General Manager: Engineering Services within 6 months of the allocation of the erf.**
- (n) That no development or construction will be permitted to commence until the statutory processes have been completed.**
- (o) That internal and external services must be completed within 24 months from date of sale, being the date of signing the deed of sale.**
- (p) That Council will be responsible for the statutory processes for the prospective purchaser's account.**

- (q) That the prospective purchaser shall be responsible for the payment of all costs related to statutory disciplines which shall be completed within 12 months from date of sale (date of signing the deed of sale).**
  - (r) That all costs related to the transaction shall be borne by the prospective purchaser.**
  - (s) That the whole development project must be completed within a period of 48 months from date of sale (being the date of signing the deed of sale).**
  - (t) That full rates and taxes will be levied from date of being issued a compliance certificate (services) or from the month following the period agreed on (whichever date is the earlier).**
  - (u) That the prospective purchaser is not permitted to cede, assign or alienate their right or interest in the property or alienate the property to a 3<sup>rd</sup> party in any way before all the relevant conditions contained in the agreement of sale are fulfilled.**
  - (v) That the purchaser agrees that Council is selling the land for a specific purpose to the specific purchaser, accordingly the purchaser must seek prior approval of Council to affect any change in shareholding except a change required due to the passing away of a shareholder.**
  - (w) That the prospective purchaser indemnifies Council against any claims resulting from blasting; should blasting need to be done for the project.**
  - (x) That no subdivision and sale of any portion of the newly created erf will be considered.**
  - (y) That a tripartite agreement be established by Council's legal representatives between Council, Messrs Salt Company (Pty) Ltd and Messrs Trans Namib Holdings Limited to regulate the relationships as a result of the Bahnhof Development.**
-

11.1.4 **RESUBMITTED: LEASE PROPOSALS - MARTIN LUTHER HISTORICAL SITE**  
(C/M 2014/02/27 - J 8/3)

Ordinary Management Committee Meeting of 18 February 2014, Addendum 7.6 page 148 refers.

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**A. The following item was submitted to the Management Committee for consideration:**

This item was submitted to the Management Committee of **28 January 2014** and was withdrawn to be resubmitted to the next Management Committee Meeting.

1. **Introduction**

Council on **31 October 2013** approved under item 11.1.4 that the lease period for the Martin Luther Historical Site with Mr P Victor be extended until **28 February 2014**, without an option to renew, in order for Mr P Victor to benefit from the influx of visitors to the coast during the December - January holiday period.

Quoted is the resolution passed on **31 October 2013**:

- (a) *That the lease period for the lease of the Martin Luther Historical Site to Mr P Victor be renewed until 28 February 2014, without an option to renew.*
- (b) *That lease proposals be invited during November 2013 for submission to Council for allocation during January 2014.*
- (c) *That the new lease period commence on 1 March 2014.*

2. **Lease Proposals**

As per point (b) above, lease proposals were invited by way of advertising in Council's two approved newspapers and only one proposal was received at the closing dated of 24 December 2013, being from E. P. C. Events & Catering. No objections were received from the public against Council's intention to lease the site.

The signed invitation lease proposal document is attached as **Annexure "B"**. Also, the proposal of Mr E P Camm of E. P. C. Events & Catering with photographs of the proposed temporary structures for the additional activities that will take place is attached as **Annexure "C"**.

An informal discussion was held with the applicant in particular about the size and lease period. In response to that Mr E Camm submitted a letter dated **17 January 2014 (Annexure "D")** indicating the total size he requires to establish the venture, acceptance of the lease term of five (5) years and an arial photo indicating the location.

The invitation was for 2 000 m<sup>2</sup>; Mr Camm submitted a proper layout requiring an area of approximate 22 000 m<sup>2</sup>.

With reference to the location of the proposed structures, the following additional conditions should be taken in account:

- *That no structures may be erected adjacent to or in front of Martin Historical Monument that might obscure the monument from the road or detract it from its status.*
- *That should the Lessee wish to display any advertising boards, it be in line with the advertising policy.*

The proposed project can be summarized as follows:

*E. P. C. Events & Catering specialize in events management, sports and recreation. They intend to create a recreational facility for the community, especially outdoor activities and events without any disturbances.*

*Non-permanent structures, such as tents will be used to host events. They wish to beautify the location by creating a pleasant atmosphere with different gardens such rock, herbs, etc.*

*Additional activities include the following:*

- *putt-putt*
- *croquet*
- *music and theatre activities*
- *Outdoor chess.*
- *team building activities*

*With reference to the water and electricity services, there is no municipal services connected to the area but E. P. C. Events & Catering intend to make use of a water tank system, solar power and generators as well as Nam Space VIP trailer toilets will be used as ablution facility.*

*E. P. C. Events & Catering will also create job opportunities with the intended venture, which is a scares resource in our town.*

*Another important aspect is that they intend to offer social economic development through school projects as well as training in hospitality.*

*E. P. C. Events & Caterings' intention is to create a facility that caters for all age groups and social gatherings.*

### 3. **Discussion**

E. P. C. Events & Catering intends to offer a variety of activities and services to the community. With reference to the additional activities, it is an excellent idea for entertainment and to keep especially the youth busy.

It is proposed that Council approves the proposal of Mr E P Camm of E. P. C. Events & Catering to lease the portion of land measuring  $\pm 2\,000\text{ m}^2$ , a portion of the Remainder of a portion B of Swakopmund Town and Townlands No.41, situated next to the B2 main Road to Windhoek, including the Martin Luther Historical Site; as well as an additional area measuring  $\pm 20\,000\text{ m}^2$ .

Although E.P.C. Events & Catering applies for a lease period of 15 years, it is proposed that Council considers a lease for a period of five (5) years with an option to renew for a further five (5) years at rental tariff of **N\$ 800.00 + N\$120.00 (15% Vat)**; taking into consideration the financial expenses that must be incurred to get everything up and running.

It is proposed that Council approves the lease tariff for the additional portion of land measuring  $\pm 20\,000\text{ m}^2$ , to be leased to Mr Camm for his proposed venture of which the rental tariff per square meter be in line with that Messrs R & R Karting, i.e. N\$0.089/m<sup>2</sup>, i.e. **20 000 m<sup>2</sup> x N\$0.089 = N\$1 780.00 (15%).**

The portion of land acquired by Mr E Camm is in the vicinity of the land leased to Messrs R & R Karting which is also used for entertainment.

The same lease terms and standard lease conditions contained in the lease agreement of the previous lessee's will be applicable and any further conditions that Council may require upon consideration.

Furthermore it must be kept in mind that access to the Martin Luther Monument is gained directly from the B2 at the monument; this is dangerous. Consideration should be given to use the access and provide access only from the circle in future.

In conclusion, it is proposed that Council approves the following additional lease conditions to be added to these contained in the Invitation for Proposal Document:

- *That no structures may be erected adjacent to or in front of Martin Historical Monument that might obscure the monument from the road or detract from its status.*
- *That should the Lessee wish to display any advertising boards, it be in line with the advertising policy.*

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

- That Council approves the proposal of Mr E P Camm of E. P. C. Events & Catering to lease the portion of land measuring  $\pm 2\,000\text{ m}^2$ , a portion of the Remainder of a portion B of Swakopmund Town and Townlands No.41, situated next to the B2 main Road to Windhoek.**
- That Council approves a lease for a trial period of five (5) years with an option to renew for a further five (5) years at a rental tariff of N\$800.00 + N\$120.00 (15% Vat) = N\$920.00 p/m for the area of  $2\,000\text{ m}^2$  ; subject to an annual escalation of 10% on 01 July 2014.**
- That the lease agreement be subject to the amended conditions as contained in the Invitation: Lease Proposals for Martin Luther Site, attached as Annexure "A" and any further conditions that Council may require upon consideration:**

**Conditions quoted from the invitation document:**

**1. Lease Period**

*The lease shall commence on 1 March 2014 and shall run for the period of five years, with an option to renew.*

**2. Payments**

**2.1** *The rental amount is N\$ 800.00 + N\$120.00 (15% VAT) per month.*

**2.2** *The rental amount as quoted must be payable per month in advance on or before the 7<sup>th</sup> day of each month to the Municipality free of bank commission.*

**2.3** *The LESSEE is responsible for the payment of water, electricity and sanitary fees and other charges as may customarily and legally be required to be paid by an owner and or occupants of premises in the municipal area of Swakopmund.*

**2.4** *A refundable deposit equal to one (1) month's rental is payable in advance.*

**2.5** *The monthly rental will escalate annually by 10%, the first being July 2015.*

**3. Use of the Property**

- 3.1** *The proposal must enhance the heritage status of Martin Luther Historical Site.*
- 3.2** *The LESSEE shall maintain the site, the building and other improvements thereof for the lease period to the satisfaction of the Health Department and Engineering Services Department.*
- 3.3** *The LESSEE shall comply with all conditions laid down by the General Manager: Health in terms of Health regulations, as well as all conditions of the Swakopmund Town Planning Amendment Scheme and with any other applicable municipal regulations.*
- 3.4** *The LESSEE may not make any alteration or improvement to the premises and leased land (HIRED PROPERTY) without the consent of the Swakopmund Municipal Council.*
- 3.5** *The LESSEE shall not be allowed to accommodate any employees on the site except a security guard.*
- 3.6** *The LESSEE shall be responsible for 24 hour security services.*

**4. Right of Access**

*The Municipality shall at all times have the right of access to the HIRED PROPERTY being leased for the purpose of carrying out inspections in order to ensure that all applicable regulations and requirements are being complied with by the LESSEE.*

**5. Prohibition against Sub Letting**

*The LESSEE shall not cede or assign this agreement or any portion of the portion of the HIRED PROPERTY OR THE PORTION THEREOF.*

**6. Indemnity**

*The LESSEE shall keep the LESSOR indemnified during the full term and or lease period of this lease agreement against any possible claims which may arise from the use of the PROPERTY by the LESSEE and if required to do so by the Municipality, shall furnish the Municipality with an acceptable all- risk indemnity policy.*

**7. Breach of Conditions**

*If the LESSEE breaches any conditions of the agreement, the lease may be cancelled at the entire discretion of the Municipality by giving thirty (30) days notice in writing to the LESSEE, and the LESSEE shall restore the HIRED PROPERTY to a proper condition at his own cost and to the satisfaction of the Municipality within the sixty (60) days from date of such notification. Whether the lease is terminated by way of expiration or by breach of contract the LESSEE shall for its own account restore the PROPERTY to its original condition and to the satisfaction of the Municipality.*

**8. Termination**

- 8.1** *This lease agreement is terminable at any time by either party giving or receiving three (3) months' notice in writing.*
- 8.2** *In the event of termination of the agreement, the LESSEE shall have no claim for compensation in respect of any improvements effected on the HIRED PROPERTY, provided that the LESSEE may remove any such improvements from the HIRED PROPERTY which is sixty (60) days from date of termination, failing which all such improvements shall become the property of the Municipality, provided further that the Municipality shall be responsible for all costs incurred by the Municipality or loss sustained by it as a result of any improvement or to restore the PROPERTY to its proper condition.*

**9. Additional Conditions**

- 9.1** *In employing staff members, the LESSEE shall give preference to the existing employee (Mrs Gerlinde Nuas) who is employed at Martin*

*Luther on the same terms as previously provided by Namib-I and Mr P V Shangete.*

- 9.2 *The LESSEE must maintain the logo of Namibia Breweries which is displayed on the outside board and the logo should remain on the board for the lease period.*

10. **Deed of Lease**

*A Deed of Lease substantially incorporating the above conditions and any further conditions as may be required by Council upon consideration of the successful applicant offer, will be prepared and forwarded to the successful applicant for signature.*

- (d) **That Council approves the following additional lease conditions to be added to the ones contained in the Invitation for Proposal Document:**
- *That no structures may be erected adjacent to or in front of Martin Historical Monument that might obscure the monument from the road or detract from its status.*
  - *That should the Lessee wish to display any advertising boards, it be in line with the advertising policy.*
- (e) **That Messrs E P C Events and Catering be informed that the additional portion of land required for the venture cannot be approved and a separate application must be made to that effect.**
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11.1.5 **OBJECTION RECEIVED AGAINST LEASE EXTENSION OF MUNICIPAL CAFETERIA TO MESSRS E.P.C EVENTS & CATERING**  
C/M 2014/02/27 - E 1/1/1)

Ordinary Management Committee Meeting of 18 February 2014,  
Addendum 7.7 page 175 refers.

**A. The following item was submitted to the Management Committee for consideration:**

**1. Introduction**

Council advertised its intention as per Notice 70/2013 to extend the current lease of the Municipal Cafeteria to **Messrs E.P.C Events and Catering**, the closing date for objections was **03 January 2014**.

At the closing date for objections the following objections were received from:

- Mrs Z Hammerslaght of Paddy's Catering Services, **Annexure "A"**
- Ms P D Lotsch of Mafei's Catering Services, **Annexure "B"**

The objections are summarized below:

***Mrs Z Hammerslaght***

- The Cafeteria's intention to lease was never out on Tender.
- The Councillor who is a relative of the lessee never excused neither did he declared interest in the matter when the decision to award the lease was granted.
- The Local Authority Act makes provision for all services rendered or goods supplied to any municipality to go out on tender for equal opportunity and fair consideration.

***Ms P D Lotsch***

- The said Cafeteria was never advertised to tender.
- All Namibians should get a chance to tender for such lease agreements and might even offer better returns for the Local Authority.
- All Councillors related to the current lessee should declare their interest and excuse themselves.

**2. Objection received**

Following are the concerns of the objectors quoted from their letters followed by the comments of the Swakopmund Municipality (Since the concerns are similar, they will be addressed at the same time):

<b>Quoted from Letters</b>	<b>Comments</b>
<b><i>Mrs Z Hammerslaght</i></b> The Cafeteria's intention to lease was never out on Tender.	The heading of Notice 70/2013 clearly reads that: <b>Intention to Extend the Current Lease of the Municipal Cafeteria</b> , which is an indication that the intention was never to tender but to extent the current lease.
<b><i>Ms P D Lotsch</i></b> The said Cafeteria was never advertised to tender.	
	Business proposals for the operation / rental of Municipal Cafeteria were invited as per notice 08/2012 which was published in Namib Times and The Namibian newspapers on 16 March 2012 as required by Local Authority Act, Act 23 of 1992, as amended. Eleven

Quoted from Letters	Comments
	<p>proposals were received from interested members of the public.</p> <p>Two of the best proposals, being those of That Messrs Megan's Catering and Messrs E P C Events &amp; Catering were invited and presented their menu's at a Special Plenary Meeting held on <b>15 June 2012</b> in the Management Committee Room and which was attended by Councillors and senior officials.</p> <p>Participants at this meeting were issued with scorecards to rate (on a scale of 1-4) the services in terms of variety, appearance, satisfaction, freshness / health. The service providers were anonymously identified as Caterer A and Caterer B and no representative from any of the caterers was present during the rating exercise.</p> <p>Based on the above process, Messrs E P C Events were appointed by the Management Committee on <b>27 September 2012</b>.</p>
<p><b><u>Mrs Z Hammerslaght</u></b> : The Councillor who is a relative of the lessee never excused neither did he declared interest in the matter when the decision to award the lease was granted.</p> <p><b><u>Ms P D Lotsch</u></b> All Councillors related to the current lessee should declare their interest and excuse themselves</p>	<p>The objectors did not specifically mentioned the name of the alleged Councillor who they claim to be a relative of the lessee, but due to similar allegations which were published in the local newspapers it is presumed that they are referring to Councillor Anthony Bessinger.</p> <p>Councillor Anthony Bessinger was requested to clarify his connection to the current lessee and he responded as quoted below:</p> <p>"The lessee is in no way related to me. I am further willing to submit to DNA testing to provide you with biological proof that we are not related".</p> <p>Considering the above response, it is clear that the Councillor and the lessee are not related.</p>
<p><b><u>Mrs Z Hammerslaght</u></b> : The Local Authority Act makes provision for all services rendered or goods supplied to any municipality to go out on tender for equal opportunity and fair consideration.</p> <p><b><u>Ms P D Lotsch</u></b> All Namibians should get a chance to tender for such lease agreements and might even offer better returns for the Local Authority</p>	<p>As indicated earlier, the invitation for business proposals for rental / operation of Municipal Cafeteria was published in The Namibian and Namib Times newspapers on 16 March 2012 as per Notice 08/2012, whereafter Council on <b>27 September 2012</b> approved the proposal of Messrs E P C Events and Catering.</p> <p>With reference to the lease agreement concluded on <b>27 November 2012</b> between Council and Messrs E P C Events and Catering, Clause 2, subsection 2.3 of the lease agreement makes provision for the lessee to negotiate the renewal of the lease, as quoted below:</p> <p>"The LESSEE shall have the right to negotiate the renewal of the lease subject to notice in writing from the LESSEE not less than 30 days before the termination date and consensus being reached between the parties on the terms of such possible renewal before the termination date in clause 2.1. In the event of this clause being triggered, the LESSOR shall ensure compliance with the terms of section 63 of the Local Authorities Act".</p> <p>The intention to extend the current lease was therefore necessitated to honour the above clause since the lessee has confirmed that he wishes to proceed with the lease of the cafeteria for a further one year.</p>

### 3. **Background**

Council on **27 September 2012** approved the proposal of Messrs E P C Events and Catering to lease the Municipal Cafeteria for the period of 12 months, the lease commenced on **01 November 2012**.

The lease agreement entered into between the Swakopmund Municipality and **Messrs E.P.C Events and Catering** made provision for the lessee to negotiate the renewal of the lease before the lapsing date which was **30<sup>th</sup> November 2013**.

Following the lessee's indication that he wishes to proceed with the leasing of Municipal Cafeteria, Council on **31 October 2013** passed the following resolution:

- (a) *That the lease agreement entered into with Messrs E.P.C Events and Catering be extended from 1 December 2013 until 30 November 2014.*
- (b) *That the conditions of the agreement of lease be the same as the existing agreement of lease, except that Clause 2, Subsection 2.3 of the lease agreement be deleted.*
- (c) *That the extended lease period be advertised at the cost of the lessee in terms of Section 63 of the Local Authorities Act, Act 23 of 1992, as amended.*
- (d) ***That electricity be metered separately and that feedback be provided to Council in May 2014 to consider whether electricity consumption should be levied additional to the lease amount.***

As per point (c) above, the intention to extend the current lease of the Municipal Cafeteria was published in Namib Times and New Era newspapers on **11 and 17 December 2013**. The due date for lodging objections was on the 03 January 2014.

#### **4. Discussion**

Having analysed the nature of the objections received, the concerns raised by the objectors are mainly focused on the issue of awarding the tender for the lease of Municipal Cafeteria.

It should be noted that the intention of publishing the notice was not to inform the public about the approval of the new lease, but to call for objection against the extension of the current lease of Messrs E.P.C Events and Catering which was approved by Council on **27 September 2012**.

Council could not invite business proposal to lease the Municipal Cafeteria at the lapsing date of the current lease due to the clause contained in the lease agreement signed, which makes provision for the lessee to negotiate for the renewal of lease.

As per point (b) of the above Council resolution, the clause empowering the current lessee to negotiate for the renewal of lease will be deleted and this will enable Council to invite business proposals from interested members of the public giving them an equal opportunity to compete against each other.

#### **5. Proposal**

It is proposed that Council does not support the objections received from Mrs Z Hammerslaght of Paddy's Catering Services and Ms P D Lotsch of Mafei's Catering Services since their objections are mainly based on awarding of the tender which was not the case, but rather an honouring of terms and conditions of the lease agreement concluded between Council and Messrs E.P.C Events and Catering.

#### **6. Attachments:**

*Annexure "A" : Objections of Mrs Z Hammerslaght of Paddy's Catering Services*  
*Annexure "B" : Objections of Ms P D Lotsch of Mafei's Catering Services*  
*Annexure "C" : Notice No 70/2013*  
*Annexure "D" : Notice No 08/2012*

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

- (a) That Council rejects the objections received and submit same together with Council's motivation to the Honourable Minister of Regional and Local Government, Housing and Rural Development as required in terms of Section 63 of the Local Authorities Act, Act 23 of 1992, as amended.**
  - (b) That Council applies to the Honourable Minister of Regional and Local Government, Housing and Rural Development to proceed with the extension of current lease of the Municipal Cafeteria to Messrs E.P.C Events and Catering from 01 December 2013 until 30 November 2014.**
  - (c) That it be recorded that no Councillor declared interest during the discussion of this item.**
-

11.1.6 **SEWAGE TREATMENT PLANT - OPERATOR**

(C/M 2014/02/27 - B 1/1/4)

**Ordinary Management Committee Meeting of 18 February 2014,**  
Addendum 7.8 page 182 refers.

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**A. The following item was submitted to the Management Committee for consideration:**

**PRESENT SITUATION**

At present the (new) Sewage Treatment Plant is being operated on short term contract by Aqua Utilities Corporation (Pty) Ltd as part of the Operational Commissioning of the plant. The initial contract period was extended twice to facilitate operational commissioning, yet with the several process complications / deficiencies identified, Operational Readiness has not been attained to present.

Some of these complications, which will be addressed during the next Budget cycle, are:

1. *Uncontrollable re-introduction of oxygen rich fluid as part of the nitrate / sulphate return cycle, resulting in prolific growth of filiform bacteria presenting itself as a foam layer on the fluid. This foam eventually reports downstream where it enters the settling of Aqua Services Engineering (Pty) Ltd, but as it floats, the foam does not settle out. Eventually the foam reports to the sand filters where it clogs the filters, causing a nexus point in the flow and restricting the plant's throughput.*  
  
*The matter will be addressed via foam removal (already partial in place), prevention of foam forming by reducing oxygen to anoxic ponds by introducing sluice gates in the return line and provision of a by-pass line to the filters.*
2. *No by-pass line for the sand filters, thus causing the throughput to pass through the filters, resulting in a bottleneck. A temporary bypass is already in place, yet it needs to be formalised.*
3. *Management of syphoned-off foam. At present the foam reports to the drying beds beyond the digesters, but the high volume fluid swamps the capacity of the beds for evaporation. The foam thus needs to be delivered to a fluid removal pond and pumped to the digesters to resolve the problem.*
4. *No provision of Primary Settling Tanks. These tanks, just downstream of the intake works allows sufficient retention for most solids to settle to the bottom where it can be drawn off and delivered to the digesters. The provision of Primary Settling Tanks will increase Aqua Services Engineering (Pty) Ltd the throughput of the plant with more than 20% as was demonstrated several times in similar set-ups, as the plant now needs not digest so much organic material in the anoxic and oxidized ponds, but rather ferments it in the digester as the sludge is delivered directly to the digesters from the Primary Settling Tanks.*
5. *Main pump station at old Sewage Purification Works - pumps not demonstrating longevity as replacements were necessary after just 4 months operation. Apart from selecting alternative pumps, a sand-trap and screening unit, with suitable odour control (scrubbing) will need to be introduced as none of the pump stations in town are protected with sand-traps and debris screens.*

6. *Excessive electrical consumption. This is being addressed with the introduction of power monitors and of Aqua Services Engineering (Pty) Ltd balancing rectifiers, yet the cost of electricity varies during each day and from day to day, depending on the rates applied by Erongo RED. Suitable Control and Instrumentation will need to be introduced to ensure that the peak consumption is offset against maximum cost periods to reduce cost.*
7. *The old Sewage Purification Works could not be shut down as Operational Readiness could not be demonstrated - fortunately so, as during November 2013 the complications caused by the filiform bacteria foam resulted in a near complete stop of the new plan. This resulted in considerable delay in the rehabilitation of the old plant's yard.*

## **OPERATIONAL READINESS**

Operational Readiness is the stage in the production profile of a plant / system when it is demonstrated to run continuously at its nameplate (design) capacity for a specified period - which period will be not less than 30 days in the Aqua Services Engineering (Pty) Ltd of a biological processing plant due to the slow response time of organic processes to change.

When operationally ready, the following characteristics are, inter alia, to be demonstrated:

- (a) *Full management complement and management complement independently capable of decision making to operate the plant (with no outside assistance for normal conditions)*
- (b) *Full operational labour and supervisory complements*
- (c) *Supervisors and labour sufficiently trained to support independent operation of the plant by the teams (without outside assistance for normal conditions)*
- (d) *Structural integrity demonstrated under full load*
- (e) *Hydraulic integrity demonstrated under full load*
- (f) *Process deliverables consistently demonstrated under full load for various ambient environmental conditions*
- (g) *Mechanical soundness demonstrated under full load*
- (h) *Electrical systems functional under various load conditions*
- (i) *Control and instrumentation systems functional under various load and ambient environmental conditions*
- (j) *Sufficient critical spares identified and on hand*
- (k) *Sufficient process materials identified and on hand*
- (l) *Installation / use / operational / management / maintenance / safety / health / environmental procedures in place and being used*
- (m) *Output consistently demonstrated to be of specified quality under full load conditions*
- (n) *Output consistently demonstrated to approximate / exceed design throughput for full load and varying ambient environmental conditions*

It is obvious that this plant, after about nine months in operation cannot be declared Operationally Ready due to the various complications encountered - and not solved to present.

## **SPECIALIST REQUIREMENTS**

The complications experienced with demonstrating Operational Readiness, resulted in, inter alia, the following:

- (a) *Equilibrium / standard conditions of operation could not be demonstrated*
- (b) *Standard operational procedures could not be fully developed, nor implemented*
- (c) *Critical spares levels could not be determined in full, thus causing emergency acquisitions of materials / spares*
- (d) *Electrical consumption could not be regulated to suit peak consumption periods, nor peak cost periods*
- (e) *SCADA system cannot be completed / used as various process are still in need of modification*
- (f) *Final training of personnel cannot be achieved as "standard" operational conditions cannot be reached*

This situation requires regular intervention from specialists (Electronic, electrical, mechanical, hydraulic, chemical, biological processes).

To present Aqua Utilities Corporation (Pty) Ltd and Aqua Services Engineering (Pty) Ltd were instrumental in maintaining the plant operational and substantially effective. Their comments and advice have been instrumental to the levels of success reached.

Windhoek Consulting Engineering and Golder, the process and structural design engineering consultants have been approached at various times to intervene, with the response tardy and ineffective.

Given that the plant is still contractually within the Defects Liability Period (Retention Period), the introduction of changes needs, modification shall only be introduced with the consent of Windhoek Consulting Engineers & Golder as the liability for the functionality and integrity of the plant process and system reside with them.

It is thus clear that the specialist intervention is now required to facilitate reaching Operational Readiness, which specialist intervention is recommended to be under the guidance of Aqua Services Engineering (Pty) Ltd / Aqua Utilities Corporation (Pty) Ltd.

## **PERSONNEL EMPLOYMENT - COMPLICATION AND OPPORTUNITY**

Though Engineering Services requested the creation of additional employment positions to allow appointment of personnel to operate the new plant, the appointment of such personnel was considered not prudent to present due to the various complications with Operational Readiness experienced to present.

It is also fact that appointment of a person, even if knowledgeable and experienced in sewage plant operation will still require considerable training to ensure sufficient knowledge of the new plant to allow the person to effectively and safely operate the plant. Such training and experience requires considerable time.

Though it is considered unconstitutional to have a non-pouching agreement of personnel between institutions, it is also good business

practices not to encourage personnel movements between institutions by introducing benefits / conditions, thus the trained personnel of Aqua Utilities Corporation (Pty) Ltd presently working at the plant may not be available to the Municipality should the Aqua Utilities Corporation (Pty) Ltd contract be terminated.

Discussions with Aqua Utilities Corporation (Pty) Ltd resulted in a proposal tabled to Engineering Services to extend the contract for the operation of the plant to a 5 year period (extendable, terminable), with suitable agreement to be compiled once principal approval has been obtained from Council.

## **COST COMPARISON - IN-HOUSE VERSUS AGENT**

To compare the introduction of an Agent versus in-house operation of the plant, one should consider commonalities and comparative items.

Common items would be the cost for:

- *Electricity*
- *Consumables*
- *Maintenance*
- *Repairs*
- *Testing*

Comparative items would be the cost for:

- *Labour*
- *Specialist services*

When assessing the comparative items, the full cost to institution should be considered, thus in-house labour should be assessed for all remunerative items and benefits. Similarly the full cost to mobilise and the services of specialists should be considered, with the frequency of such services requirement now only an estimate.

Though it is obvious that the agent will introduce remuneration dissimilar to the Municipal employment profile, the employment profile of the agent should effectively be similar to the Municipal profile to ensure that personnel will receive similar benefits of employment in both institutions.

The attached table (**Annexure A**) was compiled to compare the in-house costs to an external agent, with cognisance of:

- *Profit margin of agent*
- *VAT excluded from costs as salaries carries no VAT and services Vat reclaimed*
- *Specialist services requirements estimation*
- *Impact on organogram of Engineering Services*
- *Situational requirements - remote location, safety and shifts*
- *Escalation accepted to be comparative for both institutions*

<b>(Costs in N\$ Excl VAT)</b>				<b>AQUA UTILITIES CORPORATION (PTY) LTD</b>		<b>MUNICIPALITY</b>	
<b>Description</b>	<b>Scale</b>	<b>Unit</b>	<b>No</b>	<b>Rate</b>	<b>Cost/Yr</b>	<b>Rate</b>	<b>Cost/Yr</b>
<b>PRELIM &amp; GENERAL</b>							

<i>Contractual</i>		<i>Sum</i>	<i>1</i>	<i>18 000</i>	<i>15 000</i>	<i>0</i>	<i>0</i>
<b>REPORTING</b>							
<i>Monthly Report</i>		<i>off/a</i>	<i>12</i>	<i>6 600</i>	<i>7 611</i>	<i>0</i>	<i>0</i>
<b>PERSONNEL</b>							
<b>Admin &amp; Management</b>							
<i>Operations Manager (1)</i>	<b>D2</b>	<i>Mth</i>	<i>4</i>	<i>39 600</i>	<i>158 400</i>	<i>56 363</i>	<i>225 452</i>
<i>Plant Manager (1)</i>	<b>C4</b>	<i>Mth</i>	<i>13</i>	<i>33 600</i>	<i>436 800</i>	<i>31 586</i>	<i>410 618</i>
<i>Cleaner (1)</i>	<b>A1</b>	<i>Mth</i>	<i>13</i>	<i>7 800</i>	<i>101 400</i>	<i>7 611</i>	<i>98 943</i>
<b>Engineering</b>							
<i>Expert services (1)</i>	<b>E2</b>	<i>Mth</i>	<i>13</i>	<i>9 600</i>	<i>124 800</i>	<i>81 643</i>	<i>1 061 359</i>
<b>Process Shifts</b>							
<i>Shift Operators</i>	<b>B2</b>	<i>Mth</i>	<i>52</i>	<i>18 600</i>	<i>967 200</i>	<i>15 554</i>	<i>808 808</i>
<i>Assistant Shift Operators</i>	<b>B1</b>	<i>Mth</i>	<i>52</i>	<i>15 000</i>	<i>780 000</i>	<i>14 064</i>	<i>731 328</i>
<b>ANALYTICAL</b>							
<i>Lab Technician (1)</i>	<b>C3</b>	<i>Mth</i>	<i>7</i>	<i>9 600</i>	<i>62 400</i>	<i>28 505</i>	<i>185 283</i>
<b>DIVERSE</b>							
<i>Transport</i>		<i>Mth</i>	<i>12</i>	<i>14 400</i>	<i>172 800</i>		<i>172 800</i>
<i>Taxi</i>		<i>Mth</i>	<i>12</i>	<i>4 560</i>	<i>54 720</i>		<i>54 720</i>
<b>Est comparative annual costs</b>				<b>2 881 131</b>		<b>3 749 311</b>	

(Contractor - Except P&G all rates marked up 20%)

From the comparative table it appears that outsourcing of the services to a specialist agent will be beneficial.

## SINGLE SOURCING

Both Aqua Utilities Corporation (Pty) Ltd and Aqua Services Engineering (Pty) Ltd forms part of the VEOLIA Consulting Services Group with vast international resources available - both financially and technically.

Aqua Services Engineering (Pty) Ltd is well known to be the only institution in Namibia with the technical expertise to design, establish, manage and operate both Sewage Treatment Works and Water Purification Plants, with its knowledge internationally recognised.

The rates offered by Aqua Services Engineering (Pty) Ltd / Aqua Utilities Corporation (Pty) Ltd, and the proposed escalation of the rates are considered acceptable and reasonable. It is thus considered prudent that the proposal from ACU be considered for implementation.

## PROPOSAL

The attached (**Annexure A**) proposal by Messrs Aqua Utilities Corporation (Pty) Ltd is considered financially and technically beneficial to the Municipality and is recommended for implementation.

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

- (a) That Council approves, *in principle*, the appointment of Messrs Aqua Utilities Corporation (Pty) Ltd as Operator of the New Sewage Purification Plant and Pump Stations.**
  - (b) That a thorough cost analysis be done before the contract is compiled.**
  - (c) That the Engineering Services Department compiles an agreement with Messrs Aqua Utilities Corporation (Pty) Ltd inclusive of appropriate clauses for, but not limited to the following, in hand with the FIDIC General Conditions of Contract for Client / Consultant Services (2006):**
    - (i) *Initial period (5 years),***
    - (ii) *Renewability of agreement,***
    - (iii) *Consecutive periods (5 years),***
    - (iv) *Termination of service - conditions and notice period,***
    - (v) *Service description,***
    - (vi) *Remuneration,***
    - (vii) *Escalation,***
    - (viii) *Service quality assurance (performance criteria, penalties)***
    - (ix) *Spares and maintenance management,***
    - (x) *Personnel policy alignment with Municipal Personnel Policy***
    - (xi) *Understudy provision and Job Attachment.***
  - (d) That the proposed Agreement be negotiated with Messrs Aqua Utilities Corporation (Pty) Ltd and upon provisional consent from Messrs Aqua Utilities Corporation (Pty) Ltd, the Agreement be submitted to Management Committee for approval.**
-

11.1.7 **MARKET VALUATION: A PORTION OF LAND LOCATED ON BLOCK 19 - MESSRS MEDICAL DIAGNOSTIC CENTRE NAMIBIA (PTY) LTD**  
(C/M 2014/02/27 - G 3/9/20)

Ordinary Management Committee Meeting of 18 February 2014, Addendum 7.9 page 191 refers.

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**A. The following item was submitted to the Management Committee for consideration:**

**1. INTRODUCTION**

This item was submitted to the Management Committee of **16 January 2014** whereafter the following resolution was passed:

*That this item be referred back and that it be resubmitted to Management Committee after the conditions of sale have been determined.*

As per point 2 of the said submission, the conditions of sale were approved by Council on **31 July 2013** (quoted below) and the purpose of the submission was to consider a purchase price.

*For completeness sake, attached as **Annexure "A"**, Council's official letter informing the applicant of Council's decision passed on **31 July 2013** and the attachment of the conditions of sale; as well as a reply from Messrs Medical Diagnostic Centres Namibia (Pty) Ltd confirming acceptance of the conditions in writing.*

It should be noted that Council will only be able to commence with the statutory processes of the transaction upon completion of the subdivision of the portion as per point (d) of the Council resolution quoted below.

The Engineering Services Department will attend to the subdivision as soon as **Messrs Medical Diagnostic Centres Namibia (Pty) Ltd** confirms acceptance in writing of a purchase price.

**2. BRIEF BACKGROUND**

Council on **31 July 2013**, under item 11.1.1 approved the alienation of a portion of land measuring 1.5 hectares located on Block 19; Swakopmund to **Messrs Medical Diagnostic Centres Namibia (Pty) Ltd** for the purpose of constructing a multidisciplinary medical centre.

Quoted is the resolution passed on **31 July 2013**:

- (a) *That it be noted that Councillor A N Bessinger declared his interest and left the chamber.*
- (b) *That the alienation of a portion of land measuring  $\pm 1.5$  hectares located on Block 19, Swakopmund to Messrs Medical Diagnostic Centres Namibia (Pty) Ltd, for the purpose of constructing a multidisciplinary medical centre, in principle in terms of the existing Property Policy be approved.*
- (c) *That Engineering Services Department in consultation with the Messrs Medical Diagnostic Centres Namibia (Pty) Ltd determines the most suitable location and zoning for the required portion of land on Block 19.*

(d) That the Engineering Services Department attends to the subdivision of the portion for the account of Messrs Medical Diagnostic Centres Namibia (Pty) Ltd in order to comply with the provisions of the revised Property Policy, i.e.:

1.1 Council shall only consider the sale of large portions of land of which at least the boundaries have been surveyed and the diagrams approved by the Surveyor-General (blocks).

(e) That the probable market valuation based on the intended zoning be obtained from Council's appointed municipal valuer and two additional valuers of which the average of the three valuations be used to determine a purchase price, for consideration and approval by Council.

(f) That all costs relating to availing the portion of land be for the account of the applicant, such as, but not limited to, the required town planning procedures, alienation cost and provision of services.

(g) That Medical Diagnostic Centres Namibia (Pty) Ltd accepts that no rights will accrue to them from Council's resolution unless all the relevant conditions of the Property Policy are complied with in full and all the relevant authorities have given the necessary permission, if applicable.

**Messrs Medical Diagnostic Centres Namibia (Pty) Ltd** was informed in writing of the above decision and confirmed in writing on **26 August 2013** that they accept Council's conditions and agree to purchase the land at an institutional price.

Attachments:

- ① **Annexure "A"** Council's official letter dated 1 August 2013 informing the applicant of Council's resolution passed on 31 July 2013, the conditions as an attachment (referred to as Annexure "E") and the applicant's acceptance in writing of Council's standard conditions
- ② **Annexure "B"** Valuations received based on a zoning of "institutional"
- ③ **Annexure "C"** Map indicating the location of the portion

3. **PROPOSED PURCHASE PRICE ASSUMING A ZONING OF "INSTITUTIONAL"**

With reference to *point (e)* of Council's resolution passed on 31 July 2013, market related valuations were received from Councils appointed valuer and two additional valuers as indicated in the columns below.

<b>The Trust &amp; Estate Co (Pty) Ltd</b>	<b>Ludwig Schröder Estate Agents CC</b>	<b>Mr Abel Daniel Schoeman</b>
N\$30.00/m <sup>2</sup>	N\$70.00/m <sup>2</sup>	N\$50.00/m <sup>2</sup>

•  $N\$30.00 + N\$70.00 + N\$50.00 = N\$150.00 \div 3 = N\$50.00/m^2$

As per above calculation; it is proposed to approve the purchase price per square meter at N\$50.00; i.e. 15 000m<sup>2</sup> x N\$ 50.00/m<sup>2</sup> = N\$750 000.00 to Messrs Medical Diagnostic Namibia (Pty) Ltd to purchase a portion of land located on Block 19, Swakopmund.

**Attached**, as **Annexure "B"** are the valuations of The Trust & Estate Co (Pty) Ltd, Ludwig Schröder Estate Agents CC and Mr Abel Daniel Schoeman.

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

- (a) That Council approves the land price of N\$ 70.00/m<sup>2</sup> to Messrs Medical Diagnostic Centres Namibia (Pty) Ltd to purchase a portion of land measuring ±15 000m<sup>2</sup> located on Block 19, Swakopmund.**
  - (b) That Messrs Medical Diagnostic Centres Namibia (Pty) Ltd be requested to confirm in writing acceptance of the land price being N\$70.00 / m<sup>2</sup> which will amount to N\$1 050 000.00 for 15 000m<sup>2</sup>.**
  - (c) That Medical Diagnostic Centres Namibia (Pty) Ltd be requested to pay a deposit of N\$50 000.00 (to cover all fees and costs to Council) within 90 days from the Council resolution approving the purchase price, failing which Council's resolution will be revoked at the next Council meeting following after the expiry of the 90 days.**
  - (d) That once points (b) and (c) are finalized, Ministerial approval be applied for in terms of section 30 (1) (t) of the Local Authorities Act, Act 23 of 1992, as amended to proceed with the sale; whereafter the Engineering Services Department commence with point (d) of Council's resolution passed on 31 July 2013, i.e. the subdivision of the portion of land.**
  - (e) That the cost for services be added to the land price *pro rata* once the services costs are determined.**
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11.1.8 **MESSRS O'B DAVIDS PROPERTIES CC: PURCHASE PRICE FOR ALLOCATION OF ERVEN 4882, SWAKOPMUND**  
(C/M 2014/02/27 - E 4882, 4883)

**Ordinary Management Committee Meeting of 18 February 2014,**  
Addendum 7.10 page 199 refers.

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**A. The following item was submitted to the Management Committee for consideration:**

This item was submitted to Council on **28 January 2014**, but was withdrawn from the Agenda.

This matter is now resubmitted to the Management Committee for consideration.

**1. Introduction**

Council on **24 November 2009** and **25 November 2010** resolved to reserve Erf 4883, Swakopmund and Erf 4882, Swakopmund respectively, for sale to Messrs O'B Davids Properties after the sales of the newly created industrial erven.

The two Council resolutions are quoted under point 4 for ease of reference.

Therefore, the purpose of this submission is to determine a purchase price for Erf 4882 (13 640m<sup>2</sup>) and 4883 (10 082m<sup>2</sup>), based on the average of the sale of "*General Industrial*" erven at the closed bid sale held on **4 October 2013**.

Both these erven are zoned "*light industrial*", but in terms of Council's resolution passed on **31 October 2013** these erven will be rezoned to "*General Industrial*".

- (a) *That the intention to rezone Erven 4881 to 4885, Extension 10, Swakopmund, from "Light Industrial" to "General Industrial" be approved.*
- (b) *That the Engineering Services Department attends to all relevant statutory processes involved to finalise the rezoning process.*

With reference to other erven located in this extension, Council on **25 October 2012** approved the following rezoning:

- (a) *That the rezoning Erven 4864 - 4874 Swakopmund from "General Business" to "General Industrial" and rezoning of Erven 4887 - 4901, Swakopmund from "Light Industrial" to "General Industrial" be approved.*
- (b) *That the Engineering Services Department attends to the rezoning of the above mentioned erven as soon as possible.*

A map indicating the location of these erven are attached as **Annexure "A"**.

Messrs O'B Davids Properties is currently renting Erf 4883, Swakopmund for brick making purposes.

**2. Sales of 6 "general industrial" erven in the vicinity**

- 2.1 Council sold 35 “light industrial” and 6 “general industrial” erven by closed bid on **04 October 2013** and the following average prices per square meter were obtained:

- **“Light Industrial”**

Upset price	:	N\$ 160.00
Average per square	:	N\$ 322.46

- **“General Industrial”**

Upset price	:	N\$ 160.00
Average per square	:	N\$ 220.80

- 2.2 In addition to the above, and for comparison purposes the sale of Erf 4884, Swakopmund is taken into consideration, as Erven 4882 and 4883, Swakopmund were reserved for Messrs O’B Davids Properties and the entity therefore does not have to compete with other bidders to purchase these erven.

Erf 4884, Swakopmund is located adjacent to Erven 4882 and 4883, Swakopmund and is also zoned “light industrial”. The erf measures 13 780m<sup>2</sup> and was sold for N\$ 7 041 580.00.

- Erf 4884, Swakopmund = N\$ 511.00 / m<sup>2</sup>

With reference to the sale of Erf 4884, Swakopmund, Council passed the following resolution on **28 November 2013**:

- (a) That the cancellation of the sale of Erf 4884, Swakopmund to Messrs HHH Investment be noted.
- (b) That Council invokes it’s right to not offer the property for sale to the 2<sup>nd</sup> highest bidder.
- (c) That Erf 4884, Swakopmund be offered for sale by means of a Closed Bid sale once the rezoning of the property to “General Industrial” has been finalised.

For interest sake, the second highest bidder at the time offered an amount of N\$4 134 000.00, i.e. N\$ 300.00 / m<sup>2</sup>. 8 bids were received for Erf 4884, Swakopmund resulting in an average bid of N\$ 282.00 / m<sup>2</sup>.

3. **Proposed Purchase Price**

Taking into consideration that Messrs O’B Davids will have the advantage of obtaining land reserved for them without any competition it is proposed that a premium be added, similar to the motor vehicle dealers.

As Erven 4882 and 4883 were reserved for the purchaser, it is proposed to sell these erven at a purchase price of N\$511.00 / m<sup>2</sup>, being the average obtained for the adjacent Erf 4884, Swakopmund.

Calculated:

- Erf 4882 (13 640m<sup>2</sup>) at N\$ 6 970 040.00 + 15% VAT
- Erf 4883 (10 082m<sup>2</sup>) at N\$ 5 151 902.00 + 15% VAT

4. **Council Resolutions**

- 4.1 **Council Resolution of 24 November 2009 for the allocation of Erf 4883, Swakopmund (previously referred to as “Erf D”)**

- (a) *That Erf "D" (Erf 95 in the industrial area) of Swakopmund Town and Townlands No. 41 be excluded from the auction to be held for the new industrial erven.*
- (b) *That Erf "D" (Erf 95 in the industrial area) be offered to Messrs O'B Davids Properties CC after the auction at a purchase price still to be determined by Council at the time.*
- (c) *That the lease be extended until the date of purchase.*

4.2 **Council Resolution of 25 November 2010 for the allocation of Erf 4882, Swakopmund**

- (a) *That Erf 4882 ( $\pm 1,3640$ ha) only, Swakopmund be withdrawn from the auction and be offered to Messrs O'B Davids Properties CC at a purchase price to be determined thereafter.*
- (b) *That the application of Messrs O'B Davids Properties CC to purchase Erf 3346 and 3352, Extension 9 which are zoned institutional and public open space respectively be turned down.*
- (c) *That Messrs O'B Davids Properties CC be informed that both blocks west of Dr Schwietering Street are reserved for future development by Council.*
- (d) *That Messrs O'B Davids Properties CC be informed that Council will not sell Public Open Spaces, as was resolved by Council on 30 September 2010.*
- (e) *That Messrs O'B Davids Properties CC be advised that Council is busy planning the layout of the land north of Tamariskia and Mondesa and that they be advised to wait for the process to be completed.*

5. **Land Use**

In terms of Town Planning Amendment Scheme 12 the following activities can be conducted on an erf zoned "*general industrial*".

**Primary Uses:** *Industrial Building, Light Industrial, Warehouse, Dry Cleanette, Launderette, Scrap Yard, Building Yard.*

**Consent Uses:** *Public Garage, Service Stations, Office Buildings, Shop, Place of Amusement, Place of Instruction, Noxious Industry.*

Brick making is regarded as a noxious industry, therefore Messrs O'B Davids Property CC must apply for consent use should their intention be brick making.

6. **Standard Conditions of Sale**

It is proposed that Council's standard conditions apply for the sale of the two erven, as well as the following conditions which were applicable to the sale of the "*general industrial*" erven, i.e.:

- (a) *That upon acceptance of the purchase price for the two erven by Messrs O'B Davids Property CC, Council's intention to sell Erven 4882 and 4883, Swakopmund to Messrs O'B Davids Properties CC be advertised for possible objections as required in terms of the Local Authorities Act, Act 23 of 1992, as amended at the cost of the purchaser.*
- (b) *That the transaction be concluded within 3 months from the closing date for possible objections; should objections be received, within 3 months from the honourable Minister's favourable response.*

- (c) *The property may not be alienated within 24 months from date of transfer unless a completion certificate has been issued in respect of the structural improvements prior to the expiry of the said 24 month period. This restraint of alienation is to be registered against the title deed of the property.*
- (d) *The property shall revert to Council if no completion certificate is issued on the expiry of the 24 months period.*
- (e) *If a property must revert to Council in terms of (c) above, the compensation payable to the purchaser shall be fixed at the original purchase price +15% VAT plus the value of any useful improvements.*
- (f) *Council's official valuator shall determine the value of any useful improvements on the property. The purchaser shall be liable for the cost of the said official valuator. The determination by the official valuator shall be final and binding.*

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

- (a) **That Council's resolution passed on 25 November 2010 approving the sale of Erf 4882, Swakopmund be repealed.**
- (b) **That Council approves a purchase price of N\$511.00 / m<sup>2</sup> for the sale of the following Erf to be zoned "General Industrial" to Messrs O'B Davids Properties CC:**

- **Erf 4883 (10 082m<sup>2</sup>) at N\$5 151 902.00 + 15% VAT**

**That the transaction only commences upon approval and promulgation of the rezoning of the two erven to "General Industrial".**

- (c) **That Messrs O'B Davids Properties CC be informed that brick making is regarded as a noxious industry and should brick making be their intended venture, they must apply for consent use for the relevant erven.**
- (d) **That all costs relating to the transaction be for Messrs OB Davids Properties CC, including but not limited to the advertising cost, compilation of the agreement of sale, as well as any legal costs that may arise from this transaction.**
- (e) **That upon acceptance of the purchase price for the two erven by Messrs O'B Davids Properties CC, Council's intention to sell Erf 4882, Swakopmund to Messrs O'B Davids Properties CC be advertised for possible objections as required in terms of the Local Authorities Act, Act 23 of 1992, as amended, at the cost of the purchaser.**
- (f) **That the transaction be concluded within 3 months from the closing date for possible objections; should objections be received, within 3 months from the honourable Minister's favourable response.**
- (g) **That the property may not be alienated within 24 months from date of transfer unless a completion certificate has been issued in respect of the structural improvements prior to the expiry of the said 24 month period. This restraint of alienation is to be registered against the title deed of the property.**

- (h) That the property shall revert to Council if no completion certificate is issued on the expiry of the 24 months period.
  - (i) That, if the property must revert to Council in terms of (g) above, the compensation payable to the purchaser shall be fixed at the original purchase price +15% VAT plus the value of any useful improvements.
  - (j) Council's official valuator shall determine the value of any useful improvements on the property. The purchaser shall be liable for the cost of the said official valuator. The determination by the official valuator shall be final and binding.
  - (k) That the following standard conditions be applicable:
    - (i) *That Messrs O'B Davids Properties CC must accept that no rights will accrue to them from Council's resolution unless all the relevant conditions of the Property Policy are complied with in full and all the relevant authorities have given the necessary permission, if applicable.*
    - (ii) *No development or construction will be permitted to commence until the statutory processes have been completed and the erven transferred.*
    - (iii) *The agreement of sale must be concluded and signed within:*
      - (a) *12 months from the closing date for objections, should none be received; or within*
      - (b) *3 months from date of approval of the transaction by the Minister of Regional and Local Government, Housing and Rural Development, in cases where objections were received;*  
*failing which Council's offer will lapse.*
    - (iv) *The agreement of sale be signed and returned to the Swakopmund Municipality, by the purchaser within 21 days of being requested to do so.*
    - (v) *The purchase prices and 15% VAT shall be secured by means of a bank guarantee payable on date of transfer.*
    - (vi) *That a bank guarantee shall be provided within 90 days from the date of signing the deed of sale.*
    - (vii) *Right of occupation will be granted upon issuing of a compliance certificate.*
    - (viii) *The purchaser is not permitted to cede, assign or alienate their right or interest in the property or alienate the property to a 3<sup>rd</sup> party in any way before all the relevant conditions contained in the agreement of sale are fulfilled, also see point (f) above.*
    - (ix) *The purchaser takes note that Council does not reserve land and should the agreement of sale not be signed:*
      - (a) *12 months from the closing date for objections, should none be received; or within*
      - (b) *3 months from date of approval of the transaction by the Minister of Regional and Local Government, Housing and Rural Development, in cases where objections were received;*  
*failing which the transaction will be cancelled without the need for Council to give notice to the purchaser.*
    - (x) *That purchaser indemnifies Council against any claims resulting from blasting, should blasting need to be done.*
-

11.1.9 **ERF 4349, MONDESA - KHOMAS PROPERTIES CC: SECOND ADDENDUM TO THE AGREEMENT OF SALE DUE TO REZONING**  
(C/M 2014/02/27 - M 4349)

**Ordinary Management Committee Meeting of 18 February 2014,**  
Addendum 7.11 page 205 refers.

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**A. The following item was submitted to the Management Committee for consideration:**

**1. Introduction**

Council on **25 April 2013** under item 11.1.20 passed the following resolution with regard to the delay caused by the rezoning of Erf 4349, Mondesa:

- (a) *That Council confirms its' intention to proceed with the transaction for the sale of Erf 4349, Mondesa to Messrs Khomas Properties CC.*
- (b) *That an Addendum to the Deed of Sale be compiled and entered into by and between Council and Messrs Khomas Properties CC whereby the Deed of Sale signed on 26 March 2012 is revived and an additional 1 year period be granted to Council to finalize the rezoning of Erf 4349, Mondesa, i.e. until 26 March 2014, or whichever period is shorter.*

Messrs Khomas Properties CC confirmed their intention to proceed with the transaction and signed the Addendum to the Deed of Sale on **26 March 2012**.

**2. Current Situation**

The rezoning of Erf 4349, Mondesa was included in Town Planning Amendment Scheme 53 (approved on 15 November 2013), but had to be withdrawn prior to approval.

The rezoning of Erf 4349, Mondesa will now be included in an Amendment Scheme which will be submitted to Council on **27 February 2014** for approval, whereafter same must be submitted to the Ministry for consideration and placement in the Government Gazette for possible objections.

This is causing a further delay in the finalization of the transaction for the sale of Erf 4349, Mondesa to Messrs Khomas Properties CC.

The finalization of the rezoning might take up another 18 months, depending on the availability of the Townships Board's monthly meetings.

Neither Council, nor Messrs Khomas Properties CC has any control over the delay.

The first addendum to the Deed of Sale requires the rezoning be finalized by 26 March 2014. Due to the rezoning not being finalized, the Deed of Sale entered into between Council and Messrs Khomas Properties will lapse on 26 March 2014 and will be of no force and effect unless it is extended.

Therefore, it is necessary to extend the Deed of Sale by entering into a second Addendum to the Deed of Sale whereby both parties agree to proceed with the transaction.

3. **Brief Background**

The amendment of Clause 16 of the Deed of Sale for the sale of Erf 4349, Mondesa to Messrs Khomas Properties CC was approved by Council on **27 October 2011**, as follows:

- (a) *That point (b) 7. (i) of Council's resolution passed on 28 October 2010 be repealed and replaced with the following:*
- That the Engineering Services Department attends to the rezoning of Erf 4349, Mondesa from "Local Authority" to "General Business" and no betterment fee be applicable as the purchase price was determined assuming a zoning of "General Business".*
- (b) *That Messrs Khomas Properties CC be informed to apply for consent use for institutional buildings for the provision of Medical Services from Erf 4349, Mondesa.*
- (c) *That Clause 16 of the draft Deed of Sale be amended to reflect the above.*

Clause 16 was amended accordingly and the Deed of Sale was signed on **26 March 2012**.

The amended Clause 16 is quoted for ease of reference:

*The current zoning of the property (i.e. local authority) is not in line with the intended use of a Medical Centre. The Engineering Department of the Seller shall attend to the rezoning of the property to "general business". The Seller shall be responsible for the cost involved in such rezoning process. The rezoning of the property to general business is a condition of this agreement that must be complied with before transfer can be given to the Purchaser. If the aforesaid zoning of the property cannot be completed within 12 months of date of signature of this agreement, this agreement shall lapse and fall away and neither party shall have any further claim against each, except for restitution. No betterment fees shall be payable by the Purchaser in respect of the rezoning of the property to "general business", since the selling price was calculated on the basis of the property being zoned "general business".*

4. **Addendum to the Deed of Sale**

In order to proceed with the transaction, a second Addendum to the Deed of Sale must be compiled stating both parties' intention to proceed with the transaction and whereby the 1 year period granted for the finalization of the rezoning process be extended until the rezoning is approved by the Ministry of Regional and Local Government, Housing and Rural Development.

It is proposed to grant an additional period of 18 months as Council is not in control of the rezoning process once submitted to the said Ministry.

That the cost for the compilation of the second Addendum to the Deed of Sale be defrayed from the N\$50 000.00 deposit paid by the purchaser on **9 June 2011**.

Attached:

- |                     |   |                                                  |
|---------------------|---|--------------------------------------------------|
| <b>Annexure "A"</b> | - | Deed of Sale                                     |
| <b>Annexure "B"</b> | - | Addendum to the Deed of Sale                     |
| <b>Annexure "C"</b> | - | Map indicating the location of Erf 4349, Mondesa |

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

- (a) That Council confirms its' intention to proceed with the transaction for the sale of Erf 4349, Mondesa to Messrs Khomas Properties CC.**
  - (b) That a second Addendum to the Deed of Sale be compiled and entered into by and between Council and Messrs Khomas Properties CC whereby the Deed of Sale signed on 26 March 2012 is revived and an additional 18 month period be granted to Council to finalize the rezoning of Erf 4349, Mondesa, i.e. until 26 September 2015.**
-

11.1.10 **MESSRS RÖSSING URANIUM LTD: CANCELLATION OF BLOCKS 20 AND 21**

(C/M 2014/02/27 - H 5/8)

**Ordinary Management Committee Meeting of 18 February 2014,**  
Addendum 7.12 page 216 refers.

**A. The following item was submitted to the Management Committee for consideration:**

**1. Introduction**

As per **attached** letter dated **14 January 2014**, Messrs Rössing Uranium Ltd cancels the transaction for the purchase of Blocks 20 and 21, located to the north of Extension 3, Tamariskia and to the east of the Henties Bay Road.

Attachments: **Annexure "A"** : letter dated **14 January 2014**  
**Annexure "B"** : map indicating the location of the blocks

**2. Brief Background**

After reconsidering the allocation of various blocks to Messrs Rössing Uranium Ltd, Council passed the following resolution on **24 February 2011** under item 11.1.2:

- (a) *That with reference to the sale of Block 5, Council's Resolution 11.1.4, points (g) and (h) of 08 November 2008 be repealed and replaced with the conditions applicable to the sale of Blocks 3 and 4, as per the Council resolution of 27 March 2008 as Annexure "E" (on file).*
- (b) *That the cancellation of Block 7 be accepted and that Council services it immediately and then sells the individual erven by public auction to the general public.*
- (c) *That the exchange of Block 9 for Block 2 be accepted and Blocks 20 and / or 21 (blocks forming part of the structure plan approved by Council on 28 October 2010), at a nominal purchase price of N\$10.00 per block on condition that Messrs Rössing Uranium Ltd provides lay-outs and the services at their cost and Council receives 50% of the serviced erven of the Block.*
- (d) *That any wasted costs for the compilation of the Deeds of Sale for Blocks 5, 7 and 9 be deducted from the deposits paid by Messrs Rössing Uranium Ltd.*
- (e) *That it be recorded that a Deed of Sale has already been compiled for Block 5 and that Messrs Kinghorn Associates to be requested to compile Deeds of Sale for Block 2, Blocks 20 and / or 21.*
- (f) *That the Minister of Regional and Local Government, Housing and Rural Development be informed of the amended allocation and approval thereof be applied for.*

**Summary:**

- **Block 2:** Messrs Rössing Uranium Ltd cancelled the sale for Block 2 on **4 February 2013** whereafter Council on **28 February 2013** under item 11.1.10 passed the following resolution:

- (a) That the cancellation of the transaction of Block 2 of Extension 3, Tamariskia to Messrs Rössing Uranium Limited be noted.
- (b) That the reservation of 15 single residential erven of Block 2 of Extension 3, Tamariskia for Municipal staff members be confirmed.
- (c) That the method of sale of the residential erven (closed bid / public auction) and the method of allocation of the staff erven (years of service / random allocation) be confirmed, once the installation of services to the said erven nears completion.
- (d) That the Engineering Services Department budgets for the servicing of the erven of Extension 3, Tamariskia (excluding Block 1) in the 2013/2014 capital budget.

Engineering Services prepared a submission to Council of **5 September 2013** under item 11.1.3 for the servicing of Block 2.

Block 2 forms part of Extension 3, Tamariskia for which extension a townships register was registered on **22 October 2013**.

- **Block 5:** Messrs Rössing Uranium Ltd completed the servicing of Block 5 and the individual erven were sold by public auction during **December 2013**.
- **Blocks 20 & 21:** The transactions for these 2 blocks are now cancelled.

Council passed the following resolution on **29 July 2010** with reference to the possible cancellation by block developers:

- (c) That Council immediately takes all the necessary steps to develop any blocks which are not sold.

These blocks are not yet subdivided, no layouts are available and no provision for services is in place.

### 3. Applications Received

The following applications were received specifically for these 2 blocks (*numbering corresponds with list of submission for land applications for the PDA*):

	<b>Date of Application</b>	<b>Applicant</b>	<b>Postal Address</b>	<b>Proposal</b>	<b>Area</b>
8	29-Oct-09	SPC for Andrico Investments CC	P O Box 11869, Windhoek	Joint Venture to develop a residential neighbourhood.	Block 21
39	12-Jun-12	Afrikuumba (Pty) Ltd	P O Box 9085, Klein Windhoek	Public Private Partnership to service and develop land.	Blocks 1 and or 20.
45	19-Feb-13	Valencia Rochell Lennitch	P O Box 3876, Swakopmund	Housing scheme for people within middle income bracket.	Blocks 18, 19, 20 and or 21.
47	27-May-13	Ilongeni Investments CC	P O Box 10981, Khomasdal, Windhoek	Construction of 5 000 houses for lower income groups.	Blocks 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25 and 26.
57	4-Nov-13	Mr A C Dreyer	Private Bag 5021, Swakopmund	Housing for Government employees.	Block 20

4. **Proposal**

As none of these blocks comply with Council's minimum requirement to sell, i.e that a Surveyor-General approved diagram must be in place, it is proposed that Council attend to the subdivision and lay-out of these two blocks; whereafter a submission be tabled to Council to decide on the future sale thereof.

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

- (a) That Council takes note of the cancellation of the transactions for Blocks 20 and 21 by Messrs Rössing Uranium Ltd.
  - (b) That the Engineering Services Department attends to the subdivision of these two blocks, the submission of a diagram to the Surveyor-General and the compilation of lay-outs.
  - (c) That the applicants listed for these blocks be informed of the above and that Council will advertise its intention in two newspapers circulating locally as required in terms of the Local Authorities Act, Act 23 of 1992, as amended, thereby affording the general public transparent, fair and equal opportunity to participate by either submitting a development proposal or closed bids (*as will be decided by Council at the time*).
  - (d) That the Engineering Services Department co-ordinates the progress on the surveying of these blocks with the Corporate Services and Human Resources Department in order to submit these to Council to decide on the method of alienation in line with the respective uses.
-

11.1.11 **ARBITRATION - SALE OF A CERTAIN PORTION A OF THE SWAKOPMUND TOWN AND TOWNLANDS NO 41, SWAKOPMUND TO MESSRS DMA HOLDINGS CC**

(C/M 2014/02/27 - G 3/9/17)

**Ordinary Management Committee Meeting of 18 February 2014, Addendum 7.13 page 220 refers.**

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**A. The following item was submitted to the Management Committee for consideration:**

Following the well-known case surrounding the sale of a certain Portion A of the Swakopmund Town and Townlands No. 41, Swakopmund to Messrs DMA Holdings CC, correspondence was received by Council's legal representatives in the matter, Conradie & Damaseb, that the Law Society of Namibia has appointed Mr Hosea Angola as arbitrator. **(Annexure "A")**

Mr Stolze of Conradie & Damaseb has advised Council to enter into an agreement with Messrs DMA Holdings CC to ensure payment of the related costs.

An addendum to the Deed of Sale was proposed by Messrs Conradie & Damaseb determining that each party will bear the arbitrator's fees in an equal ratio and that each party will also bear its own legal costs. The arbitrator however also has the authority to award further costs after his consideration of the matter. **(Annexure "B")**

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

- (a) That the appointment of Mr Hosea Angola as the arbitrator be noted.**
  - (b) That Council approves the Addendum to the Deed of Sale for a certain Portion A of the Swakopmund Town and Townlands No. 41 to be entered into between Council and Messrs DMA Holdings CC.**
-

11.1.12 **FEEDBACK REPORT ON THE REGISTRATION PROCESS OF THE DRC INFORMAL SETTLEMENT RESIDENTS, MONDESA BACKYARD TENANTS AND OTHERS**

(C/M 2014/02/27 - H 5)

**Ordinary Management Committee Meeting of 18 February 2014,**  
Addendum 7.14 page 224 refers.

**A. The following item was submitted to the Management Committee for consideration:**

The registration of residents living in informal structures in the DRC, Mondesa, as well as those renting elsewhere in Swakopmund took place from **07 October 2013** and ended on **08 November 2013**. The purpose of the exercise was to gather all relevant data that will make it possible for Council to plan better in terms of access to land for housing and municipal services according to the needs and affordability of the population.

The enumerating team started registering residents of the DRC informal settlement from **07-18 October 2013** and continued with backyard tenants in Mondesa while simultaneously registering those renting elsewhere in Swakopmund from **21 October** to **06 November 2013**. The numbers below reflect the population covered from the target group within this period:

<b>Area</b>	<b>Registered</b>
<i>DRC Illegal</i>	1610
<i>DRC Proper</i>	468
<i>DRC Rent</i>	233
<i>Mondesa</i>	2583
<i>Swakopmund Rental</i>	564
<b>Total Registered</b>	<b>5458</b>

According to the **2010** counts of 'shacks' conducted by Messrs Winplan, there were 5824 "*shacks*" in Mondesa while 1173 'shacks' were counted in the DRC Informal Settlement. After the count of shacks it so happened that many 'shack' occupants from Mondesa moved over to the DRC and occupied land illegally instead of paying for rent in Mondesa and as such the amount of 'shacks' in the DRC increased dramatically while the '*shack*' residents in Mondesa declined.

Therefore, based on this figure interference can be made that 70% (*Mondesa and DRC Shacks counted during registration: 4886 ÷ Total 'shacks' counted by Messrs Winplan: 6 997 x 100*) of the target group was covered during the recent registration process. Another aspect that affected the statistics of those enumerated was that 59 registered tenants from the DRC handed back their registration forms during a demonstration, which took place earlier during **October 2013**. Of these 11, people requested to have their forms back realizing that they made a mistake through submitting their forms.

The demonstration against the registration exercise was however the main contributing factor towards the low percentage coverage. Residents opposing the registration are of the belief that Council is devious with its aim behind the exercise and that Council instead plans to relocate residents of the DRC to an unidentified site where there will be no services available. Enumerators were able to convince some of the residents of Councils good intentions however some residents were adamant that enumerators were wrong and refused to take part in the exercise.

Although the registration process has come to an end, Community Development Services still receives numerous requests from residents of the DRC and Mondesa who want to be registered claiming that they were out of town during the registration process. The situation presents a challenge in the sense that one needs to go on site to physically verify that such candidates do indeed own informal structures (dwelling) in Mondesa or the DRC Informal Settlement. However, given the challenge posed by the Concerned Group, registering residents at DRC is dangerous or unsafe at this moment.

In addition, our office is inundated with visits from residents leasing formal accommodation within Swakopmund, requesting to be registered. Likewise, it is proving to be challenging, as there are no effective screening method to verify the information received. If the registration exercise for this group is to be continued, such applicants should present the copies of their pay slips or letter from employers or lease contracts in order to prevent residents from other towns to register under false pretenses.

Lastly, Government has recently launched the National Mass Housing Development Programme, which will be implemented by the National Housing Enterprise. It is therefore crucial that the implementing agency briefs Council on its way forward before any action including the registration of residents is considered.

The item was submitted to the Management Committee on **19 November 2013**, which resolved as follows:

*That this item be referred back and that the General Manager: Community Development Services makes recommendations on the preferred way forward.*

It is important to register all residents in need of houses in order to make sure they do not lose out when housing opportunities become available. This exercise should however be done in the most conducive manner with the support and cooperation of all residents. As such, the registration exercise (DRC and Mondesa) should only commence when the situation in the DRC normalizes.

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

- (a) That the registration exercise of the residents in the DRC Informal Settlement be kept in abeyance.**
  - (b) That the registration exercise of those renting elsewhere be continued with after the conclusion of the National Voters Registration process.**
-

11.1.13 **REPAIR OF RUNWAYS AT SWAKOPMUND AIRPORT**

(C/M 2014/02/27 - N 9/1)

**Ordinary Management Committee Meeting of 18 February 2014,**  
Addendum **10.4** page **23** refers.

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**A. The following item was submitted to the Management Committee for consideration:**

**PURPOSE**

The purpose of this submission is to obtain consent from Management Committee and Council to use savings under Vote 202534503700 (Repairs: Runway Swakopmund Airport) under the 2012 / 2013 Budget to finance the improvement and partial reconstruction of the apron during the current financial year.

**INTRODUCTION**

Originally an amount of N\$750 000.00 was budgeted under Vote 202534503700 (Repairs: Runway Swakopmund Airport). Due late resolution on the court case only a small portion of this amount was spent on the reconstruction and resurfacing of the runways thus resulting in a saving of N\$509 864.86 as on **30 June 2013**.

Unfortunately it was overlooked to make this project a continuation project during the previous budgeting period.

**MOTIVATION**

The maintenance of the runways is now financed under the operational budget. However, the apron, where aircrafts stop before and after landing for safety checks and boarding is still in a very poor and unsafe condition. This matter has also been criticised in a report from the Aviation Authority. It is therefore necessary to execute this work soonest. The Apron covers an area of about 100 m x 120 m.

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

**That the saving of N\$509 864.86 on Vote 202534503700 (Repairs: Runway Swakopmund Airport) as at 30 June 2013 be noted and this project be declared as continuation project to allow the partial reconstruction and re-surfacing of the airport apron under the 2013 / 2014 Budget.**

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11.1.14 **PRO-ED ACADEMY PARENTS ASSOCIATION: INTERIM USE / LEASE**

(C/M 2014/02/27 - G 3/9/12)

**Ordinary Management Committee Meeting of 18 February 2014,**  
Addendum 7.17 page 241 refers.

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**A. The following item was submitted to the Management Committee for consideration:**

**1. Introduction**

An application dated **28 January 2014** was received from Messrs Pro-Ed Academy to use Portion 112 for hockey facilities pending the signing of the deed of sale and subsequent transfer of the property to them.

They confirm that the land will be graded and that they accept that all risks and costs are for their account.

Their application is attached as **Annexure "A"**.

**2. Brief Background**

Council on **31 July 2013** approved the sale of Portion 112 to Messrs Pro-Ed Akademie under item 11.1.10 and on **26 September 2013** under item 11.1.6 accepted "*Pro-Ed Academy Parents Association*" as the name of the entity into which the property will be transferred. These resolutions are attached as **Annexure "B"**.

**3. Discussion**

Council's conveyancer was requested to compile the deed of sale for Portion 112 and will be finalized in due course.

Generally, should a deed of sale have been signed, Messrs Pro-Ed Parents Association would have been obliged to take possession of the property on date of signing the deed of sale and would have accepted the sole risk for any destruction and damage to the property. Although, no works may be undertaken without approved plans.

**4. Lease Tariff**

Council's Property Policy does not make provision for a tariff for the lease of land by purchasers while the sale is in process.

Therefore, a lease tariff was requested from Council's appointed valuer based on the purchase price (**Annexure "C"**) and was calculated at N\$0.17 / m<sup>2</sup> per month.

Should Messrs Pro-Ed Akademie opt to lease 10 000m<sup>2</sup> it will amount to a lease tariff of N\$1 700.00 plus 15% VAT (i.e. N\$255.00).

Council in its discretion can also approve a nominal monthly rental (for the sale of land at a nominal price Council's Property Policy prescribes N\$1 000.00).

It is expected that the transfer of the property will be finalized within the next 4 months.

5. **Proposal**

It is therefore proposed that permission be granted to Messrs Pro-Ed Parents Association to use a portion of Portion 112 for purposes of grading and levelling part of the land for the temporary creation of hockey facilities.

That this permission not be regarded as permission to commence with ground works and that Council be indemnified against any possible claims resulting from the use of the land.

That a lease agreement be entered into with Messrs Pro-Ed Parents Association for the use of a portion of Portion 112 at a monthly rental determined by Council.

It is not required to advertise Council's intention to lease the portion, as the lease period will be for less than a year.

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

- (a) That permission be granted to Messrs Pro-Ed Parents Association to use a portion of Portion 112 for the interim until the date of sale or transfer is registered (depending on the wording of the deed of sale to be signed).
  - (b) That the use of Portion 112 be for the purpose of establishing temporary hockey facilities which will include grading work, be at the sole risk and cost of Messrs Pro-Ed Parents Association.
  - (c) That this temporary permission to use the property not be regarded as permission to commence with ground works.
  - (d) That Council be indemnified against any possible claims.
  - (e) That a lease agreement be entered into with Messrs Pro-Ed Parents Association for the use of a portion of Portion 112.
  - (f) That Council approves a nominal rental tariff of N\$10.00 per month.
-

11.1.15 **EXTENSION 24: ALLOCATION TO MR SILVANUS THIKAMENI KATHINDI**

(C/M 2014/02/27 - G 3/3/9)

**Ordinary Management Committee Meeting of 18 February 2014, Addendum 7.18 page 247 refers.**

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**A. The following item was submitted to the Management Committee for consideration:**

**1. Introduction**

With due regard to point 4 of the revised Property Policy, under **Reservations**, which states that:

*Although Council will attend to applications for the sale or lease of land chronologically according to the date of receipt of the application, the consideration thereof will be based on merit, in Council's discretion acting in good faith.*

Council on **28 January 2014**, under item 11.1.7 passed the following resolution:

- (a) *That Extension 24 (known as Block 9) be allocated to Mr Silvanus T Kathindi at a purchase price and conditions of sale still to be determined.*
- (b) *That the following applicants be informed that their applications for Extension 24 (known as Block 9) are not successful:*
  - 1. *M E A Lehmann - 14 February 2011*
  - 2. *Mondesa One Investment CC - 09 March 2012*
- (c) *That the application of Messrs Ombundu Investments be referred back and be resubmitted to the next Management Committee meeting.*

**2. Extension 24**

Extension 24 is located to the north, adjacent to the road leading to Henties Bay as per attached map and measures 101 224m<sup>2</sup>.

It was confirmed with all possible town planners, Extension 24 is not yet subdivided, therefor no Surveyor-General approved diagram is in place in order to register transfer to the developer.

Having a Surveyor-General approved diagram in place is regarded as the minimum requirement for the sale of a large portion of land in terms of Council's revised Property Policy, quoted:

*6.2.4 Council intends to only consider the sale of portions of land once a Surveyor-General approved diagram is in place in order to be able to transfer the land; depending on such other factors Council may consider relevant as further set out in this policy.*

Although bulk services are in place at the boundary of the block erf, no internal services are installed.

**3. Purchase Price and Conditions of Sale**

**3.1 Purchase Price**

Council on **26 June 2008** approved the sale of the adjacent Block 8 at the following price per square meter for sellable land:

***N\$62.00 / m<sup>2</sup> + N\$40.51 / m<sup>2</sup> for the installation of the bulk services.***

Quoted from Council's revised Property Policy:

**7.5 DETERMINATION OF PURCHASE PRICE AND ANNUAL ESCALATION THEREOF**

**7.5.1 Sale by Private Transaction or Tender**

*That the probable market valuation assuming the intended zoning be obtained from Council's appointed municipal valuer and two additional valuers of which the average of the three valuations be used to determine a purchase price, for consideration and approval by Council.*

- (i) *should a period of more than one year, but less than 5 years, lapse since Council approved a purchase price, the purchase price be escalated with 5% per annum and be submitted to Council for approval.*
- (ii) *should a period of more than five years lapsed since approval by Council of the purchase price, fresh valuations be obtained and submitted to Council for approval.*

As per point (ii) above a period of more than five years lapsed since the allocation of the adjacent blocks, therefore new valuations per square meter were requested as follows (**Annexure "A"**):

① The Trust & Estate Company (Pty) Ltd	=	N\$ 150.00 / m <sup>2</sup>
② Abel Schoeman	=	N\$ 150.00 / m <sup>2</sup>
③ Ludwig Schroder Estates	=	N\$ 205.00 / m <sup>2</sup>

Average of the three valuations = N\$ 168.00 / m<sup>2</sup>

Indicated below the purchase price approved by Council on **26 June 2008** for the adjacent blocks, being more than five years ago (N\$62.00 + N\$40.51):

2008	=	N\$ 102.51 + 5% (N\$ 5.12)
2009	=	N\$ 107.63 + 5% (N\$ 5.38)
2010	=	N\$ 113.01 + 5% (N\$ 5.65)
2011	=	N\$ 118.66 + 5% (N\$ 5.93)
2012	=	N\$ 124.59 + 5% (N\$ 6.22)
2013	=	N\$ 130.81 + 5% (N\$ 6.54)
2014	=	N\$ 137.35 / m <sup>2</sup> for sellable land

In terms of Council's policy, only sellable land will be charged. The size of the sellable land can only be calculated on the final lay-out is approved the approximate size of the sellable land can be calculated.

*Council should therefore consider a purchase price of either N\$168.00 / m<sup>2</sup> (fresh valuations) or N\$137.00 / m<sup>2</sup> (escalated price of adjacent block 8) for sellable land.*

At the Management Committee meeting held on **17 January 2014** it was proposed that the land be sold on the same basis as the sale of Extension 17 & 18 to Messrs Dunes Estate Development; i.e. at a per square meter price for the unserviced land and in addition, Council receives a third of the serviced erven free of charge.

For interest sake, Council passed the following resolution on **31 March 2010**:

(a) *That the proposal of Messrs Dunes Estate Development (Pty) Ltd to develop the additional area (Portion B of the Remainder of Portion B of the*

Swakopmund Town and Townlands No. 41) on condition that they buy the property at N\$100.00 p/m<sup>2</sup> and Council obtains a 30% share of the saleable land with no charge be approved.

- (b) That the transaction be concluded as a Public Private Partnership within the framework of the Local Authorities Act, Act 23 of 1992, as amended and that the agreement be submitted to Council for scrutiny and approval before the necessary steps are taken to conclude the

### 3.2 **Conditions of Sale**

Council's standard conditions as contained in the revised Property Policy is attached as **Annexure "B"** and also quoted in the recommendation below.

In addition to the above and as per Council's resolution passed on **26 September 2013** under item 11.1.1:

- (e) That, in future, a penalty clause be considered to ensure that developers are charged with an agreed penalty for breaching terms and conditions of the agreement.

## 4. **Proposal**

As no Surveyor-General diagram is in place for Extension 24, it is proposed that Council *in principle* allocate the sale of Extension 24 to Mr Silvanus Thikameni Kathindi, pending the approval of a diagram by the Surveyor-General.

The following is further proposed:

- That Engineering Services Department attends to the subdivision of Extension 24 in order to compile a diagram for submission for approval by the Surveyor-General;
- That Engineering Services Department attends to the finalization of the layout approved by Council on **26 January 2012** under item 11.1.12;
- That a purchase price per square meter in the amount of either **N\$168.00 / m<sup>2</sup>** (fresh valuations as required in terms of the Property Policy) or **N\$137.00 / m<sup>2</sup>** (escalated price of adjacent block 8) for sellable land be approved, subject to the following condition of the revised Property Policy which can be regarded as a premium for the reservation of Extension 24:
  - (i) should a period of more than one year, but less than 5 years, lapse since Council approved a purchase price, the purchase price be escalated with 5% per annum and be submitted to Council for approval.
  - (ii) should a period of more than five years lapsed since approval by Council of the purchase price, fresh valuations be obtained and submitted to Council for approval.
- That Mr Silvanus T Kathindi takes note of the conditions applicable to the sale of Extension 24 as contained in the recommendation below and accept same in writing.
- That Mr Silvanus T Kathindi takes note that it might take up to 36 months to have a Surveyor-General approved diagram in place in order to transfer the erf.

B. After the matter was considered, the following was:-

**RECOMMENDED:**

- (a) That Council in principle approves the sale of Extension 24, known as Block 9, measuring approximately 101 224m<sup>2</sup> to Mr Silvanus Thikameni Kathindi for township development, pending the finalization of the subdivision by Council at the cost of the purchaser.
- (b) That Engineering Services Department attends to the subdivision of Extension 24 in order to compile a diagram for submission for approval by the Surveyor-General.
- (c) That Engineering Services Department attends to the finalization of the lay-out approved by Council on 26 January 2012 under item 11.1.12.
- (d) That a purchase price per square meter in the amount of **N\$168.00 / m<sup>2</sup>** for sellable land be approved, subject to the following condition of the revised Property Policy which can be regarded as a premium for the reservation of Extension 24:
  - (i) *Should a period of more than one year, but less than 5 years, lapse since Council approved a purchase price, the purchase price be escalated with 5% per annum and be submitted to Council for approval.*
  - (ii) *Should a period of more than five years lapsed since approval by Council of the purchase price, fresh valuations be obtained and submitted to Council for approval.*
- (e) That Mr Silvanus T Kathindi takes note that it might take up to 36 months to have a Surveyor-General approved diagram in place in order to transfer the erf; after which approval, Council's intention to sell the subdivided land will be advertised for possible objections in terms of section 63 (2) (b) of the Local Authorities Act, Act 23 of 1992, as amended.
- (f) That Council obtains 30% (meaning every third erf) of the sellable erven serviced by Mr S T Kathindi.
- (g) That a penalty clause be considered to ensure that the purchaser is charged with an agreed penalty for breaching terms and conditions of the agreement.
- (h) That Mr Silvanus T Kathindi takes note of the conditions applicable to the sale of Extension 24 as contained in the recommendation below and accept same in writing:

**Standard Conditions for Private Developers - Large Portions of Surveyed Land**

**1. APPLICATION**

*The prospective purchaser shall submit written proof from a financial institution that an account exists specifically to finance the project upon submission of the application.*

**2. IN PRINCIPLE APPROVAL BY COUNCIL**

## **Standard Conditions for Private Developers - Large Portions of Surveyed Land**

- 2.1 *The prospective purchaser must accept that no rights will accrue to him or her from Council's resolution unless all the relevant conditions of the Property Policy are complied with in full and all the relevant authorities have given the necessary permission, if applicable.*
- 2.2 *The probable market valuation based on the intended zoning be obtained from Council's appointed municipal valuer and two additional valuers of which the average of the three valuations be used to determine a purchase price, for consideration and approval by Council.*
- 2.3 *The purchase price will be based on saleable land, (i.e. excluding streets, public open spaces and institutional erven) i.e. actual erven created.*
- 2.4 *A minimum deposit of N\$50 000.00 (to be decreased or increased by Council depending on the value of the development) shall be required of the prospective purchaser to cover all fees and costs to Council, prior to attending to the statutory processes.*
- 2.5 *Should a balance remain after Council's costs have been covered, it will be refunded by the Finance Department to the prospective purchaser.*
- 2.6 *The successful prospective purchaser shall be required to pay the above deposit within 90 days from the Council resolution approving the purchase price, failing which Council's resolution will be revoked at the next Council meeting following after the expiry of the 90 days.*

### **3. STATUTORY PROVISIONS**

- 3.1 *The requirements regarding the alienation of immovable property as prescribed in terms of the Local Authorities Act 23 of 1992, as amended, and the Townships Ordinance 11 of 1963 respectively, must be complied with in full.*
- 3.2 *No development or construction will be permitted to commence until the statutory processes have been completed.*
- 3.3 *No building plans will be considered for approval unless the applicable endowment fee for further subdivisions for township establishment, or betterment fee for rezoning (if applicable) is paid.*

### **4. AGREEMENT OF SALE AND TRANSFER**

- 4.1 *The agreement of sale must be concluded and signed within*
  - 4.1.1 *12 months from the closing date for objections, should none be received; or within*
  - 4.1.2 *3 months from date of approval of the transaction by the Minister of Regional and Local Government, Housing and Rural Development, in cases where objections were received;**failing which Council's offer will lapse. Also refer to point 8.5 below.*

**Standard Conditions for Private Developers - Large Portions of Surveyed Land**

**4.2** *The agreement of sale be signed and returned to the Swakopmund Municipality, by the purchaser or developer within 21 days of being requested to do so.*

**4.3** *All costs relating to the transfer of the erf or block, (including but not limited to transfer duty, conveyancer's costs, compilation of Agreement of Sale, as well as any legal or other costs that may arise from this application), shall be for the prospective purchaser's account.*

**5. PAYMENT OF PURCHASE PRICE AND VAT**

**5.1** *The purchase price and 15% VAT (if applicable) shall be secured by means of a bank guarantee payable on date of transfer.*

**5.2** *A bank guarantee shall be provided within 90 days from the date of signing the deed of sale.*

**6. SERVICE DEMAND AND INFRASTRUCTURE**

**6.1** *The prospective purchaser shall submit layout plans, indicating the civil services infrastructure, drawings of the buildings, as well as the service demand for the intended project for approval by the General Manager: Engineering Services prior to commencement of installation of the said services.*

**6.2** *Internal and external services must be completed within 24 months from date of sale, being the date of signing the deed of sale.*

**6.3** *The prospective purchaser shall provide all civil services infrastructure for its own account and to the specifications of the Engineering Services Department and Erongo RED. All costs with regard to the provision of municipal services required for any development scheme shall be paid by the prospective developer prior to any such services being provided by Council.*

**7. STATUTORY PROCESSES**

**7.1** *It is the responsibility of the prospective purchaser to appoint a registered town & regional planner to attend to the township layout and establishment of the portion of land, for the prospective purchaser's account.*

**7.2** *The prospective purchaser shall be responsible for all statutory disciplines to be completed within 12 months from date of sale (date of signing the deed of sale).*

**7.3** *The proposed lay-out for townships development shall include at least one (1) institutional erf.*

**7.4** *All costs related to the transaction shall be borne by the prospective purchaser.*

**8. GENERAL**

**8.1** *The whole development project must be completed from date of sale (being the date of signing the deed of sale), within*

**8.1.1** *a minimum period of 48 months*

**Standard Conditions for Private Developers - Large Portions of Surveyed Land**

**8.1.2 or a maximum period of 72 months**

**depending on the nature of the development, e.g. number of units to be constructed or size of the buildings, or whether the development is to be built in phases.**

**8.2 Full rates and taxes will be levied from date of being issued a compliance (services) or completion (construction of buildings completed) certificate or from the month following the period agreed on (whichever date is the earlier).**

**8.3 Right of occupation will be granted upon issuing of a compliance certificate.**

**8.4 The prospective purchaser is not permitted to cede, assign or alienate their right or interest in the property or alienate the property to a 3<sup>d</sup> party in any way before all the relevant conditions contained in the agreement of sale are fulfilled.**

**8.5 That the prospective purchaser takes note that Council does not reserve land and should the transaction not be concluded**

**8.5.1 12 months from the closing date for objections, should none be received; or within**

**8.5.2 3 months from date of approval from the Minister of Regional and Local Government, Housing and Rural Development, in cases where objections were received;**

**the transaction will be cancelled without the need for Council to give notice to the applicant.**

**8.6 As Council is selling the land for a specific purpose to a specific purchaser, the applicant must seek approval of Council to affect any change in shareholding or membership, should the purchaser be a legal entity.**

**9. INDEMNITY**

**The prospective purchaser indemnifies Council against any claims resulting from blasting; should blasting need to be done for the project.**

- (g) That the developer carries the cost of the Clerk of Works to be appointed by Council for quality control purposes.**
-

11.1.16 **ESTABLISHMENT AND FUNDING OF SWAKOPMUND MUNICIPAL INSTITUTE OF LEARNING AND EXCHANGE (SMILE) AND THE PROPOSAL OF CITY TO CITY COOPERATION BETWEEN SWAKOPMUND AND KWADUKUZA MUNICIPALITY**

(C/M 2014/02/27 - A 2/3/1/7/1)

Ordinary Management Committee Meeting of 18 February 2014, Addendum 8.1 page 01 refers.

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**A. The following item was submitted to the Management Committee for consideration:**

**Background**

Council has over the years approved the twinning of Swakopmund with other towns and cities such as Okakarara and Bethani Village Councils, Namibia, Chobe District Municipality, Botswana, Benguela Municipality, Angola, City of Malmo, Sweden, and others. Twinning agreements are of fundamental importance in terms of institutional capacity building, mutual understanding and sharing of critical information and emulating from best practices in service, economic development.

**Introduction**

During 2013, the General Manager: Corporate Services and Human Resources gave an impressive presentation about the Swakopmund Municipality at an International Conference. **Attached** are correspondences from the Executive Director: Economic Development & Planning from the KwaDukuza Municipality expressing their interest for a city to city cooperation between the Swakopmund Municipality and the KwaDukuza Municipality.

The United Cities and Local Government (UCLG) through Ms Sara Hoeflich de Duque, agreed to assist and work with the Swakopmund Municipality, KwaDukuza Municipality, NALAO, ALAN and MILE to facilitate a focused exchange between the two Municipalities.

The Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) through Ms Ulrike Nonn agreed to fund ±N\$2000 000 .00 to facilitate the exchange however this funding programme can only be guaranteed until end **March 2014**. For the first phase, GIZ needs the following:

1. *Memorandum of Understanding*
2. *Identification of good practices*
3. *a roadmap for peer visits and*
4. *the regional meeting hosted by SMILE*

GIZ needs a detailed budget for these activities which should be forwarded the local GIZ offices in Windhoek and Pretoria to prepare a local subsidy contract which will allow the funds to be allocated.

**Proposal**

KwaDukuza Municipality requests for a twinning/ city exchange arrangement and an interregional peer learning with the Swakopmund Municipality. KwaDukuza is a district Municipality situated east of Kwa-

Zulu Natal (about 80km Durban) South Africa and they are very impressed with the way Swakopmund operates in terms of planning and service delivery to the community.

Swakopmund Municipality should make use of the opportunity to refine its thinking around the Swakopmund Municipal Institute for Learning and Exchange (SMILE) in consultation with the eThekweni based MILE program and the local support from the Namibian Association of Local Authority Officials (NALAO).

There is a proposal to Council to have a two full day's session on peer learning in Swakopmund on **25-27 February 2014**.

### **Conclusion**

**Attached** are activities / programmes that should be followed by the two Municipalities. KwaDukuza Municipality faces the same challenges as Swakopmund Municipality in the area of managing in migration of people and the consequent slum development and illegal invasion of municipal land. At the same time kwaDukuza has sound public participation framework including a strong ward committee system and mayoral Izibizos which could provide interesting learning for Swakopmund.

### **B. After the matter was considered, the following was:-**

#### **RESOLVED: (For Condonation by Council)**

- (a) That the General Manager: Corporate Services and Human Resources liaise with Mr Sikhumbuzo Hlongwane of KwaDukuza Municipality (South Africa) regarding the exchange programme.**
  - (b) That Council approves the twinning with KwaDukuza Municipality (South Africa) and that twinning agreements be drafted for approval.**
  - (c) That all Councillors, Chief Executive Officer and General Managers attend the 2-day peer learning on 25-27 February 2014 in Swakopmund.**
  - (d) That the budget for the activities be forwarded to GIZ offices in Windhoek in order for funds to be allocated.**
  - (e) That the Mayor, Chief Executive Officer, General Manager: Corporate Services and Human Resources and the Chairperson of Management Committee visit the kwaDukuza Municipality to explore and prioritise area of cooperation and exchange.**
-

11.1.17 **WRITING OFF OF REDUNDANT OFFICE EQUIPMENT AT THE HEALTH SERVICES DEPARTMENT**

(C/M 2014/02/27 - L 2)

**Ordinary Management Committee Meeting of 18 February 2014, Addendum 8.3 page 22 refers.**

- A. The following item was submitted to the Management Committee for consideration:**

**Introduction**

The following redundant office equipment was identified at the Health Services Department.

<b>Qty</b>	<b>Product</b>	<b>Serial No</b>
1	Kenwood Handheld Radio	(30900203)
1	Kenwood Battery Pack	(0611F)
1	Kenwood Battery Charger & AC Adapter	(KSC-15)

In addition to the above, the following vehicle has become redundant due to extreme vehicle expenses as a result of mechanical breakdowns.

<b>Reg No</b>	<b>Make</b>	<b>Year Model</b>	<b>Fleet No</b>	<b>Chassis No</b>	<b>Engine No</b>
N4014 S	Nissan Cabstar	2003	CL0192	ADD5520000000167 6	FD4602120 5

- B. After the matter was considered, the following was:-**

**RECOMMENDED:**

- (a) That the writing-off of the following redundant equipment from the Health Services Department be approved:**

Qty		Product			Serial No	
1		Kenwood Handheld Radio			(30900203)	
1		Kenwood Battery Pack			(0611F)	
1		Kenwood Battery Charger & AC Adapter			(KSC-15)	
Reg No	Make	Year Model	Fleet No	Chassis No		Engine No
N4014S	Nissan Cabstar	2003	CL0192	ADD55200000001676		FD46021205

- (b) That the Chief Executive Officer and the Chairperson of the Management Committee determines the upset prices for the redundant equipment.**

11.1.18 **WRITING OFF: OLD AND REDUNDANT EQUIPMENT - ENGINEERING SERVICES DEPARTMENT**

(C/M 2014/02/27 - L 2)

**Ordinary Management Committee Meeting of 18 February 2014, Addendum 8.4 page 23 refers.**

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**A. The following item was submitted to the Management Committee for consideration:**

The following old and redundant equipment in the Engineering Services Department needs to be written off:

<i><b>Equipment</b></i>	<i><b>Total</b></i>	<i><b>Section</b></i>
<i>Filing Cabinets (Broken)</i>	<i>2</i>	<i>Building Section</i>
<i>Olympia Typing Machine (Serial Nr. T011203998)</i>	<i>1</i>	<i>PA Office</i>

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

- (a) That the writing-off of the following redundant equipment from the Engineering Services Department be approved:

<i><b>Equipment</b></i>	<i><b>Total</b></i>	<i><b>Section</b></i>
<i>Filing Cabinets (Broken)</i>	<i>2</i>	<i>Building Section</i>
<i>Olympia Typing Machine (Serial Nr. T011203998)</i>	<i>1</i>	<i>PA Office</i>

- (b) That the Chief Executive Officer and the Chairperson of the Management Committee determines the upset prices for the redundant equipment.
-

11.1.19 **APPLICATION FOR SUBDIVISION OF ERF 4520, SWAKOPMUND**  
(C/M 2014/02/27 - E 4520)

**Ordinary Management Committee Meeting of 18 February 2014,**  
Addendum 8.5 page 24 refers.

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**A. The following item was submitted to the Management Committee for consideration:**

**Application** is herewith made for the subdivision of Erf 4520 into 6 portions and a remainder.

Erf 4520 is ±10 885, 08 m<sup>2</sup> in size and is the property of Swakopmund Municipality. The initial intention for the land was to use it as parking due to the Local Business properties surrounding it. Currently the erf is lying vacant and is not being used to its full potential. Almost all the owners of the surrounding business properties are of the intention to use the properties of residential purposes in terms of the Scheme.

It is against this background that it was decided to rather subdivide the erf and allocate new uses in order to better utilise the space. All the surrounding erven must in any way supply their own onsite parking and this amplified the need for better utilisation of the said erf. Parking will still be created for the various uses but only on a smaller scale.

The subdivision will consist of 2 parking erven, 2 General Residential 1 erven with a density of 1:250, 2 Local Business erven and the remainder which will be street.

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

- (a) That the subdivision of Erf 4520, Swakopmund, into 6 portions and remainder as per the attached plan be approved.**
  - (b) That the Engineering Services Department attends to the rezoning of the individual portions as soon as the subdivision is finalised.**
-

11.1.20 **APPLICATION FOR CONSENT FOR THE RELAXATION OF BUILDING LINES ON ERF 5643, KRAMERSDORF**  
(C/M 2014/02/27 - E 5643)

**Ordinary Management Committee Meeting of 18 February 2014,**  
Addendum 8.6 page 26 refers.

**A. The following item was submitted to the Management Committee for consideration:**

**Attached** application was received from Messrs Bob Mould Architects on behalf of their client Mr R Ratheiser for a proposed building line relaxation on Erf 5643, Kramersdorf.

The applicant is requesting Council's permission for consent to relax the lateral building line from 3m to 0m as well as relaxation of boundary wall height from 2.25m to 5.7m. The applicant requested the owners of the neighbouring properties to give consent to relax the building line to which the one neighbour objected.

The erf is zoned "*Single Residential*" and has a building line restriction of 3m on the specific lateral boundary. According to the Swakopmund Town Planning Scheme Regulations, Council may grant a relaxation, should it feel that it would not interfere with the amenities of the neighbourhood or area.

Excerpt from Town Planning Amendment Scheme No.12, Clause 5/A /2.4 for convenience.

**2.4 Building Lines**

- (a) *No building, permanent structure or portion thereof, except for boundary walls and fences, may be erected on the site within:*
  - (i) *5 metres from any street boundary;*
  - (ii) *3 metres from any rear boundary;*
  - (iii) *3 metres from any side boundary; and*
  - (iv) *5 metres in the case of a garage from any street boundary or half the height of the building, whichever is greater.*
- (e) *The Council may relax these requirements if it is satisfied that no interference with the amenities of the neighbourhood, existing or as contemplated by the Scheme, will result.*

The affected surrounding neighbours were contacted to which one has objected.

**Objections raised by Mr R Conrad, owner of Erf 5642**

**Point 1:** *"A garage right on my boundary will create noise pollution as my master bedroom will be built on that side of my property. The height of the building will create claustrophobic feeling and will have an adverse effect on my sunlight and will cause severe shade over my property, especially at winter. The value of my property will drastically reduce should these encroachments and relaxations be allowed."*

**Discussion on Objection:** The owner of Erf 5642, Mr R Conrad states that his master bedroom will be built on that side of the property but yet,

no building plans has been submitted to our offices. Furthermore, it is hard to believe that one single garage can create so much noise pollution that it will create a nuisance for the neighbour. It must also be stated that Mr R Conrad also does not permanently reside in Namibia but in Germany.

It cannot be seen how Mr R Conrad can object to the proposed height of the building as the building will not be taller than 8 meters which is well within the provisions of the Swakopmund Town Planning Scheme. An erf zoned for "*Single Residential*" would usually accommodate buildings with a maximum height of 8 meters. It is assumed that the objector is referring to the garage itself and the fact that the boundary wall height would be increased. It is such a small area of the wall that will be raised that the expected impact is very little.

With regard to the property's value reducing due to the encroachments is untrue. No property values will be affected at all due to the encroachments. The value will remain the same whether their encroachments or not. There is no evidence to support the objection.

### **Conclusion**

According to the Swakopmund Town Planning Amendment Scheme, all owners of erven have the right to apply for consent for relaxation of building lines to better optimise their Erf. After properly scrutinising the proposed building line relaxation it was found that the impact would be minimal.

**B. After the matter was considered, the following was:-**

#### **RECOMMENDED:**

- (a) That the application for relaxation of Lateral Building Line from 3m to 0m on Erf 5643, Kramersdorf be approved.**
  - (b) That the application for the height relaxation of the Lateral boundary wall from 2.25m to 5.7m be approved.**
  - (c) That Mr R Conrad be informed of his right to appeal (in terms of Clause 8 of the Swakopmund Town Planning Scheme) to the Minister, within 28 days (in respect of resolution (a) above) of this notice against Councils decision, provided that written notice of such an appeal shall be given to the Ministry, as well as Council within the said period.**
-

11.1.21 **APPLICATION FOR THE RELAXATION OF BUILDING HEIGHT ON  
ERF 3562, SWAKOPMUND**

(C/M 2014/02/27 - E 3562)

**Ordinary Management Committee Meeting of 18 February 2014,**  
Addendum 8.7 page 39 refers.

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**A. The following item was submitted to the Management Committee for consideration:**

**Attached** application was received from Messrs Jan Spruyt Architects on behalf of their client Mr Peter Pahl for a proposed height relaxation on Erf 3562, Swakopmund.

The applicant is requesting Council's permission to exceed the prescribed height of 8.00m. The new proposed height will be 9.1m as per drawing for the addition of a semi basement parking area as the erf is very small to accommodate a garage on the surface as well. The height will contribute positively to the appearance of the building. **Attached** drawings illustrate the height.

The erf is zoned "*Single Residential*" and has a height restriction of 8.00m. According to the Swakopmund Town Planning Scheme Regulations, Council may grant a relaxation, should it feel that it would not interfere with the amenities of the neighbourhood.

Excerpt from Town Planning Amendment Scheme No.12, Clause 5/A /2.3 for convenience.

**2.3 Height**

*No dwelling house shall exceed a height of 8m.*

*Provided that:*

*The Council may relax the maximum height to 10 metres if it is satisfied that no interference with the amenities of the neighbourhood, existing or as contemplated by the Scheme, will result.*

The surrounding neighbour which is the municipality, were contacted and no objections were made by the municipality with regard to this relaxation of building height. The intended use was further advertised as per Clause 6 (**Notice No. 62/2014-12-18**) and no objections were received.

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

**That the application for the relaxation of building height from 8.00m to 9.1m on Erf 3562, Swakopmund be approved.**

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11.1.22 **APPLICATION FOR CONSENT TO PRACTICE VARIOUS SUPPORTING USES ON ERF 5371, SWAKOPMUND**  
(C/M 2014/02/27 - E 5371)

Ordinary Management Committee Meeting of 18 February 2014,  
Addendum 8.10 page 95 refers.

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**A. The following item was submitted to the Management Committee for consideration:**

**Application** was received from Messrs H. C. Kinghorn Legal Practitioners on behalf of their client Messrs The Swakopmund Indoor Sports Trust for consent to practice supporting uses on Erf 5371, Swakopmund.

It is vital that these supporting uses are approved by Council in order for the project to sustain itself over time and not become absolute in time due to financial constraints. The zoning according to the use approved by the Minister was for a Special zoning for the purpose of an Inline Hockey Field. It was the intention to have multiple sports codes and other supporting uses to be allowed on the premises in order to make it a self-sustainable project. It was agreed that in order not to be in contravention of any laws that the developer apply for consent to use the property for Shop, Offices and place of assembly in order to maximise usage in order to support the project and make it financially viable.

It should be noted that all the uses applied for in this application is well in line with the Swakopmund Town Planning Scheme and with the signed contracted between the relevant parties.

**Attached** to this document is the brief history of the said erf. Also **attached** find the signed contract between the relevant parties.

Advertisements for the proposed consent use were done in terms of clause 6 and no objections were received. One objection was received from the Mr Q Liebenberg of the Water Cube development but has since been withdrawn. (See **attached** email)

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

**That Council approves the consent use application on Erf 5371, Swakopmund, for the purpose of shops, offices and place of assembly.**

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11.1.23 **APPLICATION FOR PERMISSION TO OPERATE RESIDENTIAL GUESTHOUSES**

(C/M 2014/02/27 - T 182, M 2703)

**Ordinary Management Committee Meeting of 18 February 2014,**  
Addendum 8.11 page 119 refers.

**A. The following item was submitted to the Management Committee for consideration:**

**Attached** applications were received for the registration of Residential Guesthouses in terms of the Swakopmund Town Planning Amendment Scheme:

- Erf 182, Tamariskia (Franziska van Neel Street) - Ms G M Ore-Aos t/a Golden Memories Guesthouse - 3 rooms  
(Notice No. 62/2013-12-18)
- Erf 2703, Mondesa - Ms L J Kheibes t/a Maros Investments CC - 3 rooms  
(Notice No. 62/2013-12-18)

Both erven are zoned “*Single Residential*” and in terms of the Swakopmund Town Planning Amendment Scheme the applicants may apply for consent to operate residential guesthouses from the premises.

A “*Residential Guest House*” **means** all pensions, guest houses, bed and breakfasts and backpacker’s establishments operating from **private dwellings** with a maximum of nine bedrooms available for not more the 20 tourists, and where the owner/manager permanently resides in the house.

Excerpt from the Town Planning Amendment Scheme No.12 Clause 5, table A2.

**Single Residential - TABLE A2: Provision of Parking**

<b>USE</b>	<b>MINIMUM NUMBER OF PARKING SPACES TO BE PROVIDED</b>
<i>Dwelling Houses</i>	<i>As determined by Council.</i>
<i>Places of Public Worship and</i>	<i>1 parking bay per 10 seats or 10 members</i>
<i>Residential Guest House</i>	<i>A minimum of 2 plus 1.5 per room</i>
<i>Places of Instruction</i>	<i>Min: 15 bays for funeral chapels; 8 bays for other uses</i>

**Table B: Erection and use of buildings and use of land**

	<b>ZONE</b>	<b>MAP REFERENCE</b>	<b>PURPOSES FOR WHICH LAND MAY BE USED</b>	<b>PURPOSES FOR WHICH LAND MAY BE USED AND BUILDINGS MAY BE ERECTED AND USED WITH THE SPECIAL CONSENT OF THE COUNCIL ONLY</b>
A	<i>Single Residential</i>	<i>Yellow fill</i>	<i>Dwelling house</i>	<i>Place of Public Worship, Place of Instruction, Resident Occupation, Residential Guest House</i>

In order to establish a Residential Guesthouse, the applicant must also obtain permission from the Namibian Tourism Board stating that such an establishment meets all their requirements according to the Accommodation Establishment and Tourism Ordinance (Ord. 20 of 1973) and its Amendments.

All the surrounding neighbours have been contacted for their comments. All the neighbours were informed as to the proposed consent required. No one objected. The intended use was further advertised as per Clause 6 (**Notice No. 62/2013-12-18**) and no objections were received.

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

**That the applications of Messrs Golden Memories Guesthouse and Messrs Maros Investments CC for consent to operate Residential Guesthouses from Erven 182, Tamariskia and 2703, Mondesa (Notice No. 62/2013-12-18) be approved subject to the following:**

- *That final approval only be granted once permission from the Namibian Tourism Board has been received.*
  - *That the applicants register with the Health Services Department and that the standard Health Regulations will apply.*
  - *That the applicants adhere to Council's Accommodation Establishment policy at all times.*
  - *That Council reserves the right, to cancel a consent use should there be valid complaints.*
  - *That a minimum of two (2) plus 1.5 parking bays per room be provided on the premises.*
  - *That no on street parking will be tolerated.*
  - *That the consent is not transferable.*
  - *That the applicants must operate within the Town Planning Amendment Scheme Regulations.*
  - *The floor area ratio of all buildings to be used for the accommodation establishment may not exceed 40% of the total floor area of the house.*
-

11.1.24 **APPLICATION FOR PERMISSION TO OPERATE A PLACE OF INSTRUCTION**

(C/M 2014/02/27 - E 689)

**Ordinary Management Committee Meeting of 18 February 2014, Addendum 8.13 page 156 refers.**

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**A. The following item was submitted to the Management Committee for consideration:**

Application was received from Messrs Edublox Reading and Learning Clinic for consent to operate a Place of Instruction from Erf 689, Swakopmund.

Erf 689, Swakopmund is zoned as “*Single Residential*” purposes and in terms of the Swakopmund Town Planning Scheme application can be made for consent to operate a “*Place of Instruction*” from the property.

Insert from the Town Planning Amendment Scheme No.12:

**“PLACE OF INSTRUCTION”** means a school, crèche, college, technical institute, academic lecture hall, or other educational centre, and includes a hostel appertaining thereto, a monastery, convent, public library, art gallery, museum, gymnasium, but does not include a building used or intended to be used wholly or principally as a certified reformatory or industrial school, or as a school for mentally defective children.

The proposed intentions were advertised in terms of Clause 6 of the Swakopmund Town Planning Scheme (**Notice No. 62/2013-12-18**) and no objections were received from the general public. All relevant neighbours were contacted and no objections were received.

Since no objections were received it can thus be concluded that the neighbours and general public is in favour of the application. The application can thus be considered favourable in terms of the aforesaid and supported by Council.

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

- (a) That the application of Ms C Senekal of Messrs Edublox Reading and Learning Clinic for consent to operate a “*Place of Instruction*” from Erf 689, Swakopmund be approved.**
  - (b) That Messrs Edublox Reading and Learning Clinic register with the Health Services Department and that the standard Health Regulations will apply.**
  - (c) That the consent use be subject to the following:**
    - *That Council reserves the right, to cancel a consent use should there be valid complaints.*
    - *That the institution must operate within the Town Planning Scheme regulations.*
    - *That the consent is not transferable.*
    - *That sufficient parking be provided on the premises.*
    - *That no on street parking will be tolerated.*
-

11.1.25 **APPLICATION FOR PERMISSION TO OPERATE A PLACE OF INSTRUCTION (DAY CARE CENTRE)**

(C/M 2014/02/27 - M 3404)

**Ordinary Management Committee Meeting of 18 February 2014,**  
Addendum 8.14 page 166 refers.

---

**A. The following item was submitted to the Management Committee for consideration:**

**Attached** application has been received for the registration of a “*Place of Instruction*” in terms of the Swakopmund Town Planning Scheme Regulations:

- Erf 3404, Mondesa - Ms M Haoses t/a Top Kids Day Care Centre  
(**Notice No. 62/2013-12-18**)

The owner of the above-mentioned erf has requested Council for permission to operate a place of instruction from the property. The property is zoned “Single Residential” and according to the Swakopmund Town Planning Scheme, with special consent from Council a place of instruction may be allowed.

**Table B: Erection and use of buildings and use of land**

	<b>ZONE</b>	<b>MAP REFERENCE</b>	<b>PURPOSES FOR WHICH LAND MAY BE USED</b>	<b>PURPOSES FOR WHICH LAND MAY BE USED AND BUILDINGS MAY BE ERECTED AND USED WITH THE SPECIAL CONSENT OF THE COUNCIL ONLY</b>
A	<i>Single Residential</i>	<i>Yellow fill</i>	<i>Dwelling house</i>	<i>Place of Public Worship, Place of Instruction, Resident Occupation, Residential Guest House</i>

Insert from the Town Planning Amendment Scheme No.12:

**“PLACE OF INSTRUCTION”** means a school, crèche, college, technical institute, academic lecture hall, or other educational centre, and includes a hostel appertaining thereto, a monastery, convent, public library, art gallery, museum, gymnasium, but does not include a building used or intended to be used wholly or principally as a certified reformatory or industrial school, or as a school for mentally defective children.

All adjacent neighbours were contacted and to which no neighbours objected. The proposed consent use was also advertised as per Clause 6 of the Swakopmund Town Planning Scheme, **Notice No. 62/2014-12-18**. No objections were received.

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

- (a) That the following application for permission to operate place of instruction be approved:**
    - *Erf 3404, Mondesa - Ms M Haoses t/a Top Kids Day Care Centre*
  - (b) That the applicant registers with the Health Services Department and that the standard Health Regulations will apply.**
  - (c) That the consent use be subject to the following:**
    - *That Council reserves the right, to cancel a consent use should there be valid complaints.*
    - *That the applicant must operate within the Town Planning Scheme regulations.*
    - *That the consent is not transferable.*
    - *That sufficient parking will be provided on the premises.*
    - *That no on street parking will be tolerated.*
-

11.1.26 **APPLICATION FOR PERMISSION TO OPERATE A HOME SHOP**  
(C/M 2014/02/27 - M 2768)

**Ordinary Management Committee Meeting of 18 February 2014,**  
Addendum 8.15 page 182 refers.

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**A. The following item was submitted to the Management Committee for consideration:**

**Attached** application has been received for the registration of a Home Shop in terms of the Town Planning Scheme Regulations and Council's Shebeen and Home Shop Policy:

- *Erf 2768, Mondesa - Mr F Haiping t/a Haiping Home Shop - Home Shop (Notice No. 55/2013-10-29)*

The erf is zoned "*Single Residential*" and a Home Shop will be operated from the premises. In order to establish a Home Shop, the applicant must also obtain permission from his/her neighbours and advertise as per Clause 6 of the Town Planning Scheme Regulations for any objections/comments. The building must also conform to the Health and Building Regulations.

Excerpt of Clause 8.21 from the Town Planning Amendment Scheme No.12 for convenience.

**8.21 HOME BASED GENERAL DEALERS**

- (a) *Council may, subject to the provisions of Clause 6.2 of this Scheme (advertisements for consent use), allow the operation of shebeens or home based general dealers in the following special demarcated areas: to the east of Rakotoka Street, to the north of Winter Street and to the west of the railway reserve.*

The intended use was advertised as per Clause 6 (**Notice No. 55/2013-10-29**) and no objections were received. All relevant neighbours were contacted and no objections were received.

The Health Department inspected the premises and the report dated **23 October 2013** is attached.

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

- (a) **That the application of Mr F Haiping for consent to operate a Home Shop from Erf 2768, Mondesa be approved.**
  - (b) **That Mr F Haiping registers with the Health Services Department and that the standard Health Regulations will apply.**
  - (c) **That the consent use be subject to the following:**
    - *That Council reserves the right, to cancel a consent use should there be any valid complaints.*
    - *That the applicant must operate within the Town planning Scheme Regulations, Health Regulations and Shebeen & Home Shop policy.*
    - *That no alcohol will be sold from the premises.*
    - *That the consent is not transferable should the property be sold.*
-

11.1.27 **APPLICATION FOR PERMISSION TO OPERATE A RESIDENT OCCUPATION (ADMINISTRATIVE OFFICE)**

(C/M 2014/02/27 - E 4385)

**Ordinary Management Committee Meeting of 18 February 2014,**  
Addendum 8.16 page 198 refers.

**A. The following item was submitted to the Management Committee for consideration:**

**Attached** application has been received for the registration of an administrative office in terms of the Swakopmund Town Planning Scheme Regulations:

- *Erf 4385, Swakopmund (Azalia Street) - Mr Steven Williams t/a Messrs Wheelie Wheels Investment - Administrative Office*  
(**Notice No. 62/2013-12-18**)

The owner of the above-mentioned erf has requested Council for permission to operate an administrative office on the property. The property is zoned "*Single Residential*" and according to the Swakopmund Town Planning Scheme, with special consent from Council a resident occupation may be allowed.

**Table B: Erection and use of buildings and use of land**

	<b>ZONE</b>	<b>MAP REFERENCE</b>	<b>PURPOSES FOR WHICH LAND MAY BE USED</b>	<b>PURPOSES FOR WHICH LAND MAY BE USED AND BUILDINGS MAY BE ERECTED AND USED WITH THE SPECIAL CONSENT OF THE COUNCIL ONLY</b>
A	<i>Single Residential</i>	<i>Yellow fill</i>	<i>Dwelling house</i>	<i>Place of Public Worship, Place of Instruction, Resident Occupation, Residential Guest House</i>

Insert from the Town Planning Amendment Scheme No.12:

**"RESIDENT OCCUPATION"** means any commercial or industrial use conducted within a dwelling and carried on by the inhabitants thereof, subject to the following:

- The resident occupation shall be confined to one third of the total floor area of the said dwelling;
- The resident occupation must be carried out entirely within the dwelling to include the basement, outbuilding, garage, and/or attic of the dwelling.
- The home occupation must be clearly incidental and secondary to the residential use of the dwelling;
- The residential character and appearance of the dwelling and the property on which it is located shall not be changed in any visible manner. No advertisement of the existence of the resident occupation shall be visible from the dwelling or the erf on which it is located, except for one sign as permitted by this Scheme;
- No materials or products shall be stored on the erf outside in such a manner as to be visible from any adjacent property;
- Display of merchandise or products of the resident occupation for sale may be permitted at the discretion of Council in keeping with subparagraph (iv) above;
- The resident occupation shall not create any objectionable noise, odor, vibration or unsightly conditions;
- The resident occupation shall not create a health or safety hazard;

- (ix) *The resident occupation shall not create any interference with communication transmission or reception in the vicinity;*
- (x) *Only products that are substantially manufactured or fabricated in the dwelling solely by the inhabitants thereof shall be sold as part of the resident occupation. Products not manufactured or fabricated within the dwelling by the inhabitants may only be sold by catalogue sales and may not be stocked for retail sales within the residence. Incidental sales of products directly associated with the resident occupation may be permitted by Council;*
- (xi) *The resident occupation may employ up to 2 full time employees.*

All adjacent neighbours were contacted and one neighbour objected. The proposed consent use was also advertised as per Clause 6 of the Swakopmund Town Planning Scheme, **Notice No. 62/2014-12-18**. No objections were received.

**Objection raised by Mr Willem J van Rooyen, owner of Erven 4383 and 4382 Ocean View:**

*"Area is zoned as Residential and I prefer that it stays that way. Business (on any scale) must be conducted in a zoned appropriate area. I also refer to my email which states all my reasons for my objection"*

*The email reads as follows:*

*"Dear Mr Williams, I refer to your writing and request for consent. I can only conclude from the brief description in your mail, that your business will have additional vehicular traffic and people movement in the adjacent erven and area. As this may lead to parking and other issues related to parking of a bus or buses, I do object to such an arrangement."*

*"Herewith further motivation for this objection:*

- 1. The area/erven are zoned residential and not business,*
- 2. I bought erven in this area with the clear purpose to develop the erven for residential purposes at this stage,*
- 3. The Municipality of Swakopmund do make available erven for businesses and for industrial purposes. As such, I am certain that such erven will be available for sale to yourselves and for purposes as described by you. In fact, the municipality sold erven earlier this year for business/industrial purposes."*

**Discussion on objection raised by Mr Willem J van Rooyen:**

An administrative office is a Consent use on a "Single Residential" erf according to the Swakopmund Town Planning Scheme. Therefore a business such as an administrative office can be allowed on a "Single Residential" Erf if Council allows it.

Mr Steven Williams has made it clear in a response to the Email from Mr van Rooyen that no car or bus stops will be located in front of his house. Clients will be picked up and drop at their houses or where ever they are commuting to. He will merely do his bookings via cell phone and a computer. The applicant will do nothing more than what is allowed in terms of the Scheme.

The resident occupation control measures in place severely restrict the use of the property. It should be noted that the concerns of the objector will not become reality. If consent is granted by Council the applicant will have no choice but to adhere to the conditions as set out or the consent will be revoked if valid complaints are received.

It is true that the municipality makes “*Business*” zoned erven available to the public but only when a piece of vacant land is developed. And not everyone can always afford these “*Business*” erven or be able to pay rent on these premises as business erven and rent is very expensive. A small business owner will find it more suitable to work from home as this is less expensive and in the comfort of their homes.

### **Conclusion**

In conclusion, many home administrative offices exist all over Swakopmund. Most of these offices are so small scale that one hardly if ever notices it. A home office is a small office which is limited to a small portion of the house giving the small business owner the same opportunity as large scale business to prosper and become a success.

**B. After the matter was considered, the following was:-**

### **RECOMMENDED:**

- (a) That the following application for permission to operate an administrative office be approved:**
    - *Erf 4385, Swakopmund (Azalia Street) - Mr Steven Williams t/a Messrs Wheelie Wheels Investment - Administrative Office*
  - (b) That Messrs Wheelie Wheels Investment registers with the Health Services Department and that the standard Health Regulations will apply.**
  - (c) That the consent use be subject to the following:**
    - *That Council reserves the right, to cancel a consent use should there be valid complaints.*
    - *That the applicant must operate within the Town Planning Scheme regulations.*
    - *That the consent is not transferable.*
    - *That sufficient parking will be provided on the premises.*
    - *That no on street parking will be tolerated.*
    - *That only one third of the total floor area of the dwelling be allowed to be used for the resident occupation.*
  - (d) That Mr Willem J van Rooyen be informed of his right to appeal (in terms of Clause 8 of the Swakopmund Town Planning Scheme) to the Minister, within 28 days (in respect of resolution (a) above) of this notice against Councils decision, provided that written notice of such an appeal shall be given to the Ministry, as well as Council within the said period.**
-

11.1.28 **APPLICATION FOR PERMISSION TO OPERATE RESIDENT OCCUPATIONS (ADMINISTRATIVE OFFICES)**

(C/M 2014/02/27 - M 1759, E 4377, M 1455)

**Ordinary Management Committee Meeting of 18 February 2014,**  
Addendum 8.17 page 210 refers.

**A. The following item was submitted to the Management Committee for consideration:**

**Attached** applications have been received for the registration of administrative offices in terms of the Swakopmund Town Planning Scheme Regulations:

- Erf 1759, Mondesa - Ms E U Jass t/a Jeti Investment cc - Administrative Office  
(Notice No. 62/2013-12-18)
- Erf 4377, Swakopmund (Anemone Street) - Ms F Brinkman & P Namupala t/a Arabest Trading Enterprises - Administrative Office  
(Notice No. 62/2013-12-18)
- Erf 1455, Mondesa - Mr G Goseb t/a J J General Services cc  
(Notice No. 62/2013-12-18)

The owners of the above-mentioned erven have requested Council for permission to operate administrative offices on their properties. The properties are zoned "Single Residential" and according to the Swakopmund Town Planning Scheme, with special consent from Council a resident occupation may be allowed.

**Table B: Erection and use of buildings and use of land**

	<b>ZONE</b>	<b>MAP REFERENCE</b>	<b>PURPOSES FOR WHICH LAND MAY BE USED</b>	<b>PURPOSES FOR WHICH LAND MAY BE USED AND BUILDINGS MAY BE ERECTED AND USED WITH THE SPECIAL CONSENT OF THE COUNCIL ONLY</b>
A	Single Residential	Yellow fill	Dwelling house	Place of Public Worship, Place of Instruction, Resident Occupation, Residential Guest House

Insert from the Town Planning Amendment Scheme No.12:

**"RESIDENT OCCUPATION"** means any commercial or industrial use conducted within a dwelling and carried on by the inhabitants thereof, subject to the following:

- (i) The resident occupation shall be confined to one third of the total floor area of the said dwelling;
- (ii) The resident occupation must be carried out entirely within the dwelling to include the basement, outbuilding, garage, and/or attic of the dwelling.
- (iii) The home occupation must be clearly incidental and secondary to the residential use of the dwelling;
- (iv) The residential character and appearance of the dwelling and the property on which it is located shall not be changed in any visible manner. No advertisement of the existence of the resident occupation shall be visible from the dwelling or the erf on which it is located, except for one sign as permitted by this Scheme;
- (v) No materials or products shall be stored on the erf outside in such a manner as to be visible from any adjacent property;

- (vi) *Display of merchandise or products of the resident occupation for sale may be permitted at the discretion of Council in keeping with subparagraph (iv) above;*
- (vii) *The resident occupation shall not create any objectionable noise, odor, vibration or unsightly conditions;*
- (viii) *The resident occupation shall not create a health or safety hazard;*
- (ix) *The resident occupation shall not create any interference with communication transmission or reception in the vicinity;*
- (x) *Only products that are substantially manufactured or fabricated in the dwelling solely by the inhabitants thereof shall be sold as part of the resident occupation. Products not manufactured or fabricated within the dwelling by the inhabitants may only be sold by catalogue sales and may not be stocked for retail sales within the residence. Incidental sales of products directly associated with the resident occupation may be permitted by Council;*
- (xi) *The resident occupation may employ up to 2 full time employees.*

All adjacent neighbours were contacted and no objections were received. The proposed consent use was also advertised as per Clause 6 of the Swakopmund Town Planning Scheme (**Notice No 62/2013-11-18**). No objections were received.

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

- (a) **That the following applications for permission to operate administrative offices be approved:**
    - ***Erf 1759, Mondesa - Ms E U Jass t/a Jeti Investment CC - Administrative Office***  
***(Notice No. 62/2013-12-18)***
    - ***Erf 4377, Swakopmund (Anemone Street) - Ms F Brinkman & P Namupala t/a Arabest Trading Enterprises - Administrative Office***  
***(Notice No. 62/2013-12-18)***
    - ***Erf 1455, Mondesa - Mr G Goseb t/a J J General Services CC***  
***(Notice No. 62/2013-12-18)***
  - (b) **That the applicants register with the Health Services Department and that the standard Health Regulations will apply.**
  - (c) **That the consent use be subject to the following:**
    - ***That Council reserves the right, to cancel a consent use should there be valid complaints.***
    - ***That the applicants must operate within the Town Planning Scheme regulations.***
    - ***That the consent is not transferable.***
    - ***That sufficient parking will be provided on the premises.***
    - ***That no on street parking will be tolerated.***
    - ***That no sales of products are allowed to be done from the premises.***
    - ***That no storage of equipment be done on the premises.***
    - ***That only one third of the total floor area of all the buildings on the erf is allowed to be used for the resident occupation.***
-

11.1.29 **APPLICATION FOR CONSENT TO OPERATE A “NOXIOUS INDUSTRY” ON ERF 3965, SWAKOPMUND**

(C/M 2014/02/27 - E 3965)

**Ordinary Management Committee Meeting of 18 February 2014, Addendum 8.18 page 246 refers.**

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**A. The following item was submitted to the Management Committee for consideration:**

**Attached** application was received from Messrs Nambrick & Concrete CC for consent to operate a “Noxious Industry” on Erf 3965, Swakopmund.

The erf is zoned “General Industrial” and according to the Swakopmund Town Planning Scheme Regulations, Council may grant consent for a “Noxious Industry” should it feel that it would not interfere with the amenities of the neighbourhood or area. Excerpt from Town Planning Amendment Scheme No.12, Clause 5/G /1 for convenience.

**1. Primary Uses:**

*Industrial Building, Light Industrial, Warehouse, Dry Cleanette, Laundrette, Scrap Yard, Building Yard.*

**Consent Uses:**

*Public Garage, Service Stations, Office Buildings, Shop, Place of Amusement, Place of Instruction, Noxious Industry.*

The surrounding neighbours were contacted and five neighbours objected. The intended use was further advertised as per Clause 6 (**Notice No. 62/2013-12-18**) and no objections were received.

**1. Objections raised by R van der Heever, J Noci, DJA Brand and H van der Westhuizen, owners of Erf 3969**

*“As far as we know it is a light industrial plot.”*

**Discussion:** The erf in question is zoned “General Industrial” and makes provision for a “Noxious Industry” as a Consent use. The reason for objection can thus not be supported as the intentions of the applicant is well in line with the provisions of the Swakopmund Town Planning Scheme.

**2. Objections raised by Cilliers B van Wyk, owner of Erf 3986**

*“Brick yard is very noisy and dusty and our building is downwind from them. I strongly object the building of a brick yard opposite our building”.*

**Discussion:** An Industrial area is usually associated with loud noises, fumes and dust. It's an area specifically designed to accommodate uses related to noise, fumes, dust, etc. People who purchase an industrial erf must know that these factors could be a possibility when purchasing an erf in the Industrial area. To deny someone his right to use an industrial erf for an industrial use such as brick making will surely be unfair to the owner. Further more the predominated South Westerly wind will blow the dust, if any, towards Nelson Mandela Avenue and only an Easterly wind will blow dust, if any, towards

Erf 3969. An East wind condition usually carries a lot of dust by itself. From past experience and several site visits to other brick making areas it could be fairly argued that the effects are not as intense as made out by objector.

**3. Objections raised by Mr Thomas Zwar, owner of Erven 3985 and 3966**

1. Will cause tremendous amount of dust in that area.
2. Erf 3966 is a chemical laboratoriam and needs a dust free environment.
3. Brick plant should be allocated to airport.
4. CPP is causing problems already.

**Discussion:** As mentioned earlier an Industrial area is associated with noise, fumes and dust. These types of areas are specifically designed to accommodate uses that cannot be

accommodated in other parts of town. Dust is a common factor in town and can be dealt with accordingly.

The objector makes reference to a chemical laboratory on the premises which is also a consent use in terms of the Swakopmund Town Planning Scheme. No records could be found on file that any form of application was done for such use. It thus means that the laboratory is illegal and should be closed down with immediate effect. The business registration was done for a training centre and nothing else. Objection not supported.

The argument that brick plants should be located at the airport cannot be supported. It is not for the objector to decide where different land uses are to be located as it is the responsibility of the Local Authority to do so. There are a number of brick plants in the industrial area and to date no complaint have been received concerning any of them.

It is not clear what the objector means by "CPP is causing problems already". Reason for objection is not supported.

It must be stated that objections received from Mr Zwar on both consent forms are the same.

#### **4. Objections raised by Mr Danie Holloway, owner of Erf 3968**

"I feel the dust problem when making bricks will be very bad for all the surrounding businesses."

**Discussion:** It can well be argued that the degree of dust as referred to by all objectors will not be as problematic as indicated. From past experience and no official record it could well be argued that dust will not create the anticipated negative effects as stated by the objectors. It should also be noted that the use applied for is a consent use and approval by Council can be revoked if valid complaints are received. Objection noted but not supported.

#### **5. Owner of Erf 3964 Mr AJP Strauss**

Mr Strauss signed but did not indicate if he objected or not. No reasons were given.

**Discussion:** Noted but not supported.

### **Conclusion**

Erf 3965 is located in an industrial area which is especially created to accommodate activities such as batching plants and brick manufactures if Council allows it. Many such activities already operate in the industrial areas and no complaints have been received about dust problems. It is the opinion that the use is suitable for the area as it is in line with the purpose for which the erven were created. It should also be noted that the application being dealt with is a consent use and if any detrimental effects are experienced such consent can be revoked by Council. There are means and ways to curb excessive side effects and it is possible that the different uses in the area can coexist in perfect harmony.

### **B. After the matter was considered, the following was:-**

#### **RECOMMENDED:**

- (a) That Council approves the application to operate a "Noxious Industry" from Erf 3965, Swakopmund.**
  - (b) That R van der Heever, J Noci, DJA Brand, H van der Westhuizen, Cilliers B van Wyk, Thomas Zwar, Danie Holloway and AJP Strauss be informed of their right to appeal (in terms of Clause 8 of the Swakopmund Town Planning Scheme) to the Minister, within 28 days (in respect of resolution (a) above) of this notice against Councils decision, provided that written notice of such an appeal shall be given to the Ministry, as well as Council within the said period.**
-

11.1.30 **APPLICATION FOR PERMISSION TO OPERATE A SERVICE INDUSTRY (CAR WASH)**

(C/M 2014/02/27 - E 4750)

**Ordinary Management Committee Meeting of 18 February 2014,**  
Addendum 8.19 page 258 refers.

**A. The following item was submitted to the Management Committee for consideration:**

**Attached** application has been received for the registration of a service industry in terms of the Swakopmund Town Planning Scheme Regulations:

- *Erf 4750, Swakopmund (Moses //Garoeb Street) - Mr R H Dell t/a Messrs Dell's Car Wash - Car Wash*

The owner of the above-mentioned erf has requested Council for permission to operate a service industry in the form of a car wash. The property belongs to Fruit and Veg City (Pty) Ltd and is zoned "General Business". The applicant, Mr R H Dell will be operating the car wash from Erf 4750. According to the Swakopmund Town Planning Scheme, with special consent from Council a service industry may be allowed.

**Table B: Erection and use of buildings and use of land**

	<b>ZONE</b>	<b>MAP REFERENCE</b>	<b>PURPOSES FOR WHICH LAND MAY BE USED</b>	<b>PURPOSES FOR WHICH LAND MAY BE USED AND BUILDINGS MAY BE ERECTED AND USED WITH THE SPECIAL CONSENT OF THE COUNCIL ONLY</b>
D	General Businesses	Blue fill	Shops, Office Buildings, Parking Garages, Licensed Hotels, Blocks of Flats, Residential Buildings	Service Stations, Service Industry, Launderettes, Dry-cleanettes, Place of Assembly, Place of Amusement, Institutional Buildings, Drive-in Cafés, Funeral Parlours and Chapels, Warehouses, Liquor Stores, Bed and Breakfast, Pensions

Insert from the Town Planning Amendment Scheme No.12:

**"Service Industry"** means use of land or a building which in the opinion of the Council is a small scale industry incidental to the needs of the local community and the retail trade and which in the opinion of the Council will not interfere with the amenities of the surrounding properties or be of nuisance value by virtue of noise, appearance, smell or activities or for any other reason whatsoever but excludes a service station. This use also provides for one dwelling unit as primary use and more dwelling units with the special consent of the Council.

The adjacent neighbours were contacted and one objection was received. The proposed consent use was also advertised as per Clause 6 of the Swakopmund Town Planning Scheme in the Namib Times on **24 September 2013** and on **1 October 2013**. A notice was also placed on the site and no objections were received.

**Objection received from Mr Ingo Woermann of Erf 2759:**

*The traffic / parking issue for the F&Veg premises is not resolved. Mr Kambueshe was against sale of strip from Municipality which originally was road.*

### **Discussion on objection**

Fruit & Veg has ample parking for their customers. When the building plans was submitted a few years ago, the parking provided was more than was needed in the first place and therefore the car wash will have very little affect, if any on the amount of parking that will be taken away. Secondly, the strip of land Mr I Woermann is referring to in his objection is irrelevant to this application as the car wash will operate from Erf 4750 Swakopmund and not from the strip of land Mr I Woermann wanted to purchase.

**B. After the matter was considered, the following was:-**

### **RECOMMENDED:**

**That the following application for consent to operate a service industry, car wash not be approved:**

- *Erf 4750, Swakopmund (Moses //Garoeb Street) - Mr R H Dell t/a Messrs Dell's Car Wash - Car Wash*
-

11.1.31 **APPROVAL OF SWAKOPMUND TOWN PLANNING AMENDMENT  
SCHEME NO. 55**

(C/M 2014/02/27 - G 3/2/2/2)

**Ordinary Management Committee Meeting of 18 February 2014,**  
Addendum 8.21 page 296 refers.

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**A. The following item was submitted to the Management Committee for consideration:**

Application for approval of Swakopmund Town Planning Amendment Scheme No. 55 is herewith requested by Council. Proposed Scheme 55 is herewith submitted for approval by Council in order to gain statutory approval by the Ministry of Regional and Local Government, Housing and Rural Development.

It should however be noted that Scheme 55 have previously been submitted for approval by Council. The Scheme contained the rezoning of Erf 1613 (a portion of Erf 687), Swakopmund from "Institutional" to "General Business" with a bulk of 2.0. **(C/M 2012/09/27)**. Due to unknown reasons the Scheme was withdrawn and the process was halted.

It will thus be required to repeal the previous Council approval of Scheme 55 in order to effectively utilise the Scheme number for new items to be included.

The following items will be included in Amendment Scheme No. 55:

- *Rezoning of Erf 442, Swakopmund, from "Single Residential" to "Local Business" with a bulk of 1.0. (C/M 2013/10/31)*
- *Rezoning of Erf 317, Swakopmund, from "Single Residential with a density of 1:600" to "General Business" with a bulk of 2.0. (C/M 2013/10/31)*
- *Rezoning of Erf 2547, Swakopmund, from "Institutional" to "General Residential" 2 with a density of 1:250m<sup>2</sup>. (C/M 2012/08/30)*
- *Rezoning of Erf 4349, Mondesa, from "Local Authority" to "General Business" with a bulk of 2.0. (C/M 2012/02/29)*
- *Rezoning of Erf 2709, Swakopmund, from "Public Open Space" to "Institutional". (C/M 2012/05/31)*
- *Rezoning of Erf 694, Mondesa from "Single Residential with a density of 1:600" to "General Business" with a bulk of 1.0. (C/M 2013/05/30)*

The submission of the compiled document will be forwarded to the Ministry of Regional and Local Government, Housing and Rural Development as soon as approval is obtained from Council.

It is therefore requesting Council's approved proposed Amendment Scheme No. 55 in order to gain statutory approval for the Honourable Minister.

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

- (a) That the resolution taken by Council on 30 May 2013 be repealed and replaced with the following:**
  - (b) That Council approves Amendment Scheme No. 55 containing the following items:**
    - *Rezoning of Erf 442, Swakopmund, from “Single Residential” to “Local Business” with a bulk of 1.0. (C/M 2013/10/31)*
    - *Rezoning of Erf 317, Swakopmund, from “Single Residential with a density of 1:600” to “General Business” with a bulk of 2.0. (C/M 2013/10/31)*
    - *Rezoning of Erf 2547, Swakopmund, from “Institutional” to “General Residential” 2 with a density of 1:250m<sup>2</sup>. (C/M 2012/08/30)*
    - *Rezoning of Erf 4349, Mondesa, from “Local Authority” to “General Business” with a bulk of 2.0. (C/M 2012/02/29)*
    - *Rezoning of Erf 2709, Swakopmund, from “Public Open Space” to “Institutional”. (C/M 2012/05/31)*
    - *Rezoning of Erf 694, Mondesa from “Single Residential with a density of 1:600” to “General Business” with a bulk of 1.0. (C/M 2013/05/30)*
  - (c) That Amendment Scheme No. 55 be submitted to the Ministry of Regional and Local Government, Housing and Rural Development for approval by the Honourable Minister.**
-

11.1.32 **BUILD TOGETHER APPLICATION - MR O KASHUUVIKA**  
(C/M 2014/02/27 - H 5/3)

**Ordinary Management Committee Meeting of 18 February 2014,**  
Addendum 8.22 page 298 refers.

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**A. The following item was submitted to the Management Committee for consideration:**

**Introduction:**

Mr Onesmus Kashuuvika - a Build Together Programme beneficiary visited the office of the Mayor during January 2014. The purpose of his visit was to officially register his unhappiness with Council decision dated **28 June 2012**, which resolved to cancel his Build Together Programme loan. Mr O Kashuuvika argues that his loan was approved by the Ministry of Regional, Local Government and Housing and Rural Development during 2005 and subsequent endorsed by the Build together Committee of that time .

Subsequent to his visit, His Worship the Mayor requested the Community Development Services Department to re-submit the item to the Management Committee with all necessary information.

**Background:**

On **19 October 2011** while discussing the above matter, the Decentralized Build Together Committee resolved among others:

- (a) *That the applicants hereunder retain their Build Together loans and that they be allocated with the following erf numbers:*

Reference Number	Name	Identity Number	Erf Number
8017000069	Onesmus Kashuuvika	79081510274	3821
8017000077	Malakia Nangombe	79090400806	3824
8017000071	Hileni Shapaka	67051900498	3828

- (b) .....

Mr O Kashuuvika, Mr M Nangombe and Ms H Shapaka resided in the business stalls on erf 632. They applied for Build Together loans during 2005, which were subsequently approved.

The matter was submitted to the Special Management Committee on **27 October 2011**, which resolved as follows:

- (a) *That this item be referred for further investigations and that it be resubmitted to Management Committee.*

- (b) *That the General Manager: Community Development Services provides documentary proof confirming the date when the business stalls were allocated to the following persons:*

Reference Number	Name	Identity Number
8017000069	Onesmus Kashuuvikwa	79081510274
8017000077	Malakia Nangombe	79090400806
8017000071	Hileni Shapaka	67051900498

The matter was again submitted to the Management Committee of **12 January 2012** which resolved as follows:

- (a) That this item be referred back and that the General Manager: Community Development Services submits the list of applicants which was recently compiled and approved by the Decentralized Build Together Committee, to the next Management Committee meeting for consideration.
- (b) That the allocation of Build Together even to beneficiaries only be considered after Council has approved the list in (a) above.

Subsequent to the above resolution, the matter was once again submitted to the Management Committee of **16 May 2012** which resolved as per below resolutions.

- (a) That this item be referred back for further investigation by the General Manager: Community Development Services and be resubmitted to the next Management Committee meeting.
- (b) That the following be provided:
- (i) Application form.
  - (ii) Confirmation whether the applicants still stays at the Business stalls.

Subsequent to the above resolution, the Community Development Services Department collected all relevant documents i.e. lease agreement for the Business Stalls, Build Together Application forms, etc. from a range of sources such as Archives as well as conducting interviews with the former Build Together Committee members, in particular the Chairperson, former Councillor Ms P Kavita.

After scrutinizing all the documents and listening to the former Chairperson of the Decentralized Build Together Committee, Community Development Services summarized its findings hereunder:

NAME	ID	FINDINGS
Onesmus Kashuuvikwa (Stall # 1A)	790815 1027 4	<ul style="list-style-type: none"> <li>Lived in the stall with his half-brother.</li> <li>Was formally allocated a business stall from <b>01 November 2005 to 30 June 2006. (Annexure "A")</b></li> <li>Applied for Build Together loan on <b>25 October 2005. (Annexure "B")</b></li> <li>Moved out of the business stall <b>17 March 2009.</b></li> </ul>
Malakia Nangombe (Stall # 5)	750904 0080 6	<ul style="list-style-type: none"> <li>Applied for the Build Together Loan on <b>25 October 2005</b> and loan approved accordingly. <b>(Annexure "C")</b></li> <li>Lived in the stall which was leased by Mr M Kalundingo his business partner. <b>(Annexure "D")</b></li> </ul>

As it transpired above:

- Business stall # 5 was allocated to Mr M Kalundingo who is a business partner of Mr M Nangombe. However according to Mr M Kalundingo, Mr M Nangombe lived in the stall for security reasons.
- Mr O Kashuuvikwa applied for the Build Together loan on **25 October 2005**. At that time, he was residing in the same business stall with Mr Reinhold Martin his half-brother.

The matter was finally submitted to Council on **28 June 2012** which resolved as follows:

- (a) That the following Build Together loans be cancelled due to the following reasons:

- *Mr O Kashuuvikwa - applied while he was not the legal lessee of Stall 21.*
- *Mr M Nangombe - applied while he was not the legal lessee of Stall 5.*

(b) *That the Build Together loan of Ms H Shapaka be approved and that Erf 3828, Mondesa be allocated to her.*

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

**That the Council remains with its previous decision dated 28 June 2012 which inter alia withdrew the Build Together loan to Messrs O Kashuuvika and M Nangombe.**

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11.1.33 **REQUEST TO PROCESS REFUNDABLE DEPOSITS WITHOUT ORIGINAL RECEIPT**

(C/M 2014/02/27 - N 7/3/4; I 1/2; H 2/12)

**Ordinary Management Committee Meeting of 18 February 2014,**  
Addendum 8.23 page 307 refers.

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**A. The following item was submitted to the Management Committee for consideration:**

Management Committee on **27 February 2007**, under item 8.1, resolved:

*(c) That in future refunds only be honoured upon proof of original receipt (status quo).*

However, the clients stated below are unable to produce original receipts.

A letter has been received from Mr J. L. Van der Merwe (**Annexure "A"**), requesting Council to refund an amount of N\$1 650.00. The refundable deposit, in question, was paid for the use of the Vineta Central Sport Field on **26 November 2013**. A copy of the receipt is attached (**Annexure "B"**).

A second letter has been received from Messrs Tamariskia Primary School (**Annexure "C"**), requesting Council to refund an amount of N\$1 137.00 for the use of the Swakopmund Town Hall on **03 October 2013, 07-08 November 2013**. A copy of the receipt is attached (**Annexure "D"**).

In addition, Messrs Namibian Coast Conservation and Management Project (NACOMA) submitted a letter (**Annexure "E"**), requesting Council to refund an amount of N\$1 137.00 for a booking made at the Swakopmund Town Hall on **21 October 2013**. The corresponding receipt is attached (**Annexure "F"**).

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

**That permission be granted to General Manager: Finance to refund the clients listed below without original receipts against the amounts indicated:**

(i)	Mr Jacobus Van Der Merwe	N\$1 650.00	Receipt # 20478
(ii)	Tamariskia Primary School	N\$1 137.00	Receipt # 27710
(iii)	NACOMA	N\$1 137.00	Receipt # 46875

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**Ordinary Management Committee Meeting of 18 February 2014,**  
Addendum 9.2 page 11 refers.

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**A. The following item was submitted to the Management Committee for consideration:**

With reference to the Tender Board regulations as gazetted **12 April 2011**, Regulation 2 & 3 refers to the following:

***Establishment and composition of local tender boards***

2. (1) *There is hereby established a tender board for each local authority council to be known as a local tender board which must provide tender services to the local authority council for which it is established.*
- (2) *Subject to sub regulation (3), a local tender board consists of 6 Government Gazette 12 April 2011 No. 4685*
  - (a) *in the case of a municipal council or town council –*
    - (i) *The town clerk thereof, who is the chairperson;*
    - (ii) *four staff members, other than the town clerk, of the municipal council or town council, nominated by the town clerk and appointed in writing by the municipal council or town council concerned of which one staff member must be the head of department of the department dealing with the finances of a municipal council or town council; and (iii) any two persons, other than staff members or a member of the municipal council or town council concerned, resident in the local authority area concerned, appointed in writing by the municipal council or town council, and who must be Namibian citizens and who may be elected by the municipal or town council to represent a sector of the public as determined by the municipal or town council;*
- (3) *A local authority council must -*
  - (a) *appoint, with due regard to sub regulation (2), for each member of a local tender board appointed by it in terms thereof, an alternate member, nominated in so far as applicable in accordance with that sub regulation, and an alternate member so appointed may during the absence of the member of the local tender board with respect to whom he or she is appointed, or such member's inability to act as member, act as member in place of that member; and*
  - (b) *Designate any one of the members appointed in terms of sub regulation (2)(a)(ii) or (2)(b)(ii) of a local tender board as vice-chairperson thereof.*
- (4) *In any proceedings arising from these regulations the local authority council concerned must be cited as plaintiff or defendant or as applicant or respondent, as the case may be, and not the local tender board or the chairperson of the local tender board.*

***Period of and vacation of office of members of local tender boards***

3. (1) *A member of a local tender board who is a staff member of the local authority council holds office at the discretion of the local authority council, and any other member of a local tender board holds office for a period of three years, but this period may be extended for a further period of two years and on expiry of the period the member may be reappointed.*

*No. 4685 Government Gazette 12 April 2011*

- (2) *A member of a local tender board whose period of office has expired, is eligible for reappointment.*
- (3) *A member of a local tender board vacates his or her office if he or she -*
  - (a) *ceases to be a staff member of the local authority council concerned, or in the case of a member of a local tender board appointed in terms of regulation 2(2)(a)(iii) or*

(b) (iii) ceases to qualify to represent the public sector for whom the member was elected or resigns by written notice addressed to the chairperson; (b) has without sufficient reasons or the leave of the local tender board concerned, been absent from three consecutive meetings of that board;

(b) is removed from office under subregulation (4);.

(c) is convicted of -

- (i) any offence in respect of which he or she is sentenced to imprisonment without the option of a fine, whether or not such imprisonment is suspended; or
- (ii) any offence under regulation 5(2); or

(d) is an unrehabilitated insolvent; or

(e) is of unsound mind and has been so declared by a competent Court.

(4) A local authority council may remove at any time and after the member concerned has been afforded an opportunity to be heard by the council, a member of a local tender board appointed by it from office for reasons which in the opinion of the local authority council concerned, render such member unsuitable to serve on the tender board concerned.

(5) A vacancy on a local tender board must be filled following the procedures relating to the initial appointment of the member of the local tender board who has vacated his or her office.

#### **Remuneration of members of local tender board**

4. The Minister must, in the case of the municipal council of a municipality referred to in Part II of Schedule 1 or a town council or village council, from time to time determine the remuneration and allowances payable to a member of a local tender board who is not a staff member and the remuneration and allowances must be paid by the local authority council concerned.

Council at its ordinary Council meeting held **31 May 2011** amongst others, resolved as follows:-

(d) That in terms of the Tender Board Regulations, Regulation 2, the following public members be appointed to serve on the Local Tender Board for a period of three years, which may be extended for a further period of two years and on expiry of the period, the member may be reappointed:

- (i) Mr Sakaria Amoomo,  
Secundi: Didrich Tsudisa !Gonteb,
- (ii) Ms M Menjono: Member of the Public,  
Secundi: Mr S T Kathindi,

(g) That the fee for the member of the public to attend Local Tender Board meetings be:

- (i) N\$200.00 per sitting per day if less than one hour; and
- (ii) An additional N\$100.00 per hour if more than one hour is needed.

The secundi of Mr Sakaria Kadhila-Amoomo, Mr Didrich Tsudisa !Gonteb submitted his resignation as secundi as he no longer resides in Swakopmund.

Tender Board Member, Ms Martha Menjono was absent for three (3) consecutive meetings and also several other meetings without rendering her apologies. Due to her work commitments she is mostly at the mine during working hours which makes it difficult to attend meetings in town.

Council at its ordinary Council meeting held **29 September 2011 item 11.1.30**, resolved as follows:-

*That the staff members on the Local Tender Board be changed and appointed as follows:*

- (i) The Chief Executive Officer (Chairperson)*
- (ii) General Manager : Finance (Vice Chairperson)  
Secundus: Manager: Finance*
- (iii) General Manager : Engineering Services  
Secundus: Manager: Planning*
- (iv) General Manager : Health Services  
Secundus: Manager: Health Services*
- (v) General Manager : Community Development Services  
Secundus: Manager: Community Development Services*

Council at its ordinary Council meeting (**In Camera**) held **26 July 2012** item **6.1.3**, resolved as follows:-

- (a) That the fee for the members of the public who attend Tender Board Meetings be:-*
  - (i) N\$350,00 per sitting per day if less than one hour; and*
  - (ii) an additional N\$100.00 per hour if more than one hour is needed.*
- (b) That additional funds be made available by the General Manager : Finance for this purpose.*

Management Committee is therefore also informed that Council's public representatives period of office on the Local Tender Board will expire **April 2014**.

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

- (a) That in terms of the Tender Board Regulations, Regulation 2 & 3 Council to nominate public members and alternate members to serve on Council's Tender Board to hold office for a period of (3) three years, but this period may be extended for a further period of (2) two years and on expiry of the period, the members may be reappointed:**

- (i) Public Member : Mr Sackey Amoomo**  
**Alternate member : Mr Frans Risuro**
- (ii) Member of the Public : Mr Silvanus Thikameni Kathindi**  
**Alternate member : Ms Amupadhi**

- (b) That the staff members on the local tender board remain as follows:**

- (i) The Chief Executive Officer (Chairperson)**
- (ii) General Manager : Finance (Vice Chairperson)  
Alternate member: Manager: Finance**
- (iii) General Manager : Engineering Services  
Alternate member: Manager: Planning**
- (iv) General Manager : Health Services  
Alternate member: Manager: Health Services**
- (v) General Manager : Community Development Services  
Alternate member: Manager: Community Development Services**
- (vi) General Manager : Corporate Services and Human Resources  
Alternate member: Manager: Corporate Services**

- (c) That the fee for the members of the public who attend Tender Board Meetings be:-**

- (i) N\$350.00 per sitting per day if less than one hour; and**
  - (ii) An additional N\$100.00 per hour if more than one hour is needed.**
-

11.1.35 **CRACKED HOUSES**

(C/M 2014/02/27 - H 2/10; M 362, M 363, M 364, M 365)

**Ordinary Management Committee Meeting of 18 February 2014,**  
Addendum **10.1** page **01** refers.

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**A. The following item was submitted to the Management Committee for consideration:**

**INTRODUCTION**

During the Management Committee Meeting of **15 August 2013** the following was **recommended**:

- (a) *That Engineering Services Department work out the cost estimate for renovations of the four cracked houses in order for Council to know about the probable cost of the project and also make funds available.*
- (b) *That Council makes funds available up to an amount of N\$50 000.00 per house for purposes of carrying out repairs to the four cracked houses on Erven 362, 363, 364, 365 Mondesa from the Surplus funds.*
- (c) *That the anticipated renovation only be done on the original houses whereas extended structures will be the responsibility of the home owners themselves.*
- (d) *That the General Manager: Engineering Services inform the Work Section to commence with the restoration of these houses by making use of small contractors appointed on a negotiation basis.*
- (e) *That permission be granted to the home owners concerned to be relocated to the newly built houses at the PDA rent free until such time that all four cracked houses are restored and fit for human habitation.*
- (f) *That the home owners be responsible for the payment of Municipal services.*
- (g) *That no further renovations will be considered to these or any other houses in future.*
- (h) *That the Office of the Governor be approached to contribute towards the project based on their initial commitment.*
- (i) *That renovation costs in excess of N\$50 000.00 per house be reported to Management Committee.*

**STATUS**

After considerable deliberations the four houses now are vacated, with the occupants located at the four new houses built for this purpose and their not immediately required belongings stored in four shipping containers.

On **11 February 2014**, the houses were inspected by the Mayor, General Manager - Engineering Services, Manager Operations and Chief Superintendent of Works. It was identified, with the extent of the damage now obvious with all furniture and floor coverings removed, that three of the houses (Erven 363, 364, 365) found to be beyond economic repair, if reparable at all, whilst the house on erf 362 can be salvaged.

It was identified that the construction practices used definitely are not acceptable, with especially roof beams not strong enough for the roofing

used, while the electrical reticulations are considered not only non-standard, but outright dangerous.

Regardless of the reason for the damage, the houses on Erven 363, 364 and 365 are considered not structurally acceptable for occupation and as such should be demolished.

### **POSSIBLE MECHANISM FOR STRUCTURAL FAILURE**

One mechanism for failure would be that the houses were constructed on Aeolian deposit (wind-blown sand) with the packing density of the soil subsequently much less than for alluvial soil (water-borne).

The substrata is well known to consist of undulating rock, with the surface soil thus varying in depth.

When a structure is placed on a site with such geotechnical characteristics, regardless of whether the foundations are considered of suitable bearing capacity and regardless of the soil being compacted below the foundations, the risk of differential settlement is present.

These findings are underlined by the report (See Attachment 1) by Windhoek Consulting Engineers. It is also made clear by WCE in their report that the earthworks and foundation is substandard, with *“foundations appear to have been cast on 200 mm layer of gravel material overlaying sand. The foundation itself is less than 100 mm thick”*.

It is known that the development in the vicinity of the houses was constructed with the water lines running mid-block to central ablution facilities. Manager Operations reports that the lines were replaced due to tremendous water losses, with the lines now placed under the sidewalks.

Such water leaks, if extending of time, will lead to saturation of the soil - a situation which was observed during inspection of the area.

Saturated soil suffers considerable loss of internal friction between the particles, and as such will settle with the least disturbance such as street traffic.

It is thus considered highly probable that the mechanism for the failure of the houses may have been saturation of the soil leading to differential settlement on soil with varying depth. When considered in combination with the poor construction practices used, the resulting observed damage can be comprehended.

The four specific houses show maximum damage, yet there are several other houses in proximity also showing minor damage (See WCE report), with the damage observed not considered to require Council intervention.

### **BUILDING PLANS**

The diagram below indicates the location and extents of the structures under discussion



<b>Property</b>	<b>Details</b>	<b>Comment</b>
<b>M 362</b>	Approved original 57.2 m <sup>2</sup> Added on approved 22.2 m <sup>2</sup> Total 128.4 m <sup>2</sup>	Building plans for total area of 128.4 m <sup>2</sup> approved but not implemented. Several illegal structures (shacks) on erf. Structure salvageable
<b>M 363</b>	Approved 93.3 m <sup>2</sup> Add on no approval 27.2 m <sup>2</sup> plus approx. 27 m <sup>2</sup> plus approx. 24 m <sup>2</sup> Total 171.5 m <sup>2</sup>	Structural damage beyond economic repair. Structure unsafe for occupation.
<b>M 364</b>	Approved 133.1 m <sup>2</sup>	Structural damage beyond economic repair. Structure unsafe for occupation
<b>M 365</b>	Approved 140.5 m <sup>2</sup> Add on no approval 33.3 m <sup>2</sup> approx Total 173.8 m <sup>2</sup>	Structural damage beyond economic repair. Structure unsafe for occupation.

## REPLACEMENT AND REPAIR COST

Accepting a conservative building cost of N\$3 500/m<sup>2</sup>, the replacement cost of the dwellings

Replacement costs:

<b>Erf</b>	<b>Constructed area (m<sup>2</sup>)</b>	<b>Estimated cost (N\$)</b>
M363	171.5	600 250
M364	133.1	465 850
M365	173.8	608 300
<b>Total estimated reconstruction cost</b>		<b>1 674 400</b>

Repair costs:

For Erf M 362 the repair cost is provisionally estimated not to exceed N\$50 000.00.

The total estimated cost for the maintenance to, and replacement of the properties is thus N\$1 674 400.00 - excluding design and supervision costs. As the latter will be done internally to the Municipality, it is not enumerated.

(At a building cost of N\$2 200 / m<sup>2</sup>, the total cost is estimated at N\$1 102 480.00)

The value of the approved construction, at N\$3 500.00 / m<sup>2</sup> is:

<i>Erf</i>	<i>Approved area (m<sup>2</sup>)</i>	<i>Estimated cost (N\$)</i>
M363	128.4	449 400
M364	93.3	326 550
M365	140.5	491 750
<b>Total estimated reconstruction cost</b>		<b>1 267 700</b>

Reconstruction and repair cost thus N\$1 317 700.00.

(Or at N\$2 200.00 / m<sup>2</sup>, the estimated reconstruction and repair cost is N\$846 840.00.00.

## OTHER COSTS

The General Manager: Community Development Services reports additional costs of N\$120 000.00 for security and storage (4 months period only).

## FINANCIAL PROVISION

As indicated above, Council approved N\$50 000.00 per house (Thus N\$200 000.00) for the repairs to the houses.

Council constructed houses as temporary abode for the owners of the cracked houses at the following cost:

<i>Erf</i>	<i>Erf value (N\$)</i>	<i>Transfer cost (N\$)</i>	<i>Labour (N\$)</i>	<i>Materials (N\$)</i>	<i>Fences (N\$)</i>	<i>Total N\$</i>
3252	33 762	1 152	32 000	93 510	64 800	225 224
3254	33 762	1 152	32 000	93 510	64 800	225 224
3260	33 762	1 152	32 000	93 510	64 800	225 224
3318	33 762	1 152	32 000	93 510	64 800	225 224
<b>Total construction cost</b>						<b>900 896</b>

This cost was spent by Council and if considered to be sunk as past expenditure, with the intention be to offset against the cost to repair and replace the cracked houses to the **full area as constructed**, it thus appears that insufficient funds are available - even at the lower construction cost estimate.

Should only the cost of construction for the approved areas be considered, the funds will most probably still be insufficient.

## **GENERAL**

Council is cautioned that even though no claims have been registered from other owners in the proximity where similar situations may exist, or in other parts in Town where such situations may arise, future similar claims may now be submitted, should the houses of the four owners be repaired / replaced at Council's cost.

**B. After the matter was considered, the following was:-**

### **RECOMMENDED:**

- (a) That the houses on Erven M 362, M 363, M 364, M 365 be condemned and demolished by the Engineering Services Department and that the erven not be sold.**
  - (b) That permission be granted to the General Manager: Finance to avail an amount of N\$120 000.00 for the payment of securities as well as containers which will be used for storage of excess furniture of cracked house owners.**
-

11.1.36 **REQUESTING FOR EXTENSION OF TIME AND REDUCTION IN PURCHASE PRICE FOR ERF 3290, MONDESA - THE EVANGELICAL LUTHERAN CHURCH IN NAMIBIA (ELCIN)**

(C/M 2014/02/27 - M 3290)

**Ordinary Management Committee Meeting of 18 February 2014, Addendum 10.2 page 12 refers.**

**A. The following item was submitted to the Management Committee for consideration:**

**1. Introduction**

The attached letter dated **12 February 2013 (Annexure "A")** was received from The Evangelical Lutheran Church in Namibia (ELCIN) requesting Council:

- To reduce the purchase price of Erf 3290, Mondesa as it is too expensive for the church to afford, as the church is a Nonprofit Making Organization.
- For an extension of time of 9 months to pay the purchase, price i.e. from **March 2014 until November 2014.**

**2. Background**

Development proposals were invited for the sale of Erven 3289, 3290 and 3291 Mondesa. After considered the proposals submitted, Council on **05 September 2013** under item 11.1.1 allocated three general residential being Erf 3289, 3290 and 3291, Mondesa as follows at the purchase price offered by the purchasers:

(a) That that the erven be allocated as follows:

① Erf 3289, Mondesa measures 4362m<sup>2</sup> to Ms Josephine Ipupa Kasheeta at a purchase price of N\$890 545.92 to develop Residential and Commercial Accommodation.

② Erf 3290, Mondesa measures 4 529m<sup>2</sup> to Messrs Evangelical Lutheran Parish (ELCIN) at a purchase price of N\$722 375.50 to develop a Congregational Training Center, Auditorium, Accommodation Facilities, Community Soup Kitchen, Eating Place and IT Center for Youth.

③ Erf 3291, Mondesa measures 4 504m<sup>2</sup> to Mr Andreas Gawaseb at a purchase price of N\$720 000.00 to develop low cost houses and a small charge office to be leased to NAMPOL staff, after 3 years they will be given an opportunity to purchase.

subject to Council's standard conditions for sale of erven and that the following applicants be considered should the above applicants not accept the offers:

- Ms Bertha Inodhimbwandje Kadhila
- Mr Econia Muptomisala Petrus
- Ms Helvi Mupupa
- Mr Lukas Dankie Geiseb

(b) That the erven referred in point (a) may not be sold to third parties without a completion certificate being issued that the property was developed as per the proposal submitted and approved by Council.

(c) That the successful applicants shall commence with structural improvements on their allocated erven within 12 (twelve) months from the date of transfer of the erven in their respective names.

In terms of the conditions of sale, the successful purchasers were required to pay their purchase prices and transfer the erven on or before **23 December 2013** being 120 days as from **05 September 2013**. However, due to the festive season holiday and because of the Deeds Office being closed since early December 2013, it was suggested to

extend the payment dated from **23 December 2013** until **28 February 2014**.

Council on **28 November 2013** under item **11.1.26** passed the following resolution:

*That the extension of time for the due date for payment of the purchase prices in respect of Erven 3289, 3290 and 3291, Mondesa from 23 December 2013 to 28 February 2014 be approved.*

Subsequent to the above resolution, the Deed of Sale for Erf 3290, Mondesa was compiled and signed by both parties on **21 January 2014**. Messrs Kinghorn Associates were instructed to transfer Erf 3290, Mondesa in the name of the church on **23 January 2014**.

According to Messrs Kinghorn Associates, the purchasers for erven 3289 and 3291, Mondesa already secured their purchase prices and erven are in process to be transferred.

## 2. Discussion

The Evangelical Lutheran Church submitted their proposal attached **Annexure "B"** to purchase Erven 3289, 3290 and 3291, Mondesa. Their prices proposed were those of the upset prices. Their choices were as follows:

1. Erf 3291 at N\$ 718 388.50 ( 1<sup>st</sup> choice)
2. Erf 3289 at N\$ 695 739.00 ( 2<sup>nd</sup> choice)
3. Erf 3290 at N\$ 722 375.50 ( 3<sup>rd</sup> choice)

Although their first choice was for Erf 3291, Mondesa they were only allocated Erf 3290, Mondesa being their third choice. As indicated in their proposal, the church intends to erect a modern multi- functional facility, which will be used for:

- Congregation training Centre
- Meeting and auditorium facilities
- Counseling facilities for member , women, you and vulnerable people
- Community soup kitchen and eat places
- Accommodation facilities
- ICT Centre for youth
- Auditorium room to accommodate ±30 people

In addition to the facilities indicate above, the church also indicated that they have N\$1.5 million in saving secured for the payment of the purchase price and to complete the Centre in phases.

According to the church they are a Nonprofit Making Organization and the Swakopmund Parish has only secured N\$300 000.00 thus they need Council to reconsider the purchase price and to extend the payment period for a further nine months.

In terms of Council's Property Policy, churches purchase land from Council that is zoned "*Institutional*" at the price of 50 % of the cost for the installation of services. Erf 3290, Mondesa is zoned "*General Residential*". The cost for installation of services for erven 3289, 3290 and 3291, Mondesa was N\$102.22/ m<sup>2</sup> while the average market value was N\$159.50/m<sup>2</sup> (being the upset price per square meter per erf). It was a condition of sale for proposals to purchase these erven at an upset price of N\$159.50/m<sup>2</sup>.

Since the church participated by submitting a proposal irrespective of their status as a nonprofit organization, it cannot be considered to reduce their purchase price for a "*General Residential*" erf to be a reduced price only

applicable to “ institutional” erven. This will also not be fair to the purchasers of Erven 3289 and 3291, Mondesa who bought these erven subject to the same conditions.

With reference to the similar request of extension of time by Dr Theo Ben Gurirab Private Hostel when given opportunity to purchase erven 3289, 3290 and 3291, Mondesa in 2012, Council on **27 October 2011** approved the sale on condition that Dr Theo Ben Gurirab Private Hostel provides the proof of an approved loan within a period of six months as from Council resolution. Since no proof of approved loan was provided on expiry of the six months period, Council on **31 May 2012** give an extension of time of 21 days whereafter on 26 July 2012 the sale was cancelled as no proof of approved loan was provided.

Considered that Council already granted an extension of time for payment of purchase prices for erven 3289, 3290 and 3291, Mondesa from **23 December 2013** until **28 February 2014**, it is proposed that Council considers the request of Messrs Evangelical Lutheran Church in Namibia by extending the payment period with three months from 01 March 2014 until 31 May 2014 and not nine months as proposed by the church.

Taking into consideration that the purchaser was aware of the allocation by Council as from 05 September 2013, a three-month extension will amount to almost nine months the purchaser had to secure funding at the offer submitted by them.

Should Messrs Evangelical Lutheran Church in Namibia fail to pay the purchase price of Erf 3290, Mondesa in the amount of N\$722 375.50 on **31 May 2014**, the transaction be cancelled and no further extension be granted. The second applicant in line, Ms Bertha I Kadhila inquired on the status of the allocation and she was informed that Council gave an extension of time for the successful purchasers to pay the purchase prices until **28 February 2014**. She is also informed the Property Section that she has the fund available if any erf becomes available and is allocated to her.

In conclusion, it is proposed not to reduce the purchase price, as it is not allowed in terms of the conditions of sale published and agreed on by signing the deed of sale. The reduction in price will result in the deed of sale being cancelled and a new transaction being considered and advertised.

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

- (a) That Council grants an extension of time to Messrs The Evangelical Lutheran Church in Namibia to pay the purchase price in the amount of N\$722 375.50 from 01 March 2014 until 30 November 2014.**
  - (b) That the request of The Evangelical Lutheran Church in Namibia for Council to reduce the purchase price of N\$722 375.50 in respect of Erf 3290, Mondesa not be approved.**
  - (c) That the due date for payment of the purchase prices for erven 3289, Mondesa and Erf 3291, Mondesa remains 28 February 2014 and that it be noted that these erven are in the process of being transferred.**
-

11.1.37 **APPLICATION TO WAIVE THE PRE-EMPTIVE RIGHT**  
(C/M 2014/02/27 - M 3685)

**Ordinary Management Committee Meeting of 18 February 2014,**  
Addendum **10.3** page **18** refers.

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**A. The following item was submitted to the Management Committee for consideration:**

**1. Introduction**

Ms Stella Maletzky together with her now deceased husband purchased Erf 3685, Mondesa for N\$22 609.50 at the closed bid Auction for the first time property owners held on **14 September 2012**.

The erf was paid off on **22 November 2012** whereafter she managed to construct a house in which she is staying with her three minor children.

Ms S Maletzky is currently unemployed and she is finding it difficult to pay for the construction work done on her erf.

**2. Pre-Emptive right**

As per the Deed of Sale concluded between Ms S Maletzky and Council, the erf is subjected to the following condition:

*In order to avoid speculation, a five-year restriction on alienation from date of transfer of the ERF to the PURCHASER, will be registered against title Deed of the ERF.*

Such restriction will only lapse on 23 July 2018 since the property was transferred on **23 July 2013**.

**3. Application**

A letter dated **29 January 2014** was received from Ms S Maletzky requesting Council to waive the five-year restriction on alienation registered against her erf, Erf 3685, Mondesa, in order for her to transfer the erf into her three minor children's names.

She indicated that due to unpaid costs that she owes the contractor, she is now in the process of losing the house hence she approached Standard Bank where a fund is available in a Trust for the benefit of her three minor children; with the intention of acquiring N\$85 000.00 to pay the contractor.

She was informed that the Trust would only release funds if the property were registered in the names of the beneficiaries. She now intends to transfer the property to her children but since the restriction against alienation is still active, she cannot proceed without Council's consent.

The following documents are **attached**:

- **Annexure "A"** - letter from Ms S Maletzky dated **29 January 2014**
- **Annexure "B"** - letter from Old Mutual confirming that the benefit is paid to Standard Bank
- **Annexure "C"** - Full Birth Certificates for the children

**4. Discussion**

Similar request were received in the past for Council to waive the pre-emptive right; whereafter the following resolution was passed:

*That Council enforces the restraint of alienation and that all applicants be informed that Council will not waive its rights until the five-year period has lapsed.*

The resolution was passed to prevent purchasers from speculating since Council is striving to provide even at an affordable and subsidized price to enable them to own houses.

Notwithstanding the resolution, the request for Ms S Maletzky should be treated as an exception to above since her intention is not to speculate but to secure the property for her children.

It is for a good cause that Council waives the restriction and gives consent to Ms S Maletzky to transfer the erf for the children's sake, so they remain having a roof over their heads.

5. **Conclusion**

It is therefore proposed that Council exercise its discretion right to waive the five-year restriction on alienation registered against Erf 3685, Mondesa to enable Ms S Maletzky to transfer the property to her three minor children.

It is also proposed that the restriction only be waived if the property is to be registered in the children's names.

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

- (a) That Council waives the five year restriction on alienation registered against Erf 3685, Mondesa in favour of the Municipal Council to enable Ms Stella Maletzky to transfer the erf into her three children's names: Myra E Maletzky - 13 May 2003, Soraija S Maletzky - 11 April 2007 and Gerson J P Maletzky - 06 August 2012.
  - (b) That Ms Stella Malestzky be informed that the restriction is waived in favour of a transfer to the children only and that the restriction to sell the property operates on the children for the remaining period.
-

11.1.38 **MASS HOUSING DEVELOPMENT - SWAKOPMUND**

(C/M 2014/02/27 - H 5, H 5/5, H 5/8)

**Special Management Committee Meeting of 27 February 2014,**  
Addendum 5.1. page 01 refers.

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**A. The following item was submitted to the Management Committee for consideration:**

A meeting was arranged between Council and members of the National Housing Enterprises as well as the appointed contractor to discuss the implementation of the Mass Housing Project in Swakopmund.

As background information served what Council is already busy with the formalisation of the DRC in terms of its own Strategic Plan.

The purpose of the Meeting was to establish the roles and responsibilities of the different role players.

Below are the various clusters of erven in Mondesa available for the immediate construction of houses and current as well as future development of erven.

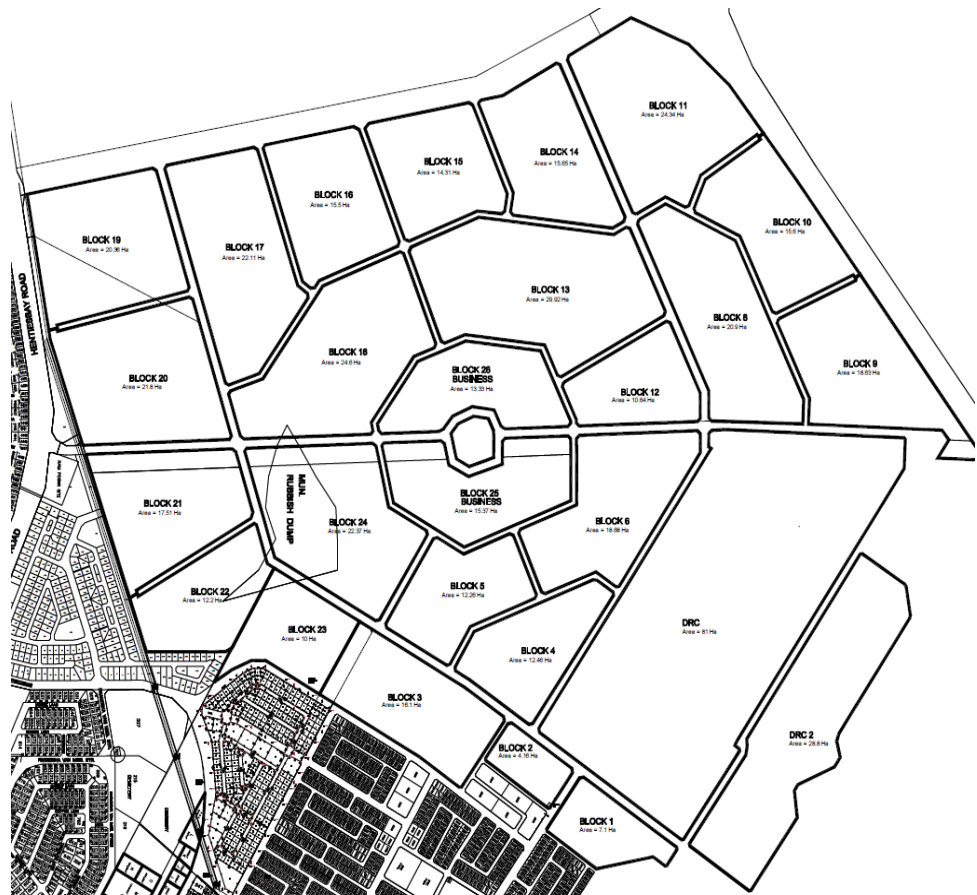
**1. Extensions 7, 8 and 9 Mondesa**

A total of **76 erven** has been reserved for Build Together beneficiaries at extension 9 Mondesa, of whom 57 (Single Quarters phase II) have already be granted loans by the Ministry, while the remaining 19 (from the Build Together Waiting list) have not received any funding up to now.

Furthermore, Council recently allocated **54 erven** to Build Together beneficiaries (Project Identification Report of 2013) at extension 9 Mondesa, while another **15 erven** have been allocated to beneficiaries (who replaced others who did not show up) at extensions 7 and 8 Mondesa. Said beneficiaries have already signed the relevant Deeds of Sale as well as the loan agreements, however construction of houses has not started yet.

**2. DRC Informal Settlement and surrounding area**

This area lies to the northwest of Mondesa and consists of approximately 5177 erven. The layout of the Blocks is reflected in the diagram below.



Below is the chronicle of the latest development status in respect of the above blocks as received from our Engineering department.

<b>Blocks 1 - 6, DRC1 &amp; DRC 2</b>	<i>Fully approved and erf beacons surveyed, except where squatting prevented final erf beacon placement. Houses may be constructed hereon.</i>
<b>Blocks 8 - 11</b>	<i>Tabled to Nampab for Needs &amp; Desirability approval. Approval expected during Jan 2014. Erven surveyed and erf beacons installed. Houses may be constructed.</i>
<b>Blocks 12 - 18 &amp; 24</b>	<i>Town Planning of final erven layout completed and submitted to Nampab. Services can be installed regardless of Nampab approval, yet houses should not be constructed.</i>
<b>Blocks 19 - 23</b>	<i>Block layout completed and submitted to Nampab. Final erf layout presently being introduced.</i>

As far as the availability of erven for construction of houses is concerned, we can thus proceed with the following:

<b>Block</b>	<b>Tot Erven</b>	<b>Res</b>	<b>Construction of Houses</b>
<i>Block 1- 3</i>	<i>412</i>	<i>383</i>	<i>Immediately commence construction</i>
<i>Block 8-11</i>	<i>1 164</i>	<i>1 130</i>	<i>Commence in January / February 2014</i>
<b>TOTAL</b>	<b>1 576</b>	<b>1 513</b>	

A total of **1513 erven** are thus available for the construction of houses. Even though the services are still to be installed, sufficient identification of the erven layout is in hand to allow the simultaneous construction of the houses and services. It is important, though, to note that the supportive primary services (Pump stations, Major reticulation. Substations, Switching stations) should also be

completed simultaneously, if not prior to the rest of the works to ensure that the houses will have functional services upon occupation. These primary services are presently being attended to.

### **SERVICES INSTALLATION STATUS:**

Open Bids (Tender 40 of 2013) were called for the provision of services to blocks 1-3 and 8-11 DRC area north-east of Swakopmund. The compulsory Site Inspection was attended by 18 prospective tenderers. Tenders closed at 11:00 on **04 October 2013**. As the project has not been awarded, the exact detail may not be divulged.

Five responsive tenders were identified, of which 2 were excluded on total tendered cost, while a 3rd was excluded due to Preliminary and General costs being excessive compared to the other tenderers.

All of the tenderers were identified to be financially and physically (resources / capacity / capability) acceptable to execute the Scope of Works. The cost for the full Scope of Works as per the tender document amounts to about N\$120 000 000.00 (VAT excluded). This implies that the five contractors could potentially be appointed together to manage the construction of the full DRC Area, thus 5 177 erven (4 852 residential erven).

The full scope can, however, not be afforded by the Municipality, therefore only partial award will be effected.

The following table presents the erf zoning allocation. As such Blocks 19-23 will follow a similar pattern, but is still to be finalized.

<b>Legend</b>	
<i>Residential</i>	<i>Res</i>
<i>General Residential 1</i>	<i>GR1</i>
<i>General Residential 2</i>	<i>GR2</i>
<i>Public Open Space</i>	<i>POS</i>
<i>Institutional</i>	<i>Inst</i>
<i>Local Authority</i>	<i>LA</i>
<i>Parking</i>	<i>P</i>
<i>Local Business</i>	<i>Loc B</i>
<i>General Business</i>	<i>Gen B</i>

<b>BLOCK</b>	<b>Res</b>	<b>GR1</b>	<b>GR2</b>	<b>POS</b>	<b>Inst</b>	<b>LA</b>	<b>P</b>	<b>Loc B</b>	<b>Gen B</b>
<i>Block 1</i>	107		1	1	1				
<i>Block 2</i>	50		4		1				
<i>Block 3</i>	226		10	4	1			6	
<i>Block 4</i>	126			2		9			8
<i>Block 5</i>	155			1	2				
<i>Block 6</i>	213	/	3	2				/	/
<i>No Block 7</i>	<i>This block does not exist</i>								
<i>Block 8</i>	308		5	4	1	2	1		
<i>Block 9</i>	248	4		3	1	1			1
<i>Block 10</i>	230		2	2				1	
<i>Block</i>	344		3	1	1	1			

11									
Block 12	210			1					
Block 13	230	1	1						
Block 14		10	4		1		2	4	16
Block 15		10	4	/	1		2	4	16
Block 16		12	5				1	8	14
Block 17	271		1	2	1			6	4
Block 18	306	5	5	/	1			/	/
Block 19	<i>The final erf layout of these blocks are still to be completed</i>								
Block 20									
Block 21									
Block 22									
Block 23									
Block 24	186	/	1	/	1	1		/	2
Block 25	221	/	3	1				/	1
Block 26	56	11		2			2		11
DRC	1019	2	5	10	3	1		11	
DRC 2	346		5	6	4			10	
<b>5177</b>	<b>4852</b>	<b>55</b>	<b>62</b>	<b>42</b>	<b>20</b>	<b>15</b>	<b>8</b>	<b>50</b>	<b>73</b>

### **ERF SIZES:**

It serves to be noted that the residential erven discussed above are all 300 m<sup>2</sup> or more in extend, in line with the provisions of the National Housing Policy. The blocks where erven still need to be identified (Blocks 19-23) are situated such that these erven shall be larger and shall suffice for Middle Income Housing. The number of erven can unfortunately not be given at present.

In the afternoon the Technical Team consisting of the Chief Executive Officer and all General Managers continued the discussion and the following was agreed upon, thereafter communicated to **ALL** Councillors and fully supported by his Worship the Mayor on behalf of all Councillors.

### **1. Who develops what of Northern Swakopmund for the Mass Housing**

- *After a lengthy discussion and considering all options it was decided that NHE takes over the development of ALL services in Northern Swakopmund, i.e. the current Town Planning of the area including all costs to the value of N\$ 1 million as well as the Bulk Services contract to the value of N\$26.5 million They will also take over the services of Council's Consulting Engineer on this project.*

- *Council thus has achieved a saving of N\$ 27.5 million.*
- *The amount of N\$20 million approved by Council for the development of erven will now no longer be required as well.*
- *The only cost to Council would be the Town Planning costs done so far for the DRC and the Second PDA as well as the Surveying cost until to date.*
- *All land for Mass Housing would be transferred to NHE at a nominal cost per block. However, all business zoned erven will remain Council property, fully serviced at no additional cost.*
- *Backyard squatters will be a high priority target group to be accommodated in this program.*
- *Council in return concentrates on the planning and sub-division of Blocks 19 – 23 and future Town Planning north of Ernst Konecke Street (Mirror- imaging what is in place southwards).*
- *“Handing-over” of the site should take place as soon as possible, so that the contractor can establish himself. This is a very low-key and quite procedure.*
- *Official launch of the Swakopmund Mass Housing Project to follow soon with Councillors, Politicians etc.*

## **2. Can current property owners participate in the Mass Housing Project, i.e. 90 erven sold to the public in Mondesa and current Built Together Beneficiaries**

- *The Chief Executive Officer of NHE agreed and promised to make this a very high priority group and this is where he would start of building the very first houses. Anyone with an undeveloped erf should approach NHE for this purpose. This should kick-off as soon as possible.*

## **3. Communication with the public**

- *The necessity to have a Committee comprising of representatives of Council, NHE and the Developer must be established and joint communications should be held with the public, this needs to be done as soon as possible. The developer does not want to do anything without the Councillors.*
- *It was agreed to end the meeting at this point and seek Council's approval and support, once this is obtained, further meetings in committees to discuss “soft issues” and more technical issues would be required.*

## **B. After the matter was considered, the following was:-**

**RECOMMENDED:**

- (a) That Blocks DRC, DRC2 Blocks 1, 2, 3, 4, 5, 6, 8, 9 and 10 comprising 3028 erven (Power Oyeno - 2034, Delta - 400 and Verusa - 600) be transferred to Messrs NHE for Phase1 of the Mass Housing Project at a cost per square meter reflecting the cost of Town Planning, Administration, Survey, Design of Services for Bulk and Internal Services for the purpose of installing all Municipal Services (Water, Purified effluent, Sewerage and Electrical reticulation, Streets and Street Lighting ) and the construction of Houses.
  - (b) That erven of Blocks 1, 2 and 3 be reserved for Backyard Squatters only.
  - (c) That Mass Housing commences with the construction of houses for Built Together beneficiaries and other property owners in the PDA area.
  - (d) That all erven zoned as *Business, Institutional, Parking, Local Authority erven* and *Public Open Spaces* be transferred back to Council once developed at no cost to Council.
  - (e) That an agreement between Council and Messrs NHE be drawn up for the transfer of the land and the development thereof for Mass Housing only.
  - (f) That a performance clause be included for the development of the blocks transferred to Messrs NHE.
  - (g) That a clause of first right of refusal is included in the Deed of Sale for a period of ten years.
  - (h) That a Technical Committee be established to finalise all technical issues relating to the Mass Housing Project.
  - (i) That a Social Issues Committee be established to attend to all social matters relating to the Mass Housing Project.
  - (j) That a Committee comprising of Councillors and members of NHE be established to determine ownership of houses of the Mass Housing Project.
  - (k) That all public communications regarding Mass Housing remain the responsibility of Messrs NHE.
-

11.1.41

(C/M 2014/02/27 - )

**Ordinary Management Committee Meeting of 18 February 2014,**  
Addendum 7. page -- refers.

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**A. The following item was submitted to the Management Committee for consideration:**

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

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11.1.42

(C/M 2014/02/27 - )

**Ordinary Management Committee Meeting of 18 February 2014,**  
Addendum 7. page -- refers.

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**A. The following item was submitted to the Management Committee for consideration:**

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

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