

AGENDA

Ordinary Council Meeting

on

TUESDAY





28 JANUARY 2014

at

19:00



MUNICIPALITY OF SWAKOPMUND

 (064) 4104206
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Ref No A 2/3/5

Enquiries: A Gebhardt

21 January 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:

TUESDAY, 28 JANUARY 2014 AT 19:00,

E U W Demasius
CHIEF EXECUTIVE OFFICER

UT/-

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1. **OPENING**

2. **APPLICATIONS FOR LEAVE OF ABSENCE AND DECLARATION OF INTEREST**

2.1 Application for leave of absence.

2.2 Declaration of interest.

3. **CONFIRMATION OF MINUTES**

(C/M 2014/01/28 - A 2/3/5)

3.1 Minutes of an **Ordinary Council Meeting** held on **28 November 2013**.
(pp 148/2013 - 164/2013)

4. **INTERVIEWS WITH DEPUTATIONS OR PERSONS SUMMONED OR REQUESTED TO ATTEND THE MEETING**

None.

5. **OFFICIAL ANNOUNCEMENTS, STATEMENTS AND COMMUNICATIONS**

5.1 Announcements by the Mayor and Chairperson of Council.

5.2 Long Service Awards.

6. **PETITIONS**

None.

7. **MOTIONS OF MEMBERS**

None.

8. **ANSWERS TO QUESTIONS OF MEMBERS OF WHICH NOTICE WAS GIVEN**

None.

9. **FEEDBACK REPORT ON THE EXECUTION OF RESOLUTIONS
TAKEN BY COUNCIL IN 28 NOVEMBER 2013**

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MANAGEMENT COMMITTEE DURING DECEMBER 2013 AND
JANUARY 2014**

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11. **RECOMMENDATIONS OF THE RECESS COMMITTEE MEETING AND
MANAGEMENT COMMITTEE MEETING HELD IN DECEMBER 2013
AND JANUARY 2014**

11.1 **A RECESS COMMITTEE MEETING HELD ON 05 DECEMBER 2013
AND AN ORDINARY MANAGEMENT COMMITTEE MEETING HELD
ON 16 JANUARY 2014**

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10. **REPORT TO COUNCIL ON RESOLUTIONS TAKEN BY PREVIOUS
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10 (A) **MINUTES OF A RECESS COMMITTEE MEETING HELD IN
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5. **DISCUSSION POINTS**

5.1 **THE LIGHTHOUSE GROUP: FUNCTIONS AT THE OLD MUNICIPAL
SWIMMING POOL**

(R/C 2013/12/05 - E 4747)

RESOLVED: (For Condonation By Council)

That the application to lease the premises located on Erf 4747, Swakopmund to Mr Quinton Liebenberg trading as The Lighthouse Group on 26, 28, 30 and 31 December 2013 for the hosting of various entertainment events be approved, subject to the following conditions:

1. *Compliance in terms of the requirements of the SANS 00400 - 1990 Code of Practice upon inspection and identification by the Chief Fire Brigade.*
2. *Compliance with National Standards / Building Regulations.*
3. *Submission of an emergency evacuation plan.*
4. *Parking at the public parking area adjacent to the tennis courts.*
5. *A limitation be placed on the number of people who can be accommodated within the building.*
6. *The Lighthouse Group must indemnify Council against any claims.*
7. *That the following rental be charged:*

Rental x 4 days	= N\$ 7 260.00
Refundable Deposit	= N\$ 357.50
Total	= <u>N\$ 7 617.50</u>

In addition to the above, depending until what time Council allows the functions to continue, N\$ 242.00 per hour, after 24:00 is payable.
8. *That the functions be no later than 02:00 only for the night of 31st December to 1 January, all other nights 24:00 on the day of the approved date.*
9. *That no fireworks of any kind be ignited.*
10. *That noise be restricted to the immediate surrounding area and upon any complaints of noise pollution the approval be reconsidered.*

5.2 **LEASE APPLICATION: MOTORSPORT – MESSRS COASTAL
SPINNING DRIFTING CLUB**

(R/C 2013/12/05 - G 4/1/1 (1))

RESOLVED:

- (a) That the lease application for land for Motorsport from Messrs Coastal Spinning Drifting Club be turned down.
 - (b) That Messrs Coastal Spinning Drifting Club be informed to remove all illegal structures immediately.
-

- 5.3 **CHINESE STATE CONSTRUCTION ENGINEERING CORP:
APPLICATION FOR LAND TO ERECT TEMPORARY
CONSTRUCTION SITE**
(R/C 2013/12/05 - G 4/1/1)

RESOLVED:

- (a) That the application of Messrs China State Construction Engineering Corp to lease a portion of land located next to the Namibia Water Corporation Ltd, on the B 2 Road solely for purpose of a construction site mainly for storage be turned down.
- (b) That Messrs China State Construction Engineering Corp be informed to remove all illegal structures immediately.

10 (B) **MINUTES OF AN ORDINARY MANAGEMENT COMMITTEE MEETING
HELD IN JANUARY 2014**

2. **CONFIRMATION OF MINUTES**
(M/C 2014/01/16 - A 2/3/5)

2.1 **MINUTES OF AN ORDINARY MANAGEMENT COMMITTEE MEETING
HELD ON 19 NOVEMBER 2013**

On proposal of Councillor F Hamukwaya seconded by Alderwoman R //Hoabes it was:-

RESOLVED:

That the Minutes of the Ordinary Management Committee meeting held on 19 November 2013 be confirmed as correct.

2.2 **MINUTES OF A RECESS COMMITTEE MEETING HELD ON 05
DECEMBER 2013**

On proposal of Councillor L M Tlhabanello-Madi seconded by Councillor F Hamukwaya it was:-

RESOLVED:

That the Minutes of the Recess Committee meeting held on 05 December 2013 be confirmed as correct.

5.5 **FINANCE**

- 5.5.1 **TOTAL EXPENDITURE**
(M/C 2014/01/16 - D 7/3/2/1)

RESOLVED:

That the total expenditure of N\$64 584 525.90 and N\$38 035 685.51 for the period 01-30 November and 01-31 December 2013 respectively be accepted and approved as correct.

7.2

LEGAL SERVICES - CRITERIA

(M/C 2014/01/16 - A 2/1/5)

RESOLVED:

(a) That the following criteria be approved:

- (i) A fully operational office in Swakopmund. Such office must have an experienced in-house conveyancer who is full time based in Swakopmund.*
- (ii) The firm must be able to offer a full range of legal services in Swakopmund.*
- (iii) The firm must have thorough theoretical and practical knowledge and experience of administrative law, local authority law, town planning law, advanced property law, labour law and township development.*
- (iv) Preference should be given to firms whose staff consist of locals who contribute actively to the local industry in the nature of rates, municipal services etc.*
- (v) Incomplete instructions / collections / transactions must be finalized by the appointed law firms, notwithstanding the lapsing of the two year appointment period.*
- (vi) For the period being appointed by Council the law firms must undertake not to act / litigate against Council.*
- (vii) A negative effect on the rotation of legal work might result in a number of law firms gaining insight in Council's affairs which might be used against Council in future law suits whilst the law firms are not contracted by Council.*

(b) That once portfolios of interested law firms are received from the Law Society a comprehensive submission be tabled for consideration of the criteria and appointment.

7.6

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

(M/C 2014/01/16 - M 4353)

RESOLVED:

(a) That the two bus and taxi associations i.e. NABTA and NPPTA be invited to give presentations on how to manage the Mondesa taxi rank.

(b) That the successful association enters into a lease agreement with the Council for a period of three (3) years, whereby the Lessee will be responsible for the following:

- (i) The upkeep including cleaning and maintenance of the area concerned (loading zones and car wash).*
 - (ii) Providing security to ensure an orderly and safe site for the parking of taxis and buses embarking and disembarking of passengers as well as the loading and offloading of goods.*
 - (iii) Providing ancillary services to passengers as required and ensures the proper running and management of the taxi rank.*
 - (iv) Providing clear sets of rules, guidelines and a pricelist for the use of the property by taxis or buses operators.*
 - (v) Ensuring that the users, viz. taxi drivers / owners, passengers, employees and members of the public adhere to the rules and regulations for the use of the property (loading zone and car wash).*
-

7.7 **STREET NAMING COMMITTEE - POLICY CHANGE PROPOSAL**
(M/C 2014/01/16 - N 8/1/2)

RESOLVED:

That the item be referred to the Naming of Streets, Public Places, Natural Areas And Council-Owned Buildings / Facilities Advisory Committee and that the committee be requested to expedite the process due to the urgency of the matter

7.8 **TERMINATION OF AGREEMENT BETWEEN ROADS AUTHORITY (NATIS) AND COUNCIL**
(M/C 2014/01/16 - N 8/15/13)

RESOLVED:

- (a) That this item be referred back.
 - (b) That the Chief Executive Officer of Roads Authority be invited for an audience with Council to discuss the matter on a date to be determined.
-

7.9 **(01) 2008 TO DATE:**
LAND APPLICATIONS (x2) - RAILWAY WEDGE
(M/C 2014/01/16 - G 4/1/1)

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

RESOLVED:

That it be noted that Councillor J Kambueshe declared his interest and left the chamber.

7.11 **(03) 2008 TO DATE:**
LAND APPLICATIONS (4x) - BLOCK 9 (EXTENSION 24)
(M/C 2014/01/16 - G 3/9/9)

RESOLVED:

That the application be resubmitted to the Management Committee meeting of February 2014 to determine the purchase price and conditions of sale.

7.12 **MARKET VALUATION:**
A PORTION OF LAND LOCATED ON BLOCK 19 - MESSRS MEDICAL DIAGNOSTIC CENTRE NAMIBIA (PTY) LTD
(M/C 2014/01/16 - G 3/9/9, G 3/9/20)

RESOLVED:

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

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

(M/C 2014/01/16 - E 466, G 4/2/1/2)

RESOLVED:

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.

7.14 **ERF 2747, SWAKOPMUND: APPLICATION BY SWAKOPMUND SANDS HOTEL TO PURCHASE A PORTION**

(M/C 2014/01/16 - E 2747)

RESOLVED:

That an *in-loco* inspection be arranged by the Chief Executive Officer when the layout of Erf 2747 is submitted.

7.19 **FEEDBACK ON THE IMPLEMENTATION OF THE 5 YEAR STRATEGIC PLAN**

(M/C 2014/01/16 - G 3/1/4)

RESOLVED:

- (a) That the feedback regarding the implementation of the 5 year strategic plan submitted by the Chief Executive Officer be noted.
 - (b) That the Chief Executive Officer provides a presentation after the Management Committee meeting of 13 February 2014.
-

7.20 **LEASE PROPOSALS - MARTIN LUTHER HISTORICAL SITE**

(M/C 2014/01/16 - J 8/3)

RESOLVED:

That the Acting General Manager: Corporate Services and Human Resources determine the exact size of the land to be leased, before the next Council meeting.

8. **POLICY MATTERS**

8.3 **REQUEST TO EXTEND MR JOHAN DE KOCK'S CONTRACT**

(M/C 2014/01/16 - B 1/1/4)

During the discussion of this item the General Manager: Engineering Services declared his interest on the item and recused himself from the discussion. It was:-

RESOLVED:

That it be noted that General Manager: Engineering Services declared his interest and recused himself from the discussion.

9. **PERSONNEL MATTERS**

9.2 **REQUEST FOR TRANSPORT ALLOWANCE**

(M/C 2014/01/16 - B 1/1/9, L 5)

RESOLVED:

That the resolution taken by Council on 31 August 2005 be amended to read as follows:

- (a) That all Traffic Officers who, for whatever reasons don't overnight with their patrol cars, receive transport allowance from 01 December 2013.
- (b) That the situation be closely monitored by the Manager: Traffic Services, in order to curb the possibility of abuse of patrol vehicles by staff members while they receive transport allowance.

9.3 **NOTICE OF APPROVAL TO WORK EXCESS OVERTIME AND TO PERFORM WORK ON SUNDAYS AND PUBLIC HOLIDAYS IN TERMS OF THE LABOUR ACT NO. 11 OF 2007, AS AMENDED**

(M/C 2014/01/16 - B 1/8)

RESOLVED:

That the notice of approval to work excess overtime and to perform work on Sundays and public holidays in terms of the labour act no. 11 of 2007, as amended submitted by the General Manager: Corporate Services and Human Resources be noted.

9.4 **DESIGNATION OF ESSENTIAL SERVICES IN LOCAL AUTHORITIES**

(M/C 2014/01/16 - B 1/1/4, B 1/1/6, B 1/1/9, B 1/1/12)

RESOLVED:

That the report regarding the designation of essential services in Local Authorities submitted by the General Manager: Corporate Services and Human Resources, stating that Traffic Officers are not regarded as an essential service be noted.

10 **MATTERS NOT ON THE AGENDA, BUT DISCUSSED WITH PERMISSION OF THE CHAIRPERSON**

10.1 **SEWAGE TREATMENT PLANT - OPERATOR**

(M/C 2014/01/16 - N 6/1/3)

RESOLVED:

- (a) That this item be referred back.
 - (b) That the General Manager: Engineering Services indicates exactly which clauses of the following resolutions should be repealed:
 - Item 11.1.9 of 25 October 2012
 - Item 11.1.30 of 30 May 2013
 - (c) That skills transfer or under-study be incorporated into the outsourcing contract.
-

11. **RECOMMENDATIONS BY THE MANAGEMENT COMMITTEE**
- 11.1 **RECESS COMMITTEE MEETING AND ORDINARY MANAGEMENT COMMITTEE MEETING HELD ON 16 JANUARY 2014**
- 11.1.1 **THE LIGHTHOUSE GROUP: FUNCTIONS AT THE OLD MUNICIPAL SWIMMING POOL**
(C/M 2014/01/28 - E 4747)

Recess Committee Meeting of 05 December 2013, Addendum 5.1 page -- refers.

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

1. Introduction

The **attached** application dated **26 November 2013** was received from Mr Quinton Liebenberg trading as The Lighthouse Group for permission to host functions at the old municipal swimming pool building on **26, 27, 28, 30 and 31 December 2013**.

As per page 2 of the attached letter Mr Q Liebenberg lists all precautionary measures which he arranged for the functions.

The dates and name of Mr Quinton Liebenberg trading as The Lighthouse Group taking responsibility for the events were confirmed on **2 December 2013** as above.

Messrs Kinghorn Associates confirmed that the transfer of Erf 4747, Swakopmund to The Trustees for the Time Being of The Lighthouse Property Investment Trust is in process, but will only be registered early in 2014.

Attachments:

- Annexure "A"** - Application dated **26 November 2013** from The Lighthouse Group and following attachments, i.e. Eagle Christian Centre Ambulance Services, 32 Security Services, Swakopmund Neighborhood Watch and Swakopmund Police
- Annexure "B"** - Comments from Fire Brigade
- Annexure "C"** - Comments from Traffic Section

2. Rental Tariff and Indemnity

Council only has rental tariffs in place for public open spaces and it is therefore proposed that should Council approve the use of the old swimming pool building, a daily rental tariff the same as for the town hall be levied, i.e.:

*N\$1 815.00 before 24:00
N\$242.00 per hour after 24:00*

A refundable deposit in the amount of N\$357.50 is payable.

Therefore, the cost will amount to:

Rental x 4 days = N\$7 260.00

Refundable Deposit = N\$ 357.50

Total = **N\$ 7 617.50**

In addition to the above, depending until what time Council allows the functions to continue, N\$242.00 per hour, after 24:00 is payable.

Council's standard conditions for the lease of public places will apply, which include Council being indemnified against any possible claims.

3. **Comments from Fire Brigade and Traffic Section**

3.1 **Fire Brigade**

Attached as Annexure "B".

3.2 **Traffic Services**

As per attached **Annexure "C"**, Traffic Section confirmed that the applicant be informed that the customers make use of the public parking area at the tennis courts.

The Traffic Section also confirmed that they would increase patrols in the vicinity to avoid illegal parking which can obstruct the free flow of traffic.

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

RESOLVED: (For Condonation By Council)

That the application to lease the premises located on Erf 4747, Swakopmund to Mr Quinton Liebenberg trading as The Lighthouse Group on 26, 28, 30 and 31 December 2013 for the hosting of various entertainment events be approved, subject to the following conditions:

- (i) *Compliance in terms of the requirements of the SANS 00400 - 1990 Code of Practice upon inspection and identification by the Chief Fire Brigade.***
- (ii) *Compliance with National Standards / Building Regulations.***
- (iii) *Submission of an emergency evacuation plan.***
- (iv) *Parking at the public parking area adjacent to the tennis courts.***
- (v) *A limitation be placed on the number of people who can be accommodated within the building.***
- (vi) *The Lighthouse Group must indemnify Council against any claims.***
- (vii) *That the following rental be charged:***

Rental x 4 days = N\$ 7 260.00

Refundable Deposit = N\$ 357.50

Total = **N\$ 7 617.50**

In addition to the above, depending until what time Council allows the functions to continue, N\$242.00 per hour, after 24:00 is payable.

- (viii) *That the functions be no later than 02:00 only for the night of 31st December to 1 January, all other nights 24:00 on the day of the approved date.***
 - (ix) *That no fireworks of any kind be ignited.***
 - (x) *That noise be restricted to the immediate surrounding area and upon any complaints of noise pollution the approval be reconsidered.***
-

11.1.2 **RESUBMIT: APPLICATION TO LEASE PUBLIC TOILETS AT TENNIS COURTS TO BE CONVERTED INTO STORE ROOMS**
(C/M 2014/01/28 - N 7/4/3)

Ordinary Management Committee Meeting of 16 January 2014,
Addendum 7.1 page 01 refers.

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

1. **Introduction**

The application **02 May 2013** of Swakopmund Tennis Club attached as **Annexure ‘A’** to lease the public ablution facilities which is situated at the entrance of the Tennis Courts, on the Remainder of Block 1 was discussed at the Planning Forum on **16 July 2013** whereafter it was submitted to the Management Committee on **12 September 2013** for further investigation.

The application was again discussed at the Planning Forum on **29 October 2013** and is now submitted to the Management Committee for consideration.

A map indicating the facility is attached as **Annexure “B”**.

2. **Current Situation**

This application was resubmitted to the Planning Forum of **29 October 2013** for discussion under item 4.1; whereafter the following was proposed:

- (a) *That the application of Messrs Swakopmund Tennis Club to lease the public ablution facility at the entrance of the tennis courts on the Remainder of Block 1, not be approved, as the envisaged use of the Public Toilets at the hawkers market will not meet the needs of the public; therefore the public toilets at the Tennis Courts should remain open.*
- (b) *That the cleaning of the public ablution facility at the entrance of the tennis courts on the Remainder of Block 1 be outsourced to Ms Naukushu.*
- (c) *That Ms Naukushu be permitted to charge N\$2.00 per use in order to recover the expenses on the facility.*

3. **Background**

The Swakopmund Tennis Club is currently leasing the tennis court area which is situated on the Remainder of Block 1.

The club is a non-profit organization and is financially dependent on membership as well as the meager income generated from social events. They normally host events such as Dolf's Tennis Academy, Coastal Junior and Senior Tournaments including Namibia Veterans Tournaments.

According to Messrs Swakopmund Tennis Club they wish to convert the ablution facility into a storeroom for their garden equipment. They are also complaining about the smell, misuse and appearance of the facility especially when hosting tournaments.

Furthermore, should Council grant approval to Messrs Swakopmund Tennis Club to lease the ablution block it to be incorporated into the lease for a definite period which will be nine years and eleven months.

4. **Current Situation**

The Palm Beach Hawkers have been and are still utilising these ablution facilities, although there are toilets at Kavita Park. These ablution facilities applied for are also available for use by tourists and any member of the public, as well as for the operation of the three demarcated mobile food kiosk sites adjacent to the southern boundary of the courts.

5. **Comments**

The General Manager: Health Services is not in favour of the application, taking into consideration the reasons stated in the column below.

On the other hand the GM: Engineering Services supports the application, as the club will have better control over the vagrants in the immediate vicinity.

GM: Health Services Department	GM: Engineering Services Department
<ul style="list-style-type: none">• <i>The ablution block is serving the demarcated Mobile Kiosk Areas on the parking lot as approved by Council.</i>• <i>It also serves as a facility for use during the annual Christmas or hosting of Special Events at the Palm Beach.</i>• <i>The public toilets must remain open, as the public toilets at the hawkers area will not meet the needs of the public.</i>	<ul style="list-style-type: none">• <i>The ablution facilities were supposed to be integrated with the Kavita Park hawker area.</i>• <i>Should Council approve the application, the diagram be amended and the cost incurred be for the account of the applicant.</i>

6. **Proposal**

During discussions at the Management Committee Meeting of **12 September 2013**, it was concluded that the application of Messrs Swakopmund Tennis Club not be supported, as the Public Toilets at the hawkers market will not meet the needs of the public.

With reference to *point 2*; the Planning Forum Committee discussed the application of Messrs Swakopmund Tennis Club **29 October 2013** and proposed that the application not be approved, but that the public ablution facility rather be outsourced to Ms Naukushu who is full time on site as a stallholder at Kavita Park hawker site.

The public ablution facilities next to Amphitheatre are currently outsourced by the Health Services Department to Mr Lupasa.

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

RECOMMENDED:

- (a) That the application of Messrs Swakopmund Tennis Club to lease the public ablution facility at the entrance of the tennis courts on the Remainder of Block 1, not be approved, as the envisaged use of the Public Toilets at the hawkers market will not meet the needs of the public; therefore the public toilets at the Tennis Courts must remain available.
 - (b) That the Health Services Department be responsible for outsourcing the public ablution facility at the entrance of the tennis courts on the Remainder of Block 1 to Ms Naukushu.
 - (c) That Ms Naukushu be permitted to charge N\$2.00 per use in order to recover the expenses on the facility.
-

11.1.3 **SALE OF OLD MAIN MUNICIPAL OFFICE BUILDING**
(C/M 2014/01/28 - E 989)

Ordinary Management Committee Meeting of 16 January 2014,
Addendum 7.3 page 08 refers.

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

1. **Introduction**

The rezoning of Erf 989, Swakopmund from “*Local Authority*” to “*General Business*” was submitted in Town Planning Amendment Scheme 35 and promulgated on **15 November 2013**.

Therefore, the property is now available for sale.

Quoted from Town Planning Amendment Scheme 12:

Primary Uses: *Shops, Office Buildings, Parking Garages, Licensed Hotels, Block of Flats, Residential Buildings,*

Consent Uses: *Service Stations, Service Industry, Place of Assembly, Place of Amusement, Institutional Buildings, Drive Inn Cafés, Funeral Parlours and Chapels, Warehouses, Liquor Stores, Pensions, Bed and Breakfast, Launderettes, Dry Cleaners*

The parking requirements are attached as per **Annexure “A”**.

2. **Brief Background**

During 2011 an application was received from the Ministry of Safety & Security to purchase the premises. The said Ministry cancelled their application and Council accepted same on 31 August 2011; and Council decided that closed bids be invited.

The property was sold by closed bid to Messrs Luxury Investments One Hundred & One (Pty) Ltd in the amount of **N\$21 600 000.00** on **30 September 2011**. The sale was cancelled by Council on **26 April 2012** and passed the following resolution:

- | | |
|-----|---|
| (a) | <i>That the sale of Erf 989, Swakopmund to Messrs Luxury Investments One Hundred & One (Pty) Ltd be cancelled.</i> |
| (b) | <i>That Council invites closed bids for the alienation of Erf 989, Swakopmund at the upset price of N\$20 100 000.00.</i> |

As the rezoning of the property had to be finalized before selling the property, point (b) could not be executed.

Council on **29 February 2012** resolved that the property be rezoned.

Council on **30 August 2012** approved that the rezoning be included in Town Planning Amendment Scheme 53.

3. **Erf 989, Swakopmund**

3.1 **Building**

Very limited parking is available on Erf 989, Swakopmund and the building is currently not being maintained as the sale thereof is anticipated.

Council on **28 November 2013** under item 11.1.25 point (d) passed the following resolution:

That in future Council adopts a Policy whereby, for the Conservation Area, business enterprises may acquire / develop alternative parking (constructed to specification by Engineering Services Department) at a cost and location to be determined by Council, in lieu of on-site parking.

The new owner will have to invest considerable funds in order to renovate the building, which is deteriorating.

Messrs National Housing Enterprise is leasing the Management Committee room from 1st December 2013 and will continue until 30 November 2014, or until the property is sold and transferred in the name of the future purchaser (whichever period is shorter) at a monthly rental amount of N\$4 101.58 (VAT included).

The Electoral Commission of Namibia will also be using Room 20 at the eastern entrance from 13 January 2014 until 2 March 2014 for registration purposes.

3.2 **Purchase Price**

The following valuations were submitted to the Management Committee of **14 January 2010**:

MUNICIPAL BUILDING	THE TRUST & ESTATE CO (PTY) LTD	NASIKAMA PROPERTY VALUATION & CONSULTANCY
Erf 989, S	N\$11 880 000.00	N\$18 300 000.00

Council on **28 January 2010** approved an upset price of **N\$15 100 000.00** for Erf 989, Swakopmund.

On **28 April 2011** Council repealed the above upset price and approved an upset price of **N\$20 100 000.00**.

During 2013 when considering the sale of Erf 4884, Swakopmund, Council on 25 April 2013 decided on an upset price for Erf 4884, Swakopmund as follows:

(a) *That the upset price for the sale of Erf 4884, Swakopmund located close to the airport, be based on the Municipal valuation of the land and the improvements, i.e. N\$2 532 000.00, keeping in mind that it is not Council's intention to generate high profits and that 15% VAT is payable on industrial land.*

The municipal valuation as "local authority" for Erf 989, Swakopmund is as follows:

Land : N\$ 966 000.00
Premises : N\$ 5 982 000.00

As per the attached valuation received from Messrs The Trust & Estate Co (Pty) Ltd the land valuation as "general business" is:

Land : N\$1 300 000.00

Difference in valuation between the pre and post zoning valuation is therefore N\$334 000.00.

Should Council consider an upset price for the premises located on Erf 989, Swakopmund based on the municipal valuation, same will be unreasonably low in comparison to the actual value, i.e. **N\$7 282 000.00** compared to N\$ 14 500 000.

Messrs The Trust & Estate Co (Pty) Ltd confirmed on 11 December 2013 that the current market value of the property is N\$14 500

000.00, which compares close to the value approved by Council as an upset price on 28 January 2010 as N\$15 100 000.00.

Council's revised Property Policy states that purchase prices be considered at the average of 3 valuations. Mr Abel Schoeman and Mr Chet van Wyk were requested to provide probable market valuations.

Mr Abel Schoeman provided the valuation attached as **Annexure "C"**, stating a probable market valuation of N\$14 225 000.00.

After various enquiries and reminders, Mr Chet van Wyk has not submitted any valuation and a third valuation could not be obtained at such short notice.

Probable Market Valuations received:

• The Trust & Estate Co (Pty) Ltd	=	N\$ 14 500 000.00
• Mr Abel Schoeman	=	N\$ 14 225 000.00
Average of the two valuations	=	N\$ 14 362 500.00

It is therefore proposed that Council considers an upset price of N\$14 500 000.00 for the sale of Erf 989, Swakopmund by closed bid sale during 2014; keeping in mind that the purchaser will have to develop alternative parking as per Council's resolution passed on **28 November 2013**:

(d) *That in future Council adopts a Policy whereby, for the Conservation Area, business enterprises may acquire / develop alternative parking (constructed to specification by Engineering Services Department) at a cost and location to be determined by Council, in lieu of on-site parking.*

3.3 Heritage Status

It should be noted that the main municipal office building is older than 50 years and is located within the heritage area, quoted from the **Government Gazette No 4022 of 1 April 2008**:

No 79	2008
PROHIBITION OF DEMOLITION OF CERTAIN BUILDINGS IN A CONSERVATION AREA : NATIONAL HERITAGE ACT, 2004	
Under section 54 (11) of the National Heritage Act, 2004 (Act No. 27 of 2004), the National Heritage Council prohibits the demolition of any building which is 50 or more years situated within a conservation area declared as such in General Notice No 260 of September 2006 without the written consent of the Council.	

For any alterations to the building, permission must be obtained from the National Heritage Council.

4. Proposal

It is proposed that Council considers the following:

- 4.1 *That the property be sold by closed bid to the highest bidder.*
- 4.2 *That an upset price of N\$ 14 500 000.00 be approved.*
- 4.3 *That the sale be subject to Council's standard conditions.*
- 4.4 *That closed bids be invited and the intended sale be advertised for possible objections in terms of the requirements of section 63 (2) (b) of the Local Authorities Act, Act 23 of 1992 as amended.*
- 4.5 *That the condition approved by Council on 10 November 2011 be applicable, i.e. That similar relevant amendments be made to the Deed of Sale of Erf 989 so that possession is only given upon transfer.*

- 4.6 *That it be pointed out that the property is subject to the conditions and requirements of the National Heritage Council (Government Gazette No 4022 of 1 April 2008).*
- 4.7 *That the Council in terms of its resolution passed on 28 November 2013 considers alternative parking to be developed as limited parking is available on site.*
- (d) *That in future Council adopts a Policy whereby, for the Conservation Area, business enterprises may acquire / develop alternative parking (constructed to specification by Engineering Services Department) at a cost and location to be determined by Council, in lieu of on-site parking.*

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

RECOMMENDED:

- (a) **That Erf 989, Swakopmund be offered for sale by closed bid to the highest bidder.**
 - (b) **That an upset price of N\$14 500 000.00 be approved.**
 - (c) **That the sale be subject to Council's standard conditions, i.e. and among other:**
 - 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.***
 - 8. ***The agreement of sale must be signed and returned to the Swakopmund Municipality, by the prospective purchaser within 21 days of being requested to do so***
 - (d) **That closed bids be invited and the intended sale be advertised for possible objections in terms of the requirements of section 63 (2) (b) of the Local Authorities Act, Act 23 of 1992 as amended.**
 - (e) **That the condition approved by Council on 10 November 2011 be applicable, i.e. *That similar relevant amendments be made to the Deed of Sale of Erf 989 so that possession is only given upon transfer.***
 - (f) **That it be pointed out that the property is subject to the conditions and requirements of the National Heritage Council (Government Gazette No 4022 of 1 April 2008).**
 - (g) **That all alterations, renovations and developments comply with the Town Planning Amendment Scheme.**
 - (h) **That the Council in terms of its resolution passed on 28 November 2013 considers alternative parking to be developed as limited parking is available on site.**
 - (d) ***That in future Council adopts a Policy whereby, for the Conservation Area, business enterprises may acquire / develop alternative parking (constructed to specification by Engineering Services Department) at a cost and location to be determined by Council, in lieu of on-site parking.***
 - (i) **That the Engineering Services Department attends to the maintenance of the building should the sale not be successful.**
-

11.1.4 **SALE OF ERF 4894, EXTENSION 10 SWAKOPMUND TO THE MINISTRY OF ENVIRONMENT AND TOURISM**
(C/M 2014/01/28 - E 4894)

Ordinary Management Committee Meeting of 16 January 2014,
Addendum 7.4 page 16 refers.

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

Correspondence was received from the Ministry of Environment and Tourism on **6 May 2013** requesting to purchase an erf in the industrial area of Extension 10, Swakopmund from Council in order to develop a maintenance workshop and vehicle warehouse with offices. The Ministry identified Erven 4891, 4892, 4893 and 4894 as properties they would be interested in. (**Annexure “A”**)

The Ministry was informed on **29 May 2013** that in order to allow for the above needs identified, they would require a property with a “*General Industrial*” zoning as this zoning would allow for activities such as a maintenance workshop.

The four identified properties are in the process of being rezoned to “General Industrial” as per the Council decision of **25 October 2012**:

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.

The rezoning of the properties will have to be finalised before any of the mentioned properties could be sold.

The Ministry replied on **31 July 2013** indicating Erf 4894, Swakopmund as their first choice although they would also be satisfied with any of the other mentioned properties should this erf not be available to them.

The details of the relevant properties are as follows: (**Annexure “B”**)

Erf Number	Erf Size m ²	To be zoned
4891	5992	General Industrial
4892	5922	General Industrial
4893	5851	General Industrial
4894	5780	General Industrial

A summary of the sale of “*General Industrial*” erven sold at the Closed Bid sale of **4 October 2013** in Extension 10, is as follows:

Erf Number	Erf Size m ²	Upset Price N\$	Purchase Price N\$ (excl. 15% VAT)	Average N\$ / m ²
4875	47764	7,642,240.00	8,800,000.00	184.24
4876	13049	2,087,840.00	2,714,192.00	208.00
4877	13054	2,088,640.00	3,263,891.62	250.03
4878	13055	2,088,800.00	3,743,521.00	286.75
4879	13033	2,085,280.00	3,258,250.00	250.00
4880	16801	2,688,160.00	4,000,000.00	238.08
	116756		25,779,854.62	
Average N\$ / m² for all erven sold				220.80

The average square meter price obtained at the Closed Bid sale for the “*General Industrial*” zoned erven amounted to N\$220.80 per m².

It is proposed that Council approves the sale of Erf 4894, Swakopmund to the Ministry of Environment and Tourism on the completion of the zoning to “*General Industrial*” at a price of N\$220.80 per m². The price for the 5780 m² property will then amount to N\$1 276 224.00 (excluding 15% VAT).

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

RECOMMENDED:

- (a) That Erf 4894, Swakopmund be sold to the Ministry of Environment and Tourism subject to the standard conditions of sale at a rate of N\$220.80 per m² amounting to N\$1 276 224.00 (excluding 15% VAT) which shall be payable on the date of registration of the transfer of the property.
 - (b) That the sale of Erf 4894, Swakopmund be subject to the completion of the rezoning of the property to “*General Industrial*”.
 - (c) That on completion of the rezoning to “*General Industrial*”, the proposed sale be advertised in terms of the Local Authorities Act 23 of 1992, as amended.
 - (d) That all costs involved with the advertising, sale and transfer of the property be for the account of the Ministry of Environment and Tourism.
-

11.1.5 **SALE OF BUSINESS ERVEN AT THE PDA MONDESA**
C/M 2014/01/28 - H 5/7)

Ordinary Management Committee Meeting of 16 January 2014,
Addendum 7.5 page 26 refers.

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

Management Committee on **19 November 2013** resolved as follows:

That this item be kept in abeyance and the applicants be requested to provide proof that they can pay the purchase price for the land.

The above resolution was communicated to all the applicants as per the attached letter dated 05 December 2013 (**Annexure "A"**) to which they were expected to reply by 13 December 2013. All applicants have responded within the prescribed time frame as summarised below:

APPLICANT	REMARKS
Mr Lukas Shilongo	Has confirmed that he is in a position to pay for the land in cash. In addition, Mr Shilongo would like to request Council to deal with his application for land in terms of the initial conditions set by Council. Finally, he wishes to advise Council that he was not part of those who wrote a letter to Council requesting for a repeal of point (b) 1 (i) of the Council Resolution of 25 October 2012 under Item 11.1.3. (Annexure "B")
Mr Petrus Hangula	Has confirmed that he is in a position to pay for the land cash and has also complied with all the requirements as set out in Council Resolution of 25 October 2012 under Item 11.1.3 (Annexure "C")
Messrs Omakango Trading cc.	Has confirmed that he is in a position to pay for the land cash. (Annexure "D")
Mr Ismael Abraham	Has confirmed that he is in a position to pay for the land cash. (Annexure "E")
Mr Sam Halupe	Has confirmed that he is in a position to pay for the land cash. (Annexure "F")

In their response letters, Messrs L Shilongo and L Hangula insist that Council proceeds with the initial project plan and conditions, seeing that they have complied with all the requirements contained in the Council resolution of **25 October 2012**, particularly point (b) 1 (i) of the said resolution, which requires them to submit written *proof from financial institutions confirming that accounts do exist specifically to finance their respective projects.*

On the other hand, Messrs Omakango Trading cc, Abraham Ismael and Sam Halupe and Petrus Hangula in their letter dated **24 October 2013** advised Council that they were finding it difficult to secure bank

guarantees or written proof from financial institutions confirming that accounts do exist specifically to finance their projects. (**Annexure G**).

It was for this reason that they requested Council to retract clause (b) 1 (i) of the above Council resolution which requires them to submit written proof from financial institutions that accounts do exist specifically to finance this project.

In exchange, the four applicants had offered to reduce the construction period from 48 to 24 months, which offer, they feel will adequately serve as a guarantee to complete the project.

This whole matter started off with applications submitted by the five candidates during 2012 to purchase erven 3402 measuring 775m², 3738 measuring 898m², 3739 measuring 918m², 3736 measuring 918m², 3737 measuring 896m² and 3399 measuring 773m², in Mondesa, to which Council resolved under Item 11.1.3 on 25 October 2012, as follows:

- (a) *That the following business erven be alienated to the following companies at a purchase price of N\$102.00/m²:*

<i>Applicant</i>	<i>Erf</i>
<i>Messrs The Namupala Family Enterprise</i>	<i>Erf 3402 measuring 775m²</i>
<i>Messrs Petrus Hangula</i>	<i>Erf 3738 measuring 898m²</i>
<i>Messrs Lukas Shilongo</i>	<i>Erf 3739 measuring 918m²</i>
<i>Messrs Ismael Abraham</i>	<i>Erf 3736 measuring 918m²</i>
<i>Messrs Sam Halupe</i>	<i>Erf 3737 measuring 896m²</i>
<i>Messrs Omakango Trading CC</i>	<i>Erf 3399 measuring 773m²</i>

- (b) *That the applicants take note of the following conditions, which will be applicable transaction:*

1. APPLICATION

- (i) *That the applicant shall submit written proof from a financial institution that an account exists specifically to finance this project.*
- (ii) *That the detailed development proposal document be attached to the Deed of Sale and will therefore be enforceable to comply with.*

2. IN PRINCIPLE APPROVAL BY COUNCIL

- (i) *That the applicant takes note that no rights will accrue to him / her unless all the conditions are complied with in full and all the relevant authorities have given the necessary permission, if applicable.*
- (ii) *That a deposit of N\$50 000.00 (to be increased or decreased in the discretion of Council) be required of the applicant to cover all fees and costs to Council, prior to attending to the statutory processes.*
- (iii) *That should a balance remain after Council's costs have been covered, it will be refunded to the applicant.*
- (iv) *That the successful applicant shall be required to pay the above deposit within 90 days from the Council resolution approving the purchase price, failing which the Council resolution will automatically be revoked.*

3. AGREEMENT OF SALE AND TRANSFER

- (i) *That the agreement of sale be concluded and signed within 12 months after the Council resolution approving the allocation is received by the applicant, failing which the resolution will lapse.*
- (ii) *That the agreement of sale be signed and returned to the Swakopmund Municipality, by the purchaser / developer within 21 days of being requested to do so.*
- (iii) *That all costs relating to the transfer of this 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), be for the applicant's account.*

4. PAYMENT OF PURCHASE PRICE AND VAT

That the purchase price and 15% VAT to be secured by means of a bank guarantee payable on date of transfer.

5. GENERAL

- (i) *That the whole project (per detailed development plan) must be completed within 48 months from date of sale and if no development is made in terms of the conditions of the agreement of sale the property shall revert to Council without any compensation to the purchaser.*
- (ii) *That the applicant is not permitted to cede, assign or alienate their right or interest in the property or alienate the property to a 3rd party in any way before all the relevant conditions contained in the agreement of sale are fulfilled.*
- (iii) *That the applicant takes note that Council does not reserve land and should the transaction not be concluded within the one year period from closing date for objections / ministerial approval in the case of objections received, the transaction be cancelled without the need for Council to inform the applicant.*

6. INDEMNITY

That the applicant indemnifies Council against any claims resulting from blasting (if any).

- (c) *That Erf 3398 measuring 2484m² be sold at a closed bid auction.*
- (d) *That the purchasers of the following erven confirm that they are willing to appoint the same architect in order to have a uniform design for the buildings to be erected on the listed erven:*

<i>Applicant</i>	<i>Erf</i>
<i>Messrs Petrus Hangula</i>	<i>Erf 3738 measuring 898m²</i>
<i>Messrs Lukas Shilongo</i>	<i>Erf 3739 measuring 918m²</i>
<i>Messrs Ismael Abraham</i>	<i>Erf 3736 measuring 918m²</i>
<i>Messrs Sam Halupe</i>	<i>Erf 3737 measuring 896m²</i>

The above resolution was communicated to all the applicants and as such they were expected to positively respond within the prescribed time frame. Applicants were particularly required to pay deposits and submit written proof from financial institutions that accounts do exist to finance their respective projects before Council could allow them to proceed with the transactions.

However only Messrs L Shilongo and L Hangula managed to comply with all the requirements, while Messrs Omakango Trading cc, I Abraham and S Halupe failed to submit such written proof and instead wrote a letter requesting Council to repeal the above mentioned resolution and allow them to go ahead with their projects (**Annexure "G"**).

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

RECOMMENDED:

- (a) **That permission be granted to the following developers to proceed with their respective transactions in respect of the following erven:**

<i>Applicant</i>	<i>Erf</i>
<i>Messrs Petrus Hangula</i>	<i>Erf 3738 measuring 898m²</i>
<i>Messrs Lukas Shilongo</i>	<i>Erf 3739 measuring 918m²</i>
<i>Messrs Ismael Abraham</i>	<i>Erf 3736 measuring 918m²</i>
<i>Messrs Sam Halupe</i>	<i>Erf 3737 measuring 896m²</i>
<i>Messrs Omakango Trading CC</i>	<i>Erf 3399 measuring 773m²</i>

- (b) **That the developers be informed to complete the projects within the period specified in the condition of sale.**
 - (c) **That Messrs Omakango Trading CC, Ismael Abraham and Sam Halupe be informed to pay the purchase price by 31 May 2014.**
-

11.1.6 **(02) 2008 TO DATE: LAND APPLICATIONS (6x) - BLOCKS EAST OF KRAMERSDORF**

(C/M 2014/01/28 - G 4/1/1)

Ordinary Management Committee Meeting of 16 January 2014, Addendum 7.10 page 80 refers.

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

1. Introduction

With reference to the land applications received since 2008 to date, the Management Committee on **12 September 2013** under items 7.11 and 7.12 passed the following resolution:

- (a) *That this item be referred back and that applications be resubmitted individually in batches of 10 (ten) at a time, starting with applications for township developments.*
- (b) *That the General Manager: Corporate Services and Human Resources formulate a definition as to what constitutes "Large Portions of Land" and submit same to Management Committee.*
- (c) *That permission be granted to the General Manager: Corporate Services and Human Resources to ascertain the nature and purpose of the application from applicants, where necessary.*

With reference to point (b) above, large portions of land can be defined as a portion of land, developed (meaning streets, sidewalks, water, sewerage and electricity) or undeveloped land in extent of 5 000m² or 0.5 hectares.

2. Land Portion – Blocks East of Kramersdorf

This area refers to Blocks 1 and 2 to the east of the Dunes Estate Development.

Messrs Stubenrauch Planning Consultants attended to the subdivision of these 2 blocks into three portions (Portions A, B and C) and the remainder. A subdivision certificate was issued on **23 October 2013**, therefore the Engineering Services Department will appoint a surveyor to attend to the surveying and compilation of diagrams for submission to the Surveyor-General for approval within two years.

These blocks are not serviced and Council approved the layouts on **30 May 2013** for only Portions A and B as submitted by Messrs Stubenrauch Planning Consultants. Portion C does not have an approved layout.

As was discussed at the Tender Board on 08 November 2013, these blocks no longer require environmental clearance.

3. Applications received for the portion of land

The following applications were received for the portion of land:

➡ *2008 until the end of 2010*

1. Zillion Investments Holdings (DF Malherbe & Partners)
2. Palms for Africa – letters dated 24 October 2008
3. Ocean Property Development CC

➔ **2011 to date**

4. Beulah Endola Property Development Consultants
5. Atlantic Seaboard Property Development (Pty) Ltd
6. D F Malherbe & Partners on behalf of Dunes Estate Development

3.1 **Zillion Investments**

Messrs Zillion Investments submitted an application dated **28 May 2008** for a portion of land located to the east of Kramersdorf for exclusive, but affordable erven and dwelling units. The applicant was informed on **14 August 2008** that Council is investigating the use of this land.

Annexure “A”

- ① Letter dated **28 May 2008** received from Messrs Zillion Investment Holdings (Pty) Ltd
- ② Council's reply dated **14 August 2008**
- ③ Letter dated **26 June 2008** from Messrs D F Malherbe & Partners regarding the application by Messrs Zillion Investment Holdings (Pty) Ltd
- ④ Letter dated **31 July 2008** received from Messrs Zillion Investment Holdings (Pty) Ltd

3.2 **Palms for Africa**

Messrs Palms for Africa submitted an application dated **24 October 2008** for a portion of land located to the east, being adjacent to the current Dunes Estate Development. They intended to create accommodation establishments and a green belt area (spa).

Annexure “B”

- ① Letters dated **24 October 2008** and **21 September 2009** received from Messrs Palms for Africa
- ② Letter dated **17 February 2009** and Council's reply dated **22 April 2009**
- ③ Letter dated **11 March 2009** and Council's reply dated **13 March 2009**
- ④ Letter dated **20 September 2010**
- ⑤ Council's replies dated **25 November 2009** and **13 January 2010**
- ⑥ Council's replies dated **7 October 2010** and **28 March 2011**

3.3 **Ocean Property Development CC**

An application dated **19 October 2009** was received from Messrs Ocean Property Development CC for a township development.

Annexure “C”

- ① Application dated **19 October 2009** including a map
- ② Council's replies dated **14 December 2009** and **13 January 2010**

3.4 **Beulah Endola Property Development Consultants**

Messrs Beulah Endola Property Development Consultants submitted an application dated **15 April 2011** for a public private partnership agreement for the development of Blocks 1 and 2, east of Kramersdorf.

The Management Committee considered their application on **16 June 2011** and decided that the application be held in abeyance pending the finalization of the revised property policy.

Annexure “D”

- ① Application dated **15 April 2011**
- ② Council's reply dated **08 March 2012**

3.5 Atlantic Seaboard Property Development (Pty) Ltd

Atlantic Seaboard Property Development (Pty) Ltd submitted an application dated **15 March 2012** for a public private partnership agreement for the development of Block 2, east of Kramersdorf.

Annexure “E”

- ① Application dated **15 March 2012**
- ② Council's reply dated **11 April 2012**

3.6 D F Malherbe & Partners (on behalf of Dunes Property Pty Ltd)

Messrs Dunes Estate Development also submitted an application for consideration of a joint venture for the development of the block adjacent to their current development per letter dated **17 July 2013**.

Annexure “F”

- ① Application dated **17 July 2013**
- ② Council's reply dated **05 August 2013**

3.7 Miscellaneous

Various applications were also received for large portions of land to the east of these blocks, such as for a bird paradise and two applications for horse riding ventures (stables and riding classes).

4. Proposal

Experience and previous sales have proven that only Council can service and provide land at affordable prices.

It is proposed that the applicants be informed that Council is currently attending to the surveying of the blocks located to the east of the Dunes Estate Development in Kramersdorf.

Once the surveying and servicing of these blocks are finalized it be submitted to Council to consider the future sale of these blocks.

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

RECOMMENDED:

- (a) That the following applicants be informed that Council is attending to the surveying of Portions A and B located to the east of the Dunes Estate Development (Extensions 17 & 18):
1. *Zillion Investments Holdings (DF Malherbe & Partners)*
 2. *Palms for Africa - letters dated 24 October 2008*
 3. *Ocean Property Development CC*
 4. *Beulah Endola Property Development Consultants*
 5. *Atlantic Seaboard Property Development (Pty) Ltd*
 6. *D F Malherbe & Partners on behalf of Dunes Estate Development*
- (b) That once Council decided on the future development and sale of these subdivided blocks and a Surveyor-General approved diagram is in place, 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)*.
- (c) That the Engineering Services Department co-ordinates the progress on the surveying of Portions A, B and C located to the east of the Dunes Estate Development 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.
- (d) That once point (c) above is finalized, Council decides whether to service and sell the erven to be created to the public or invite proposals from developers to sell the townships for development.
-

11.1.7 **(03) 2008 TO DATE: LAND APPLICATIONS (4x) - BLOCK 9 (EXTENSION 24)**

(C/M 2014/01/28 - G 3/9/9)

Ordinary Management Committee Meeting of 16 January 2014,
Addendum 7.11 page 106 refers.

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

1. Introduction

With reference to the land applications received since 2008 to date, the Management Committee on **12 September 2013** under items 7.11 and 7.12 passed the following resolution:

- (a) *That this item be referred back and that applications be resubmitted individually in batches of 10 (ten) at a time, starting with applications for township developments.*
- (b) *That the General Manager: Corporate Services and Human Resources formulate a definition as to what constitutes "Large Portions of Land" and submit same to Management Committee.*
- (c) *That permission be granted to the General Manager: Corporate Services and Human Resources to ascertain the nature and purpose of the application from applicants, where necessary.*

With reference to point (b) above, large portions of land can be defined as a portion of land, developed (meaning streets, sidewalks, water, sewerage and electricity) or undeveloped land in extent of 5 000m² or 0.5 hectares.

2. Extension 24 (known as Block 9)

Extension 24 is located to the north, adjacent to the road leading to Henties Bay as per attached map and measures 101 224m².

The sale of Extension 24 was cancelled by Rössing Uranium Limited and in line with the Management Committee's resolution passed on **10 March 2011**, quoted, the Engineering Services Department submitted a layout for approval.

- (c) *That in future Council attends to all Town Planning issues before land is sold to the public.*

Council on **26 January 2012** under item 11.1.12 approved the layout for Extension 24 and will attend to the townships establishment and surveying in due course.

Resolution quoted:

- (a) *That the proposed subdivision of Block 9 into 142 Portions and Remainder (Street) for the purpose of Township Establishment be approved.*
- (b) *That the proposed layout as submitted, consisting of 135 "Single Residential" erven with a density of 1:600m², 4 "General Residential 2" erven with a density of 1:250m², 1 "Institutional" erf, 1 Public Open Space, 1 Local Authority erf and Street be approved.*
- (c) *That the Engineering Services Department attends to all the necessary statutory procedures for Ministerial approval.*

Messrs Plan Africa Consulting CC attended to the subdivision of the block during 2010.

The extension is not yet serviced.

3. **Applications received for Extension 24**

The following applications were received for Extension 24 or a large residential block:

➤ **2008 until the end of 2010**

Applications were received for block developments, but no specific area was requested.

At the time, Council passed the following resolutions and all applicants were informed accordingly.

- **27 March 2008:** (i) That no further block even be made available in this area until the current developers have progressed sufficiently to prove that further development in this area is viable.
- **26 June 2008:** (k) That no further block even be made available in this area until the current commercial developers have progressed sufficiently to prove that further development in this area is viable.
- **29 April 2010:** (b) That all applicants be informed that Council will not consider the alienation of more block even until the blocks allocated to developers north of Extension 9 and Tamariskia, have been proven successful.
- **29 July 2010:** (c) That Council immediately takes all the necessary steps to develop any blocks which are not sold.

➤ **2011 to date**

1. Mr Silvanus T Kathindi - 03 January 2011
2. Ombundu Investments - 07 February 2011
3. M E A Lehmann - 14 February 2011
4. Mondesa One Investment CC - 09 March 2012

The applications are listed chronological although Council's Property Policy states as follows:

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.

3.1 **Mr Silvanus T Kathindi**

Messrs Rössing Uranium Limited on 10 December 2010 cancelled the offer to purchase Block 9 and Council on 24 February 2011 accepted the cancellation.

Mr Silvanus T Kathindi submitted an application dated 3 January 2011 to purchase the cancelled block.

- ✎ *The application dated **3 January 2011** was acknowledged in writing per letter dated **12 January 2012** at which time Council was not yet aware of the cancellation of Block 9 by Messrs Rössing Uranium;*
- ✎ *Council on **24 February 2011** approved the exchange and cancellation of blocks as proposed by Messrs Rössing Uranium Ltd, thereby Block 9 became available;*
- ✎ *Following the above, the application was submitted to the Management Committee on **14 April, 19 May** and on **16 June 2011**, whereafter Mr S T Kathindi was informed of the resolution in writing per letter dated 30 June 2011.*

✎ Another letter dated **3 January 2012** was then received from Mr S T Kathindi which was submitted to the Management Committee on **12 January 2012**; whereafter the application was informed of the decision in writing on **17 January 2012**.

✎ The last letter received regarding his application is dated **7 August 2013** to which Council replied as per letter dated **14 August 2013**.

Annexure "A"

- ① Application from Mr S T Kathindi dated **3 January 2011**
- ② Letter received from Mr S T Kathindi dated **7 August 2013**
- ③ Council's reply dated **14 August 2013**

3.2 Ombundu Investments

As per Messrs Ombundu Investments' (Mr E M Petrus & S P K Amoomo) letter dated **01 August 2011** they refer to their letter dated **7 February 2011** and Council's reply dated **03 March 2011**. Only their application dated **1 August 2011** was found on the reference file for Block 9. Therefor their application is listed.

Annexure "B"

- ① Application dated **01 August 2011** referring to their application dated **07 February 2011**.
- ② Council's reply dated **5 August 2011**.

3.3 Mr E A Lehmann

As per point c of Mr E A Lehmann's application, he is interested to purchase Block 9 for the provision and construction of medium cost housing.

Annexure "C"

- ① Application by Mr E A Lehmann dated **14 February 2011**
- ② Council's reply dated **16 March 2011**

3.4 Mondesa One Investments CC

The above applicant applied to purchase Block 9 as per their letter dated **09 March 2012** to construct houses for the needy and middle class community.

Annexure "D"

- ① Messrs Mondesa One Investment CC's application received on **09 March 2012**

4. Discussion

One of Council's goals in it's five year plan is to provide serviced erven at affordable prices. This was accomplished with the development of Extension 15 where Council made erven available at N\$222.00/m² (which includes a 25% profit), meaning that the upset price of an erf of 600m² is N\$133 200.00. Unfortunately, high prices were bid at the public auction of **3 August 2012**. If more erven were available, it is certain that the prices would not have been so high.

As was submitted to the Management Committee of **16 August 2012**, Council has always realized a healthy profit while providing affordable erven to the public.

Furthermore, it should be kept in mind that although the generating of profits is essential, especially for cross subsidizing low-income areas, this

is not the main objective of a public institution such as Council who needs to balance profit against providing affordable erven for the residents.

Council can provide serviced land at a lower price (upset price) than the private developers and run no risk of not generating income to recover the capital invested in servicing the land.

Unfortunately, Council has no control on the high prices submitted by either an auction or closed bid, although the upset prices are very reasonable.

Having had various closed bid procedures to date whereby erven are allocated to the highest bidder, it was noted that the public is more inclined to submit reasonable purchase prices and in most cases are allocated land. Bidders are eliminated once an erf is allocated; meaning that even a person who submitted the 12th ⇒ 15th highest bid stands a chance of being allocated an erf, resulting in affordable prices and fewer possible cancellations. As no auctioneer is required, no commission is paid to a third party.

5. **Proposal**

Experience and previous sales have proven that only Council can service and provide land at affordable prices.

It is proposed that the applicants be informed that Council is currently attending to the surveying of Extension 24 (known as Block 9).

Once the surveying and servicing of these blocks are finalized it be submitted to Council to consider the future sale of these blocks.

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

RECOMMENDED:

- (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. *Mondesha One Investment CC - 09 March 2012*
 - (c) That Messrs Ombundu Investments be informed that Block 15 does not exist in Council's development plan.
-

11.1.8 **ERF 2747, SWAKOPMUND: APPLICATION BY SWAKOPMUND SANDS HOTEL TO PURCHASE A PORTION**
(C/M 2014/01/28 - E 2747)

Ordinary Management Committee Meeting of 16 January 2014,
Addendum 7.14 page 139 refers.

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

1. Introduction

The **attached** application dated **23 July 2013** marked **Annexure “A”** was received from Messrs Swakopmund Sands Hotel, previously known as Hotel Garni Adler located on Erf 398, Swakopmund.

They apply to purchase a portion of Erf 2747, Swakopmund located adjacent to their property in order to expand their property to be able to accommodate the demand for rooms and conference facilities.

Comments from our Engineering Services Department were requested on **24 July 2013**. The Town Planner verbally confirmed on 13 November 2013 that he has no objection against the sale of a portion of Erf 2747, Swakopmund.

The application was discussed at the Planning Forum on 26 November 2013 and it was concluded to recommend to the Management Committee not to sell the portion of Erf 2747, Swakopmund to Messrs Swakopmund Sands Hotel, mainly because Council is planning the construction of a one way street which requires wide pavements in order not to increase the density of the area and maintain the spacious ambience.

The Planning Forum further discussed the following points:

- (a) *That a lay-out be prepared indicating the street, parking and spaces adjoining the street for lease.*
- (b) *That the property be subdivided and rezoned.*
- (c) *That funds be budgeted for this purpose.*
- (d) *That public input be obtained as to the use of the area.*

With reference to point (d) above our Engineering Services Department scheduled a meeting on 29 November 2013 with stakeholders to discuss, among other, the following developments on Erf 2747, Swakopmund:

- *Application by Alte Brucke for additional parking,*
- *Application by DF Malherbe & Partners for a container tourism project and the*
- *Relocation of the fish cleaning facility.*

The Engineering Services Department will provide feedback regarding the meeting held on 29 November 2013.

2. Brief background:

Following an application during 2007 from the owner of Hotel Garni Adler, the Planning Forum discussed the possible sale of the adjacent portion and it was pointed out that in terms of the Long Term Plan provision is made for a road link across the Bungalow erf behind Hotel Garni Adler and Erf 958. Only the portion directly behind Erf 398 (Hotel Garni), as indicated on the attached plan, was considered for alienation to Hotel Garni, the rest would remain as corridor as per Long Term Plan.

Subsequent to the above, Council passed the following resolution on **31 May 2007**:

- (a) *That Council considers approving the alienation of a portion of Erf 2747 $\pm 2\ 136\text{m}^2$, in extent, adjacent to Hotel Garni Adler for the purpose of extending the hotel, as indicated on the plan (on file).*
- (b) *That three (3) sworn valuers be appointed to provide Council with a guideline in determining the purchase price for the land.*
- (c) *That the additional portion of land be the same zoning as Erf 398 as per the Swakopmund Town Planning Scheme.*

Seeing that six years passed since this resolution was taken, it is necessary to reconsider their application.

The applicant confirmed on **18 November 2013** that the ownership of Erf 398, Swakopmund is vested in **Messrs Garni Adler Enterprises (Pty) Ltd**. Therefore, should Council decide to sell the additional portion of land it must be transferred in the said company in order to be able to consolidate it with Erf 398, Swakopmund.

It should also be necessary to confirm the exact size and lay-out of the area applied for as it might differ from what was approved by Council on **31 May 2007**.

3. **Discussion**

- 3.1 Council approved a revised Property Policy in terms of which a Surveyor-General approved diagram must be in place before land is being sold.

Therefore should Council wish to sell the portion of Erf 2747, Swakopmund to Messrs Garni Adler Enterprises (Pty) Ltd, in addition to Council's standard conditions for the sale of land, they must appoint a Town Planner to attend to the subdivision of the portion of Erf 2747, Swakopmund and the subsequent consolidation thereof with Erf 398, Swakopmund. The subdivided portion will take the zoning of Erf 398, Swakopmund with consolidation.

- 3.2 The other consideration is that there are no trading or tourism activities other than accommodation in this area. Accordingly there is nothing to attract tourists or the public except Tiger Reef to some degree.

The problem is compounded when one considers that the quantity of accommodation makes the area very sensitive to night time activities or noisy activities. The result is that the area has become an exclusive area which is actually closed to the public while it could be an attractive public area.

The question is whether this should be perpetuated or whether the area should be opened up to the public. If Council develops the corridor between the bungalows and Swakopmund Sands Hotel, it will definitely attract people to this area, but this will be limited if this property is sold to Swakopmund Sands Hotel.

4. **Proposal**

It is proposed that the Management Committee declines the offer of Messrs Garni Adler Enterprises (Pty) Ltd to purchase a portion of Erf 2747, Swakopmund for consolidation with with their Erf 398, Swakopmund.

Furthermore, depending on the feedback by our Engineering Services Department regarding the planning meeting held on Friday, **29 November 2013**, Engineering Services designs and properly plans the future lay-out of Erf 2747, Swakopmund, making provision for tourist and trade related activities.

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

RECOMMENDED:

- (a) That Council declines the offer of Swakopmund Sands Hotel (*Garni Adler Enterprises (Pty) Ltd*) to purchase a portion of Erf 2747, Swakopmund adjacent to their Erf 398, Swakopmund.**
 - (b) That Council develops the area into an attractive public area.**
 - (c) That the Engineering Services Department designs and properly plans the future lay-out of Erf 2747, Swakopmund, making provision for tourist and trade related activities.**
-

11.1.9 **APPLICATION BY MR P SCHNEIDER T/A DESERT TAVERN TO MAKE ALTERATIONS TO EXISTING BUILDING**
(C/M 2014/01/28 - E 2747)

Ordinary Management Committee Meeting of 16 January 2014,
Addendum 7.15 page 146 refers.

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

1. Introduction

The proposal of **Messrs Desert Tavern** to make alterations to the existing building that he is leasing from Council, located on Erf 2747, Swakopmund was discussed at the Planning Forum Meeting of **29 October 2013**, under item 4.4.

The application for the alterations is attached as **Annexure "B"**.

2. Background

Council on **26 February 2009**, approved the proposal received from **Messrs Desert Tavern** to lease a Portion of Erf 2747 Swakopmund, measuring of $\pm 428.8\text{m}^2$, situated next to the Municipal Bungalows for the purpose of developing a tourism related project.

Quoted the Council resolution passed on **26 February 2009**:

- (a) *That Mr P Schneider be given the opportunity to lease the Pizza Box on Erf 2747, Swakopmund for a period of 9 years and 11 months.*
- (b) *That the monthly rental shall be N\$6 562.15 + 15% VAT = N\$7 546.48 and be paid monthly in advance, with a 10% escalation annually as from July 2009.*
- (c) *That Mr P Schneider be responsible for all municipal services.*
- (d) *That any extension or renewal of the lease will be entirely at Council's discretion and on such terms as Council may prescribe.*
- (e) *That Council reserves the right to cancel the lease if valid objections from the public are received.*
- (f) *The lease is terminable by either party given or receiving 6 months' notice.*
- (g) *That the applicant shall indemnify Council and keep Council indemnified during the full period of this agreement against possible claims, which may arise from the use of the leased area.*
- (h) *That any of the permanent / fixed structures to be erected (with prior approval from Council) at the cost of Mr P Schneider be donated to Council, without any compensation to Mr P Schneider, irrespective whether the lease is terminated or lapses by effluxion of time.*
- (i) *That the Lessee not be allowed to cede or assign this agreement or any portion thereof, nor shall he be allowed to sublet in any manner any portion of the Property, without the written consent of the Lessor first being had and obtained.*

The lease period is for 9 (nine) years and 11 (eleven) months which commenced on **1 April 2009** at a rental fee of N\$11 048.80 (15% VAT included) and which period will lapse on **31 March 2018**.

Attached as Annexure "A" is a map and aerial photo, indicating the lease area.

3. History

The previous Lessee, Mr V Woodman use to trade as Pizza Box up to **31 January 2009** from this particular building known as Desert Tavern.

During 2009 interested parties were invited by way of advertisement to submit proposals to Council to lease the building of which Mr P Schneider's proposal was the only one received.

At a Special Management Committee Meeting that was held on **26 January 2009** concerns were raised with regard to the ownership and compensation of improvements on Council's property.

4. **First Proposal for Alterations**

Mr P Schneider submitted a letter and plans to Council for consideration of the following:

- *Approval for the alterations as per plans with estimated costs of N\$490 615.30.*
- *That the alterations as per Council's resolution will be for the costs of the lessee, but the alterations be donated to the Municipality.*
- *That due to the substantial cost of the alterations it would be appreciated if the costs of the renovations be reflected in the leasing amount.*

With reference to the above, Council passed the following decision on **30 July 2009**:

That approval be granted to Mr P Schneider to execute the alterations to the building (Pizza Box) as per plans submitted for his own account subject thereto:

- (i) *That all alterations be donated to Council after completion thereof without any compensation to Mr P Schneider, irrespective whether the lease is terminated or lapses by effluxion of time.*
- (ii) *That no changes, specifically to the lease amount, be considered.*

5. **Request to Purchase**

Furthermore, on **07 July 2011** Mr P Schneider submitted a request to Council that he is interested to purchase the premises on Erf 2747, Swakopmund.

The reason why Mr P Schneider laid his request was that the roof needed to be repaired and he is unwilling to invest more money in improvements without having the benefit of ownership. At that stage according to the lessee he already erected improvements to the value of N\$800 000.00.

In terms of the lease agreement and also Council's resolution passed on **26 February 2009** all improvements must be donated to Council.

- (a) *That Mr P Schneider be informed that Council considered his offer to purchase the premises on a portion of Erf 2747, Swakopmund; but the offer is declined as Council intends to continue with the lease agreement currently in place.*
- (b) *That Mr P Schneider be informed that in terms of clause 3 of the lease agreement he is responsible to maintain the premises in a proper condition to the satisfaction of Council at his cost; and further more in terms of clause 7 all improvements / structures shall become the property of Council.*

At the time Mr P Schneider offered **N\$1 400 000.00** for the portion of land the structure is located on Erf 2747, Swakopmund.

6. **Second Proposal for Alterations**

Attached as Annexure "B" is a complete proposal received on **02 October 2013**, from Mr P Schneider trading as Messrs Desert Tavern; that includes a plan of the premises where alterations are required, a drawing indicating the proposed alterations and photographs seen from the bungalow side and from the main street.

Mr P Schneider requests Council's consent to make alterations to the building he is currently leasing, because he received continuous queries

for supply of wood, ice cubes, snacks, airtime to name a few, from guests staying at the municipal bungalows.

These alterations consist of a **staff only door** and a **serving hatch** on the side of the municipal bungalows plus a **serving hatch** in the Swakop Street. Mr Schneider says there is a need to provide all of the above; due to the potential for business.

However he did not elaborate as to why the staff door to the bungalows is needed. A matter of concern with regard to that specific door is that people might use it for illegal and uncontrollable access to the bungalows, which can result in theft and danger to the guests in the bungalows.

7. **Comments (attached Annexure “C”)**

The following summary of comments was obtained from The Engineering Services Department:

- *That the proposed area where the serving area for the public will be, not be supported as there is a toilet situated in the room.*
- *That the proposed alterations theoretically be approved by the Aesthetics Committee.*
- *That Mr Schneider obtains consent from Council for the alternative use being selling wood, ice cubes, etc.*
- *That Mr Schneider obtains consent from the businesses in the vicinity.*
- *The Town Planning Section does not have any objection regarding the proposed changes.*

8. **Discussion**

- 8.1 The proposal of Mr P Schneider trading as Desert Tavern to make alterations to the existing building which he is leasing, was discussed at the Planning Forum Meeting of **29 October 2013**, under item 4.4; whereafter it was proposed to consider Mr P Schneider's proposal; subject to several conditions as contained in the recommendation.
- 8.2 With reference to the comments received from the Engineering Services; they do not support the proposal, due to the toilet situated in the proposed area. To meet the requirements of the Engineering Services Department and Health Services Department; it is proposed that Mr P Schneider shift the toilet from where the public is going to be served or come up with an alternative solution. The proposed **staff door only** not be considered; as the risk of theft exists as well as danger to the guests at the bungalows due to uncontrollable / illegal access to the bungalows. The entrance and driveway at the bungalows are controlled by security guards.
- 8.3 It should be kept in mind that due to the alterations only be made to the existing building; no change in terms of the rental tariff is necessary and also that the lease conditions in the existing lease agreement not be amended.
- 8.4 It should also be noted that Council on **28 November 2013** passed the following resolution under Item 11.1.9 with reference to the current land use which are not provided for under the existing zoning of Erf 2747, Swakopmund, being “*Special*” for *purpose of holiday houses and caravan park*; the property will be rezoned to “*Special*” for *purpose of holiday houses, caravan park, business use and tourism related activities*:

- (c) *That Council applies to the Honourable Minister of Regional and Local Government, Housing and Rural Development for permission in terms of Section 48 (a) (i) of the Town Planning Ordinance 18 of 1954 to proceed with the lease of the area to Messrs Kazak African Experience Cultural Tourism CC located on Erf 2747, Swakopmund and Erf 1316, Swakopmund while the rezoning is in progress; and to continue with the following lease agreements:*

	Lessee	Lease Period
1	Swakopmund Paintball Adventure Centre	1 Nov 2010 until 30 Sep 2020
2	Desert Tavern	1 Aug 2009 until 30 Jun 2019
3	Fiscon Investments 108 CC	1 Dec 2012 until 30 Nov 2017

An application in this regard was forwarded to the Honourable Minister of Regional and Local Government, Housing and Rural Development to continue with the lease of the area whilst the rezoning is in progress.

- 8.5 Lastly, it should also be taken into account that Desert Tavern will not only promote the tourism business, but also provide a service to the guests staying in the municipal bungalows and the public in general.

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

RECOMMENDED:

- (a) That the proposal of Mr P Schneider trading as Desert Tavern to make alterations to the existing building he is leasing which is situated on a portion of Erf 2747, Swakopmund; be approved, subject to:
- (i) *That in terms of the Health Regulations the toilet be relocated from where the public will be served and Mr P Schneider provides an alternative solution;*
 - (ii) *That the proposed staff door facing the bungalows not be approved due to a risk of uncontrollable / illegal access to the bungalows, which can result in theft, and danger to the guest in the bungalows.*
- (b) That Mr P Schneider submits plans for approval.
- (c) That Mr P Schneider be informed to adhere to the following requirements:
- (i) *That the proposed changes theoretically be approved by the Aesthetics Committee and Heritage Area of Town.*
 - (ii) *That a revised plan be submitted to indicate the proposed changes for approval.*
 - (iii) *That Mr Schneider obtains consent from Council for the alternative use of selling wood, ice cubes, airtime, etc.*
 - (iv) *That the proposed area where the serving area for the public not be supported as the toilet is situated in the room.*
- (d) That no changes, specifically to the lease amount, be considered.
- (e) That the lease conditions remain the same as contained in the existing lease agreement.
- (f) That the above be subject to approval being granted by the Honorable Minister of Regional and Local Government, Housing and Rural Development in terms of section 48 (a) (i) of Town Planning Ordinance 18 of 1954, to continue with the lease of the premises while the rezoning of Erf 2747, Swakopmund is in process.
-

11.1.10 **INTERIM VALUATION COURT 2014**
(C/M 2014/01/28 - D 22)

Ordinary Management Committee Meeting of 16 January 2014,
Addendum 7.16 page 156 refers.

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

1. Section 66 (3) of Local Authorities Act (Act 23 of 1992) as amended, makes provision that:

There shall be an interim valuation of any rateable property in any local authority area to be held on a date during any period of five years referred to in subsection (2) as may be determined by the local authority council as its own motion or when directed by the Minister by notice in writing to a local authority council.

Interim Valuation is an assessment of rateable properties' value that made alterations (additions/ demolition/new properties created) to the existing buildings / newly created properties during a period of five years after a general valuation roll was approved by the Local Magistrate.

2. In order for the Local Authority to levy rates and taxes as required in terms of Section 73 of the Local Authorities Act 23 of 1992, as amended, a Valuer appointed by Council must determine the value of rateable properties that improved / changed in value during the period since the General Valuation. Council had a General Valuation on **21 June 2010**.
3. Mr D Hite (Valuator) of The Trust & Estate Co (Pty) Ltd has been appointed by the Tender Board on **08 May 2009** on behalf of Council for the execution of valuation services for a period of five (5) years ending **30 July 2014** including the interim valuation for 2014.
4. As in the past, Council arranges an interim valuation court annually, for 2014 the interim valuation court is scheduled for **June 2013** (at a date to be confirmed with the Local Magistrate).
5. In terms of the stipulations of Section 68 (1) of the Local Authorities Act, Act 23 of 1992, as amended, an Interim Valuation Court for the area consists of three members. The members for the 2013 Valuation Court were:

① *The Local Magistrate - Mrs J S Prinsloo*

② *Ms Meriam Silishebo, appointed by the Ministry of Regional and Local Government, Housing and Rural Development*

③ *Mr F Lohnert, appointed by Council*

6. Council on **24 March 2011** passed the following resolution:

(c) *That the compensation for Council's representative on the Valuation Court be N\$300.00 per sitting per day.*

7. The following sworn registered valuers were contacted telephonically on **27 November 2013** and they have indicated their willingness to act as Council representative for the Interim Valuation Court 2014, subject to Council's approval.

- *Mr Abel Schoeman*
- *Mr Frank Lohnert*

8. For the purpose of appointing a Council's Representative, it is proposed that Council appoints Mr Abel Schoeman and Mr Frank Lohnert as a secundi to represent Council at the interim valuation court scheduled for **June 2014**.

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

RECOMMENDED:

- (a) That Mr Abel Schoeman be appointed as Council's representative for the Interim Valuation Court for 2014.
 - (b) That Mr Frank Lonhert be appointed secundi, should the appointed valuer be unavailable to attend the interim Valuation Court for 2014.
 - (c) That the Ministry of Regional and Local Government, Housing and Rural Development be requested to nominate a representative for the Interim Valuation Court 2014.
 - (d) That the compensation for Council's representative at the Valuation Court be N\$300.00 per sitting, per day.
 - (e) That the cost be defrayed from Vote 101010215900 (Assessment Rates: Valuation Court).
 - (f) That in terms of Section 69 of the Local Authorities Act 23 of 1992, as amended, a notice be published in at least two newspapers on a date not later than 30 days before the date of the Valuation Court.
 - (g) That requirements regarding the interim valuation as prescribed in the Local Authorities Act 23 of 1992, (as amended) be dealt with successfully.
-

11.1.11 **A VAN DER WALT TRP. (NAMIBIA) (PTY) LTD PURCHASE PRICE FOR ALLOCATION OF ERVEN 4799, SWAKOPMUND**
(C/M 2014/01/28 - E 4799)

Ordinary Management Committee Meeting of 16 January 2014, Addendum 7.17 page 158 refers.

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

1. Introduction

Council on **25 November 2010** resolved to reserve Erf 4799, Swakopmund for sale to Messrs A van der Walt Trp. (Namibia) (Pty) Ltd after the sale of the newly created industrial erven.

The relevant Council resolutions are attached as **Annexure "B"**.

Therefore, the purpose of this submission is to determine a purchase price for Erf 4799 (4 208m²), zoned "*Light Industrial*" based on the average of the sale of "*Light Industrial*" erven at the closed bid sale held on **4 October 2013** and the sale of Erf 4800, Swakopmund located adjacent and having the same zoning.

Although an objection was received against the sale of the 35 "*Light Industrial*" erven, this submission is tabled to the Planning Forum for discussion pending the outcome of the honourable Minister's decision.

Messrs A van der Walt Trp. (Namibia) (Pty) Ltd is leasing Erf 4799, Swakopmund for parking purposes at a monthly rental of N\$19 661.70 (VAT inclusive).

The Council decisions to lease and reserve for sale Erf 4799, Swakopmund, were motivated as the applicant will be creating a safer environment by providing parking on Erven 4799, Swakopmund and reduce the unnecessary damage to streetlights, road surfaces and kerbs and relieve the congestion at this very busy junction.

Nelson Mandela Avenue is also the main road used by all busses from the mines and the relocation of the heavy vehicles from the road at the junction will create a safer environment for all other road users.

2. Sales of 35 "*light industrial*" erven and Erf 4800, Swakopmund

2.1 Council sold 35 "*Light Industrial*" and 6 "*General Industrial*" erven by closed bid on **04 October 2013** and the following average price per square metre was obtained for the "*Light Industrial*" erven:

• "*Light Industrial*"

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

2.2 In addition to the above, and for comparison purposes the sale of Erf 4800, Swakopmund is taken into consideration, as Erf 4800, Swakopmund were reserved for sale by closed bid to motor car dealers and has the same zoning.

In addition to the above, Erf 4799, Swakopmund was reserved for Messrs A van der Walt Trp, (Namibia) (Pty) Ltd and the entity

therefore does not have to compete with other bidders to purchase these erven.

Erf 4800, Swakopmund (7 167m²) was sold to Messrs West Coast Motors CC t/a Steckel's Toyota for N\$ 3 942 000.00 + 15% VAT, i.e. N\$550.00 / m².

3. **Proposed Purchase Price**

Taking into consideration that Messrs A van der Walt Trp, (Namibia) (Pty) Ltd 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 Erf 4799, Swakopmund was reserved for the purchaser, it is proposed to sell the erf at a purchase price of N\$550.00 / m², being the average obtained for the adjacent Erf 4800, Swakopmund, having the same zoning.

Calculated: Erf 4799 (4 208m²) at N\$ 2 314 400.00 + 15% VAT

4. **Land Use**

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

Primary Uses	:	<i>Light Industrial, Warehouse, Service Industry, Dry Cleanette, Laundrette</i>
Consent Uses	:	<i>Public Garage, Petrol Service Stations, Office Buildings, Funeral Parlour and Chapel, Building Yard, Panel Beater, Place of Amusement, Noxious Industry.</i>

5. **Standard Conditions of Sale**

It is proposed that Council's standard conditions apply for the sale of Erf 4799, Swakopmund, as well as the following conditions which were applicable to the sale of the "Light Industrial" erven, i.e.:

- (a) *That upon acceptance of the purchase price for Erf 4799, Swakopmund by Messrs A van der Walt Trp. (Namibia) (Pty) Ltd, Council's intention to sell Erf 4799, Swakopmund to Messrs A van der Walt Trp. (Namibia) (Pty) Ltd 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 considers a purchase price of N\$550.00 / m² for the sale of the following erf zoned “*Light Industrial*” to Messrs A van der Walt Trp, (Namibia) (Pty) Ltd:

Erf 4799 (4 208m²) at N\$2 314 400.00 + 15% VAT

That the transaction only commences upon approval being granted by the honourable Minister to continue with the sale of the 35 erven sold by closed bid on 4 October 2013.

- (b) That all costs relating to the transaction be for Messrs A van der Walt Trp, (Namibia) (Pty) Ltd 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.
- (c) That upon acceptance of the purchase price for Erf 4799, Swakopmund by Messrs A van der Walt Trp, (Namibia) (Pty) Ltd, Council’s intention to sell Erf 4799, Swakopmund to the entity 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.
- (d) 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.
- (e) 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.
- (f) That the property shall revert to Council if no completion certificate is issued on the expiry of the 24 months period.
- (g) 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.
- (h) 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.
- (i) That the following standard conditions be applicable:
- (i) *That Messrs A van der Walt Trp, (Namibia) (Pty) Ltd 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 erf 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 3rd 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.*
-

11.1.12 **MESSRS O'B DAVIDS PROPERTIES CC: PURCHASE PRICE FOR ALLOCATION OF ERVEN 4882 AND 4883, SWAKOPMUND**
(C/M 2014/01/28 - E 4882, E 4883)

Ordinary Management Committee Meeting of 16 January 2014,
Addendum 7.18 page 164 refers.

A. The following item was submitted 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 David's 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 640m²) and 4883 (10 082m²), 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 is 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 780m² and was sold for N\$ 7 041 580.00.

- Erf 4884, Swakopmund = N\$511.00 / m²

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 2nd 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 / m². 8 bids were received for Erf 4884, Swakopmund resulting in an average bid of N\$ 282.00 / m².

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 / m², being the average obtained for the adjacent Erf 4884, Swakopmund.

Calculated:

- Erf 4882 (13 640m²) at N\$ 6 970 040.00 + 15% VAT
- Erf 4883 (10 082m²) 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 (±1,3640ha) 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, Laundrette, 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 considers a purchase price of N\$511.00 / m² for the sale of the following two erven to be zoned “*General Industrial*” to Messrs O’B Davids Properties CC:

- *Erf 4882 (13 640m²) at N\$ 6 970 040.00 + 15% VAT*
- *Erf 4883 (10 082m²) 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*”.

- (b) 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.
- (c) That all costs relating to the transaction be for Messrs O’B 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.
- (d) That upon acceptance of the purchase price for the two erven by Messrs O’B Davids Properties 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.
- (e) 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.
- (f) 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.
- (g) That the property shall revert to Council if no completion certificate is issued on the expiry of the 24 months period.
- (h) 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.

- (i) 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.
- (j) 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 3rd 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.*
-

11.1.13 **LEASE PROPOSALS - MARTIN LUTHER HISTORICAL SITE**
(C/M 2014/01/28 - J 8/3)

Ordinary Management Committee Meeting of 16 January 2014,
Addendum 7.20 page 201 refers.

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

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 acquires to establish the venture, acceptance of the lease term of five (5) years and an arial photo indicating the location. The size he initially required was 2 000m² and now an additional 1 000m² is indicated.

However, the map attached, **Annexure "D"** on which all the sizes of the proposed temporary structures reflect was forwarded to the Engineering Services Department to provide a scale map which will give a more accurate indication of the total size to be leased to Mr E Camm.

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 access to the site be obtained from the circle and the parking bays be behind the monument.*
- *That to the monument a sign be erected that indicates that access is only from the circle.*

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 offers 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, away from bad temptations.

It is proposed that Council discusses and considers approving 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.

Although E.P.C. Events & Catering applies for a lease period of 15 years, it is proposed that Council considers a lease for a trial 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.

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

It is proposed that Council approves to lease an additional portion of land 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/m². The portion of land acquired by Mr E Camm is adjacent to the portion of land where Messrs R & R Karting is operating from and is also entertainment.

In conclusion, it is proposed 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 it from its status.*
- *That access to the site be obtained from the circle and the parking bays be behind the monument.*
- *That to the monument a sign be erected that indicates that access is only from the circle.*

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

RECOMMENDED:

- (a) That the proposal of Mr E P Camm trading as E.P.C Events & Catering to lease a portion of land measuring 2 000 m², being 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, for a period of five (5) years, with an option to renew, be approved.
- (b) That the rental tariff fee be approved at N\$800.00 + N\$120.00 (15%Vat) per month with an annual escalation of 10% on 01 July.
- (c) That the proposed development plan, although temporary structures will be erected, be submitted to the Engineering Services Department for approval.
- (d) 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 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.*

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

2.3 *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. **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.

5. **Indemnity**

The LESSEE shall keep the LESSOR indemnified during the full trail 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.

6. **Additional Conditions**

- 6.1 *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.*
- 6.2 *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.*

7. **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.

11.1.14 **OBJECTIONS RECEIVED AGAINST THE SALE OF ERF 3486, SWAKOPMUND**

(C/M 2014/01/28 - E 3486)

Ordinary Management Committee Meeting of 16 January 2014,
Addendum 7.21 page 228 refers.

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

1. INTRODUCTION

With reference to the sale of Erf 3486, Swakopmund to SWAPO of Namibia it was required that the erf first be zoned to “office” prior to the advertising of Council’s intention to sell the erf.

Council on **31 May 2012** passed the following resolution with reference to the rezoning of the erf:

- (a) *That the rezoning of Erf 3486, Swakopmund from “Light Industrial” to “Office” be approved.*
- (b) *That the approved rezoning be included in the next Amendment Scheme for approval by the Ministry of Regional and Local Government, Housing and Rural Development.*
- (c) *That all costs of the transaction including costs of statutory processes be for the account of the applicant.*

Town Planning Amendment Scheme 53 was approved and promulgated on **15 November 2013** whereafter Council’s intention to sell Erf 3486, Swakopmund was advertised for possible objections as required in terms of the Local Authorities Act, Act 23 of 1992, as amended, on the following dates:

- *Namib Times* - 20 December 2013
- *New Era* - 20 December 2013
- *Republikein* - 27 December 2013
- *Allgemeine Zeitung* - 27 December 2013

At the closing date for objections against Notice 72/2013, the following was received:

- ① *Swakopmund Residents Association - **Annexure “A”***

2. OBJECTION RECEIVED

- ① *The Swakopmund Residents Association’s objection concludes as follows:*

We herewith lodge our objection to the sale of Erf 3486 to SWAPO Namibia at any reduced preferential price, instead of the average valuation price, whereby SWAPO Namibia would receive an unjustified advantage to the detriment of the Swakopmund taxpayer.

Following is a summary of the main concerns:

2.1 Purchase Price

Objection: *The Swakopmund Residents Association objects against the low purchase price of N\$30 000.00 for Erf 3486, Swakopmund, which amounts to N\$6.88 per square meter.*

Comments: *Council on **27 May 2010 (Annexure “C”)** approved a purchase price of N\$250.00 / m² for the land only, as well*

as the conditions of sale. Point (f) of the Council resolution states:

- (f) That in future all applications by political parties to purchase properties be treated on the same basis in order to ensure consistency.

Council's revised Property Policy states the following with reference to the determination of a purchase price for land to be sold to an organization registered with the Electoral Commission of Namibia.

3. Purchase Price

A minimum price not less than the cost for the installation of services (development cost) per square metre at the time the erf was developed.

The price will not be escalated from the date on which services were completed.

The purchase price of N\$ 30 000.00 compares with the upset price determined on **24 November 1983** of N\$19 633.50 at which time the services were installed.

For information:

Erf 3486, Swakopmund was zoned "light industrial" and measures 4 363m². The buildings on the erf belong to the SWAPO Party. Council will therefore only sell the land to the SWAPO Party.

Council on **24 November 1983** approved an upset price of **R19 633.50** for Erf 3486, Swakopmund.

On **27 September 1990**, Council approved a purchase price of N\$5.50/m² which amounts to **R23 996.50**.

A valuation was received from Messrs Ludwig Schroder on **19 March 2001** whereby the land was valued at **N\$220 000.00**.

Messrs The Trust & Estate Co (Pty) Ltd confirmed on **22 February 2010** that a probable market value for the land zoned as "office" will be **N\$2 600 000.00**.

At the time the sale was advertised at N\$ 250.00/m² (**24 February 2011**) an objection was received from the Swakopmund Residents Association mainly based on the purchase price. Attached as **Annexure "B"** are the comprehensive submissions which served before Council on **24 February 2011** and **26 January 2012** regarding the calculation of the purchase price.

Council passed the following resolution on **24 February 2011**:

- (a) That the objection of the Swakopmund Residents Association against the alienation of Erf 3486, Swakopmund be accepted.
- (b) That the erf first be rezoned from "Light Industrial" to "Institutional" and then offered to the applicant.
- (c) That the purchase price be amended to bring it in line with the price offered to non-profit organisations (which includes political parties).
- (d) That the alienation of Erf 3486 to SWAPO Party at a purchase price of N\$30 000.00 + 15% VAT to the SWAPO Party be approved.

- (e) That the lease period, which will expire on 28 February 2011, be extended until the sale is finalized.
- (f) That the transaction be advertised in terms of the Local Authorities Act 23 of 1992 as amended.

As per the above resolution the purchase price for the land was reduced from **N\$1 090 750.00** to **N\$30 000.00**.

At the Council meeting scheduled for 26 January 2012 at which the rezoning of the erf to "office" was considered, Councillor P V Steinkopff and Councillor F Hamukwaya objected against the low purchase price. Their objection was noted.

Attachments:

- Annexure "B"** - submissions to the Management Committee of 15 February 2011 and 12 January 2012
- Annexure "C"** - conditions approved by Council on 27 May 2010 and 24 February 2011
- Annexure "D"** - requirements to comply with as per the revised Property Policy

Objection: It is also stated that no new valuations were requested after the rezoning to "office" was finalized.

Comments: In terms of Council's revised Property Policy the following is stated with reference to the determination of a purchase price for organisations registered with the Electoral Commission Namibia:

3. Purchase Price

A minimum price not less than the cost for the installation of services (development cost) per square metre at the time the erf was developed.

The price will not be escalated from the date on which services were completed.

Therefore, it is not required to obtain 3 valuations of which the average is considered as the purchase price, this is a requirement for the sale of land by private transaction to private developers.

2.2 Notice 72 / 2013

Objection: It is mentioned that no selling price was stated in the notice.

Comments: It is not required in terms of section 63 (2) (a) of the Local Authorities Act, Act 23 of 1992, as amended that a purchase price be stated; quoted:

- (a) setting out the zoning and situation of such property and stating the place, dates and times where full particulars relating to the sale disposal, letting hypothecation or encumbrance of such property will lie for inspection by interested persons for a period of not less than seven days after the last date of the publication of such notice;

Objection: The objector further mentions that only 4 working days were available to view the particulars of the transaction, which

according to them is in contradiction with the requirements of the Local Authorities Act, Act 23 of 1992, as amended.

Comments: *As quoted above, the particulars must lie for inspection not less than seven days after the last date of the publication of such notice.*

The last date of publication was 27 December 2013, therefore the last date for inspection was Friday, 3 January 2014.

The first publication was Friday, 20 December 2013, therefore the particulars were available on the following dates for viewing:

- ***Friday, 20 December 2013***
- ***Monday, 23 December 2013***
- ***Tuesday, 24 December 2013***
- ***Thursday, 2 January 2014 and***
- ***Friday, 3 January 2014.***

The Local Authorities Act does not state “work days”; therefore the periods are determined according to “calendar days”.

The publication of Notice 72/2013 complied with the requirements of the Local Authorities Act, Act 23 of 1992, as amended.

Attachments:

Annexure “E” - Notice 72/2013

Annexure “F” - map indicating the location of Erf 3486, Swakopmund

3. **DISCUSSION**

Although a purchase price of N\$30 000.00 for an erf of which the probable market value is N\$2 600 000.00 (zoning of “office”) is low; and although Council has no other land to offer to other organizations registered with the Electoral Commission of Namibia at the same low price, Council approved its revised Property Policy stating the following:

3. **Purchase Price**

A minimum price not less than the cost for the installation of services (development cost) per square metre at the time the erf was developed.

The price will not be escalated from the date on which services were completed.

4. **PROPOSAL**

It is proposed that Council does not support the objection received from the Swakopmund Residents Association objecting mainly against the low purchase price for the sale Erf 3486, Swakopmund to the SWAPO of Namibia.

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

RECOMMENDED:

- (a) That Council rejects the objection received from the Swakopmund Resident's Association and submits 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 permission be sought from the Honourable Minister of Regional and Local Government, Housing and Rural Development to proceed with the sale of Erf 3486, Swakopmund to SWAPO of Namibia at a purchase price of N\$30 000.00 subject to the conditions approved by Council on 27 May 2010 and 27 February 2011 (Annexure "C") and the conditions contained in Council's revised Property Policy (Annexure "D") which include a reverting clause numbered Annexure "G".**
-

11.1.15 **MOTORSPORT: NAMIB OFF-ROAD CLUB**

(C/M 2014/01/28 - G 4/1/1 (1))

Ordinary Management Committee Meeting of 16 January 2014,
Addendum 8.1 page 01 refers.

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

1. Introduction

- 1.1 An application dated **11 August 2013** was received from Messrs Off-Road Club for the establishment of a "*Motorsport Valley*".
- 1.2 Messrs Off-Road Club applies for a portion of land measuring ± 60 hectares on a long-term lease. The area applied for is located 15 km to the east of Swakopmund to the north of the B2 road leading to Usakos, in the vicinity of the granite quarry site belonging to Messrs Gecko Investments Nine (Proprietary) Limited (2 010 000m²)
- 1.3 The club intends to establish a recreation area, which will include a clubhouse and ablution facilities.
- 1.4 Comments were requested from our Engineering Services Department dated **19 September 2013** attached as **Annexure "B"**, although general in nature it is more specifically referring to the application received from Messrs Coastal Spinning Drifting - Club (*the Recess Committee on 5 December 2013 turned down the application by Messrs Coastal Spinning*).
- 1.5 Attachments:
 - Annexure "A"** - application received from Messrs Off-Road Club
 - Annexure "B"** - memo received from our Engineering Services Department dated **14 November 2013**
 - Annexure "C"** - map indicating the location of the "vehicular recreation precinct" in terms of the long-term plan
 - Annexure "D"** - page 6 of the Environmental Management Act, Act 2007
 - Annexure "E"** - Council's standard conditions for the lease of land as well as the requirements for the lease to non-profit entities
 - Annexure "F"** - Constitution of the club and membership

2. Discussion

- 2.1 The Planning Forum on **26 November 2013** discussed the application taking into consideration the following points:

	<i>Point</i>	<i>Discussion at Planning Forum</i>
•	<i>the size of the area applied for being 60 000m²</i>	<i>Taking into consideration the location of the portion of land and the nature of the sport, 60 000m² is a reasonable size.</i>
•	<i>the location of the area - it is proposed by the Engineering Services Department that they be allocated in the vicinity of R&R Karting</i>	<i>Although the Long Term Plan makes provision for the location of vehicular recreation in precinct 14, it is proposed to allocate the club at the area located 15 km to the east of Swakopmund to the north of the B2 road leading to Usakos, in the vicinity of the granite quarry site, due to the</i>

	<i>Point</i>	<i>Discussion at Planning Forum</i>
		<i>size of the lease area.</i>
•	<i>the erection of structures on lease land</i>	<i>No permanent structures may be erected on lease land.</i>
•	<i>the inclusion of the comments received from the Engineering Services Department as lease conditions</i>	<i>All relevant comments will be included in the lease conditions.</i>
•	<i>the lack of services</i>	<i>The club is aware that no services are available.</i>
•	<i>requirements of the Environmental Management Act, 2007, item 10.1 (h) & (i) - see Annexure "D"</i>	<i>Before occupying the lease land, the club must provide an environmental clearance certificate.</i>
•	<i>proof of affiliation with the Namibian Motor Sport Federation</i>	<i>The club will be requested to provide proof of affiliation.</i>

2.2 **Issues to Consider**

2.2.1 **Location and size of the area**

Although the Long Term Plan makes provision for the location of vehicular recreation at precinct 14, it is proposed to allocate the club at the area applied for, i.e. a portion measuring approximately 60 000m² located 15 km to the east of Swakopmund to the north of the B2 road leading to Usakos, in the vicinity of the granite quarry site; due to the size of the lease area and the nature of the sport.

2.2.2 **Environmental Management Act, 2007**

As per **Annexure "D"** motor sport is a listed activity requiring an Environmental Clearance - item 10.1 (h) & (i). This requirement must be complied with prior to the land being occupied.

2.2.3 **Lack of Services**

No municipal services are available at the site and the club must make adequate provision for such to the satisfaction of the Health Services and Engineering Services Departments.

2.2.4 **No Permanent Structures**

No permanent structure may be erected on leased land.

2.2.5 **Rental Tariff**

Messrs Namib Off-road Club is a registered club and in terms of Council's Property Policy the following will be taken into consideration when considering a rental amount:

- (a) *Number of members*
- (b) *Size of the portion applied for*
- (c) *Location of the portion applied for*

Messrs Namib Off-road Club has 19 members.

For comparison purposes, Messrs Practical Shooting Club is leasing a portion of land measuring 241 196 000m² north east of the Municipal Refuse Site and Quarry Site at N\$ 500.00 per annum for a period of 9 years 11 months. The area is also

large and located on the outskirts of town. At the time the club had 8 members with a potential of 25 members.

2.2.6 Lease Conditions

Attached as Annexure “E” Council’s standard conditions for the lease of land as well as the requirements for the lease to non-profit entities.

Special reference is made to the requirement that Council must be indemnified against any claims and that the land must be restored to an acceptable condition on termination or lapsing of the lease period.

The lease conditions proposed by our Engineering Services Department be included.

2.2.7 Affiliation with the Namibian Motor Sport Federation

It is a pre-requisite that the applicant submits proof of affiliation with the Namibian Motor Sport Federation in terms of FIA Regulations.

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

RECOMMENDED:

- (a) That the lease of a portion of land, measuring approximately 60 000m² located on the area indicated on the attached map, be leased to Messrs Namib-Off Road Club.**
 - (b) That the lease period be 9 years 11 months at an annual rental of N\$500.00, which lease amount shall escalate annually on 1 July, the first escalation being 1 July 2014.**
 - (c) That Ministerial approval be applied for in terms of section 30 (1) (t) of the Local Authorities Act, Act 23 of 1992 as amended as the proposed portion is undivided Townlands.**
 - (d) That prior to occupying the portion of land, Messrs Namib Off-Road Club complies with the requirements of the Environmental Management Act, 2007, item 10.1 (h) & (i).**
 - (e) That Council’s standard lease conditions and the relevant comments received from our Engineering Services Department be applicable; which include the payment of a deposit equal to one year’s rental, Council being indemnified against any possible claims and the area be restored to its original condition upon cancellation or termination.**
 - (f) That the Engineering Services Department provides a map indicating the location, size, access and egress to the area.**
 - (g) That Messrs Namib-Off Road Club submits proof of affiliation to Namibia Motor Sport Federation.**
 - (h) That Messrs Namib-Off Road Club registers with the Health Services Department.**
-

11.1.16 **REQUEST ADDITIONAL FUNDS FOR CONTRACT T25/2013 -
REHABILITATION OF SEWER LINES, MONDESA**
(C/M 2014/01/28 - N 6/1/3)

Ordinary Management Committee Meeting of 16 January 2014,
Addendum 8.2 page 20 refers.

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

Introduction

The Contract was awarded to Messrs Strydo Construction cc on **09 August 2013** for the value of N\$3 658 598.50 (vat incl.). The project is scheduled for construction duration of 8 calendar months. The Design Consultants are WML (Coast) Consulting Engineers and the Project will be managed in-house.

The project involved the replacement of existing sewer lines in Augustinus Garoeb Street and Onawa Street as well as the installation of a new sewer line in Erika Tsuses Street. All work is situated in the Mondesa area.

Discussion

At the start of the project the Contractor invited all service authorities, Erongo RED, Municipality and Telecom, to identify all existing services along the construction route. It was found that several water lines, telecommunication cables and electrical cables have been laid in close proximity and even on top of the sewer lines which need to be replaced. It was also found that several small building structures will need to be demolished and rebuilt.

The relocation of water lines can be done by the Works Section and the telecommunication services can be accommodated during the excavation phase. However the problem lies with the relocation/removal of electrical cables, which was communicated that this will have to be done by a private contractor to the cost of Council as Erongo RED does not have the man power and time to attend this matter.

In the Scope of Works, relocation of services and the demolition and rebuild of structures were not included and if the Contractor has to wait for action from the responsible authorities (namely Erongo RED) to relocate their services it will mean that the project will be delayed and the Contractor will be eligible to claim standing time costs.

Availability of Funds

All Work pertaining to the replacement and installation of sewer lines as well as the Consultancy fees are being financed from the following vote:

Vote Description	Vote number	Amount
<i>Phase 1: Upgrading midblock sewerage system in Tamariskia and Mondesa</i>	302534013800	N\$4 988 960.00

In the Contract provision was made of a contingency amount to the value of N\$250 000.00 (Vat excl.) of which N\$ 32 116.00 (Vat excl.) have been used for unforeseen scope changes.

However, even with a contingency value for the use of the Contract, the amount will not be enough to cover the relocation of services, the demolition and built of the structures as well as cover unforeseen scope changes.

Conclusion

Because the Works are situated in a built up area with hard rock ground conditions, constant blockages of sewer lines and the presence of underground water makes the Works very difficult to complete.

It is expected that there will be a lot of scope changes which will have financial implications and it therefore requested that an amount of N\$1 000 000.00 (Vat excl.) be awarded to the Contract for the use to cover the cost to relocate/replace Erongo RED and Telecom services as well as to remove and reconstruct structures that will be in the way of the sewer lines that needs to be replaced.

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

RECOMMENDED:

- (a) That the additional funds of N\$1 000 000.00 (Vat excl.) be awarded to cover the costs to relocate/replace services of Erongo RED and Telecom Namibia as well as the removal and reconstruction of structures that are positioned on top of the sewer lines that needs to be replaced.
 - (b) That the additional funds be sourced from vote:
 - 302534013800 - *Phase 1: Upgrading midblock sewerage system in Tamariskia and Mondesa*
 - 302532009000 - *Midblock Sewers (Phase 2)*
-

11.1.17 **REQUEST TO EXTEND MR JOHAN DE KOCK'S CONTRACT**
(C/M 2014/01/28 - B 1/1/4)

Ordinary Management Committee Meeting of 16 January 2014,
Addendum 8.3 page 22 refers.

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

Introduction

Mr J de Kock was appointed as Professional Engineer on an hourly contract basis for the construction period of the new 16ML Potable Reservoir on **08 August 2012**. Mr J de Kock's duties included the quality control, general supervision and contract administration during the construction of the project. Mr J de Kock also had to stand in as a mentor for Mr C McClune, (presently registered as Engineer in Training) teaching him the fundamentals of reservoir construction and project management, which benefited him greatly and he can now document his experience and knowledge in his registration report for Incorporated Engineer.

Discussion

During the construction of the 16ML Potable Reservoir, Council awarded a second contract for the Design and Construct of a 15ML Treated Effluent Reservoir at which Mr C McClune was assigned to attend to the quality control, general supervision and contract administration of this project with the assistance of Mr J de Kock at critical points in the construction period.

This Project is currently 8 months into the construction phase and is scheduled to be completed on **28 March 2014**. The progress quality of workmanship of the Contractor is, however, not supportive of completion in time and within quality specification, with significant input required from Municipal supervision to ensure progress and compliance to specification. This lack of performance and observed poor contractual understanding of the Contractor has resulted in a more frequent assistance from Mr J de Kock than was originally anticipated.

Due to the situation Mr C McClune had to remain on site full-time to manage and supervise construction, gaining good construction experience, yet the higher attention to this project unfortunately is reflecting on the amount of time he can spend on the several other important capital projects he manages. Given that the site is not linked to the Municipal network, he has limited telecommunication facilities, making proper project management of the other projects complex and inefficient.

It is thus considered highly recommendable that additional and experienced project management resources be availed to ensure the success of this challenging reservoir project.

Availability of Funds

The third Technician post under Engineering Services has not been filled to date. The funds budgeted under salaries for such position have therefore not been used and can be used as a saving.

Mr J de Kock's remuneration consisted of an hourly rate of N\$275.43 and was compensated from Vote 402034015500 where N\$250 000.00 was available.

At the start of the project, 16 ML Potable Reservoir, Mr J de Kock spent considerable time on site to ensure that the ground work for the foundations are done correctly as this is the important platform for any construction work, but as the project progressed time spent on site became routine and to a lesser extent which gave an opportunity for Mr J de Kock to assist at the 15ML Treated Effluent Reservoir.

The full time supervision at the potable reservoir and assistance at the Treated Effluent Reservoir exhausted the funds available in Vote 4020340155 00 in the 2012/13 Financial Year with only N\$38 194.33 of N\$250 000.00 remaining which resulted in Mr J de Kock exceeding the allowed amount by N\$5 599.04.

Conclusion

The time spent on site benefited Mr C McClune greatly as he has gained experience and knowledge for similar future projects, but the time spent on the project has reduced the time needed to manage the other projects under Mr C McClune's supervision. It is therefore recommended that Mr J de Kock's contract be extended to assist Mr C McClune in the supervision of the construction of the Treated effluent Reservoir.

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

RECOMMENDED:

- (a) That an additional amount of N\$5 599.04 be made available to pay Mr J de Kock for the time spent assisting Mr C McClune in the Project Management for the construction of the Treated Effluent Reservoir**
 - (b) That the contract of Mr J de Kock be extended to include the supervision of the Construction of the Treated effluent until the completion of the project.**
 - (c) That all costs be defrayed from Vote 103010212300 (Professional Services) where an amount of N\$100 000.00 was budgeted of which an amount of N\$77 555.61 is still available.**
 - (d) That the Manager: Planning negotiates a suitable hourly rate with Mr J de Kock for the supervision of the Construction of the Treated Effluent Reservoir.**
 - (e) That Mr J de Kock be assigned as mentor of Mr C McClune for the duration of the Project.**
-

11.1.18 **ADDITIONAL FUNDS : CONFERENCE EXPENSES**

(C/M 2014/01/28 - D 2/1)

Ordinary Management Committee Meeting of 16 January 2014,
Addendum 8.4 page 24 refers.

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

The purpose of this submission is to obtain Council's approval for additional funds on Council's General Expenses : Conference Vote.

The amount of **N\$358 000.00** was budgeted on Councils operational budget for the current financial year. The vote has been depleted and additional funds are required for the remaining period of the financial year.

The shortage has been reported to the Chairperson of Management Committee and approval has been requested for funds to be transferred to Council General Expenses: Conference Expenses Vote. **Attached**, correspondence sent to the Chairperson of Management Committee as well as the Alternate Chairperson.

The General Manager: Finance transferred the amount of N\$150 000.00 to Council's Conference Expense Vote 1005 102 065 00.

It is against this background that a request is made to Council for their approval of the transfer of funds.

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

RECOMMENDED:

That the action taken by the General Manager: Finance to transfer the amount of N\$150 000.00 to Vote 100510206500, additional funding towards Council General Expenses, Conferences Expenses vote, be approved.

11.1.19 **NEW POSITION: PROPERTY CLERK**
(C/M 2014/01/28 - B 1/1/2)

Ordinary Management Committee Meeting of 16 January 2014,
Addendum 9.1 page 01 refers.

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

1. The Property Section consists of 1 Corporate Officer (Properties) and 4 Property Officers.
2. The situation in Properties Section has been monitored and discussions take place on a regular basis considering the tasks of the Property Officers and the needs of the Section.
3. To date during 2013 approximately 450 letters were received via Orbit which is being attended to by the property section, be it standard replies or submissions to the Planning Forum or Management Committee. On average this is 45 letters per month.

The Property Section compiled approximately 170 submissions to Planning Forum and or Management Committee during 2013, followed by the execution of the resolutions passed by the Management Committee and Council.

Apart from various sales (during 2013, Council sold 255 erven) which entail constant enquiries, preparation, compilation and verification of various documents prior to and after the sales. When properties are sold by closed bid it involves several days of preparation by at least 3 officials depending on the number of erven and the zoning. Data bases need to be compiled, refunds and payments co-ordinated, cancellations and re-allocations must be closely attended to, deeds of sale must be finalized and signed, levies must be co-ordinated with Finance Department and transfers must be attended to.

Council also leases various types of properties for commercial use to private individuals and companies while there are properties reserved for temporary short term leases such as hawkers, events, Saturday morning street barbeques, mobile kiosk sites and encroachments.

These leases can be summarized as follows:

<i>Multiple year leases</i>	:	153
<i>Annual leases</i>	:	100
<i>Monthly leases</i>	:	15 (sites excluding ad hoc sites)
<i>Encroachments</i>	:	in excess of 150
<i>Hawkers at Kavita Park</i>	:	65 (annual)
<i>Leases at the Aerodrome</i>	:	69

4. The above tasks are being attended to by the Property Officers and the Corporate Officer (Properties). Due to the nature of administrative tasks, routine tasks and standard enquiries take up a lot of time. Currently a contract worker assists with standard

enquiries, compilation of data bases and standard lease agreements and tasks such as inspections at the Kavita Park hawkers, searching and retrieving documents, bulk mailing and photocopying, collection of files and information in the role of a Properties Clerk.

5. The workload of the Property Officers is continually increasing and has increased to such an extent that immediately when one is absent delays are caused. Apart from the Corporate Officer, two of the Property Officers are studying and therefore these officials will be absent from the office for a period of at least 18 days each for the next two years for study leave. Staff members also take annual leave.
6. Having a contract worker assisting the property section staff members with daily tasks, released the property officials to focus and attend to more advanced tasks.
7. It should also be kept in mind that various erven are being subdivided for sale in the near future, resulting in the rapid expansion of our town and the workload of municipal officials.
8. The salary costs of the B3 grade entry level is N\$220 500.00 per annum. It is anticipated that the eventual grading should not exceed B3 due to the operation level of the position.

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

RECOMMENDED:

- (a) That a new position of Property Clerk in the Corporate Services and Human Resources Department be approved.
 - (b) That provision be made in the 2014 / 2015 Operational Budget for the appointment in accordance with Council's recruitment policy for a Property Clerk in the Corporate Services and Human Resources Department.
-

11.1.20 **ADDITIONAL FUNDS FOR DRC DEVELOPMENT**
(C/M 2014/01/28 - D 2/1, H 5/4)

Ordinary Management Committee Meeting of 16 January 2014,
Addendum **10.2** page **12** refers.

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

PRESENT STATUS OF DRC DEVELOPMENT

Contract 40/2013 for the Provision of Services for Blocks 1-3 & 8-11, DRC Area was awarded to Strydo Construction cc to the amount of N\$26 569 472.00 (Including Provisional Sums, Contingency Amount, and VAT).

The award was facilitated by utilising funds from:

(a) *Approved funds on 2013/14 Budget per Votes:*

Vote	Amount (N\$)
3025 340 166 00 - New sewer pump	7 500 000
3025 340 167 00 - Main sewers	7 000 000
3025 340 168 00 - Internal sewer network	3 000 000
4020 340 172 00 - Water mains	5 000 000
4020 340 173 00 - Internal water network	3 000 000
	25 500 000

(b) *Remainder of the funds (N\$ 1 133 222) after the cost for the development of Tamariskia Ext 3 (N\$13 866 778.00) has been defrayed from the following Votes:*

Vote	Amount (N\$)
2015 340 175 00 - Streets	9 000 000
3025 340 165 00 - Sewage works	3 000 000
4020 340 171 00 - Water supply	3 000 000
Total amount provided	15 000 000

Total available funds:

N\$ 25 500 000.00
N\$ 1 133 222.00
N\$ 26 633 222.00

Approval to utilise the remainder of the funds was obtained as Council on **28 November 2013** under item 11.124 resolved as follows:

- (a) *That the application to use savings on the following Votes; 201534017500 (Streets), 302534016500 (Sewerage Works), 402034017100 (Water supply), identified for the development of infrastructure for Tamariskia Extension 3, to finance the development of infrastructure for the DRC Area be approved.*
- (b) *That the application of unused funds, identified as such by the relevant Head of Department, on all completed Capital Projects for the development of infrastructure in the DRC Area be approved.*

DEVELOPMENT COST ESTIMATE

The invited Tenders resulted in the following tabled estimated project cost to develop DRC:

<i>Scope of Works</i>	<i>Blocks 1-3;8-11</i>	<i>Blocks 1-3;8-18; 24-26</i>
<i>Erven</i>	1576	3 234
<i>Residential Erven</i>	1 513	2 993
<i>Part 1 : P&G's</i>	16 765 840	27 765 840
<i>Part 1 : Provisional sums</i>	40 459 791	120 839 582
<i>Part 2 : Primary Sewer Reticulation</i>	3 448 718	4 732 824
<i>Part 3 : Secondary Sewer Reticulation</i>	5 125 383.07	10 184 238
<i>Part 4 : Primary Potable Water Reticulation</i>	2 460 539.47	4 956 355
<i>Part 5 : Secondary Potable Water Reticulation</i>	3 247 615.45	6 385 478
<i>Part 6 : Ablution facilities</i>	10 864 757.20	37 215 141
<i>Part 7 : Roads Infrastructure</i>	9 385 315.00	20 059 287
<i>Part 8 : Sewer Pump Station</i>	5 578 185.00	5 578 185
<i>Part 9 : Electrical Sub-Station</i>	1 475 130.00	1 475 130
<i>Part 10 : Semi-Purified Water Reticulation</i>	955 481.83	1 722 790
<i>Part 11 : Pot & PE Water Pressure Towers</i>		12 000 000
	99 766 756	252 914 849
<i>Contingencies @ 10%</i>	9 976 676	25 291 485
<i>Consultancy Fees</i>	3 000 000	3 000 000
<i>VAT (15%)</i>	16 911 515	42 180 950
	N\$ 129 654 947	N\$ 323 387 284
TOTAL SERVICES INSTALLATION COST ESTIMATE		N\$ 453 042 231

Five compliant tenders were received, with the estimate compiled from the tendered rates and estimated quantities submitted by Consultant Windhoek Consulting Engineers. It should be noted that the above estimate provides for the use of only one tenderer for all works, thus should multiple tenderers be used:

- (a) *The construction time for the total project will be reduced*
- (b) *The total cost will increase due to the additional of the Preliminary and General Costs parts of the Tenders*

The expected costs increase is approximately N\$4 000 000.00 per additional contractor used.

Validity of the tenders were extended by the compliant tenderers until **31 March 2014**, thus allowing possible appointment to develop additional infrastructure and services.

STATUS QUO

The Mass housing Project was launched by the President on **26 November 2013**, indicating that funds will be made available for, inter alia, the establishing of new serviced erven, thus incorporating the costs for Town Planning and Services installation.

At present it is not known when the funds will be made available, and given that the validity of the tenders lapses **31 March 2014**, it is considered prudent to obtain Council's consent to utilise available alternative funds until the Mass Housing Initiative funds becomes available on "temporary advance basis".

POSSIBLE AVAILABLE FUNDS

Liaison with General Manager : Finance identified the following:

Build Together Funds

The total investments of the Built Together Fund amount to N\$19 000 000.00 as at 30 November 2013.

Below are breakdown of commitments:

- Advances still payable to Beneficiaries N\$ 3 894 280
- Erven still to paid N\$ 534 713
- Erven for 54 Beneficiaries N\$ 546 000
- Loans to 54 Beneficiaries N\$ 2 590 000
- Current Account - Operation cost N\$ 500 000
- **Total Commitment N\$ 8 064 993**

General Manager: Finance recommends that only an amount of N\$ 10 000 000 be availed as temporary advance recoverable from sale of erven after formalization of DRC.

Property Development Fund

Corporate Services and Human Relations Department confirms that N\$ 10 000 000 can be availed from the Property Development Fund, as identified in the following report:

Erven	Upset Price	Exp Income	Received	Guarantees	Outstanding	Due
20 x Erven Dunes Estate	8 280 120	10 682 927	7 732 001	600 000	1 470 000	2014-01-05
Erf 4884 Ext 10	2 532 000	7 041 580	cancelled			
Erf 5159 Ext 15	2 189 250	7 662 375			7 662 375	2014-03-30
Erf 5160 Ext 15	2 396 730	9 595 000		9 595 000		
30 Erven Mid Low Income	1 196 775	1 279 480				pend Min appr
5 Erven Vehicle Dealers	16 508 219	16 488 500	8 479 000		8 009 500	90 d after Cons
25 Bus Erven Ext 10	7 896 160	18 362 825	14 265 267	2 249 169		
30 Erven Up Low Income	1 209 038	1 326 338				pend Min appr
39 Erven Light Ind	11 371 520	22 917 619				pend Min appr
6 Erven Gen Ind	18 680 960	25 779 855				2014-02-28
30 Erven Low Mid & Mid	1 245 600	1 326 338				pend Min appr
Erf 3398 Mondesa	253 368	621 000				2014-03-31
TOTAL	65 479 620	123 083 836	30 476 268	12 444 169	17 141 875	

Positive variance from upset price	57 604 216
Total funds received to date	42 920 437
Total funds as at March 2014	52 052 812
Amount short of upset price	13 426 808
Funds pending Ministerial approval	26 849 774

PROPOSAL

To implement the available compliant tenders while the rates are still valid, and to thus accelerate the construction of services infrastructure within DRC, it is thus proposed that Council approves the utilisation of the following funds on a temporary advance basis against the availability of funds from Mass Housing Initiative:

- *Build Together Funds* *N\$ 10 000 000.00*
- *Property Development Fund* *N\$ 10 000 000.00*
- ***Total funds requested*** ***N\$ 20 000 000.00***

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

RECOMMENDED:

- (a) That Council approves the following funds for utilisation in the provision of services infrastructure in the DRC Area:
- *Build Together Funds* *N\$10 000 000.00*
 - *Property Development Fund* *N\$10 000 000.00*
 - *Total funds requested* *N\$20 000 000.00*
- (b) That these funds be made available on temporary advance basis against the availability of funds from Mass Housing Initiative.
- (c) That permission be granted to Build Together beneficiaries to whom loans were allocated, to utilise the funds for the construction of their houses.
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11.1.21 **(01) 2008 TO DATE: LAND APPLICATIONS (x2) - RAILWAY WEDGE**
(C/M 2014/01/28 - G 4/1/1)

Ordinary Management Committee Meeting of 16 January 2014,
Addendum 7.9 page 69 refers.

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

1. Introduction

With reference to the land applications received since 2008 to date, the Management Committee on **12 September 2013** under items 7.11 and 7.12 passed the following resolution:

- (a) *That this item be referred back and that applications be resubmitted individually in batches of 10 (ten) at a time, starting with applications for township developments.*
- (b) *That the General Manager: Corporate Services and Human Resources formulate a definition as to what constitutes "Large Portions of Land" and submit same to Management Committee.*
- (c) *That permission be granted to the General Manager: Corporate Services and Human Resources to ascertain the nature and purpose of the application from applicants, where necessary.*

With reference to point (b) above, large portions of land can be defined as a portion of land, developed (meaning streets, sidewalks, water, sewerage and electricity) or undeveloped land in extent of 5 000m² or 0.5 hectares.

2. Land Portion - Railway Wedge

The first application received on 14 January 2008 refers to a portion of land located between the railway line and the bridge, adjacent to Extension 10 (industrial area), measuring approximately ±36 100m² in size.

On **24 February 2008** the Planning Forum discussed the application received on 14 January 2008 from Messrs Lentin Architects and the following was considered:

- (a) *That quotations be called for the surveying of the portion of land situated between the railway line and bridge, adjacent to Extension 10, the industrial area, measuring approximately ±36 100m² in size.*
- (b) *That the matter be submitted by Engineering Services after preparing a layout for approval.*
- (c) *That the area be surveyed and sold by way of a closed bid at an upset price per m² to be determined by Council.*

Following the above discussion, Council on **27 March 2008** passed the following resolution:

That Council does not consider the alienation of the portion of Swakopmund Town and Townlands No 41, ± 36 100m² in size, to Mr C Powell of Lentin Architects on behalf of his client, but to make this portion of land available to the public by means of a public auction.

In addition to the above, Council on **29 April 2010** passed the following resolution:

- (a) *That Messrs Lentin Architects be informed that Council remains with its decision passed on 27 March 2008, i.e.:*

That Council does not consider the alienation of the portion of Swakopmund Town and Townlands No 41, ±36 100m² in size, to Mr C Powell of Messrs Lentin Architects on behalf of his client, and will make this portion of land available to the public by means of a public auction.

(b) *That all applicants be informed that Council will not consider the alienation of more block erven until the blocks allocated to developers north of Extension 9 and Tamariskia, have been proven successful.*

3. **Applications received for the portion of land**

The following two applications were received for the portion of land, no applications were received since 2011 to date.

3.1 **Messrs Lentin Architects on behalf of Mr L Jacobs**

As per attached **Annexure “A”** applications were received dated **14 January 2008** and **23 February 2010** to purchase the above portion of land.

Their proposal was to develop 73, 2- and 3-bedroom section title units.

They offered a purchase price of N\$26.50 per m².

Council considered their application on **27 March 2008** and again on **29 April 2010** and Council decided not to consider the sale of this portion of land, but to make it available for sale to the public by means of a public auction.

Attachments:

Annexure “A”

- ① Letter dated **14 January 2008** from Messrs Lentin Architects on behalf of Mr L Jacobs
- ② Council's reply dated **7 April 2008** and a map indicating the area
- ③ Letter dated **23 February 2010**
- ④ Council's reply dated **06 May 2010**

3.2 **Messrs Kambueshe Trading Enterprises, Mr L Jacobs and Others**

An e-mail application was received dated **24 May 2008** from Messrs Kambueshe Trading Enterprises to purchase the same portion of land.

Seeing that Council already considered a similar application from Messrs Lentin Architects on **27 March 2008**, Messrs Kambueshe Trading Enterprises was informed of the said Council resolution per letter dated **07 July 2008**.

Attachments:

Annexure “B”

- ① E-mail application dated 24 May 2008 and Council's reply dated **07 July 2008**.

4. **Proposal**

Experience and previous sales have proven that only Council can service and provide land at affordable prices.

It is proposed that Messrs Lentin Architects and Messrs Kambueshe Trading Enterprises be informed that their applications were reconsidered and that Council remains with its decisions passed on **27 March 2008** and **29 April 2010**.

It is further proposed that the Engineering Services Department attend to the layout, subdivision, surveying and servicing of the portion of land for the creation of single residential erven.

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

RECOMMENDED:

- (a) That Messrs Lentin Architects (applications dated 14 January 2008 and 23 February 2010) and Messrs Kambueshe Trading Enterprises (application dated 24 May 2008) be informed that Council reconsidered their applications and decided to remain with point (a) of their decision passed on 29 April 2010:

That Council does not consider the alienation of the portion of Swakopmund Town and Townlands No 41, ±36 100m² in size, to Mr C Powell of Messrs Lentin Architects on behalf of his client, and will make this portion of land available to the public by means of a public auction.

- (b) That the Engineering Services Department attends to the layout, subdivision, surveying and servicing of the portion of land situated between the railway line and bridge, adjacent to Extension 10, the industrial area, measuring ±36 100m² in size, for the creation of single residential erven.
- (c) That once point (b) above is finalized a submission be tabled to the Management Committee to propose an upset price per square meter for the sale of the individual erven to the public.
- (d) That Council at the time reconsiders the method of sale being public auction approved by Council on 29 April 2010.
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