### SUPPLEMENTARY AGENDA

**ORDINARY COUNCIL MEETING**  
Thursday, 29 November 2018

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REPORT FROM THE DIRECTOR: PLANNING AND DEVELOPMENT

PURPOSE OF THE REPORT

To report on the process of the development of the Hornlee serviced sites for Housing purposes, and the different developmental proposals

PREVIOUS RESOLUTIONS

"P04/10/18 INTEGRATED HUMAN SETTLEMENT MONTHLY REPORTS: JULY TO SEPTEMBER 2018

UNANIMOUSLY RESOLVED

[a] That the monthly report for the Integrated Human Settlements section of the Directorate: Planning and Development for the period of July to September 2018, be noted.

[b] That a detailed report regarding the Hornlee /Absa FLISP housing project be submitted to the Municipal Council for consideration."

BACKGROUND

The Municipal Council mandated the cancellation cession of the ABSA Development project on 6 December 2016.

With the cancellation of the ABSA contract Knysna Municipality became the Developer and, as per the Council resolution, retained the services of the consulting team, project manager, and civil contractor. At request of Council, the BNG component was increased from 88 to 150. The contract for the provision of 312 serviced sites was completed on 31 August 2018.

DISCUSSION

The Hornlee housing development consists of the following housing opportunities: (See attached Site Development Layouts)

1. **150 BNG SITES (Breaking New Ground)**
   
   Erf: 2252 – 39 sites
   Erf: 3333 – 58 sites
   Erf: 3667 – 29 sites
   Erf: 3669 – 24 sites

2. **135 FLISP/GAP SITES (Financed Linked Individual Subsidy Program)**
   
   - Erf: 4712 – 74 services
   - Erf: 3339 – 61 services
WHAT IS THE BREAKING NEW GROUND SUBSIDY PROGRAMME?

- The program was introduced to facilitate the development of integrated human settlements in well located areas that provide convenient access to urban amenities, including places of employment.
- The program also aims at creating social cohesion.

WHO IS THE BNG PROGRAMME TARGETED AT?

- Households with a gross income per month of up to R 3 500
- South African citizens
- Persons registered on the Western Cape Housing Demand Database (Waiting List)
- Persons who have not owned fixed residential property before
- Persons who are married or habitually cohabit
- Persons who are single with financial dependants
- Preference will be given to the elderly and Disabled

ALLOCATION CRITERIA TO DETERMINE ELIGIBLE BNG POTENTIAL BENEFICIARIES AND PUBLIC PARTICIPATION PROCESS

- Public participation meetings were held with the communities of wards 6 & 11 regarding the inception of the project, qualification criteria, and allocation criteria
- Follow up meetings were also held with the ward Councillors of wards 6 & 11
- The housing demand database (waiting list) was made available to community members for verification purposes and updating of new information
- The final list of the proposed 150 beneficiaries was discussed with the ward Councillors

WHAT IS THE FINANCIAL LINKED INDIVIDUAL SUBSIDY PROGRAMME?

- Finance Liked Individual Subsidy Program is an instrument that assists qualifying households by providing a once off downpayment to those households who have secured mortgage finance to acquire a residential property for the first time.

WHO IS FLISP TARGETED AT?

- Households with a gross income per month range is R 3 501 to R 22 000
- South African citizens
- Persons registered on the Western Cape Housing Demand Database (Waiting List)
- Persons who are married or habitually cohabit
- Persons who are single with financial dependants

WHAT IS THE SUBSIDY AMOUNT THAT ONE CAN QUALIFY FOR?

- Depending on their income level, a qualifying beneficiary will qualify for a subsidy of between R 20 000 to R 87 000
WHAT IS THE OBJECTIVE OF THE FINANCED LINKED INDIVIDUAL SUBSIDY PROGRAMME?

- The objective of the programme is to reduce the initial mortgage loan amount to render the monthly loan repayment installments affordable over the loan payment term.

Council’s approval is hereby sought for the advertisement of a Request for Proposals for the FLISP component of the Hornlee Project to solicit service providers who have expertise to execute the following:

- Marketing, Management and sale of FLISP development projects or projects of a similar nature
- Liaison on behalf of potential home buyers with Accredited Financial Institutions for Mortgage Bonds applications
- Determination of FLISP eligibility of applicants
- Provision of assistance to applicants with home loan procurement and FLISP application submissions
- The disposal/selling of the FLISP opportunities in accordance with legislation relating to municipal asset transfers
- The proposal should call for the best yield of opportunities within the site development and subsidy parameters

FINANCIAL IMPLICATIONS

Rates and services will be payable to Knysna municipality.

RELEVANT LEGISLATION

Housing Act 107-1997
National Housing Policy and Subsidy Programmes
National Housing Code 2009
MFMA
Section 14 and 90 of the MFMA (Act No. 56, 2003)

RECOMMENDATION OF THE ACTING MUNICIPAL MANAGER

[a] That the contents of the report with regard to the development of the different Hornlee sites for human settlements development purposes, be noted; and

[b] That Council approves the advertisement of a Request for Proposals for the development of erven 4712 and 3339 as a Finance Linked Individual Subsidy Programme Project

APPENDIX / ADDENDUM

Development of the Hornlee Serviced Sites.

File Number : 9/1/2/13
Execution :  Director : Planning and Development Manager : IHS
REPORT FROM THE DIRECTOR: COMMUNITY SERVICES

PURPOSE OF THE REPORT

To inform the Municipal Council of correspondence received from Garden Route District Municipality for the Defrayment of Fire services costs.

BACKGROUND

On Thursday, 1 November 2018, garden Route Municipality had a fire coordination JOC (Joint Operational Centre) meeting regarding the status of the fires in the different areas.

On the Agenda, discussion point; New matters for discussion, the establishment of work group/task teams was put in place.

A finance work stream was established between various Municipalities that have participated in the Joint Operational Centre on Friday, 2 November 2018. The finance work stream agreed as follows:

1] That all participating Municipalities resolve to upscale cooperation in all aspects of firefighting and Disaster Management;
2] That a Mutual Aid Agreement be entered into by and between the Municipalities to regulate such cooperation;
3] That all participating Municipalities agree in principle to share the defrayment of Fire Services costs; and
4] Notwithstanding the date of signature, the Mutual Aid Agreement (MAA) will come into operation on the date of the Vermaaklikheid fire and will terminate when the fire(s) are extinguished in the areas, and in the event of flare-ups of any of the fires, this agreement will remain enforceable.

COST IMPLICATION

To be determined by Finance Work stream.

RECOMMENDATION OF THE ACTING MUNICIPAL MANAGER

[a] That the report on the defrayment of Fire services costs, be accepted;

[b] That Knysna Municipality agree to the sharing in the defrayment of Fire Services costs, be accepted; and

[c] That a Mutual Aid Agreement be entered into by and between the Municipalities to regulate such cooperation and for the period from 29 October 2018 until 13 November 2018, only; be accepted.
APPENDIX / ADDENDUM

Agreement

File Number : 9/1/2/5
Execution : Director : Community Services
FIRE SERVICES MUTUAL AID AGREEMENT ENTERED INTO BY AND BETWEEN

GARDEN ROUTE DISTRICT MUNICIPALITY
herein represented by MONDE GIVEN STRATU
in his capacity as MUNICIPAL MANAGER (duly authorised)
(hereinafter referred to as "the GRDM")

AND

GEORGE MUNICIPALITY
herein represented by ______________________
in his capacity as MUNICIPAL MANAGER (duly authorised)
(hereinafter referred to as "George Municipality")

AND

MOSSEL BAY MUNICIPALITY
herein represented by ADV THYS GILIOEME
in his capacity as MUNICIPAL MANAGER (duly authorised)
(hereinafter referred to as "Mossel Bay Municipality")

AND

BITOU MUNICIPALITY
herein represented by ______________________
in his capacity as MUNICIPAL MANAGER (duly authorised)
(hereinafter referred to as "Bitou Municipality")

AND

HESEQUA MUNICIPALITY
herein represented by ______________________
WHEREAS it is in the interest of the Parties to this agreement to co-operate for the optimisation of any combination of their fire services and resources to expeditiously deal with fires and other emergencies within the Garden Route District as a whole;

AND WHEREAS there is a need to regulate and formalise such co-operation and the structures, systems, processes, procedures and responsibilities relating to such co-operation;

AND WHEREAS the GRDM is responsible, in terms of section 84(1)(j) of the Municipal Structures Act, 1998 (Act 117 of 1998) to regulate and co-ordinate the fire-fighting services with the district as a whole;

AND WHEREAS it is required that the Parties co-operate in terms of section 3 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) [as amended];

AND WHEREAS FURTHER the Parties are competent and may, in terms of section 12 of the Fire Brigade Services Act, 1987 [Act 99 of 1987] [as amended], co-operate in the rendering of such services by concluding a written agreement;

AND WHEREAS FURTHER the Parties agree to share the costs equally amongst themselves for the aerial support and ground teams utilised in the recent fires in the Garden Route District.
NOW THEREFORE THE PARTIES AGREES AS FOLLOWS:

1. APPLICATION OF THE AGREEMENT

This Agreement relates to the recent fires in the Hessequa, Bitou, Mossel Bay, George and Knysna jurisdiction which includes, but are not limited to the Vermaaklikheid, Blanco, Denneoord, Femridge, Geelhoutboom, Sewe Passe, Wildemis, Hoekwil, Tweevierle, Harold, Waboomsraad, De Vlugt, Jonkersberg, Garcia plantation, Rheenendal and Karatara areas.

2. DURATION

2.1 Notwithstanding the date of signature, this Agreement came into operation on the date of the Vermaaklikheid fire and will terminate when the fire(s) are extinguished in the areas referred to in clause one (1) above.

2.2 Notwithstanding the provisions of clause 2.1 above, in the event of flare-ups of any of the fires referred to in clause one (1) above, this Agreement will remain enforceable.

3. MUTUAL ASSISTANCE

3.1 In the event of any emergency requiring mutual assistance from any other party, a Chief Fire Officer shall request assistance in accordance with the standard operation procedures.

3.2 During any potential, developing or actual emergency, a Chief Fire Officer of any party may request assistance from the GRDM.

3.3 Upon receipt of a request in terms of clause 3.2, the Chief Fire Officer of the GRDM shall relay such request to the Chief Fire Officers of any other party(ies) as he considers necessary to deal with the emergency.
3.4 If the Chief Fire Officer of a Party receives a request for assistance is of the opinion that a prevailing emergency situation in his area of jurisdiction will prevent him from doing so, he shall immediately inform the Chief Fire Officer of the GRDM of his inability to render assistance.

3.5 Upon notification by a Chief Fire Officer of his inability to render assistance to another party(ies), the Chief Fire Officer of the GRDM shall request the assistance of any one or more party(ies) as he may determine necessary or expedient to comply with a request for assistance.

4. **FINANCIAL PROVISION**

4.1 The Parties to this Agreement agrees to share the costs equally amongst themselves for the fires referred to in clause 1 above.

4.2 The costs referred to in clause 4.1 above, relates to aerial support and ground teams deployed to fight the fires.

4.3 The GRDM will receive the account from the third party(s) [for the aerial support and ground teams] and upon receipt thereof, submit it to the Parties in order for them to pay their portion of the account.

4.4 Notwithstanding the amount referred to above, the Parties agrees that this amount might change, depending on any flare-ups or where the fires re-ignites again. Upon further invoices received for the flare-ups, the GRDM will submit same to the Parties for payment.

5. **LIABILITY AND INDEMNIFICATION**

All parties shall maintain, at their own cost, such insurance as may be necessary to cover all risks that may arise from or in connection with the rendering of mutual aid to other parties, including costs, losses, damages, destruction, claims or legal actions.
6. DISPUTES

6.1 The Parties to this Agreement agrees to co-operate with one another in mutual trust and by good faith by avoiding legal proceedings against one another.

6.2 In the event of a dispute arising between the Parties, the Parties agree to resolve the dispute internally by means of discussions between the various Parties.

7. TERMINATION

This Agreement will terminate when consensus are reached by the Parties that the fires referred to in clause 1 are extinguished.

8. AMENDMENTS

This is the sole Agreement between the Parties and no amendment thereto is valid unless reduced to writing and signed by all the Parties.

9. DOMICILIIUM CITANDI ET EXECUTANDI

The domicilium citandi addresses of the Parties to this Agreement are as follows:

Garden Route District Municipality – 54 York Street, George, 6530;
George Municipality – 71 York Street, George, 6530;
Bilou Municipality – Cnr Sewell Street, Plettenberg Bay, 6600
Mossel Bay Municipality – 101 Marsh Street, Mossel Bay, 6500
Hessequa Municipality – Van der Berg Street, Riversdal, 6670;
Knysna Municipality – Clyde Street, Knysna, 6570