

■ DEVELOPMENT

Unleashing potential of property value

City manager laments fact that only 3% of municipal properties are used to generate revenue

RAPULA MOATSHE

rapula.moatshe@inl.co.za

UNLEASHING the full potential of the City of Tshwane's property value was at the centre of the discussion that took place at Tshwane House Council Chamber yesterday.

This was during a seminar about property development attended by some industry role-players and municipal officials under the theme "Leveraging the value of public sector real estate".

Keynote speaker, executive mayor Stevens Mokgalapa made a clarion call to private developers to assist the City

in unlocking the value of municipal properties, which were not generating revenues.

He said the City was on a drive to attract private sector investment in its properties and the seminar was meant to open a channel of engagement and sustainable partnership with the industry role-players.

Mokgalapa said: "Significant advances are being made in the inner city to unlock property development opportunities."

Recently, the City sold some of its properties to the Department of Public Works, to the tune of R813 million.

Mokgalapa told participants that

investment in the development of government departments would change the face of the inner city.

"The investment will also unlock opportunities for real estate," he said.

Participants were told about the City's programme called Letsema, which focused on the formalisation of informal settlements.

Sharing Mokgalapa's sentiments was city manager Dr Moeketsi Mosola, who said only 3% of municipal properties were used to generate revenues.

The City, he said, owned more than 6 500 vacant land parcels.

He added that the municipal property model was centred on unlocking

the full value of its property portfolio.

The City manager said 55.3% of the city population resided in the northern part, saying it presented a challenge, whereby most of the people have to travel at least 40km to their workplaces in the CBD.

He encouraged developers to consider taking part in developing student accommodation, given that the City hosted many institutions of higher learning.

Vuyiswa Mutshekwane, chief executive of Black Property Practitioners, said local government had a role of determining land use and urban planning.

"It has a role of revenue generation for the purpose of improving quality of lives of the residents of the City," she said.

Economic Development and Spatial Planning MMC Isak Pietersen said the release of the City property assets for collaboration with private sector would help the City to generate much-needed revenue.

"Beyond the seminar we will be looking forward to continuously engaging with yourselves to identify areas of common interests that are critical to the goals and objectives of the value estate sector in Tshwane," he said.