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# Balwin forced to raise own funds



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**Morné Reinders**

Reitumetse Mahope

The commercial venture between the government and Balwin Properties off Garsfontein Drive near the Woodlands Boulevard Mall has hit a snag that will prolong construction to about 25 years.

According to land owner Balwin, the company is now forced to raise its own funding to commence with infrastructure and top structure on a phase-by-phase basis.

This as government, through the Department of Public Works had earmarked R1.4-billion for all external bulk services installations such as water, sewer, electricity, roads and stormwater, to be implemented by Balwin.

Balwin said at the start of the project, the Treasury had signed a memorandum of agreement with the Development Bank of South Africa in terms of which a R100-billion infrastructure fund would be available to facilitate infrastructure development.

It is unclear how much government has contributed to its bulk service promises for the project dubbed the Mooikloof Mega City yet.

Balwin spokesperson Morné Reinders told *Rekord* that the city, which was due for completion in about six years, had hit snags three years into construction due to delayed government funding for bulk infrastructure.

The city was set to be the country's largest sectional title development in collaboration with the government and was projected to generate over R120-million per annum in rates at maturity.

The city was earmarked as a strategic infrastructure project in 2020 of which government would install bulk infrastructure such as roads, sewer and water lines to see out the construction deadline of 2030.

Balwin was compelled to develop the top structure comprising apartments, lifestyle centres, road upgrades and other amenities.

Reinders said government had not been forthcoming with the necessary funding for the bulk infrastructure for over three years since the announcement of the project.

"We have commenced with phase 1. We remain in negotiations with the government on (them) paying for the bulk infrastructure as promised," he said.

"Each project faces various different and unique challenges and completion of the development is highly dependent on market conditions.

"Based on the current residential property market in South Africa, the entire development will take between 20 and 25 years to complete."

He said Balwin was currently developing phase 1, which would host approximately 924 apartments.

According to the Department of Public Works and Infrastructure (DPWI), work on sewer and bulk water supply line at the so-called "green mega city" that would transform the east of Pretoria had been ongoing.

DPWI spokesperson Thami Mchunu told *Rekord* that the Hills sewer treatment works had been completed, while upgrades to five intersections on Garsfontein Drive and to the Impala Road were in progress.

"Phase 1 of the upgrades to the eastern link sewer and the Delmas bulk water supply line to Rietfontein reservoir is in progress," said Mchunu.

The connection of electricity cables to existing Eskom lines was also underway.

"Phase 1 of the link to the existing Eskom line and link cables from Mooikloof to the Bashewa substation is in progress.

"Mooikloof Mega City is a mega residential development targeting the construction of 50 000 residential units as well as amenities for inhabitants. About 40 apartments have been completed thus far while another 40 are currently under construction," he said.

