

28 August 2019

SPEAKER: Cllr MXOLISI SIYONZANA

COUNCIL ITEM

PERMISSION TO ADOPT PRIORITY HUMAN SETTLEMENT DEVELOPMENT AREAS (PHDA 'S) FOR THE MANGAUNG METROPOLITAN MUNIICIPALITY

1. PURPOSE

Integrated settlement development is one of the powerful element for spatial form of any city and town. Premised on section 26 of the Constitution of the Republic of South Africa which mandates the state to take reasonable legislative and other measures within its available resources to achieve the progressive realization of the right to adequate housing right of their citizens of the Republic.

It is against this background that the National Department of Human Settlements introduced what it terms "Priority Housing Development Areas" (PHDA) as a framework for Spatial Transformation and Integration. These are areas which have the potential to bring about spatial transformation through human settlements investment thereby, use housing as an important element towards spatial restructuring and consolidation. Through the Human Settlements Development Agency (HDA), the National Department of Human Settlements had conducted spatial analysis in municipalities and as a result identified fifty-one (51) PHDA's countrywide and only one (1) Airport Node in Mangaung Metro Municipality.

The PHDA's intend to support municipalities to prioritize housing development applications in terms of SPLUMA thus directing housing finance to areas that promote inclusive residential markets. Council approval is required to enable the Minister of Human Settlements to declare Priority Housing Development Areas. (PHDA's). Emphasis must be placed on the "declaratory" provisions of the PHDA Regulations which allow for fast tracking measures and compels all

role players (National and Provincial Departments and State Owned Entities) to prioritize planning and budgeting in the PHDA 's.

2. BACKGROUND

A Human Settlements Spatial Planning was established with an inaugural meeting held on the 24th January 2019. Subsequently, the National Department of Human Settlements held one on one contact sessions with municipalities so as to give them an opportunity to give inputs on their PHDA's before approval by the Minister. This process was concluded with Mangaung Metro in March 2019.

The Minister of Human Settlements, Water and Sanitation Honourable Sisulu on the 9th July 2019 stated as follows:

"We are building new, integrated, functional and inclusive settlements... These settlements may vary in size and complexity, but all share common elements of capable and quality infrastructure & economic production. **Our inner cities** cannot and must not be allowed to decay – they are priority spaces, opportunity for spatial transformation and consolidation through renewal programmes and harnessing the inherent economic momentum within the cities.

Similarly, **our townships** must be transformed from dormitory settlement status to vibrant economic hubs that point the way towards future city precincts where proper values are competitive in a fully functional property market. We have long accepted that settlements in their variety as villages, towns and cities are and must be centres of economic activity and growth.

As we proceed to build new settlements and consolidate existing neighbourhoods... We are inspired by the Special Economic Zones and Re-industrialisation programmes that are aimed at economic growth.

Based on the background outlined above, this report seeks to get approval from Council for the adoption of three (3) PHDA's within the Metro based on the guidelines and spatial analysis within the Metro.

3. DISCUSSION

The initial spatial analysis for the identification of the PHDA's had identified one PHDA, the Airport Node in Mangaung Metro. The team within the Metro held a meeting on the 26th March

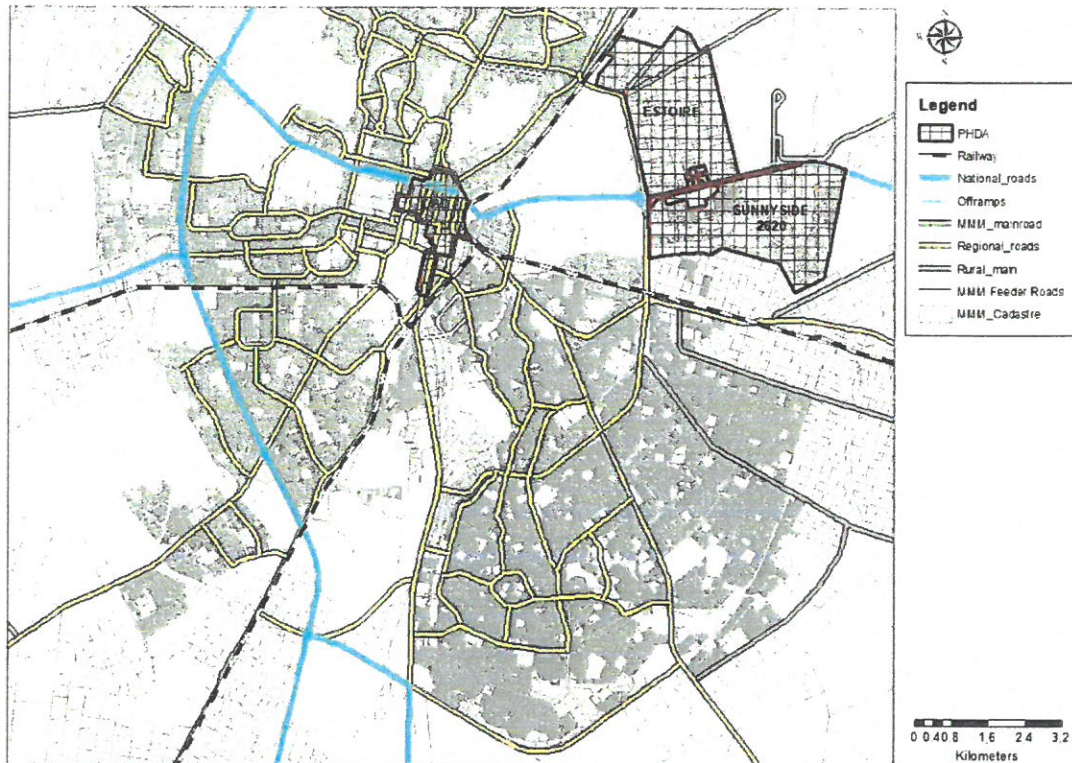


2019 to identify the potential PHDA's within the Metro. The process included the spatial analysis as aligned to the SDF, land-use patterns and also alignment with the Integration Zones as identified through the National Treasury process. The team highlighted that the proposed PHDA's should be viewed more as long-term dreams and would not supersede the SDF and its urban edge until Council pronounce otherwise. From this process, three (3) PHDA's were identified as follows:

PHDA One

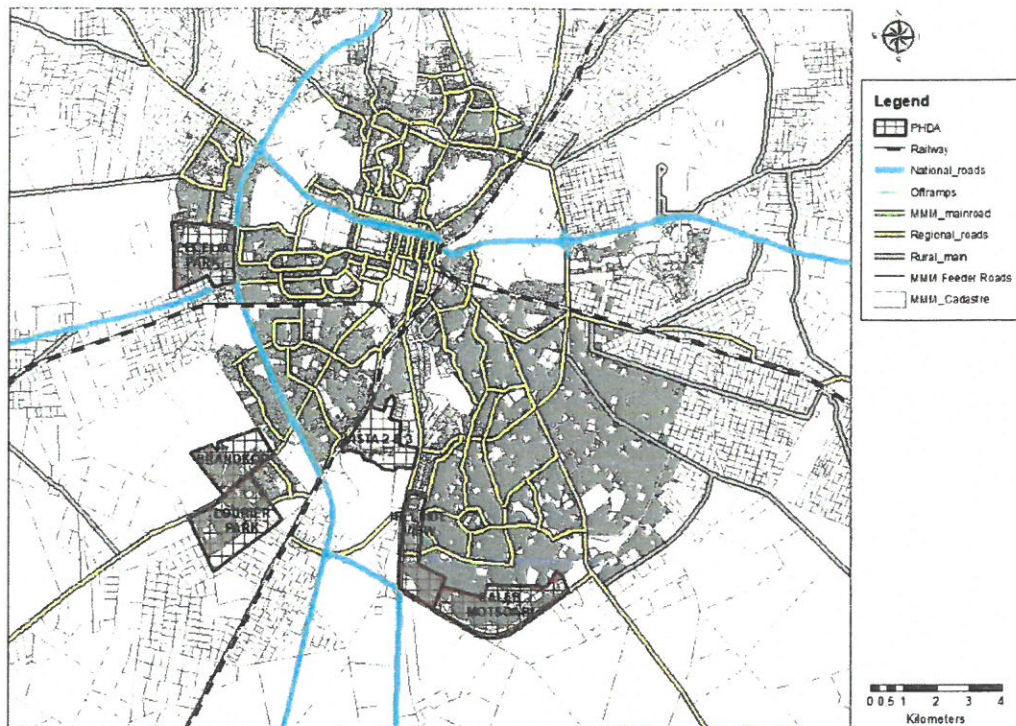
This PHDA is the one that was identified by the Department of Human Settlements as the Airport Node. It was agreed that this should be extended to the CBD area including the area of Buitesig, Estoire, and the North-Eastern Quadrant.

The motivation for these inclusion took into cognizant the planned ACSA development plans, the Estoire development under planning and the changing land-use patterns from small-holdings to light industry in the area to the North of Estoire. The CBD area will be covering areas falling within the Urban Development Zone (UDZ) and the Waaihoek Precinct Area and has the potential to deliver housing within the Metro. These areas have the potential to create job opportunities and assist with integrating the communities into the city. This PHDA is in line with the strategic objectives towards the development of the N8 Development Corridor and the Integration Zone 2.



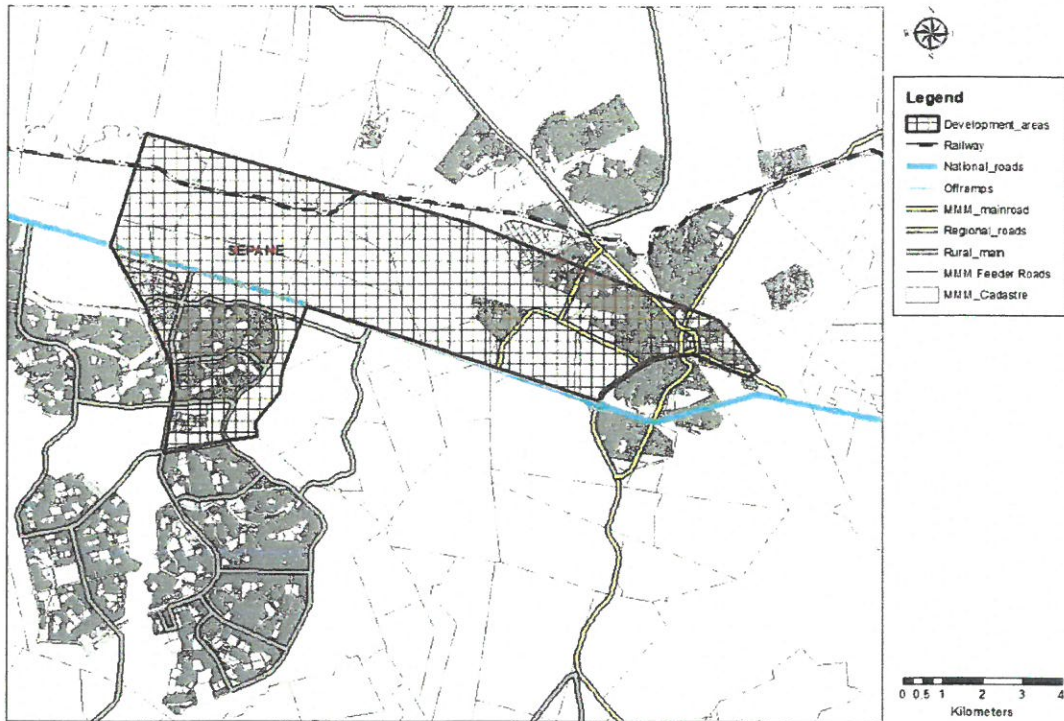
PHDA Two

The second PHDA proposed will include the area of Caleb Motshabi/ Kgotsong; Hillside View; Vista Park 2 and 3; Brandkop and Cecilia Park. Caleb Motshabi/Kgotsong is the biggest informal settlement in Mangaung with more than 7 000 households residing in the area. It is adjacent to Hillside View and Vista Park 2 & 3 Catalytic projects which will provide integration of the former township area and suburban area. There is already a lot of work underway within this area and it is expected to bring about serious spatial transformation within the City.



PHDA Three

The third proposed PHDA should cover the area of Thaba-Nchu Botshabelo Node around Sepane farms and the CBD 's of Thaba Nchu and Botshabelo. The purpose of the identification of the strategic areas is to facilitate ribbon development between Botshabelo and Thaba Nchu. The Metro has identified this area to integrate the two (2) centers of Thaba-Nchu and Botshabelo and has already advanced in purchasing the land for the intended development. The Metro has the Urban Development Framework for the development of this area and it's in support of the N8 Development Corridor.



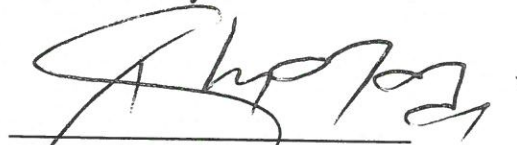
4. RECOMMENDATIONS

It is recommended that Council:

- takes note that, the Department of Human Settlements has identified housing development as an element for spatial transformation and consolidation through the adoption of PHDA's;
- takes note that PHDA's are areas where high impact spatial transformation and consolidation can be made through integrated human settlement development;

- takes note that the PHDA's are in line with Integration Zones as adopted in the Metropolitan BEPP and the SDDF; and
- approve and adopt the three (3) proposed PHDA's as long-term strategy to facilitate spatial transformation in Mangaung.

Submitted by



Adv. MJN Phaladi

HOD: Human Settlements

Recommend/ Not recommended

Date: 28.8.19



Adv. T Mea

City Manager

Recommended / ~~Not Recommended~~

Date: 18/09/2019

Approved / ~~Not Approved~~



Cllr S. M Mlamleli

Executive Mayor

~~Approved/ Not Approved~~

Date: 16/09/2019