



SIMON'S KLOOF COMMUNITY IMPROVEMENT DISTRICT (CID: 4 FOCUS GROUP PRESENTATIONS: ADDITIONAL QUESTIONS RAISED BY RESIDENTS

- How much will the contribution be? Is there a sliding scale of contribution based on property values?
- The sliding scale by potential values in the full Focus Group (FG) presentation that can be found in the Documents section of the website. Here is an **estimated** summary with fewer value points as a reference:

CID CONTRIBUTION SLIDING SCALE

ESTIMATE ONLY

COCT DATABASE PROVIDED + UMS RESPONSES RECEIVED + DRAFT BUDGET COMPLETED.

20/Jul/23

<u>ASSUMPTIONS</u>			<u>PROPERTY VALUE</u>	<u>PROPOSED CID DUES PA</u>	<u>PROPOSED CID DUES P/MTH</u>	<u>CURRENT CONT/PA AVG LAST 3 YEARS</u>	<u>CURRENT CONT/MTH AVG LAST 3 YEARS</u>	<u>VARIANCE CID to CURRENT PA</u>	<u>VARIANCE CID to CURRENT P/MTH</u>
SK VALUATION	R629 619 000	1	R10 500 000	R3 995	R333	R1 958	R163	R2 037	R170
SK LEVY (Current)	0,006344	2	R10 000 000	R3 804	R317	R1 958	R163	R1 847	R154
SK BUDGET	R239 527	3	R9 500 000	R3 614	R301	R1 958	R163	R1 656	R138
SK LEVY (Calculated)	0,000380432	4	R9 000 000	R3 424	R285	R1 958	R163	R1 466	R122
		5	R8 500 000	R3 234	R269	R1 958	R163	R1 276	R106
		6	R8 000 000	R3 043	R254	R1 958	R163	R1 086	R90
		7	R7 500 000	R2 853	R238	R1 958	R163	R896	R75
		8	R7 000 000	R2 663	R222	R1 958	R163	R705	R59
		9	R6 500 000	R2 473	R206	R1 958	R163	R515	R43
		10	R6 000 000	R2 283	R190	R1 958	R163	R325	R27
		11	R5 500 000	R2 092	R174	R1 958	R163	R135	R11
		12	R5 000 000	R1 902	R159	R1 958	R163	-R56	-R5
		13	R4 500 000	R1 712	R143	R1 958	R163	-R246	-R20
		14	R4 000 000	R1 522	R127	R1 958	R163	-R436	-R36
		15	R3 500 000	R1 332	R111	R1 958	R163	-R626	-R52
		16	R3 000 000	R1 141	R95	R1 958	R163	-R816	-R68
		17	R2 500 000	R951	R79	R1 958	R163	-R1 007	-R84
		18	R2 000 000	R761	R63	R1 958	R163	-R1 197	-R100
		19	R1 500 000	R571	R48	R1 958	R163	-R1 387	-R116
		20	R1 000 000	R380	R32	R1 958	R163	-R1 577	-R131
		21	R500 000	R190	R16	R1 958	R163	-R1 767	-R147
		22	R0	R0	R0	R1 958	R163	-R1 958	-R163

- Could you put together two “hypothetical” scenarios to illustrate the actual financial implications for an individual rates payer. i.e. a R 4 000 000 property and a R 8 000 000 property
- Please see above estimated table of Rand in the Rand CID levy contribution and review last column for potential impact vs. current contributions.

- I have spoken to a few people since our meeting and the questions seem to be similar: What is the additional cost to me? How do I benefit? Who controls the money given back to us by the City? Who makes the decisions and how?
- Please see the scale above and a more detailed one in the full Focus Group presentation. There will be no additional cost per se, contributions received over the last three years per residence are approximately R2,000PA. This CID budget is calculated around this value. However, as mentioned the COCT then calculate the budget divided by total SK Property Valuation to achieve a levy “Rand in the Rand” value. The Rand in Rand value is then applied against individual property valuation to achieve the Levy Value in Rands per Month. See table above.
- Please see the full Focus Group presentation for all benefits and control mechanisms / legal mandates.
- Can we stop/ exit the CID?
- Yes, the CID can be dissolved at any time and due process is availed to do same. We have requested clarification as to the full process and will post an update once received.
- To exit requires 50% approval rate from the residents at an AGM and will take an estimated period of 2-3 months.
- Who are the City of Cape Town role players re CID's?
- Facilitators are COCT Officials designated to oversee the CID's. In addition, the Local Councillor (LC) or representative (Non-Voting Member) must attend all Board Meetings. This gives the CID another the opportunity to escalate issues to the LC and/or COCT.
- The CID branch who falls within the Urban Regeneration Department, Spatial Planning & Environment Directorate are the responsible individuals. We ensure the process is followed and we accept application and do the vetting.
- Any limit to the size of the CID?
- No limit to size/resident numbers but limited to <25% of Property Valuation as CID Levy. The proposed CID levy is however nowhere near the cap of 25%. Refer scale above - the aim is be within a manageable level vs current levels of contribution. The only thing that would impact the % is if the residents jointly decided on a big project that will require a greater % for a specific time.

- What happens if people flatly refuse to support the CID?
- As explained to the groups, if the 60% approval is achieved, then 100% of residences are included with exception to current exempted residents (if any).
- You stressed the positive aspect that all ratepayers will now pay for previous “contribution only” services – can a ratepayer decide not to pay the CID monthly charge on their rates bill? If so, can the City take any action?
- As per above all ratepayers shall be levied according to CID rates. Ratepayer who fail to pay shall be dealt with under COCT rate recovery procedures.
- Will people who can't afford be considered for exemption?
- Yes - If they have been exempted by the COCT. They would have already undergone that process with the COCT re their rates bill.
- Need clarification that these contributions replace that of the FEGF/ SKNW contributions.
- Yes, contributions will replace both the SKNW (security cameras) and FEGF (Fire and Garden) contributions - and all funds will go into the new Non-Profit Organisation. The COCT will collect these contributions on your rates bill, and they will be paid across to the SK CID. (see “how will this be Funded” in Focus Group presentation). Steering Committee members remain for first 6 months then a Board of Directors must be elected. However, whilst the FEGF Committee can fall away and be controlled within the CID BOD, the Neighbourhood Watch must still have a committee, which can be the same as BOD.
- Please invite someone from one of the other CID's to present at the Public Meeting/AGM.
- We could invite Gail (CID Manager) from Kalk Bay St James SRA to assist if required. They have been in existence for approx. 5 years. There are 51 other CID's with many more applications coming in to the COCT. Other examples are Pinelands, Muizenberg, Fish Hoek, Clifton, Upper Kensington etc.
- What control does the City have over the decisions and actions of our SK NPO?

- COCT must first approve the SK CID Budget and 3-5 Year Plan. Once budget approved then SK NPO is responsible for applying this directly to budgeted projects/expenditure. All NPO processes under strict auditing and control procedures. COCT political representatives have no voting rights.
- Is there any way that an over-budget project which the City deems essential could be enforced?
- No, only SK Approved projects included within the approved CID budget can be actioned and expensed against.
- Is the percentage which the City will retain “capped”? Could they increase it at short notice, or can this only be done through negotiation with the new NPO/Simon’s Kloof board?
- Yes, the 3% for Bad Debt is capped.
- Almost feels like a small municipality.
- This is positive feedback – it allows us to control our focus of additional services.
- This speaks to a municipality being run by rate payers and advocating of working more closely with the municipality and assist them with additional services.
- The CID would have significantly more power to address SK municipal issues/concerns directly with COCT.
- How can I voice my concerns re focus areas – e.g I feel there are no cameras protecting our boundary on Runciman Drive?
- The survey will allow you to voice those areas of concern and help identify additional potential projects and focus areas.
- Can we not just have equal contributions per residence?
- The funding methodology is based on property valuations and Rand in Rand levies based on the valuation – like how your rates are calculated. All 51 CID’s work on this basis.
- Does special projects form part of this or outside of the CID, could we pay for additional services outside the CID on an equal basis so as not to pro rata impact the residents with higher property values?
- Absolutely. The CID does not prohibit additional private initiatives, BUT that will require an additional setup or committee to collect and manage.

- Could the City slap an additional special rate on – e.g. say for Baboon Management?
- NO, this is outside of the agreed SKCID Scope.
- Does Fish Hoek have a CID/ SRA?
- Yes, Fish Hoek has a Fish Hoek Business Improvement District (FHBID) established in 2000.
- Have CID's been successful?
- Currently 51 CID's operational within COCT alone.
- Does the new committee need to be voted in by residents - in other words does the committee get voted for?
- The existing Steering Committee approved stand as Board of Directors (BOD) once CID established for first six months, at which time a new BOD must be elected. Existing Steering Committee members may be re-elected. But any property owner may put up their hand for election.
- Will the CID make the life of the committee easier and more efficient?
- As all fund-raising activities/time is removed from the "Committee" tasks - this aspect alone it makes the operational commitments much easier. Having guaranteed funds on a month-to-month basis ensures the ongoing budgeted project/s viability and delivery.
- Hence, answer is YES.
- You mentioned urban management, does the CID get involved with zoning applications and historical society & architectural plans (for new builds/ alterations)? We are zoned for single resident homes, but some are divided into 3 residences within 1 property.
- Directly NO, but Indirectly YES as the BOD shall meet monthly which shall include the Local Counsellor or designated representative. Hence these issues can be raised and escalated.
- Greater Simonstown would want SK in their SRA/ CID as SK residents' rate are in good standing @ > 97.5%
- The Steering Committee has been approached on this. Our position is that we wish to remain as an SK CID. This will ensure control over the Levy to be applied and where spent, and hence our funds will not be dissipated.