

Simon's Kloof Community Improvement District

Final Public Meeting

16th November 2023

Phoenix Hall – Glencairn



Agenda



1. Introduction
2. CID Process to date
3. SKCID Communication Schedule
4. Summary of Property Owner's feedback
5. What is a CID?
6. The CID Process
7. CID Governance
8. Why a CID in Simon's Kloof?
9. The Proposed Geographic Area
10. The Urban Management Survey Results
11. The Business Plan Strategic Objectives
12. Final Budget & Financial Implications
13. Who will manage the CID?
14. How will the CID be managed?
15. What happens next?
16. Consent / Object Process explained

Kindly save your questions and comments for the end.

CID Process to date



- **Steering Committee (SC)** established;
- **Website** set up
- **Focus Groups** and an **Urban Management Survey (UMS)** were **completed** during **public participation process**
- SC compiled a **5-year business plan** indicating how improvements will be funded and achieved – **informed by the UMS survey**.
- **Business Plan (BP)** approved by the **City** presented to the community at **1st Public Meeting**
- **30 Day comment period** ended **9th Nov**. Input considered and **BP amended** where appropriate.
- **2nd Public** meeting to present **final BP**
- **Property owners consent / object / abstain from process i.r.o** establishment of proposed CID
- If approved by Council, **all property owners are obliged to pay** the additional rate (*except those who are exempt*); no provision for “opting out”. Implementation from **1st July 2024**

Simon's Kloof CID Communication Schedule



Date	Subject	Distribution Method: WhatsApp - Social & Urgent Groups	Distribution Method: Email
6 July	Focus Group Awareness	✓	✓
9 July 2023	Focus Group for Dolphin Way 12 July	✓	
	Focus Group for Nelsons Way 17 July – <u>Whatsapp</u> invite sent out 10 July	✓	
10 July 2023	Focus Group for Horatio Way & Trafalgar Place 18 July	✓	
	Focus Group for Victory Way 19 July	✓	
26 July 2023	Notification of Survey	✓	
15 August 2023	Survey Results	✓	
2 October 2023	1 st Public Meeting Notification	✓	✓
11 October 2023	SKCID Presentation, Business Plan & Budget available on Website Deadline for comments / feedback and suggestion by 9/11/23	✓	
16 October 2023	SKCID Presentation, Business Plan & Budget available on Website Deadline for comments / feedback and suggestion by 9/11/23		✓
20 October 2023	Virtual SKCID Presentation	✓	✓
01 November 2023	Reminder of the Deadline for comments / feedback and suggestion by 9/11/2023	✓	✓
02 November 2023	Final Public Meeting Notification	✓	✓

Summary of Property Owner's feedback



Sixteen (16) comments received with zero (0) requiring amendment to the current approved Business Plan:

- Two comments relate to the Levy format and inequality across Property Owners.
- Two comments are flat objection, one relates to a house breaking and second is simply unqualified no.
- Balance comments are complimentary & positive words of consent for the SKCID to proceed.

Summary of Property Owner's feedback



Comment

1. **Support** for SKCID Steering Committee and CID Proposal
2. **Inequitable** if based on **municipal rates**. Concern that **property values not updated**
3. Can **Committee live** with added burden
4. Will CID **impact relationship** with City
5. **Resident's own security incident** Nov 2021, refusal to support
6. **Voting** if **not in SK** at the time
7. Resident questioned **awareness of Public Meeting** and subsequently after receiving full documentation immediately declared his intention not to participate
8. **Support for FEGF** but want to **manage own security** and **have freedom of choice**

Response

1. Noted & thanked.
2. **CID Bylaw** determines collection methodology. **Property Valuations are beyond our control**
3. **NPO Board** mandated to **manage**, contract **admin resources** will be taken on
4. CID will **enhance relationship** with City **through greater access and reporting**
5. Related to **SKNW historic issue**. This resident does not contribute to either SKNW or FEGF
6. **Voting Forms** will be made available by **email** and on the **SKCID website**
7. This resident was **by choice not on any SK Communication** platforms, **did not update contact** details **despite repeated attempts**. After **provided** with all **information**, immediately **declared intention to not participate**. **This resident has never contributed or supported SKNW/FEGF**
8. Noted and thanked



What is a CID?

- Geographically **defined** contiguous area (*refer proposed area*)
- **All** property owners in the area fund additional rates (*some exemptions*)
 - *Property owners that receive a rates rebate are exempt*
- Additional rates to fund “**Supplementary**” municipal services for the specific area as per the approved BP
- **Community-driven:**
 - **Managed by** property owners of the area
 - Property owners **define their own needs** and how funds are spent
- Funding **collected by the City** from property owners
- **City pays money** over to CID monthly as per the budget
- Expenditure reports tabled at monthly Board meetings & sent to City

CID Governance



- **Registered non-profit** company NPC
- Directors (non-remunerated) elected by property owners annually
 - SKCID Committee operates as BOD for initial 6 months.
- **Board responsible** for:
 - Oversight & implementation of 5-year business plan
 - Competitive tender process for all service providers
 - Management of accounts/payments
 - Prepare monthly accounts, financial reports to Board & City
- Budget & Implementation Plan **approved annually** by members at AGM
- **Audited annually** & oversight from the City
- **Duration / Dissolution:**
 - At the end of term (5 years), must apply to renew
 - Can be dissolved at any time if requested by majority of property owners (50%) +1

Why a CID in Simon's Kloof?



Why a CID in Simon's Kloof?

Risks:

- Current **status quo coming to an end**, not sustainable in current form.
 - **Inconsistent cash flow** due to **irregular** year on year **contributions**.
 - Contribution **process** labour intensive and arduous.
 - Reluctance of **ALL** property owners to contribute.
- Being **consumed** and **lost** in another CID
- Being **sandwiched** by other CID's



Why a CID in Simon's Kloof?

Opportunities:

- You asked for **improved existing** and **new** initiatives to be implemented
- Allow for a **sustainable operating environment** - benefits for all and paid by all.
- **51 other CIDs** in the City **that work** & provide benefits to their communities and **have extended their terms**. **Additional 20+** applications underway.
- CID **replaces SKNW/FEGF** Contributions
- **Control** over own finances
- Increase in **desirability** of CID areas
- **Downside:** Equitable / Non-Equitable Contribution

The Proposed SKCID Geographical Area



The following streets are wholly within the geographic area:

- Nelson Drive
- Horatio Way
- Trafalgar Place
- Victory Way
- Victory Close
- Dolphin Way
- Excludes St Barts



The Proposed SKCID Geographical Area



The Urban Management Survey Results

- 81 responses = 80%
- Main Concerns
 - Safety and Security
 - Cleanliness and Litter
 - Maintenance of Public Spaces & Environment
 - Social





The Business Plan Strategic Objectives

1. Public safety
2. Environmental development, Cleaning, Clearing and Greening
3. Urban Management Initiatives including Fire Management and Speeding
4. Social
5. Communications

Maintaining and Improving Public Safety Proposed Budget:



Total estimated annual costs:

- 4 x Surveillance cameras added to Network R80,020 pa

Year 1	Year 2	Year 3	Year 4	Year 5	Total expenditure over 5 years
R 89,142	R 86,308	R 74,776	R 83,268	R 66,607	R 400,101

Environmental Development & Urban Management Initiatives: Proposed Budget



- Total estimated costs: R268,022
 - SK Front Entrance Walls & Garden
 - Steps – Nelson to Trafalgar
 - Steps Trafalgar to Mountain
 - Steps Victory Close to Victoria Reservoir
 - Victoria Reservoir - Verge
 - Traffic Islands – Garden & Painting
 - Traffic Islands
 - Alien Vegetation
 - Road/Gutter Clean Up.
 - SK Road Verges
 - Traffic Mirrors

Year 1	Year 2	Year 3	Year 4	Year 5	Total expenditure over 5 years
R 44,000	R 57,737	R 62,180	R 45,343	R 58,760	R 268,022

Budget Formulation



<u>SIMON'S KLOOF</u>						
PROPOSED BUDGET FORMULATION						
BUDGET = R380,303						
<u>RESIDENTIAL PROPERTIES</u>						
PROPOSED BUDGET 2024/2025	ASSUMPTIONS	PER RESIDENTIAL & NON -RESIDENTIAL PROPERTY	ANNUAL CONTRIBUTION (VAT EXCL)	ANNUAL CONTRIBUTION (VAT INCL)	MONTHLY CONTRIBUTION (VAT EXCL)	MONTHLY CONTRIBUTION (VAT INCL)
Current 3 YR AVG Contribution	R2,067	R2,067				
Additional Cameras PA	R111,391	R1,022				
Residential #'s	109		3,397.27	3,906.86	283.11	325.57
Non-Residential #'s	20	R500	500.00	575.00	41.67	47.92
Inflation	7.5%	R155				
VAT	15.0%	R153				
REVISED ANNUAL CONTRIBUTION		R380,303				

Budget was informed by the results / priorities of the Urban Management Survey, whilst maintaining and improving existing public safety and urban initiatives

Proposed Budget (5 yr)

- The Expenditure Budget for each year of the Business Plan-
 - Year 1: R 380,303
 - Year 2: R 408,826
 - Year 3: R 439,488
 - Year 4: R 472,449
 - Year 5: R 507,883
- Annual budget escalates with an average of 7.5% over the 5-year term

A detailed draft business plan, including the budget, is available on www.simonskloofcid.co.za



Financial Impact of Proposed Budget

For example, assuming:

- Budget for 2024/5 = R 380,303
- Rate-in-the-Rand (Residential) = 0.000613
- Rate-in-the-Rand (Non-Residential) = 0.000832

- If the municipal valuation of the property = R 1,000,000
- The annual contribution for the Residential property = R 613.00
- The annual contribution for the Non-Residential property = R 832.00

Preliminary Modelling of Financial Impact

SIMON'S KLOOF					
PRELIMINARY MODELLING OF FINANCIAL IMPACT					
BUDGET = R380,303					
<u>RESIDENTIAL PROPERTIES</u>		0,000613			
PROPOSED BUDGET 2024/2025	PROPERTY VALUE	ANNUAL CONTRIBUTION (VAT (EXCL))	ANNUAL CONTRIBUTION (VAT INCL)	MONTHLY CONTRIBUTION (VAT (EXCL))	MONTHLY CONTRIBUTION (VAT INCL)
380 303	3 000 000	1 839,00	2 114,85	153,25	176,24
380 303	4 000 000	2 452,00	2 819,80	204,33	234,98
380 303	5 000 000	3 065,00	3 524,75	255,42	293,73
380 303	6 000 000	3 678,00	4 229,70	306,50	352,48
380 303	7 000 000	4 291,00	4 934,65	357,58	411,22
380 303	8 000 000	4 904,00	5 639,60	408,67	469,97
AVERAGE	5 431 667	3 329,61	3 829,05	277,47	319,09
<u>NON - RESIDENTIAL PROPERTIES</u>		0,000832			
PROPOSED BUDGET 2024/2025	PROPERTY VALUE	ANNUAL CONTRIBUTION (VAT (EXCL))	ANNUAL CONTRIBUTION (VAT INCL)	MONTHLY CONTRIBUTION (VAT (EXCL))	MONTHLY CONTRIBUTION (VAT INCL)
380 303	2 000 000	1 664,00	1 913,60	138,67	159,47
380 303	3 000 000	2 496,00	2 870,40	208,00	239,20
AVERAGE	2 352 381	1 957,18	2 250,76	163,10	187,56





Who will manage the CID?

- The **SC** is responsible for **finalising the CID application** if >60% of property owners mandate them to do so.
- If the application is successful, the **SC** will register a **non-profit company (NPC)** to run the CID. **By default**, the SC will be **listed as founding Directors** when the **NPC** is registered at **CIPC**.
- Within **6 months of registration of the NPC**, a **members' meeting** must be held where **nominations** can be tabled for the **election of a new board of directors**. A **City appointee** will have an **Observer** role.
- An **NPC** has '**members**' instead of shareholders. Any **property owner** liable for additional rates **can register to be a member of the NPC**. Members can **vote at AGM's**, including **appointing Directors** and **approving budgets**.
- The **Board** will **appoint** a contract **Administrator** to run **day-to-day operations**.



How will the CID be managed?

- **Detailed implementation plan** on website setting out:
 - **Action steps** including
 - **Frequency and duration** of identified tasks
 - **KPI's** - Key Performance Indicators
 - Individual **Responsibilities**
- **Example:**

ENVIRONMENTAL DEVELOPMENT											
NO.	ACTION STEPS	KEY PERFORMANCE INDICATOR	FREQUENCY per year	DURATION IN WEEKS, MONTHS OR YEARS					RESPONSIBLE	REPORTING	COMMENTS
				Y1	Y2	Y3	Y4	Y5			
9	Monitor and report illegal signage and posters	Report findings to the relevant CCT department and log CCT service request	Ongoing	→	→	→	→	→	Manager and Service Provider	Board, Operational and Annual Report where applicable	
10	Improve green urban environment	Green urban environment	Ongoing	→	→	→	→	→	Manager and Service Provider	Board and Operational	Tree planting, maintaining of tree wells, road verges, replanting and maintaining of flower pots etc.
11	Monitor environmental health of waterways	Report findings to the relevant CCT department and log CCT service request	Ongoing	→	→	→	→	→	Manager and Service Provider	Board, Operational and Annual Report where applicable	

What happens next?



1. The CID Steering Committee **maintained** the initial BP, **after extensive public consultation**. **No feedback that impacted** the strategic focus / BP was received post the 1st Public Meeting. The Final BP is therefore what is presented here today.
2. **All documentation** including the Final Meeting Presentation, minutes of this meeting and voting forms will be loaded on the website after this Final Public meeting.
3. After this meeting, **129 property owners** will be asked to vote on whether they **CONSENT** or **OBJECT** to the establishment of the Simon's Kloof CID. This is a **city vetted** process
4. If a property owner **currently receives a rebate** (partial or in full) they are **exempted from the voting** process for the establishment of a CID, and **paying** the additional levy when established.
5. **One Property = One vote.**
6. Consent-Objections **forms** need to be **completed & returned by 16th December 2023**.
7. A **minimum of 60% support** of property owners must **CONSENT** for the application to be lodged with the City Council. **78 CONSENT** votes are needed to meet the **required 60%**.
8. If that application is **lodged and approved by the City**, the CID will become **effective 1 July 2024**.

Consent / Object Process explained?



1. For **ease of completion**, instructions and pre-populated forms with property owners' details will be **emailed to property owners by the SKCID Steering Committee member** responsible for the road:

- Gary Douglas dougiegaz@msn.com – Victory Way and Victory Close.
- Clair Schaap clairschaap@gmail.com – Horatio Way and Trafalgar Place
- Mandy du Plessis mduplessis23@gmail.com – Nelson Drive and Dolphin Way

The **form** will need to be **checked for accuracy by property owners**, and the **remaining areas completed, signed and returned** to the committee member or emailed to simonskloofcid@gmail.com.

2. Pre-populated hard copies of **Consent - Objection Forms** will be available **after this meeting at the table at the back**
3. If you want us to **deliver or collect a form**, please advise the **Committee member handling your street**, and we'll get one **to/from** you.

Consent / Object Process explained?



4. You can also **download** a voting form at www.simonskloofcid.co.za.
Print it out, fill it in and **send** it back to simonskloofcid@gmail.com.
5. The Consent-Objection process will remain open until 16th December 23,
but it will assist the volunteer team if you can get your votes in early.
We have made every effort to track down all our property owners, but the more time we have to follow up, the more likely we are to succeed.
6. If you have any **questions**, please contact one of the **Steering Committee**:
 - Gary Douglas 079 362 7168
 - Mandy du Plessis 072 759 9444
 - Clair Schaap 082 307 1581

Thank you on behalf of the SKCID Steering Committee.

Please visit

www.simonskloofcid.co.za

for more information or contact details.

**Please submit your Consent – Object
forms by 16 Dec 2023 to: -**

- simonskloofcid@gmail.com,
- 25 Victory Way
- Any SKCID Steering Committee
member

