

ERF 1117 BLOUBERGSTRAND DEVELOPMENT

MAP OF THE PROJECT



Figure 1: Accessibility to and from Erf 1117 Bloubergstrand

PROJECT SUMMARY



The **Erf 1117 Bloubergstrand Development**, led by the Housing Development Agency (HDA), aims to transform a **277.6 hectare** underutilised state-owned property into an approximately **7,165 unit social and affordable housing development**, addressing Cape Town's growing demand for **well-located, affordable rental accommodation**.

The project aligns with national and municipal spatial strategies and supports urban regeneration and inclusive economic growth. The proposed development site is located on **Erf 1117 Bloubergstrand**, accessible along Big Bay Boulevard (i.e. M120) and Cormorant Avenue, which connects to the West Coast Road (i.e. R27 Regional Road) within the Bloubergstrand suburb of the City of Cape Town. The property's zoning is classified as **AG: Agricultural Zone**, therefore a mixed typology development (i.e. residential, retail and commercial) will necessitate a rezoning (amendment scheme) approval from the Municipality.

PROJECT STATUS



The project is in the initial early **feasibility / pre-planning stage** and has completed high-level conceptual work, but has not yet entered formal planning, rezoning, financial feasibility, or implementation stages. Owing to the extent of the site, the development will be undertaken in **phases**, with **Phase 1 measuring approximately 13.126 hectares in extent**, earmarked for **234 serviced residential stands** (i.e. 440sqm and 600sqm serviced stands) – the pilot project.

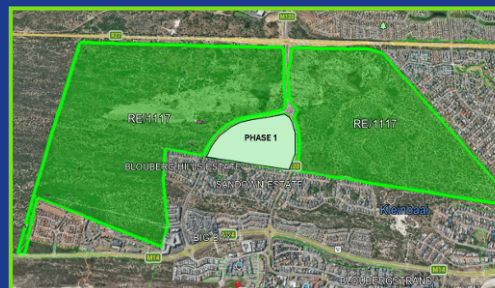


Figure 2 and 3: Locality of Phase 1 Development & Conceptual SDP for Erf 1117 Bloubergstrand



FINANCIAL NEEDS



To be determined after completion of feasibility study.

The project has not provided a financial projection, though it recommends prioritising Social Housing Regulatory Authority (SHRA) grants. Given the scale (7,165 units), the grant requirement would be very large, potentially running into several hundred million to over a billion rand, depending on national funding caps. Financial projections have been undertaken for Phase 1 – 234 serviced stands – as follows

- The subject property has a municipal land value of approximately R106 million (i.e. utilised as equity within the project's capital structure and reducing the reliance on external financing)
- The total development cost excluding land is estimated at approximately R270.4 million, translating to:
 - an average infrastructure development cost of approximately R1.16 million per serviced stand
- The project is based on the sale of fully serviced residential even at an average market price of approximately R2.2 million per stand, reflecting prevailing land values within the Blaauwberg coastal property market

Proposed Sources of Funding

Source of Funds	ZAR	% contribution
Clients Equity	R106,000,000.00	28%
Debt Finance	R278,250,268.32	72%
Total Financing	R384,250,268.32	100%

Table 1: Proposed Funding Sources for Bloubergstrand Phase 1 - 234 serviced stands

ERF 1117 BLOUBERGSTRAND DEVELOPMENT

PUBLIC / PRIVATE SECTOR OPPORTUNITY



The project presents significant partnership potential between the public sector (HDA, City of Cape Town, national housing institutions) and private-sector developers, engineers, investors and operators. These opportunities stem from the project's scale (7,165 units), zoning requirements, environmental constraints and substantial infrastructure needs. The project highlights the need to secure funding from national and financial institutions, implying the existence of opportunities for private capital participation. Because no financial model exists yet, private entities can shape financing structures early through equity participation, PPP structures, bulk-infrastructure co-funding, or development partnerships.

KEY PARTIES



Party	Role	Function
HDA	Project owner & implementing agent	Property Management Firms
PRT	Technical Team	Design, engineering, Geotech, market analysis, feasibility, legal
Contractor	Execute building works	Construction
City of Cape Town	Regulator (Local)	Rezoning, planning, building & approvals
Professional Consultants / Engineers	Technical studies, design, environmental compliance	Execute building works
Utility Providers (CoCT Water & Sanitation, Eskom)	Bulk capacity, service integration	Authority to approve, condition or reject statutory applications
Environmental Authorities	Regulation of conservation areas & EIAs	Rezoning, planning & approvals
National Human Settlements	Policy alignment, possible funding	Strategic oversight of HDA mandate compliance
National Treasury	Regulator (National)	PFMA oversight, PPP / SPV approvals
Private Developers / Investors	Capital, mixed-use development, construction	Equity, co-development
Banks / Lenders / DFIs	Debt financing	Debt financing / Equity
Property Management Firms	Long-term operations & tenant management	Tenant & asset management

Table 2: Identified key parties for Bloubergstrand Phase 1 - 234 serviced stands

BLOUBERGSTRAND PHASE 1 DEVELOPMENT ARCHITECTURAL SITE ANALYSIS AND SPATIAL STRUCTURE

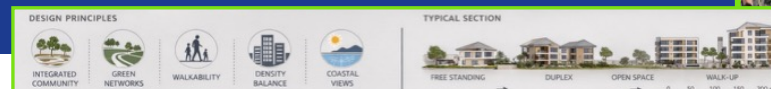


Figure 4: Conceptual typology/SDP

ERF 1117 BLOUBERGSTRAND DEVELOPMENT

TIMELINE



The current status based on the project stages for the **Phase 1 - 234 residential serviced stands** is as follows:

PROJECT PHASE 1				
Stage	Phase Description	Status	Key Activities	Notes / Dependencies
Stage 1	Inception	Completed	Project initiation, preliminary scope definition, internal approvals	Completed in-house by HDA in line with PFMA
Stage 2	Concept and Viability	In Progress	Conceptual design development, initial financial modelling, feasibility assessment	Established baseline viability and development intent
Stage 3	Design Development	Not Started	Appointment of turnkey developer (ToR drafted), market demand study, traffic impact assessment, geotechnical investigations, engineering service reports, detailed design development	Started in-house; specialist studies to be outsourced. Progress dependent on governance readiness, stakeholder coordination and maintaining site control
Stage 4	Documentation and Procurement	Not Started	Final construction documentation, procurement processes, contractor appointments	Dependent on completion of Stage 3 studies, regulatory approvals, and stabilisation of pre-construction risks
PROJECT PHASE 2				
Stage	Phase Description	Status	Key Activities	Notes / Dependencies
Stage 5	Construction	Not Started	Building works, infrastructure upgrades, services installation, quality and cost control	Commences once procurement is concluded and site conditions are secured
Stage 6	Close-out	Not Started	Practical completion, handover, final compliance certification, operational readiness	Final phase prior to occupation and commercial activation

CONCLUSION



While the **Bloubergstrand mixed-use and typology** project demonstrates **strong financial viability**, efficient land use and delivery readiness, it sits uneasily against broader panoptic objectives relating to spatial justice and inclusive urban development.

Phase 1 - 234 serviced stands as a development intervention within an already affluent precinct, running the risk of reinforcing existing urban inequalities, and should be viewed as a commercially viable project that delivers limited public value in addressing Cape Town's structural spatial challenges.

The succeeding development phases of the Bloubergstrand project will respond to the need for low-income housing, low-income rental housing and social housing, offering an overall mixed typology development.