



Executive Summary Report

1. Project Description & Strategic Case

Project Name	IAM: Founders Garden Artscape
Location	City of Cape Town
Sector	Social
Department	Department Of Infrastructure
Project Owner	Lindelwa Mabuntane
Project Manager	Lindelwa Mabuntane

1.1 Project Scope

The Western Cape Government (WCG) proposes the development of the Founders Garden site in Cape Town into a high-density, mixed-use precinct with a strong emphasis on social housing delivery. The project aims to optimize the use of scarce, well-located public land in the city center by creating a vibrant, inclusive urban environment.

1.2 Justification

Situated adjacent to the Artscape Theatre Complex and within close proximity to major transport hubs, this development will unlock 97,125 m2 of approved development rights to create a high-density, mixed-use precinct. The project will deliver over 2,000 residential units, supported by retail and commercial spaces and essential public amenities.

Through a public-private partnership model and a cross-subsidisation approach, the project ensures financial sustainability while maximizing social impact. Key features include:

1. Provision of an Early Childhood Development Centre
2. Integration of green and public spaces
3. Adoption of sustainable, low-carbon design principles
4. Seamless connection with the Artscape cultural precinct

This initiative represents a strategic response to the demand for affordable housing in Cape Town's city center, while promoting inclusive urban growth and transit-oriented development.

1.3 Sector Specific Analysis

• Lack of access to water

Water Supply Challenges - Cape Town's water scarcity remains a critical risk, especially after the 2018 drought crisis. - High-rise, high-density developments significantly increase potable water demand. Mitigation Measures: - Incorporate water-efficient fixtures and dual plumbing systems for greywater reuse. - On-site rainwater harvesting and stormwater attenuation. - Explore non-potable water supply agreements with the City for irrigation and flushing.

• Inadequate transportation infrastructure

The site benefits from proximity to Civic MyCiTi Station and Cape Town Rail Station, but: - Congestion on Hertzog and FW de Klerk Boulevards remains a challenge. - Limited non-motorized transport (NMT) infrastructure for safe pedestrian and cycling access. Mitigation Measures: - Prioritize transit-oriented development (TOD) principles. - Provide dedicated pedestrian pathways, bicycle lanes, and secure bike storage. - Engage with the City to enhance MyCiTi feeder routes and integrate with

PRASA upgrades.

- **Limited digital connectivity**

While Cape Town CBD has good fiber coverage, last-mile connectivity and affordable broadband for social housing tenants can be a barrier. Mitigation Measures: - Partner with ISPs for bulk broadband agreements. - Include fiber-ready infrastructure in building design. - Provide community Wi-Fi zones in public spaces.

- **Other Sector Specific Analysis Methods**

Energy and Power Supply - Load-shedding and grid constraints pose risks to operational reliability. Mitigation Measures: - Install rooftop solar PV and battery storage for common areas. - Use energy-efficient HVAC and lighting systems. - Explore embedded generation agreements with the City. Social Infrastructure Gaps - High-density development will increase demand for: - Schools and ECD facilities (one ECD center is planned, but more capacity may be needed). - Healthcare services within walking distance. Mitigation Measures: - Partner with NGOs and private sector for community health and education programs. - Allocate space for multi-purpose community facilities.

1.4 Market Size And Demand Analysis

1.4.1 Total Addressable Market (TAM)

1.4.2 Served Available Market (SAM)

- **Location**

- Prime Foreshore site in Cape Town's city centre. - Adjacent to Artscape Theatre Complex, Civic MyCiti Station, and Cape Town Rail Station. - Surrounded by major roads: DF Malan, Jan Smuts Streets, Hertzog, and FW De Klerk Boulevards.

- **Capacity**

- High-density development: Over 2,000 residential units planned. - Exceptional density: 1,000+ units per hectare, maximizing scarce city-centre land. - Strategic integration with transport and cultural infrastructure enhances accessibility and desirability.

- **Are there any envisaged Operational constraints?**

1. Zoning and Land Use Restrictions - The site is zoned GB7 with height and setback limitations. - A portion of the land (4,370m²) must be retained as public space due to title deed restrictions. - Floating GLA (10,000m²) must be allocated between Founders Garden and Artscape, limiting flexibility. 2. Social Housing Regulatory Constraints - SHRA regulations prohibit mixing social and open market housing within the same building. - This necessitates separate buildings for each housing type, complicating design and operational integration. 3. Parking Allocation - Developer must provide 120 parking bays for Artscape at no development cost, but operational charges may apply. - Social housing must include sufficient parking as per the Sale and Development Agreement. 4. Delayed Land Transfer - Land transfer to the developer is delayed until practical completion of social housing and public facilities. - This affects financing, ownership structuring, and operational readiness. 5. Heritage and Environmental Compliance - Subject to Heritage Western Cape decisions and comments. - Must comply with Cape Town's Municipal Spatial Development Framework. - No National Environmental Management Act regulations apply, but heritage constraints may affect construction and operations. 6. Infrastructure and Building Typology - Social housing subsidy model supports low-rise (4-storey walk-up) buildings, while the site demands high-rise (up to 24 floors) for optimal density. - This mismatch requires cross-subsidisation and careful planning to maintain feasibility. 7. Financial Risk and Grant Dependency - Project feasibility depends on grant funding and Residual Land Value assumptions. - If grants fail or costs rise, WCG may need to cover shortfalls, affecting operational sustainability. 8. Servitudes and Road Widening - A 10m-wide services servitude exists in favor of the City of Cape Town. - Parts of the property are affected by road widening plans (FW de Klerk and Nelson Mandela Boulevards), which may impact access and future operations.

- **Which of the following criteria is being used to support this analysis in terms of Segmentation?**

- **Income**

1. Social Housing Segment - Target Group: Low-income households eligible for government-subsidized rental housing. - Allocation: Approximately 1,179 units, or 47% of residential floor space. Criteria: - Must meet Social Housing Regulatory Authority (SHRA) eligibility. - Income typically falls within the R1,500 to R15,000/month bracket (based on SHRA norms). - Tenants are not expected to afford market rentals and rely on subsidized rates. Design Implications: - Located in separate buildings (e.g., North Tower and Freeway Block). - Managed by a Social Housing Institution (SHI). - Includes dedicated parking and access to community facilities. 2. Open Market Housing Segment - Target Group: Middle- to upper-income individuals and families. - Allocation: Remaining 53% of residential floor space. Criteria: - Income above the social housing threshold. - Capable of purchasing units at market rates. - No subsidy or affordability constraints. Design Implications: - Units may be larger, more premium in design. - Located in separate buildings from social housing. - Includes access to retail, commercial amenities, and shared public spaces. Cross-Subsidisation Model - The sale of open market units is designed to cross-subsidise the development and operation of social housing. - This model ensures financial viability while maintaining a strong social impact.

Constraints Affecting Segmentation - SHRA regulations prohibit mixing social and open market units within the same building. - The affordability model for social housing supports low-rise walk-up buildings, while the site demands high-rise development for density.

- **Region**

1. Residential Service Levels Social Housing Units: - Subsidized rental housing. - Managed by a Social Housing Institution (SHI). - Basic but secure amenities tailored to lower-income residents. - Includes dedicated parking and access to community services. Open Market Units: - Market-rate housing for middle- to upper-income residents. - Higher-end finishes and amenities. - Flexibility in unit design and commercial integration. 2. Public Amenities and Community Services Early Childhood Development Centre: - Serves both social and open market residents. - Designed to meet socio-economic needs of families. Green Spaces and Public Urban Areas: - Open access for all residents and visitors. - Prioritizes pedestrian movement and community interaction. Zip Zap Circus Performance Hall: - Cultural and recreational service. - Long-term lease model with community benefit focus. 3. Transport and Accessibility Services Basement Parking: - 120 bays allocated to Artscape at no development cost. - Separate allocations for social housing and open market units. - Operational charges may apply depending on sectional title rules. Transit-Oriented Development: - Proximity to MyCiTi Bus and Cape Town Rail Station. - Encourages reduced car dependency and supports mobility equity. 4. Commercial and Retail Services Retail and Office Space: - Ground floor retail and first-floor office space. - Serves residents, commuters, and cultural precinct visitors. - Segmented by feasibility and demand. 5. Environmental and Sustainability Services Low-Carbon Design and Construction: - Applies across all service levels. - Includes energy-efficient building operations and climate adaptation planning. Segmentation Logic - By Income Group: Social vs. open market housing. - By Function: Residential, commercial, cultural, public. - By Access Rights: Public (green spaces), semi-public (community facilities), private (housing units). - By Operational Responsibility: SHI for social housing, developer for open market and commercial spaces.

- **Service level**

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1.4.3 Demand Forecasting

2. Project Status & Implementation

2.1 Regulatory & Environmental Approvals

2.1.1 National Level

- Environmental Management Inspectors (EMIs): Responsible for compliance and enforcement of environmental regulations
- National Environmental Management Act (NEMA): Governs environmental management and authorization processes, including Environmental Authorizations (EAs)
- Environmental Management Frameworks (EMFs): Strategic planning tools for land-use and environmental management decisions

2.1.2 Provincial and Local Levels

- Provincial Environmental Departments: Implement and enforce environmental regulations within provinces

- Municipalities: Play a role in environmental management, especially in land-use planning and development applications

2.1.3 Other Relevant Entities

- Environmental Assessment Practitioners Association of South Africa (EAPASA): Voluntary certification body for Environmental Assessment Practitioners
- Western Cape Government (WCG): Overall custodian of the site; initiator of the disposal and redevelopment process.
- Department of Infrastructure (DOI): Lead department for GIAMA compliance; issued formal notice for intergovernmental interest.
- Department of the Premier – Legal Services: Reviewed GIAMA consultation outcomes; confirmed legal alignment with C-AMP.
- Municipal Authorities (City of Cape Town): Local planning and zoning authority; supports integration with city infrastructure.
- Councils for the Built Environment Professions (CBEP): Regulates professions involved in the built environment
- Wildlife and Environment Society of South Africa (WESSA): Non-profit organization involved in environmental conservation and education

2.2 Identify Key Stakeholders

2.2.1 Government

2.2.2 State-Owned Entities

2.2.3 Private Sector

2.2.4 Civil Society

2.2.5 Other Stakeholders

- **Private Developer / Ring-Fenced Developer Company Selected through a Request-for-Proposal (RFP)**
Municipal Authorities (City of Cape Town): Local planning and zoning authority; supports integration with city infrastructure. Private Developer (to be appointed): Responsible for design, construction, and delivery of the mixed-use precinct. Social Housing Institution (SHI): Partner for delivery and management of the affordable rental housing component. Artscape Theatre Centre: Cultural anchor adjacent to the site; partner in precinct integration and public realm design. Provincial Treasury: Oversight of financial structuring and value-for-money assessment. Community Stakeholders & Civil Society: Beneficiaries and contributors to public participation and inclusive design.

3. Governance, Policy & Enabling environment

3.1 Legal and Regulatory Framework

3.1.1 Procurement and Supply Chain Management

- Preferential Procurement Policy Framework Act (PPPFA)
- Western Cape Procurement Regulations
- Use of the Western Cape Supplier Evidence Bank (WCSEB)
- Compliance with tender procedures and transparency requirements
- Constitution of South Africa (Section 217): - Requires procurement to be fair, equitable, transparent, competitive, and cost-effective. Public Finance Management Act (PFMA): - Governs financial management in the public sector. Preferential Procurement Policy Framework Act (PPPFA) & Regulations (2022): - Introduces specific goals for designated groups (women, youth, persons with disabilities, SMMEs). - Applies 80/20 or 90/10 preference point systems. Western Cape Land Administration Act (WCLAA): - Governs

disposal of provincial land, requiring Cabinet approval and compliance with GIAMA. National Treasury's Framework for Infrastructure Delivery and Procurement Management (FIDPM): - Provides gateway system for procurement planning, risk management, and approvals. - Requires Infrastructure Procurement Strategy and Infrastructure Procurement Plan (IPIP). Procurement Approach Competitive Bidding via RFP: - Includes functionality criteria, price, and specific goals. Delayed Land Transfer Model: - Land transfer occurs only after social housing and public amenities are completed. Risk-Sharing Mechanisms: - Cross-subsidisation through open-market units. - Performance-based conditions in the Sale and Development Agreement (SADA). Compliance and Monitoring Supplier Evidence Bank (WCSEB): - Central repository for governance documents (tax clearance, B-BBEE, declarations). Central Supplier Database (CSD): - National registration requirement for all suppliers. Performance Monitoring: - Monthly reporting on specific goals, social housing delivery, and financial compliance.

3.1.2 Environmental and Land Use Planning

- Environmental Impact Assessment (EIA)
- Western Cape Land Use Planning Act (LUPA)
- Land Use Status Properties: - rf 281 (Artscape): 2.0174 ha - Erf 282 (Founders Garden): 2.1916 ha - Total: 4.2090 ha Current Use: - Artscape Theatre Complex (operational). - Founders Garden: Underutilized (Zip Zap Circus tent and overflow parking). - Zoning: General Business (GB7) with Cape Town CBD Local Area Overlay Zone (LAO/4). Development Rights: - 88,000 m² GLA approved for Founders Garden. - 10,000 m² floating GLA (allocated: 875 m² to Artscape, 9,125 m² to Founders Garden). - Total permissible floor space: 97,125 m². Height Restrictions: Up to 73 m (varies by block). Setbacks: As per approved Development Framework. Key Environmental Risks & Mitigation Water Scarcity: - Implement rainwater harvesting, greywater reuse, and water-efficient fixtures. Energy Reliability: - Incorporate solar PV and energy-efficient systems. Urban Heat & Flooding: - Green roofs, permeable surfaces, and stormwater attenuation.

3.1.3 Public Finance and Governance

- Public Finance Management Act (PFMA)
- Provincial Treasury Instructions and Budget Guidelines
- Western Cape Government (WCG): - Acts as landowner and contracting authority - Ensures compliance with GIAMA and C-AMP (Custodian Asset Management Plan). Department of Infrastructure (DOI): - Leads procurement process and stakeholder engagement. Provincial Treasury: - Oversees compliance with PFMA and procurement regulations. Social Housing Regulatory Authority (SHRA): - Provides oversight for social housing compliance and funding. Enabling Policies WCG Preferential Procurement Policy: - Promotes participation of designated groups and local SMMEs. - Encourages gender-responsive procurement and skills development. National Development Plan (NDP) & Provincial Strategic Plan: - Supports spatial justice, inclusive growth, and job creation. Green Economy and Climate Resilience Policies: - Mandates low-carbon design and sustainable construction practices.

3.1.4 Health and Social Services

- National Health Act
- Provincial health regulations
- 1. Current Context The project is located in Cape Town CBD, which has access to major hospitals and clinics, but population growth from high-density development will increase demand for: Primary healthcare services - Early Childhood Development (ECD) facilities - Community wellness and social support programs
2. Planned Social Infrastructure Early Childhood Development Centre (ECD): - Included as a core public amenity in the development. - Supports working families and promotes early learning. Public Green Spaces and Community Facilities: - Designed to enhance mental and physical well-being. - Encourages social cohesion in a mixed-income precinct. Artscape Integration: - Cultural and recreational facilities (performance hall, rehearsal spaces) to promote community engagement and social inclusion.
3. Gaps and Risks Healthcare Access: - Nearest public clinics and hospitals may face capacity strain. Social Services: - Increased demand for childcare, elderly care, and community safety programs. Vulnerable Groups: - Social housing residents may require support services (e.g., job placement, counseling).
4. Mitigation Strategies Partnerships with NGOs and City Health Department to provide: - Mobile clinics or satellite health points. = Community health outreach programs. Integrated Social Development Plan: - Provide skills development and employment support for residents. Safety and Security Measures: - Design for CPTED (Crime Prevention Through Environmental Design) principles. - Collaboration with local law enforcement and neighborhood watches.

3.1.5 Education

- South African Schools Act
- Provincial education policies
- 1. Current Context The development will introduce over 2,000 residential units, including 1,179 social housing units, significantly increasing the local population in Cape Town CBD. While the CBD has access to schools, capacity constraints exist in nearby public schools, especially for early childhood and primary education. 2. Planned Educational Infrastructure Early Childhood Development (ECD) Centre: - Included as a core public amenity in the project. - Supports working families and promotes early learning for children in the precinct. Potential for Additional Learning Spaces: - Multi-purpose community facilities could accommodate after-school programs, adult education, and skills development workshops. 3. Gaps and Risks Primary and Secondary Education: - No dedicated provision for primary or secondary schools within the development footprint. - Increased demand may strain existing schools in the City Bowl and surrounding areas. Affordability and Access: - Social housing residents may face challenges accessing private education options in the CBD. 4. Mitigation Strategies Partnerships with WCED (Western Cape Education Department): - Explore satellite classrooms or shared facilities within the development. Community-Based Education Initiatives: - Partner with NGOs for after-school care, literacy programs, and digital learning hubs. Skills Development and Training: - Integrate vocational training and entrepreneurship programs for youth and adults in community spaces.

3.1.6 Transport and Infrastructure

- Western Cape Road Traffic Act
- Related transport regulations
- 1. Current Transport Context Strategic Location: - Adjacent to Artscape Theatre Complex in Cape Town CBD. - Bounded by FW de Klerk Boulevard, Hertzog Boulevard, DF Malan Street, and Jan Smuts Street. Public Transport Access: - Close to Civic MyCiTi Bus Station and Cape Town Rail Station, supporting Transit-Oriented Development (TOD) principles. Road Network: - High connectivity to major arterial routes (N1, N2) but peak-hour congestion is a challenge. 2. Planned Transport Infrastructure Basement Parking: - Provision for Artscape Theatre Complex parking to replace displaced bays. - Additional parking for social housing and open-market units as per development agreement. Non-Motorized Transport (NMT): - Pedestrian-friendly design with safe walkways and public spaces. - Potential for bicycle lanes and storage facilities. 3. Infrastructure Services Water Supply: - Cape Town's water scarcity requires water-efficient systems, rainwater harvesting, and greywater reuse. Energy Supply: - Risk of load-shedding; mitigation through solar PV, energy-efficient systems, and backup power solutions. Digital Connectivity: - CBD has good fiber coverage; ensure fiber-ready infrastructure and community Wi-Fi zones for social housing residents. Stormwater & Sewerage: - Incorporate stormwater attenuation and green infrastructure to manage runoff and reduce flooding risk. 4. Risks and Mitigation Traffic Congestion: - Engage with City of Cape Town to improve public transport feeder routes and traffic signal optimization. Utility Capacity: - Early coordination with City utilities for water, sewer, and electricity upgrades. Climate Resilience: - Design for flood mitigation, heat reduction, and energy efficiency.

3.1.7 Human Settlements and Housing

- Housing Act
- Provincial housing frameworks
- 1. Current Transport Context Strategic Location: - Adjacent to Artscape Theatre Complex in Cape Town CBD. - Bounded by FW de Klerk Boulevard, Hertzog Boulevard, DF Malan Street, and Jan Smuts Street. Public Transport Access: - Close to Civic MyCiTi Bus Station and Cape Town Rail Station, supporting Transit-Oriented Development (TOD) principles. Road Network: - High connectivity to major arterial routes (N1, N2) but peak-hour congestion is a challenge. 2. Planned Transport Infrastructure Basement Parking: - Provision for Artscape Theatre Complex parking to replace displaced bays. - Additional parking for social housing and open-market units as per development agreement. Non-Motorized Transport (NMT): - Pedestrian-friendly design with safe walkways and public spaces. - Potential for bicycle lanes and storage facilities. 3. Infrastructure Services Water Supply: - Cape Town's water scarcity requires water-efficient systems, rainwater harvesting, and greywater reuse. Energy Supply: - Risk of load-shedding; mitigation through solar PV, energy-efficient systems, and backup power solutions. Digital Connectivity: - CBD has good fiber coverage; ensure fiber-ready infrastructure and community Wi-Fi zones for social housing residents. Stormwater & Sewerage: - Incorporate stormwater attenuation and green infrastructure to manage runoff and reduce flooding risk. 4. Risks and Mitigation Traffic Congestion: - Engage with City of

Cape Town to improve public transport feeder routes and traffic signal optimization. Utility Capacity: - Early coordination with City utilities for water, sewer, and electricity upgrades. Climate Resilience: - Design for flood mitigation, heat reduction, and energy efficiency. 3. Settlement Design Principles Mixed-Use, Mixed-Income Precinct: - Integration of residential, retail, and commercial spaces. Public Amenities: - Early Childhood Development (ECD) Centre. - Green spaces and community facilities. Transit-Oriented Development (TOD): - Proximity to Civic MyCiTi Station and Cape Town Rail Station reduces reliance on private vehicles. Sustainability: - Low-carbon design, energy efficiency, and water-saving measures. 4. Social Impact Inclusive Urban Development: - Promotes social integration by housing diverse income groups in a single precinct. Access to Opportunities: - Residents benefit from proximity to jobs, education, healthcare, and cultural amenities. Community Cohesion: - Shared public spaces and cultural facilities (Artscape integration) foster social interaction. 5. Risks and Mitigation Affordability: - Ensure social housing rental rates comply with SHRA guidelines. Gentrification Pressure: - Maintain a minimum social housing quota in the Sale and Development Agreement (SADA). Infrastructure Strain: - Coordinate with City for upgrades to water, sewer, and transport systems.

3.1.8 Economic Development

- 1. Economic Rationale Catalyst for Urban Regeneration: - Unlocks a prime Foreshore site for high-density, mixed-use development, driving inner-city revitalization. Optimal Land Use: - Maximizes 97,125 m² of development rights in a strategic CBD location, aligning with compact city principles. Private Sector Leverage: - Innovative cross-subsidisation model reduces reliance on public funds by using open-market unit sales to finance social housing and public amenities. 2. Job Creation and Skills Development Construction Phase: - Significant employment opportunities for local labor, SMMEs, and designated groups (women, youth, persons with disabilities). Operational Phase: - Long-term jobs in property management, retail, hospitality, and cultural services. Skills Transfer: - Partnerships with SETAs for apprenticeships, internships, and skills development programs. 4. Support for Local Businesses Retail and Commercial Space: - Ground-floor retail and first-floor office space to accommodate local entrepreneurs and service providers. Procurement Opportunities: - Preferential procurement for SMMEs, women-owned, and youth-owned enterprises in line with WCG policy. 5. Cultural and Tourism Benefits Artscape Integration: - Enhances Cape Town's cultural precinct, attracting tourism and events. Public Spaces: - Green areas and cultural facilities improve the city's attractiveness for investment and leisure. 6. Risk Mitigation Economic Downturn: - Flexible phasing of open-market units to adapt to market conditions. Affordability: - Maintain social housing quotas and rental caps per SHRA guidelines. Agriculture (Urban Food Systems) – Founders Garden–Artscape Project Purpose: Integrate urban agriculture and circular food systems into a dense, mixed-use CBD precinct to enhance food security, create local livelihoods, green the built environment, and support social development—without compromising primary development rights or building performance. 1) Rationale & Objectives - Food security & affordability: Provide residents—especially social housing tenants—access to fresh produce and nutrition education. - Jobs & enterprise: Create entry-level and micro-enterprise opportunities (nursery, harvesting, processing, markets). - Sustainability: Reduce food miles; valorise organic waste via on-site composting; use non-potable water sources for irrigation. - Place-making & wellness: Green roofs, podium gardens and edible landscaping improve microclimate, reduce heat island effects, and support mental health. - Education & community: Link ECD/schools and Artscape programmes to horticulture, cooking, nutrition, and climate literacy. 2) Site-Specific Opportunities (CBD Foreshore context) - Rooftop & podium agriculture: Social housing blocks and podium decks can host intensive planters/green roofs (wind-screened) for leafy greens and herbs. - Edible landscaping: Fruit trees (dwarf/columnar), berry shrubs, perennial herbs in courtyards and along pedestrian routes; pollinator-friendly species integrated into public realm. - Indoor/vertical micro-farms: Small hydroponic/vertical racks in underutilised ground-floor service areas to supply on-site retailers, canteens, or a weekly market. - ECD learning garden: A dedicated edible learning garden adjacent to the ECD Centre for curriculum-linked activities and parent workshops. - Urban beekeeping (managed): On selected roofs with appropriate buffers and management protocols to support pollination and community honey micro-enterprise. - Community market days: Weekly/monthly markets in the plaza, aligned with Artscape events and Zip Zap activation, to sell produce and value-added goods. 3) Proposed Interventions & Technical Concepts A. Green roofs & podium farms - System: lightweight engineered substrates, irrigation on non-potable supply, wind baffles, guardrails, safe access routes. - Crop focus: quick-turn leafy greens, herbs, chillies, cherry tomatoes; rotational beds with cover crops for soil health. B. Hydroponics / vertical farming (pilot scale) - System: modular NFT or drip, LED-assisted if enclosed; priority to women/youth-led co-ops via enterprise development. - Advantage: high yield per m², predictable cycles; training pipeline for green jobs. C. Organic waste circularity - Source separation at building level; on-site in-vessel composting or bokashi units; compost returned to gardens; surplus sent to city facilities. - KPI: % organic waste diverted; compost output applied on site (kg/month). D. Non-potable water for irrigation - Capture from rainwater harvesting, treated greywater (to spec), and AC condensate recovery; smart irrigation controllers with soil moisture sensors. E. Edible public realm - Species palette resilient to salt-laden winds (Foreshore): rosemary, spekboom, chillies,

kale, chard, strawberries, olives (dwarf), citrus (dwarf), carob; pollinator mixes. 4) Delivery & Governance Model - Lead custodians: SHI/body corporate for Subdivided Erf 1 common property; precinct management for shared podiums and public spaces. Operating options (select one or hybrid): - Community Co-op: Tenants' cooperative with NGO partner; revenue from produce and value-added products. - Social Enterprise Operator: Lease of rooftop/podium zones to a specialist urban/agri operator (with training and employment targets). - Hybrid Model: Co-op runs community beds; operator manages hydroponics and market logistics. - Revenue channels: CSA (community-supported agriculture) boxes to residents; pop-up markets; supply to ground-floor cafés; educational workshops; honey sales. 5) Phasing Plan - Phase 0 (Design Development): Structural load checks; roof wind studies; water & waste integration; OHS and access design. - Phase 1 (Pilot – first social housing block): 300–500 m² green roof + 50–100 m² hydroponic racks; ECD garden; composting pilot. - Phase 2 (Scale-up): Extend to additional roofs/podiums; introduce market days; establish beekeeping on suitable roofs. - Phase 3 (Consolidation): Optimise crop mix; add training and accreditation; integrate precinct-wide circularity (food waste from retailers → compost → gardens). 6) Compliance & Risk Considerations - Land use: Urban agriculture as ancillary use within GB7; confirm with the City on any consent triggers for commercial farming scale or markets. - Health & safety: HACCP-aligned handling for fresh produce; safe roof access, edge protection, fall-arrest systems. - Water & waste: Greywater treatment to applicable standards; NEMA waste norms for on-site composting scale; odour/vector control. - Structural & wind: Engineer sign-off on additional loads; Foreshore wind mitigation (screens, plant selection, trellises). - Allergens & bees: Locate hives away from sensitive areas; signage and management plan; emergency protocols. - O&M: Clear responsibilities in body corporate rules/precinct management agreements; budget ring-fencing for maintenance. 7) Social & Economic Outcomes (KPIs) - Food access: kg of produce per month; number of beneficiary households; % offered at reduced price for social housing tenants. - Jobs & training: FTEs created (construction/operations); internships/apprenticeships; % women/youth employed. - Circularity: % organic waste diverted; m³ non-potable water used for irrigation; reduction in potable demand (m³/yr). - Biodiversity & climate: m² green roofs installed; pollinator counts; ambient temperature reduction on roofs; stormwater attenuation volumes. - Community: No. of ECD sessions/workshops; market days per year; tenant satisfaction scores. 8) Budget & Funding (indicative framing) - Capex: Included within landscape/roof packages (planters, membranes, access, irrigation) + modular hydroponic racks; scale to be refined at detail design. - Opex: Operator/co-op labour, seeds/nutrients, composting consumables, maintenance; largely offset by produce sales, training grants, and precinct contributions. - Funding levers: Enterprise development spend, CSR, green building incentives, youth employment programmes; inclusion in specific goals of procurement (women/youth-owned agri-operators, SMMEs). 9) Interfaces with Other Project Components - Artscape & Zip Zap: Culinary events using precinct produce; youth training showcases; performance-market tie-ins. - Education & Health: Nutrition education with ECD and clinics; community cooking demos. - Transport & Retail: Cycle delivery for CSA boxes; alignment with ground-floor retail tenant mix (grocers, cafés). 10) Next Steps - Commission rooftop/podium structural and wind assessments and integrate irrigation/greywater routing in building services design. - Draft an Urban Agriculture Brief for tender, defining zones, outputs, and operating model (co-op vs operator). - Include specific goals for agriculture-related SMMEs in procurement (training, job targets, and reporting templates). - Launch a Phase 1 pilot concurrent with first social housing completion; monitor KPIs and iterate the model.

- Enterprise development
- Tourism
- Green Economy Strategy
- Agriculture

3.1.9 Environmental Compliance

- Requires Environmental Impact Assessments (EIAs) for certain developments
- Must comply with waste management and biodiversity regulations
- Heritage: - Record of Decision issued by Heritage Western Cape (2015). - Interim comment issued in 2020 confirming compliance. Environmental Impact Assessment (EIA): - No full EIA required under NEMA; project falls within existing urban footprint. Municipal Spatial Development Framework (MSDF): - Project aligns with Cape Town MSDF and supports Transit-Oriented Development (TOD) principles. Green Building & Sustainability: - Commitment to low-carbon design, energy efficiency, and water-saving measures. - Integration of stormwater management and climate resilience strategies.

3.2 Governance policies

- National Development Plan (NDP)

- Strategic Infrastructure Projects (SIPs)
- Relevant Integrated Development Plans (IDPs)
- Infrastructure South Africa (ISA)

3.3 Investment Needs

3.3.1 Infrastructure Development

- Roads, bridges, and public transport systems.
- Upgrades to water and sanitation infrastructure.
- Renewable energy installations and grid improvements.

3.3.2 Human Settlements

- Affordable housing projects.
- Mixed-use urban development.

3.3.3 Healthcare

- Expansion and modernization of clinics and hospitals.
- Digital health systems and telemedicine.
- Medical equipment and pharmaceutical supply chains.

3.3.4 Education

- School infrastructure and maintenance.
- Digital learning platforms and connectivity.
- Teacher training and curriculum development.

3.3.5 Agriculture and Agri-processing

- Investment in climate-resilient farming.
- Agro-logistics and cold chain infrastructure.

3.3.6 Green Economy

- Water conservation and efficiency technologies.
- Waste-to-energy and recycling initiatives.
- Renewable energy (solar, wind, bioenergy).

3.3.7 SMME and Entrepreneurship Support

- Business incubators and innovation hubs.
- Access to finance and market linkages.
- Skills development and mentorship programs.

3.3.8 Tourism and Cultural Investment

- Infrastructure for eco-tourism and heritage sites.
- Hospitality training and development.
- Event hosting and destination marketing.

3.4 Policy Incentives

3.3.1 Sector-Focused Incentives

- Agri-processing: Support for infrastructure, logistics, and export readiness.
- Green Economy: Incentives for renewable energy, water efficiency, and waste-to-energy projects.
- Technology and Innovation: Support for ICT hubs, fintech, and digital startups.
- Tourism and Film: Rebates and grants for film production and tourism infrastructure.

3.3.2 Investment Ecosystem Support

- Municipal Investment Readiness Programme: Helps municipalities prepare for and attract investment.
- Sector IQ: Provides data-driven insights to guide investment decisions.
- Film Incentive Scheme: Assesses and supports the impact of film-related investments.

3.3.3 Business Support and Facilitation

- Regulatory guidance
- Market intelligence
- Access to government incentives
- Investment Summits: Hosted by the Premier to connect investors with opportunities and funding partners

3.3.4 National Incentives Accessible in the Western Cape Via the Department of Trade, Industry and Competition (DTIC)

- 12I Tax Allowance: For industrial projects.
- SEZ Incentives: For businesses in Special Economic Zones.
- Export Marketing and Investment Assistance (EMIA): Supports international marketing efforts.
- Black Industrialists Scheme: Funding and support for black-owned manufacturing businesses.

4. Financial requirements & Funding strategies

4.1 Cost-Effectiveness Analysis (CEA)

4.2 Cost-Benefit Analysis (CBA)

4.3 Risk Evaluation

4.4 Economic Multipliers

4.5 Macro-Economic Benefits

5. Financial requirements & Funding strategies

5.1 Project Guestimate

Estimated Cost	R 2.256B
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5.2 Total Project cost breakdown

5.2.1 Capital Expenditure (CAPEX)

Description	Estimated Cost (ZAR)	Notes
Land Acquisition & Site Prep	R 0	to be provided during Phase 5
Design & Engineering	R 0	to be provided during Phase 5
Construction & Civil Works	R 0	to be provided during Phase 5
Equipment & Materials	R 0	to be provided during Phase 5
Utility Connections	R 0	to be provided during Phase 5
Contingency	R 0	to be provided during Phase 5

5.2.2 Development Costs

Description	Estimated Cost (ZAR)	Notes
Feasibility Studies	R 0	to be provided during Phase 5
Legal & Regulatory Compliance	R 0	to be provided during Phase 5
Stakeholder Engagement	R 0	to be provided during Phase 5
Project Management	R 0	to be provided during Phase 5

5.2.3 Operational Expenditure (OPEX)

Description	Estimated Cost (ZAR)	Notes
Staffing & Operations	R 0	to be provided during Phase 5
Maintenance & Repairs	R 0	to be provided during Phase 5
Utilities & Consumables	R 0	to be provided during Phase 5
Insurance & Monitoring	R 0	to be provided during Phase 5

5.2.4 Financing Costs

Description	Estimated Cost (ZAR)	Notes
Interest During Construction	R 0	to be provided during Phase 5
Financial Fees	R 0	to be provided during Phase 5

5.2.5 Lifecycle & Decommissioning

Description	Estimated Cost (ZAR)	Notes
Asset Replacement	R 0	to be provided during Phase 5
Decommissioning	R 0	to be provided during Phase 5

5.2.6 Inflation & Escalation

Description	Estimated Cost (ZAR)	Notes
Adjustments based on Treasury guidelines	R 0	to be provided during Phase 5

5.3 Funding sources

[Funding Strategy Guide for Infrastructure Projects](#)

5.4 Revenue Model

5.4 Innovative financing mechanisms

[Innovative Financing Mechanisms for Infrastructure Projects](#)

6. Project feasibility, approvals & infrastructure planning

6.1 Technical Feasibility

Site Readiness

1. The site is municipally owned and strategically located in Cape Town's Foreshore area.
2. It has approved zoning (GB7) and development rights for 97,125 m² of floor space.
3. Subdivision and consolidation of erven have been completed and registered.

Development Capacity

1. The site can accommodate over 2,000 residential units, with 47% allocated to social housing.
2. High-rise, mixed-use typology supports efficient land use and urban density goals.

Design & Infrastructure

The project includes:

1. Residential units (social and open market)
2. Retail and commercial space

3. Basement parking
4. Public amenities (e.g., Early Childhood Development Centre)
5. Integration with Artscape and Zip Zap Circus facilities

Construction Typology

Social housing will follow a four-storey walk-up model, which is cost-effective and subsidy-compliant.

Open market units may be developed as high-rise towers (up to 24 floors), enabling cross-subsidisation.

Regulatory Compliance

The project complies with:

1. Cape Town's Municipal Spatial Development Framework
2. Heritage Western Cape requirements
3. The 2015 Municipal Planning By-law ("Package-of-Plans" approach)

Phased Implementation

The development will be executed in phases:

1. Pre-disposal (RFP and developer selection)
2. Disposal (SADA agreement and delayed land transfer)
3. Construction and subdivision
4. Sectional title registration and transfer to SHI and other owners

Risk Mitigation

1. Delayed land transfer ensures accountability for delivery of social housing and public infrastructure.
2. Flexibility in procurement allows adjustment of social housing proportions to manage financial risk.

Document(s):

1. **Founders Garden-Artscape - Technical Feasibility**

6.2 Master plan integration

Alignment with Approved Frameworks

The project is integrated into the 2020 Amended Development Framework, which includes:

1. Precinct A: Artscape Theatre Complex
2. Precinct B: Founders Garden (development site)

The site is part of Cape Town's CBD Local Area Overlay Zone (LAO/4) and complies with the Cape Town Development Management Scheme (2015).

Zoning and Land Use

Zoning: General Business (GB7) with approved development rights for 97,125 m² of floor space.

Development rights include:

1. Residential units (social and open market)

2. Retail and commercial space
3. Public amenities and basement parking

Precinct-Level Planning

The master plan supports a mixed-use, mixed-income high-rise development.

Integration with surrounding cultural and civic infrastructure:

1. Artscape Theatre Complex
2. Zip Zap Circus
3. Public transport hubs (MyCiTi and Cape Town Rail Station)

Spatial Justice and Urban Regeneration

1. The plan prioritizes inclusive development by allocating 47% of residential space to social housing.
2. Promotes pedestrian-friendly urban design, green spaces, and community facilities.

Infrastructure Coordination

The master plan includes:

1. Subdivision into Subdivided Erf 1 (social housing, retail, commercial) and Subdivided Erf 2 (open market units).
2. Sectional title registration and phased transfer to stakeholders.
3. Provision for shared infrastructure (e.g., parking bays, performance hall).

Regulatory Integration

Complies with:

1. Municipal Planning By-law (2015) via the "Package-of-Plans" approach.
2. Heritage Western Cape and GIAMA consultation processes.

No objections received during public and intergovernmental engagement.

Document(s):

1. **Founders Garden-Artscape - Master Plan Integration**

6.3 Alternative Evaluation

1 Initial Concept: Full Rental Scheme

Model: Social, affordable, and open market housing all offered as rental units.

Outcome: Found to be financially unfeasible due to low rental yields in Cape Town CBD.

Affordable rental lacked regulatory protection and was vulnerable to market forces.

Abandoned in favor of a more viable model.

2. Revised Concept: Social Housing Rental + Open Market Sales

Model: Social housing offered as rental units.

Open market units sold to generate revenue.

Outcome: Financially feasible through cross-subsidisation.

Supported by SHRA regulations (requiring separation of social and open market housing by building).
Enabled delivery of 47% social housing within the development.

3. Typology Evaluation

High-Rise vs. Walk-Up:
Social housing subsidy model supports four-storey walk-up buildings.
High-rise buildings (up to 24 floors) used for open market units to maximize density and revenue.

4. Final Model Selection

Preferred Option: Integrated high-rise, mixed-use development.
Social housing rental + open market sales.
Delayed land transfer to ensure delivery of public objectives.
Rationale: Balances financial feasibility, social impact, and urban regeneration.
Aligns with spatial justice and policy goals.

6.4 Infrastructure Planning Prioritization

7. Delivery Mechanism & procurement strategy

7.1 WCG Sector Priorities

Outcomes	Social	Energy & Water	Economic	Technology	Ecological
Households have increased access to basic services and improved shelter		Medium Term 5-15 YRS			
Infrastructure investment drives spatial transformation and improves spatial resilience			Medium Term 5-15 YRS	Medium Term 5-15 YRS	Medium Term 5-15 YRS
Investment in social infrastructure improves access to health, education, social development, and recreation opportunities	Medium Term 5-15 YRS				

7.2 Community Participation

7.2.1 Initiation

- **0. Project Initiation**
Add Project to the Online WCG DoI Project Pipeline for Panoptic evaluation and Funding

7.2.2 Design

- **1. Pre-Disposal Phase**
To select a qualified developer and establish terms before land disposal

7.2.3 Develop

- **2. Disposal Phase**

To formalize the development structure and defer financial risk until key deliverables are met.

7.2.4 Implement

- **3. Transfer Phase**

To ensure that public objectives are fulfilled before finalizing ownership.

- **4. Subdivision and Sectional Title Phase**

To legally structure the site for differentiated ownership and operations.

7.2.5 Handover

- **5. On-Transfer Phase**

To operationalize ownership and governance of the developed precinct.

7.3 Procurement methods

- **Procurement Strategy**

Procurement Strategy Objectives:

1. Ensure delivery of public benefits (e.g., social housing, Artscape upgrades) before land transfer.
2. Minimize financial risk to WCG through delayed payment and performance-based milestones.
3. Enable private sector investment while leveraging public subsidies and grants.
4. Support regulatory compliance and alignment with spatial development frameworks.
5. Facilitate transparent and competitive bidding to select capable development partners.

- **Bidding Process**

Phase 1: Pre-Disposal

The Western Cape Government (WCG) initiates a Request-for-Proposal (RFP) process. Bidders are invited to submit proposals for the development of the Founders Garden site. Proposals are evaluated based on predefined criteria, including:

1. Financial feasibility
2. Delivery capacity
3. Alignment with social housing and public benefit objectives

A conditional award is made to the preferred bidder, subject to:

1. Compliance with WCLAA regulations
2. Cabinet approval

Phase 2: Disposal

The selected bidder establishes a Ring-Fenced Developer Company.

A Sale and Development Agreement (SADA) is signed between WCG, the developer, and the Social Housing Institution (SHI).

The agreement includes:

1. Delayed land transfer until practical completion of social housing and public infrastructure.
2. Annual escalation of the purchase price until transfer.

Phase 3: Transfer and Implementation

Upon completion of the social housing and public facilities:

1. The developer pays the full purchase price.
2. Land is transferred from WCG to the developer.

The developer proceeds with:

1. Subdivision of the site
2. Sectional title registration
3. Transfer of social housing units to SHI
4. Sale of open market units

- **Supplier Selection**

1. Pre-Disposal Phase

The Western Cape Government (WCG) initiates a Request-for-Proposal (RFP) process. Bidders are invited to submit proposals for the development of the Founders Garden site. Proposals are evaluated based on predefined criteria, including:

1. Financial feasibility
2. Delivery capacity
3. Alignment with social housing and public benefit objectives
4. Compliance with regulatory and planning frameworks

2. Conditional Award

A conditional award is made to the preferred bidder.

This award is subject to:

1. WCLAA regulation compliance
2. Cabinet approval

3. Establishment of Developer Entity

The selected bidder forms a Ring-Fenced Developer Company.

This entity enters into a Sale and Development Agreement (SADA) with WCG and the Social Housing Institution (SHI).

4. Performance-Based Selection

Supplier selection is tied to the ability to:

1. Deliver social housing and public infrastructure before land transfer
2. Manage subdivision, sectional title registration, and phased implementation
3. Administer the scheme in compliance with housing legislation

7.4 Risk sharing mechanisms

The project employs a phased, performance-based procurement model that strategically distributes risk between the Western Cape Government (WCG), the developer, and the Social Housing Institution (SHI).

1. Delayed Land Transfer

Risk Mitigation: The developer only takes ownership of the land after completing the social housing and public infrastructure.

Shared Risk: Ensures the developer bears delivery risk while WCG retains control until obligations are met.

2. Residual Land Value Buffer

Risk Mitigation: The purchase price escalates annually until transfer, preserving value.

Shared Risk: Provides financial headroom to absorb grant failures or cost overruns, reducing WCG's exposure.

3. Subdivision and Sectional Title Mechanism

Risk Mitigation: Social housing and open market units are separated by erf and title.

Shared Risk: Allows SHI to control and manage the social housing component independently, ensuring compliance and operational stability.

4. Developer Flexibility

Risk Mitigation: Developer has flexibility in timing for open market unit development.

Shared Risk: Encourages cross-subsidisation while allowing market-responsive phasing.

5. Procurement and Performance Conditions

Risk Mitigation: Conditional award subject to regulatory compliance and Cabinet approval.

Shared Risk: Ensures only capable and compliant suppliers are selected, reducing procurement risk.

6. Operational Cost Allocation

Risk Mitigation: Developer provides infrastructure (e.g., parking bays) at no capital cost to WCG, but operational charges may apply.

Shared Risk: WCG benefits from infrastructure without upfront investment, while developer retains operational control.

8. Special (eg. gender) procurement actions and social impact

8.1 Social Benefits

8.1.1 Department of Social Development Policies

- Focus on child protection, substance abuse prevention, disability inclusion, and older persons' welfare
- Promotes community-based care and support systems

8.1.2 Inclusive Economic Development

- Supports SMMEs, women- and youth-owned enterprises
- Encourages job creation through public procurement and infrastructure projects

8.1.3 Public Participation and Equity

- Ensures community involvement in planning and decision-making
- Promotes equitable access to services and opportunities

8.1.4 Expanded Public Works Programme (EPWP)

- Provides short-term employment and skills development
- Targets vulnerable groups including youth, women, and persons with disabilities

8.2 Sustainability And Environmental Compliance

8.2.1 Environmental and Land Use Planning

- Environmental Impact Assessment (EIA)
- Western Cape Land Use Planning Act (LUPA)
- Other
Land Use Status Properties: - rf 281 (Artscape): 2.0174 ha - Erf 282 (Founders Garden): 2.1916 ha - Total: 4.2090 ha Current Use: - Artscape Theatre Complex (operational). - Founders Garden: Underutilized (Zip Zap Circus tent and overflow parking). - Zoning: General Business (GB7) with Cape Town CBD Local Area Overlay Zone (LAO/4). Development Rights: - 88,000 m² GLA approved for Founders Garden. - 10,000 m² floating GLA (allocated: 875 m² to Artscape, 9,125 m² to Founders Garden). - Total permissible floor space: 97,125 m². Height Restrictions: Up to 73 m (varies by block). Setbacks: As per approved Development Framework. Key Environmental Risks & Mitigation Water Scarcity: - Implement rainwater harvesting, greywater reuse, and water-efficient fixtures. Energy Reliability: - Incorporate solar PV and energy-efficient systems. Urban Heat & Flooding: - Green roofs, permeable surfaces, and stormwater attenuation.

8.2.2 Health and Social Services

- National Health Act
- Provincial health regulations
- Other
1. Current Context The project is located in Cape Town CBD, which has access to major hospitals and clinics, but population growth from high-density development will increase demand for: Primary healthcare services - Early Childhood Development (ECD) facilities - Community wellness and social support programs 2. Planned

Social Infrastructure Early Childhood Development Centre (ECD): - Included as a core public amenity in the development. - Supports working families and promotes early learning. Public Green Spaces and Community Facilities: - Designed to enhance mental and physical well-being. - Encourages social cohesion in a mixed-income precinct. Artscape Integration: - Cultural and recreational facilities (performance hall, rehearsal spaces) to promote community engagement and social inclusion. 3. Gaps and Risks Healthcare Access: - Nearest public clinics and hospitals may face capacity strain. Social Services: - Increased demand for childcare, elderly care, and community safety programs. Vulnerable Groups: - Social housing residents may require support services (e.g., job placement, counseling). 4. Mitigation Strategies Partnerships with NGOs and City Health Department to provide: - Mobile clinics or satellite health points. = Community health outreach programs. Integrated Social Development Plan: - Provide skills development and employment support for residents. Safety and Security Measures: - Design for CPTED (Crime Prevention Through Environmental Design) principles. - Collaboration with local law enforcement and neighborhood watches.