



Project Infrastructure Planning

1. Project Details

Project Name	IAM: Oude Molen Precinct
Location	City of Cape Town
Sector	Social
Department	Department Of Infrastructure
Project Owner	Lindelwa Mabuntane
Project Manager	Lindelwa Mabuntane

1.1 Background & Justification

Strategic Context

The Oude Molen Precinct is located in Observatory, Cape Town, within the broader Two Rivers Urban Development Study Area.

The site spans approximately 13.15 hectares and is currently underutilized, presenting a strategic opportunity for urban regeneration using state-owned land.

Development Vision

The project aims to create a compact, large-scale, sustainable, residentially-led mixed-use development.

It is guided by live-work-play principles and transit-oriented development (TOD) to promote accessibility, reduce car dependency, and enhance urban livability.

Justification for Redevelopment

The site has significant heritage value, with buildings of cultural and historical importance to be retained and integrated into the new development.

The redevelopment will:

- 1. Address spatial justice by providing equitable access to housing and job opportunities.
- 2. Support affordability through a cross-subsidisation model, with 34% of units allocated to affordable housing.
- 3. Stimulate economic empowerment and job creation through infrastructure investment and public-private partnerships.

Evidence-Based Planning

A series of feasibility and impact studies were conducted to inform the precinct plan:

- 1. Spatial and land use analysis
- 2. Socio-economic and empowerment analysis
- 3. Property market demand analysis
- 4. Heritage, landscape, and biophysical analysis
- 5. Civil/bulk services and transportation services analysis
- 6. Financial feasibility assessment

Policy Alignment

The project aligns with provincial and municipal socio-economic mandates, including:

1. Spatial redress
2. Good governance
3. Effective use of government immovable assets
4. Integration of economic, environmental, heritage, and social infrastructure

1.2 Project Scope

Site Redevelopment

1. Transform a 2,881 m2 municipal-owned site in Cape Town CBD into a high-rise, residentially-led mixed-use development.
2. The site is currently used for temporary offices and parking.

Residential Development

1. Deliver approximately 830 residential units, with 37.5% allocated to social housing.
2. Residential component will be supported by open-market unit sales to cross-subsidise social housing.

Mixed-Use Integration

1. Include ground-floor retail and first-floor office space, subject to feasibility.
2. Create a vibrant, inclusive urban precinct with access to work, transport, and amenities.

Sustainable Design

1. Implement low-carbon design principles in construction and operations.
2. Promote environmental sustainability and urban density.

Legal and Regulatory Enablement

1. Secure necessary development rights and zoning approvals.
2. Subdivide and sectionalise the property to legally separate social housing and open-market components.

Procurement and Delivery

1. Execute the project through a Sale and Development Agreement (SADA) with a private developer or Social Housing Institution (SHI).
2. Follow a Request-for-Proposal (RFP) process for developer selection.
3. Delay land transfer and payment until practical completion of social housing and external facilities.

Infrastructure and Planning

1. Prepare and submit sectional title plans to the Surveyor General and Deeds Office.
2. Allocate and manage parking, retail, and commercial space across subdivided erven.

2. Objectives & Key Focus Areas

Objective	Key Focus Area
Maximise Social Housing	• Prioritising Infrastructure for Maximum Impact
Sustainable Urban Design	• Innovation & Futures Planning • Addressing Climate Change & Sustainability
Efficient Delivery Timeline	• Prioritising Infrastructure for Maximum Impact
Structured Public-Private Partnership	• Enhancing Private Sector Partnerships

3. Project Timeline & Cost

Estimated Duration	5 Year(s) & 0 Month(s)
Estimated Start Date	01 Apr 2026
Estimated Cost	R 2.356B

4.Project Stage-0 Submission & Approval

Self Approved By: Lindelwa Mabuntane

Self Approved On: 01 Sep 2025 06:40:32 AM

Submitted By	
Submitted On	
Signed By	
Approved On	

5. Environmental & Social Considerations

5.1 Environmental Considerations

- Air, water, and soil pollution from industrial and agricultural activities
- Greenhouse gas emissions and deforestation contributing to climate change
- Overuse of natural resources leading to scarcity and degradation
- Proper waste management to reduce pollution and health risks
- Sustainable water management to protect quality and prevent scarcity
- Preservation of ecosystem services like clean air, water, and climate regulation

5.2 Social Considerations

- Respect for human rights including labor, land, and indigenous rights
- Protection of health and safety from environmental hazards
- Preservation of cultural heritage sites and artifacts
- Promotion of social equity and fair distribution of development benefits
- Engagement with stakeholders throughout the project lifecycle

6. Regulatory & Environmental Approvals

6.1 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

6.2 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

6.3 Other Relevant Entities

- National Heritage Resources Act (NHRA) – Act 25 of 1999
- A Heritage Impact Assessment (HIA) was required and submitted under the NHRA.
- Spatial Planning and Land Use Management Act (SPLUMA)
- Preliminary public participation was conducted in 2021 in accordance with SPLUMA.
- Councils for the Built Environment Professions (CBEP): Regulates professions involved in the built environment

7. Identify Key Stakeholders

7.1 Government

- Department Of Infrastructure
- Provincial Treasury
- Department of Premier
- Department of Social Development
- Department of Human Settlements
- Department of Police Oversight & Community Safety
- Department of Cultural Affairs and Sport
- Department of Environmental Affairs and Development Planning
- Western Cape Government

7.2 State-Owned Entities

7.3 Private Sector

7.4 Civil Society

7.5 Other Stakeholders

- **Private Developer / Ring-Fenced Developer Company Selected through a Request-for-Proposal (RFP)**
Provincial Government (Western Cape) Department of Environmental Affairs and Development Planning (DEA&DP) Lead agency for environmental approvals and land use planning. Department of Infrastructure Responsible for land release, procurement, and infrastructure coordination. Provincial Treasury Oversees funding strategies and fiscal governance. Municipal Government City of Cape Town Municipal Planning Department – zoning, subdivision, and land use approvals. Heritage and Environmental Management Units – local compliance and oversight. National-Level Entities South African Heritage Resources Agency (SAHRA) Oversees heritage approvals under the National Heritage Resources Act (NHRA). Department of Forestry, Fisheries and the Environment (DFFE) (likely involved) National oversight under the National Environmental Management Act (NEMA). Potential State-Owned Entities (SOEs) Eskom – for electricity supply and infrastructure. Transnet – if any freight or rail infrastructure is impacted. PRASA – if the development interfaces with passenger rail services. SANRAL – if national roads or transport corridors are affected.

8. 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	Medium Term 5-15 YRS			
Infrastructure investment drives spatial transformation and improves spatial resilience	Medium Term 5-15 YRS	Medium Term 5-15 YRS	Short Term 1-5 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			Medium Term 5-15 YRS	
Mobility systems and transportation corridors provide safe and efficient connectivity to opportunities, services, and facilities	Medium Term 5-15 YRS				

9. Infrastructure Type

9.1 Hard

Residential Buildings

High-density housing with approximately 1,364 dwelling units.

Includes both affordable housing (34%) and open market units (66%).

Commercial and Retail Facilities

Office space and retail outlets integrated into the mixed-use precinct.

Educational Infrastructure

Provision for school or educational facilities as part of the land use mix.

Civil and Bulk Services

Infrastructure planning includes:

Water supply

Sewerage and sanitation

Stormwater management

Electricity distribution

Telecommunications

Transportation Infrastructure

Transit-Oriented Development (TOD) principles suggest:

Road networks

Pedestrian pathways

Public transport access points

Parking facilities

Heritage and Cultural Facilities

Retention and adaptive reuse of heritage buildings with structural upgrades.

Environmental and Landscape Infrastructure

Integration of green spaces, landscaping, and climate-resilient design elements.

9.2 Soft

Education and Skills Development

1. Provision for educational facilities (e.g., schools).
2. Empowerment impact assessments to support skills development and job readiness for local communities.

Social Services and Community Amenities

1. Community-focused amenities to support social inclusion and livability.
2. Integration of affordable housing to promote spatial justice.

Governance and Planning Frameworks

1. Alignment with SPLUMA, NHRA, and municipal planning by-laws.
2. Structured public participation and stakeholder engagement processes.

Environmental and Heritage Management

1. Incorporation of eco-principles and climate-resilient planning.
2. Preservation and adaptive reuse of heritage assets.

Digital and Technological Infrastructure

1. Mention of digital technology leverage for long-term asset management and performance monitoring.

Health and Safety

1. Design principles that promote safe, secure, and inclusive urban environments.

Economic Empowerment

1. Focus on job creation, entrepreneurship, and economic upliftment through public-private partnerships.

9.3 Critical

Civil and Bulk Services

1. Water supply and sanitation
2. Stormwater drainage
3. Electricity distribution
4. Telecommunications

These are foundational to enabling residential, commercial, and public facilities.

Transport Infrastructure

1. Road networks and internal circulation
2. Public transport access (aligned with Transit-Oriented Development principles)
3. Pedestrian and non-motorised transport infrastructure

Residential Infrastructure

1. High-density housing, including affordable and open-market units
2. Estimated 1,364 dwelling units, forming the core of the precinct's urban fabric

Educational and Social Facilities

1. Provision for schools or educational institutions
2. Community-focused amenities to support social development

Environmental and Heritage Infrastructure

1. Green infrastructure and climate-resilient design
2. Heritage preservation and adaptive reuse of culturally significant buildings

Security and Access Control

1. The precinct is currently fenced and managed by security, indicating the importance of controlled access and safety infrastructure

Digital and Monitoring Systems

1. Mention of digital technology leverage for long-term asset management and performance monitoring

10. Project Stage-1 Submission & Approval

Self Approved By: **Lindelwa Mabuntane**

Self Approved On: **01 Sep 2025 07:56:11 AM**

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