
9 COMMITMENT OF GJMC

The Council has the ability to play a significant role in supporting development in the Baralink area by undertaking the following responsibilities:

- providing an institutional structure where potential investors can access relevant information and discuss issues with the Council
- providing relevant incentives that would support development in the area
- marketing the Baralink area to potential investors

9.1 INSTITUTIONAL ARRANGEMENTS

The GJMC must consider the establishment of a dedicated 'Agency' or 'Unit' to focus and co-ordinate investment initiatives within the Baralink area. The functions of such a unit would include:

- Ongoing liaison with potential investors and management of the area in terms of the vision and development framework
- Identification of projects and marketing to potential investors

The establishment of this 'Agency' can either be as an autonomous entity that is staffed by non-Council officials; or within the ambit of existing Council structures as a dedicated business unit that is responsible for the co-ordination of development initiatives within the Baralink area.

9.1.1 Externally Structured Option

This option entails the establishment of an autonomous Baralink Development Agency (BDA). The BDA could be established in terms of the Community Improvements Districts Act (Act No. 12 of 1997). This Act provides the opportunity for the establishment of a company or a Trust to deal with issues related to the urban environment, and the BDA may be formed with Articles of Association and Memorandum phrased to define the broad mandates and responsibilities. Approval from the MEC, Development Planning & Local Government will have to be obtained.

The establishment of such an Agency would provide for:

- Greater decision-making autonomy
- Improved private sector access and credibility
- Depoliticisation of decision-making

An additional advantage of this option is that officials will be sourced from the private sector and will have the prerequisite experience to deal with the investment community. This option is limited in that a significant amount of funding would be required to capitalise and sustain the BDA.

A small team should resource the BDA. Staff should include a director, a financial officer, a marketing director assisted by a dealmaker, and relevant support staff. Management of the BDA will be carried out by the CEO and staff who will regularly report to an Executive Committee who are responsible for assisting the CEO in realising the aims of the BDA, and are accountable to the Board.

The BDA will require a Board, in terms of its Articles of Association or Trust Deed. The Board should comprise representation from direct interest groups, and the following representation is suggested:

- Representative of the GJMC Exco
- Political champion for Soweto
- Baralink Area Manager
- Representative(s) of the Community Improvement District(s)
- Chief Executive Officer of the BDA
- Marketing Director of the BDA
- Representative of Soweto Development Foundation/Chamber

9.1.2 Internally Structured Option

The alternative option is to structure a dedicated 'Baralink Development Unit' within Council. If this option is preferred, the Council will need to second personnel from each of the functional areas that are necessary to provide a comprehensive and professional service that meets the needs and expectations of the investment community. The officials would work within a matrix structure of retaining their line function responsibilities, but also work on well-defined projects in terms of development timeframes. The possible advantage of this option is that staff will have the opportunity to gain valuable experience in working in a corporatised environment, and they already have a working knowledge of the Council processes. In addition no new staff will have to be employed to establish such a unit.

The Baralink Development Unit will be responsible *inter alia* for the following:

- ensuring the implementation of all Baralink initiatives
- preparing land release and development strategies
- implementing marketing initiatives
- pursuing development deals

Should the Development Unit be established within the Council, officials working on dedicated projects will report to the Baralink Development Unit Manager, who should report to an Advisory Committee constituted as follows:

- Representative of the GJMC Exco
- Political champion for Soweto
- Baralink Development Unit Manager
- Representative of Soweto Development Foundation/Chamber
- Major Landowners

In order to expedite planning decisions and to ensure an integrated and co-ordinated approach to development in the Baralink area, the Baralink Development Unit should report to the Planning & Urbanisation Sub-Committee, and then to the Transformation Lekgotla.

Where necessary, specialist resources should be appointed by the Advisory Committee to provide advice, particularly in the structuring of deals, and to audit the unit/Baralink office in keeping with the audit policies and procedures of the GJMC.

9.2 DEVELOPMENT INCENTIVES

The GJMC's contribution to the development process in terms of providing relevant incentives that would support development in the Baralink area includes:

- Release of land parcels that are available for immediate development at favourable terms
- The ability to consider rates rebates for suitable development
- Ability to expedite approval process for development projects
- Advertising rights in the Baralink area that can be linked to certain development projects
- Infrastructure delivery to support initiatives
- Negotiation of favourable terms for preferred development proposals.

While the Council emphasises the need for private sector investment to drive the development process, it also recognises that it has an important role to play in creating the enabling environment that would initiate the development process such as bulk infrastructure provision; and supporting investment initiatives through rates rebates, providing a dedicated point of contact with potential investors that is able to provide necessary information and expedite the approval process.

The Council will also play a role in the development initiative in that it has substantial land parcels that will be made available for development where proposals comply with the intent of the Council in terms of the overall development vision.

10 MARKETING STRATEGY

The GJMC will market the Baralink area to potential investors by means of a focused marketing strategy that will include:

- A marketing brochure for distribution to the investment community. This brochure will define the image of the Baralink area, and provide a profile of the development vision and strategy for implementation of development initiatives. The development profile for the area will be further supported by the documentation that has been drafted through this project, and provide a 10-year time horizon for development planning
- The establishment of a dedicated unit to assist potential investors with information. This unit will focus on providing the necessary institutional support to potential investors; and expediting the processing of development applications

- Raising awareness of the development opportunities within Baralink through calls for proposals for the release of land parcels that have been identified as suitable for particular land uses
- Presentations to the investment community, particularly institutional investors to highlight the development opportunities that have been identified
- Support for unsolicited bids for appropriate development opportunities through negotiation with parties that submit proposals for development projects

Marketing of the Baralink area will be the responsibility of the Development Agency or Unit, which will also be responsible for the co-ordination of development activities.

11 SUPPORTING INITIATIVES

A number of supporting initiatives that need to be initiated to provide an enabling environment to development projects within the Baralink area have been identified.

11.1 SUPPORT TO DEVELOPMENT PROJECTS

The GJMC recognises the need to support investors who wish to invest in the Baralink area. While the specific needs of individual projects will have to be negotiated on their own merits, the Council is able to support investment in terms of:

- Co-ordination of infrastructure investment to support development
- Negotiation with relevant departments for the provision of financial and non-financial benefits and incentives to enable competitiveness
- Provision of institutional arrangements to ensure effective process through local authorities

11.2 ENVIRONMENTAL INITIATIVES

A strategic environmental assessment has been undertaken for the Baralink area and the following environmental management guidelines have been recommended for the area to preserve the natural features of the area, and to ensure that the environment contributes to the quality of life of the people in the area:

- The Devland & Vista koppies are of high conservation value and contain sites of cultural significance. These areas need to be incorporated into an Metropolitan Open Spaces Structure Framework so as to ensure no inappropriate development occurs in these areas
- No development other than recreational facilities that double as flood retention structures may be built within the floodplains as defined by the 1:100 floodlines of the Diepkloofspruit and the Bailyspruit
- Traffic calming measures should be incorporated into traffic management system along Old Potch Road and other main arterial routes where residential or other development that is sensitive to ambient noise levels is located
- All activities identified in terms of Section 21 of the Environmental Conservation Act (Act No. 73 of 1989) will require an EIA approval before construction commences