

# AGENDA

Ordinary Council Meeting

on

**WEDNESDAY**





**27 MARCH 2013**

at

**19:00**



**MUNICIPALITY OF SWAKOPMUND**

 (064) 4104206  
 (064) 4104121  
 53 Swakopmund  
NAMIBIA  
 [agebhardt@swkmun.com.na](mailto:agebhardt@swkmun.com.na)

Ref No        A 2/3/5

Enquiries:    A Gebhardt

18 March 2013

The Mayor and Councillors  
Municipality  
SWAKOPMUND

Dear Sir / Madam

**NOTICE:    ORDINARY COUNCIL MEETING**

Notice is hereby given of an **ORDINARY COUNCIL MEETING** to be held in the Council Chambers, Municipal Office Building, Swakopmund on:

**WEDNESDAY, 27 MARCH 2013 at 19:00,**

**E U W Demasius  
CHIEF EXECUTIVE OFFICER**

AG/-

# INDEX

1. **OPENING**

---

2. **APPLICATIONS FOR LEAVE OF ABSENCE AND DECLARATION OF INTEREST**

2.1 Application for leave of absence.

2.2 Declaration of interest.

---

3. **CONFIRMATION OF MINUTES**

(C/M 2013/03/27 - A 2/3/5)

3.1 Minutes of an **Ordinary Council Meeting** held on **28 February 2013**.  
(pp 13/2013 - 36/2013)

---

4. **INTERVIEWS WITH DEPUTATIONS OR PERSONS SUMMONED OR REQUESTED TO ATTEND THE MEETING**

None.

---

5. **OFFICIAL ANNOUNCEMENTS, STATEMENTS AND COMMUNICATIONS**

5.1 Announcements by the Mayor and Chairperson of Council.

5.2 Long Service Awards.

---

6. **PETITIONS**

None.

---

7. **MOTIONS OF MEMBERS**

None.

---

8. **ANSWERS TO QUESTIONS OF MEMBERS OF WHICH NOTICE WAS GIVEN**

None.

---

9. **FEEDBACK REPORT ON THE EXECUTION OF RESOLUTIONS  
TAKEN BY COUNCIL IN 28 FEBRUARY 2013**

**PAGE**

9.1 **Ordinary Council Meeting** held on **28 February 2013.** **1 - 6**

10. **REPORT TO COUNCIL ON RESOLUTIONS TAKEN BY  
MANAGEMENT COMMITTEE DURING FEBRUARY 2013**

**PAGE**

10. (A) Minutes of an **Ordinary Management Committee meeting** **7 - 16**  
held on **14 March 2013**

11. **RECOMMENDATIONS OF THE MANAGEMENT COMMITTEE  
MEETING HELD IN MARCH 2013**

11.1 **AN ORDINARY MANAGEMENT COMMITTEE MEETING HELD ON  
14 MARCH 2013**

ITEM NO	SUBJECT	REF NO	PAGE
11.1.1	Sale / Allocation Of Residential Erven At Extension 9, Mondesa (PDA)	H 5/7	17
11.1.2	Swakopmund Mayoral Sports Tournament	A 2/3/2/1/7	26
11.1.3	Appointment Of Directors: Erongo RED	A 4/3/1/16, A 4/3/1/16/1	28
11.1.4	Allocation Of Block Erven At The PDA To The Shack Dwellers Federation Of Namibia	H 5, H 5/7	31
11.1.5	Upgrading Of The Street Adjacent To The Mondesa Cemetery	N 8/15/5	45
11.1.6	Request For Increase In Impoundment Fees From The SPCA	F 20, J 18	47
11.1.7	Proposed Sale Of Erf 4884, Swakopmund	G 4/1/3, E 4884	54
11.1.8	Application To Purchase Open Portion Of Land On The Northern Side (Adjacent To The Beach Houses) Of Erf 3549 Molenweg, Swakopmund	G 4/2/2/2	59
11.1.9	Objection By Messrs Stacks Property Thirty Seven CC Against Levying Of Betterment Fee For Bahnhof Square And Lifestyle Centre	E 3777, E 3656, E 444, E 466, E 773	66
11.1.10	Cancellation Of The Sale Of The Remainder Of Erf 3211, Mondesa To Mr L Shigwedha	M 2081, M 2082, M 3211	79

ITEM NO	SUBJECT	REF NO	PAGE
11.1.11	Application To Lease A Site For The Purpose Of Collecting And Recycling Of Empty Bottles: Messrs LRV Waste Management And Cleaning Services	H 5, H5/7, G 4/1/1(14)	88
11.1.12	Application To Lease The House Which Is Situated At The Swakopmund Airport	N 9/1	93
11.1.13	Withdrawal Of Council's Offer To Lease A Portion Of Erf 266A, Swakopmund To Kazak African Experience Cultural Tourism	E 266 ABC	98
11.1.14	Leasing Of The Swakopmund Municipal Bungalows For Five Years	N 7/3/1/2	107
11.1.15	Standard Operating Procedures For Booking Of Halls, Open Spaces And Sports Fields	N 7/3/4, H 2/5, I 1/10, G 3/10/2	113
11.1.16	Writing Off Of Redundant Office Equipment At The Health Services Department	L 2	115
11.1.17	Approval Of Amendment Scheme No. 54	G 3/2/2/2	116
11.1.18	Writing Off: Old And Redundant Equipment - Corporate Services And Human Resources Department	L 2	120

10. **REPORT TO COUNCIL ON RESOLUTIONS TAKEN BY  
PREVIOUS MANAGEMENT COMMITTEE MEETINGS HELD IN  
MARCH 2013**

---

10 (A) **MINUTES OF AN ORDINARY MANAGEMENT COMMITTEE  
MEETING HELD ON 14 MARCH 2013**

---

2. **CONFIRMATION OF MINUTES**  
(M/C 2013/03/14 - A 2/3/5)

2.1 **MINUTES OF A SPECIAL MANAGEMENT COMMITTEE MEETING  
HELD ON 28 NOVEMBER 2012**

On proposal of Councillor A N Bessinger seconded by Alderwoman R //Hoabes it was:-

**RESOLVED:**

**That the Minutes of the Special Management Committee meeting held on 28 November 2012 be confirmed as correct.**

2.2 **MINUTES OF A SPECIAL MANAGEMENT COMMITTEE MEETING  
HELD ON 05 FEBRUARY 2013**

On proposal of Councillor N N Salomon seconded by Councillor A N Bessinger it was:-

**RESOLVED:**

**That the Minutes of the Special Management Committee meeting held on 05 February 2013 be confirmed as correct.**

2.3 **MINUTES OF AN ORDINARY MANAGEMENT COMMITTEE  
MEETING HELD ON 14 FEBRUARY 2013**

On proposal of Councillor A N Bessinger seconded by Councillor N N Salomon it was:-

**RESOLVED:**

**That the Minutes of the Ordinary Management Committee meeting held on 14 February 2013 be confirmed as correct.**

2.4 **MINUTES OF A SPECIAL MANAGEMENT COMMITTEE MEETING  
HELD ON 21 FEBRUARY 2013**

On proposal of Councillor N N Salomon seconded by Councillor A N Bessinger it was:-

**RESOLVED:**

**That the Minutes of the Special Management Committee meeting held on 21 February 2013 be confirmed as correct.**

---

5.5 **FINANCE**

5.5.1 **TOTAL EXPENDITURE**

(M/C 2013/03/14 - D 7/3/2/1)

**RESOLVED:**

That the total expenditure of N\$19 787 268.76 from 01-28 February 2013 be accepted and approved as correct.

---

7. **MATTERS REFERRED BY PREVIOUS COUNCIL- AND MANAGEMENT COMMITTEE MEETINGS**

7.1 **MOTION 01 / 2013: IMPLEMENTATION OF A SAVINGS SCHEME BY COUNCILLOR A N BESSINGER**

(M/C 2013/03/14 - G 4/1)

This item was read together with Item 7.7.

**RESOLVED:**

- (a) That Motion 01 / 2013 regarding the implementation of a Savings Scheme moved by Councillor A N Bessinger be noted.
  - (b) That a policy in line with that submitted under Item 7.7 be drafted, submitted and approved by July 2013.
- 

7.2 **MOTION 02 / 2013: COST LIMITED AVERAGE PRICE CLOSED BID BY COUNCILLOR A N BESSINGER**

(M/C 2013/03/14 - G 4/1)

**RESOLVED:**

- (a) That Motion 02 / 2013 regarding the Cost Limited Average Price Closed Bid moved by Councillor A N Bessinger be noted.
  - (b) That the Cost Limited Average Price close bid process be included in the Property Policy.
- 

7.3 **SALE / ALLOCATION OF RESIDENTIAL ERVEN AT EXTENSION 9, MONDESA (PDA)**

(M/C 2013/03/14 - H 5/7)

**RESOLVED:**

- (a) That the registration process for the Cost Limited Average Price Close Bid starts on 01 April 2013 and closes on 18 July 2013.
  - (b) That allocation of the 58 erven to the members of the Decentralized Build Together Master be kept in abeyance until investigations are finalized.
-

7.4 **APPLICATION FOR REFUND OF MAINTENANCE COST TO RUNWAY 06/24**

(M/C 2013/03/14 - N 9/1)

**RESOLVED:**

That the application for re-imbursement of cost for the maintenance, which incurred be turned down and that the applicant be advised to claim the cost from the Airports Operator.

---

7.6 **APPOINTMENT OF DIRECTORS: ERONGO RED**

(M/C 2013/03/14 - A 4/3/1/16, A 4/3/1/16/1)

**RESOLVED:**

That a meeting be arranged for Council's representatives on the Erongo RED Board of Directors to meet with Council.

---

7.7 **LAND SAVING SCHEME POLICY**

(M/C 2013/03/14 - G 4/1, G 4/1/1, H 5, I 1/1/4, G 4/1/3)

**RESOLVED:**

That the Housing Scheme policy (on file) in terms of Part XII of the Local Authorities Act (Act No. 23 of 1992) as amended be referred back.

---

7.9 **INVESTIGATION OF UNACCOUNTED WATER CONSUMPTION**

(M/C 2013/03/14 - D 11)

**RESOLVED:**

- (a) That the following action plan for the prevention of water losses be approved:

**Technical Measures**

- (i) *The monitoring of the large scale water consumers.*
- (ii) *The continuation of the removal of the mid-block water system.*
- (iii) *Smallholdings:*
  - (a) *The division into zones of the smallholdings and the implementation of an automatic water reading system.*
  - (b) *Checking for water tampering.*
- (iv) *The creation of zones within town where possible.*
- (v) *All new suburbs/areas are to be designed in zones.*
- (vi) *The continuation of the water pipe line replacement program on an annual basis.*
- (vii) *The continuation of the water meter replacement program.*
- (viii) *The control of water consumption by private developers.*
- (ix) *The Fire Brigade to cap fire hydrants once they have been installed in all new areas.*

**Administrative Measures**

- (i) *Water meter audit: Are all meters on record?*
- (ii) *Meter reading audit: Are all meters correctly installed, read and on the relevant property?*
- (iii) *The appointment of a permanent staff member to oversee the project on a full time basis. Resultant water loss savings will more than justify such expenditure and will in fact be an investment.*

**General**

- (i) *Budgetary provision is to be made from the Capital Budget to fund the project. The water losses from the 2011 financial year amounted to 17.5%. Should it be possible to lower this rate to e.g. 10.5%, the resultant 7% monthly saving would amount to an annual saving of N\$2 500 000.00.*
  - (ii) *After the implementation of the above steps, the results should be monitored in the short term (3 monthly intervals) in order to ascertain that the results justify the relevant investment.*
  - (iii) *If resultant water losses are reduced, the investment capital can simultaneously be reduced.*
- (b) That the General Manager: Finance makes provision in the Capital Budget for the implementation of the project.
- (c) That a Contract Worker with relevant experience be appointed to monitor the proposed plan of action.

---

7.10 **UPGRADING OF THE STREET ADJACENT TO THE MONDESA CEMETERY**

(M/C 2013/03/14 - N 8/15/5)

**RESOLVED:**

That a gate be created on the northern boundary of the Mondesa Cemetery to facilitate access.

---

7.14 **MESSRS ROSSMUND GOLF COURSE CC: REQUEST FOR EXTENSION OF TIME: TRANSFER OF PORTION 116 (A PORTION OF THE REMAINDER OF THE FARM SWAKOPMUND TOWN AND TOWNLANDS NO. 41)**

(M/C 2013/03/14 - N 7/3/4/1)

**RESOLVED:**

That Messrs Rossmund Golf Course CC be invited for an audience with Management Committee at a date to be determined by the Chief Executive Officer.

---

7.17 **APPLICATION TO LEASE A PORTION OF LAND EAST OF THE ROAD TO THE AIRPORT**

(M/C 2013/03/14 - G 4/1/3)

**RESOLVED:**

That Messrs FA Developers CC be invited for an audience with Management Committee at a date to be determined by the Chief Executive Officer.

---

- 7.20 **WITHDRAWAL OF COUNCIL'S OFFER TO LEASE A PORTION OF ERF 266A, SWAKOPMUND TO KAZAK AFRICAN EXPERIENCE CULTURAL TOURISM**  
(M/C 2013/03/14 - E 266 ABC)

**RESOLVED:**

That the Office of the Mayor discusses the withdrawal of the offer to lease a portion of Erf 266A, Swakopmund to Messrs Kazak African Experience Cultural Tourism and report back before the next Council meeting.

---

- 7.21 **FINANCIAL AUDIT 2011 / 2012**  
(M/C 2013/03/14 - D 11)

**RESOLVED:**

- (a) That the Financial Audit 2011 / 2012 report submitted by General Manager: Finance be noted.
  - (b) That Councillors submit written questions to the Chief Executive Officer regarding the Financial Audit 2011 / 2012.
  - (c) That the Chief Executive Officer submits motivations to Management Committee to the questions received from the Councillors.
  - (d) That the General Manager: Finance provides a presentation regarding the Financial Audit 2011 / 2012 at a date to be determined by the Chief Executive Officer.
- 

- 7.22 **PROVISION OF FIRE PREVENTION EQUIPMENT**  
(M/C 2013/03/14 - N 3)

**RESOLVED:**

- (a) That Messrs Godwana Investment CC be invited for a presentation to display the equipment at a date to be determined by the Chief Executive Officer.
  - (b) That the Mondesa and DRC Planning Committees be invited to the presentation in (a) above and that Messrs Godwana Investment CC be requested to provide them with flyers and pamphlets for distribution.
- 

8. **POLICY MATTERS**

- 8.3 **OWNERSHIP OF ERF 1525, MONDESA**  
(M/C 2013/03/14 - M 1525)

**RESOLVED:**

That Erf 1525, Mondesa be reserved for the Decentralized Build Together Programme.

---

9. **PERSONNEL MATTERS**

9.1 **CREATION OF AN ENVIRONMENTAL OFFICER POSITION IN THE HEALTH SERVICES DEPARTMENT**

(M/C 2013/03/14 - B 1/1/6)

**RESOLVED:**

**That this item be referred back for further investigation by the General Manager: Corporate Services and Human Resources to confirm whether a position can be graded at C4 in the absence of subordinates in the Patterson Grading System.**

---

9.2 **TRAINING ON LEGAL FRAMEWORK FOR LOCAL AUTHORITIES AND STAFF MEMBERS**

(M/C 2013/03/14 - A 2/3/1/4/1, A 4/3/1/3)

**RESOLVED:**

**That this item be referred back pending confirmation from ALAN regarding the date of the training.**

---

9.3 **STAFF MEMBERS SERVING ON THE NALASRA NATIONAL EXECUTIVE COMMITTEE**

(M/C 2013/03/14 - J 10/1)

**RESOLVED:**

**(a) That the approval of the appointment of the Sport and Recreational Officer (Mr R Aluteni) to serve NALASRA in the following capacities:**

- *Regional Coordinator*
- *Executive Assistant*
- *Head: Fixtures*
- *Scoring & Awards*

**be kept in abeyance subject to the submission of the following by the Chief Executive Officer:**

- *Historical background of the Municipal Sports Committee since its inception.*
- *Implications of the appointment of the Sport and Recreation Officer.*

**(b) That the permission granted to the Sport and Recreational Officer to attend to his assigned NALASRA duties in Luderitz on 02 March 2013 and in Otjiwarongo on 08 March 2013 be condoned.**

**(c) That travel and subsistence allowance be paid in accordance with Council Policy and be defrayed from Conference expenses Vote 500510206500 where N\$24 700.00 is available.**

**(d) That special leave be granted to the staff member during this period.**

**(e) That the Sport and Recreational Officer uses an official**

vehicle (N 17464 S) to travel to Luderitz and Otjiwarongo.

- (f) That Council be indemnified when assisting staff members of other local authorities during the journey to Luderitz.

- 
- 9.4 **PARTIAL OUTSOURCING OF THE START-UP OPERATION - WASTE WATER TREATMENT WORKS AND NEW STAFF REQUIREMENTS FOR SWAKOPMUND WASTE WATER TREATMENT WORKS**  
(M/C 2013/03/14 - B 1/1/4)

**RESOLVED:**

That the draft agreement (on file) for partial the outsourcing of services at the new Sewerage Treatment Works be referred back and be revised.

- 
- 9.5 **NOTICE OF APPROVAL TO WORK EXCESS OVERTIME**  
(M/C 2013/03/14 - B 1/8)

**RESOLVED:**

That the notice of approval to work excess overtime submitted by the Employee Relations Officer be noted.

- 
10. **MATTERS NOT ON THE AGENDA, BUT DISCUSSED WITH PERMISSION OF THE CHAIRPERSON**

- 10.1 **NORTH EASTERN SUBURB / UPGRADE OF DRC - (PHASE II) - BULK OR PRIMARY SEWERS**  
(M/C 2013/03/14 - N 6/1/3, G 3/9/2)

**RESOLVED:**

That the General Manager: Engineering Services invites tenders for the bulk or primary sewers for the DRC Phase II project.

- 
- 10.2 **SERVICING OF BLOCK 2 OF EXTENSION 3, TAMARISKIA**  
(M/C 2013/03/14 - G 3/9/2)

**RESOLVED:**

- (a) That the Services designs done by Windhoek Consulting Engineers for Block 2 of Extension 3, Tamariskia be purchased.
- (b) That Windhoek Consulting Engineers be requested to submit a quotation for Construction Supervision costs.
- (c) That Windhoek Consulting Engineers be requested to include the servicing of Block 2 of Extension 3, Tamariskia in their tender invitations, with the construction costs for Block 2 of Extension 3, Tamariskia be identified separately.
- (d) That both the construction costs and construction supervision costs be submitted to the Management Committee for approval.

- (e) That the Technician: Water, Sewer and Special Projects (Mr C McClune) be appointed as Employer's representative to this contract as part of his training / experience portfolio.
- (f) That the above be tabled to the Tender Board for consideration as it is viewed to be in the best interest of Council and the public.

---

10.3 **CREATION OF THE NEW POSITION: JANITOR / MESSENGER / DRIVER IN MAYORS OFFICE**  
(M/C 2013/03/14 - B 1/1/2)

**RESOLVED:**

- (a) That the creation of the position of Janitor / Messenger / Driver in the Office of the Mayor not be approved.
- (b) That should the Janitor / Messenger / Driver in the Corporate Services and Human Resources Department not be available, such duties be carried out by Traffic Officers.

---

10.4 **FEEDBACK ON THE MEETING HELD WITH THE SAIMSA AND NALASRA DELEGATION DEALING WITH THE HOSTING OF THE SOUTHERN AFRICA INTER-MUNICIPAL SPORT ASSOCIATION GAMES (SAIMSA GAMES 2013)**

(M/C 2013/03/14 - J 10/1)

**RESOLVED:**

That the Chief Executive Officer obtains a legal opinion from Council's legal advisors on the risks and consequences before the next Council meeting on the implications of the following options:

1. That Council declares the signed Memorandum of Understanding invalid as the signing was not done in terms of the statutory requirements and that the document is not the same document as the one approved by Council.(See the two documents (on file)) and Council submits the original agreement to the Local Organizing Committee for perusal and executes all activities as prescribed therein.

OR

2. That Council accepts the signed document and continues with the organizing of the games under the guidance of the newly established LOC which will exclude the Chief Executive Officer and the Council representative. This alternative will have the impact that it will cost Council N\$ 1 million to host the games without being able to retrieve any costs through accommodation levies and/or sponsorships.

OR

3. That Council informs SAIMSA IOC that approval for the hosting of the games is repealed and that there will be no further participation in events staged by the organization as well that of NALASRA and therefore no payments will be transferred in to the organizations account.

OR

4. That Council confirms the appointment of Marketing In Namibia as the appointed Marketing agents for SAIMSA or recalls the approval and remunerates the company for their services rendered to date. However under this arrangement the proposal accepted by Council will no longer be in a position to hold to its anticipated income levels through either levies and/or sponsorships as their efforts have in the mean time been jeopardized by other agents infiltrating the arrangements which are in conflict with Council's resolution.

---

10.5 **INDEPENDENCE CELEBRATION IN OSHAKATI**

(M/C 2013/03/14 - A 2/3/2/1)

**RESOLVED:**

- (a) That permission granted to the Mayor to attend the Independence Celebration in Oshakati on the 21 March 2013.
- (b) That the Mayoral vehicle be used for that purpose.
- (c) That subsistence and travelling allowance be defrayed from the Council's Conference Expenses Vote 100510206500 where N\$14 452.72 is available.

---

10.5 **WOMEN SUMMIT 2013**

(M/C 2013/03/14 - A 2/3/1/4)

**RESOLVED:**

- (a) That Council's support, in kind, towards the hosting of the Women Summit in Swakopmund be approved.
  - (b) That the Personal Assistant to the Mayor provides administrative assistance to ensure the successful hosting of the summit.
  - (c) That invitations regarding the preparatory meeting scheduled for 10 April 2013 be forwarded to Councillors in advance.
-

10.6

**ABLUTION FACILITIES FOR THE DRC INFORMAL MARKET**

(M/C 2013/03/14 - E 1/6, H 5/4/2)

**RESOLVED:**

- (a) That that the amount of N\$250 000.00 be transferred from Vote 104531614100 (Phase 1: Boxing and Squash Facility) where an amount of N\$500 000.00 is available to the relevant vote to be created for the provision of ablution facilities at the DRC Informal Market and the connection of water and drainage.
  - (b) That the amount of N\$250 000.00 be budgeted for the (Phase 1: Boxing and Squash Facility) in the 2013 / 2014 Financial Year.
-

11. **RECOMMENDATIONS BY THE MANAGEMENT COMMITTEE**
- 11.1 **ORDINARY MANAGEMENT COMMITTEE MEETINGS HELD ON 14 MARCH 2013**
- 11.1.1 **SALE / ALLOCATION OF RESIDENTIAL ERVEN AT EXTENSION 9, MONDESA (PDA)**  
(C/M 2013/03/27 - H 5/7)

**Ordinary Management Committee Meeting of 14 March 2013, Addendum 7.3 page 14 refers.**

**A. The following item was submitted to the Management Committee for consideration:**

1. The installation of electricity infrastructure at the Progressive Development Area (PDA), Extension 9, Mondesa, has been completed and the area has already been handed over to the Municipality. The total cost for installing all services amounted to N\$9 492 714.28 - VAT included.

The area concerned is 84 383m<sup>2</sup> in extend and consists of 234 residential erven, of which Erf 4018 is used to accommodate an electrical substation (**Annexure "A"**). As such the total cost per erf will be N\$112.49/m<sup>2</sup> (see details hereunder). The sizes of erven at this area range from 292m<sup>2</sup> to 617m<sup>2</sup>.

<b>PROGRESSIVE DEVELOPMENT AREA</b>		<b>(PDA)</b>	
Total Area for Erven		84,383m <sup>2</sup>	
No. of Erven		234	
		<b>Price/ m<sup>2</sup></b>	<b>Price per Erf</b>
Tender price for Civil Services		N\$1 564 734.66	N\$18.54
Consultancy Fees		N\$94 843.31	N\$1.12
Electricity	Reticulation	N\$7 500 000.00	N\$88.88
Survey Cost		N\$129 841.62	N\$1.54
Town planning Cost		N\$22 000.00	N\$0.26
Supervision Cost	@ 2%	N\$181 294.69	N\$2.15
<b>Total</b>		<b>N\$9 492 714.28</b>	<b>N\$112.49</b>
			<b>N\$40 567.15</b>

2. Recently, Council allocated erven at Extension 8, Mondesa (PDA) to various groups especially those living in Mondesa viz.
  - *Build Together Program* : at staggering prices between N\$15.00/m<sup>2</sup> and N\$23.00m<sup>2</sup>
  - *National Housing Enterprise* : at the development cost
  - *Closed Bids* : at the development cost and
  - *Staff member*: at the development cost.
3. In the same manner, Council is requested to once again consider allocating erven at Extension 9, Mondesa (PDA) to various groups/ individuals in order to build their houses considering the short supply thereof in Swakopmund. Such groups/ individuals can include but not limited to the following:
  - **Staff Members** who have not owned property in Swakopmund before at development cost.

- **Closed Bids** to residents of Swakopmund who are first time home owners
- **Shivolo and Matheus**: Council to allocate two erven to Mr P Shivolo and Mr M Stephanus' estate (Council recently resolved to build two houses and sell them to Mr P Shivolo and Mr M Stefanus estates in lieu of Erf 2364, Mondesa)
- **Build Together Program**: Another group that should be considered is the "45 Build Together Program beneficiaries" who were given erven in lieu of high salary beneficiaries. This group consists of 32 beneficiaries which the line Ministry recommended to be given the first priority.
- Another group which should be considered is the 57 Build Together beneficiaries under the Single Quarter Transformation Sub - Programme. This group was given loans during 2006/7 financial year (**Annexure "B","C" and "D"**).thus did not did not form part of the waiting list as they had already been allocated with loans, as the waiting list constitutes names of applicants still to be submitted to the line ministry for allocation of loans. Therefore the 57 need to be given land in order to start building their houses. This step is important as it will allow us to exhaust all Build Together funds allocated to the Swakopmund Municipality. Once such funds have been exhausted, the Municipality will again be free to request more funds for the financial year 2013 / 2014.

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

- That Erf 4018, Mondesa be transferred to Messrs Erongo RED as there is an Electrical Substation constructed on it.**
- That Erven 4020 and 4021, Mondesa be allocated to Mr P Shivolo and Mr M Stefanus respectively in lieu of Erf 2364, Mondesa, which cannot be subdivided.**
- That Council allocates 33 erven to the remaining Decentralized Build Together beneficiaries who formed the list of 45 as per the recommendation by the Ministry of Regional, Local Government, Housing and Rural Development and that the erven be sold at a subsidized staggered rate of N\$15.00/m<sup>2</sup> and N\$33.00/m<sup>2</sup>.**
- That Council allocates 10 Erven to Municipal Employees and that these Erven be sold at an upset price of N\$129.00/m<sup>2</sup>.**
- That Council allocates the remaining erven to the following categories and that they be sold on a Cost Limited Average Price Close Bid process as was conducted on the 7<sup>th</sup> and 14<sup>th</sup> September 2012, with an upset price of N\$129.00/m<sup>2</sup> for all erven:**
  - 30 Erven to the Middle Low Income group (persons earning between N\$3 000.00 and N\$5 999.00 per month) to be sold at a maximum markup permissible of 25%.**

- (ii) 30 Erven to the Upper Low Income group (persons earning between N\$6 000.00 and N\$8 999.00 per month) to be sold at a maximum markup permissible of 30%.*
  - (iii) 30 Erven to the Low Middle Income (Persons earning between N\$9 000.00 and N\$11 999.00 per month) to be sold at a maximum markup permissible 35%.*
  - (f) That the deposit payable for the Cost Limited Average Price Close Bid be N\$500.00 per person registered.**
  - (g) That the date for the Auction be determined at the July 2013 Council meeting.**
  - (h) That the allocation / alienation of the remaining 40 erven be determined at a later stage.**
-

**Ordinary Management Committee Meeting of 14 March 2013,**  
Addendum 7.5 page 31 refers.

---

**A. The following item was submitted to the Management Committee for consideration:**

The Mayoral Soccer Cup has grown into a considerable event, with an increase in the number of soccer teams each year. Although, there has been a call from communities such as Mondesa and DRC to introduce a variety of sports codes.

Similarly, Management Committee resolved to introduce a wider range of sports codes in order to address issues pertaining to mass participation, gender balance and fair representation of the residents of Swakopmund.

Following the report on the 2012 Mayoral Soccer Cup on **08 November 2012**, Management Committee on **15 November 2012**, resolved:

- (a) *That the report by the Chief Executive Officer regarding the Mayoral Soccer Cup 2012 held from 29 - 30 September 2012, be noted.*
- (b) *That the General Manager: Community Development Services makes a submission to Management Committee, listing all other sports codes e.g. chess, rugby, volleyball, netball, etc, which can be included in the event in the future.*

Following below are some of the sporting codes that could be considered for inclusion into the tournament. These are volleyball, netball, tag or touch rugby, basketball, tennis, boxing, golf and chess. These codes are the most popular sports codes in Swakopmund. Volleyball, netball and tag or touch rugby enjoys the benefits of having a great number of teams, while the rest have demonstrated to have a rather formidable following by the fans.

This project is funded from the Mayoral development Fund. Unfortunately, the fund cannot cater for all the afore-mentioned codes at once. Hence, it is advisable that a maximum of four (4) codes be introduced (i.e. mixed volleyball, netball, 3-on-3 basketball and chess) for the 2013/2014 financial year. In the future, an additional number of sport codes will be considered for inclusion, based on the availability of funding.

The organizing committee will continue to add an additional sport code to the tournament on an annual basis, thus growing the games to include as many of the community based teams as possible.

It is important to note that there is a great need for additional funding for this tournament. At present the participating team do not pay registration or competition fees. Entry is free of any charge.

The prospect of building inter-municipal relations through social interaction around these games can be exploited and put to good use by way of selecting a Swakopmund Municipality team or teams that will compete against other municipalities such as Windhoek, Walvis Bay and Otjiwarongo, to mention a few.

The idea is to create a platform, were our teams, specifically those that hail from the informal settlements, can network and socialise and in turn foster relationships amongst the participating councils.

Below is a cost estimate of what it will cost Council to host the games this year.

<b>No.</b>	<b>Item</b>	<b>Description</b>	<b>Amount (N\$)</b>
1.	Trophies	5 trophies for the winners in each sport codes @ 500 / trophy	2 500.00
2.	Medals	Gold = 20 medals for each team that comes 1 <sup>st</sup> in each code @ N\$20.00 / medal Silver = 20 medals for each team that comes 2 <sup>nd</sup> in each code @ N\$20.00 / medal Bronze = 20 medals for each team that comes 3 <sup>rd</sup> in each code @ N\$20.00 / medal	6 000.00
3.	Prize Money	1 <sup>st</sup> place means 5 teams x N\$2 500.00 = N\$12 500 2 <sup>nd</sup> place means 5 teams x N\$1 500.00 = N\$7 500.00 3 <sup>rd</sup> place means 5 teams x N\$750.00 = N\$3 750.00 4 <sup>th</sup> place means 5 teams x N\$750.00 = N\$3 750.00	27 500.00
4.	Sports Equipment	For all 5 codes @ N\$3'000.00 per code (i.e. balls, whistles, pumps, nets, etc.)	15 000.00
5.	Venue / Equipment Hire	Vineta Central Sports Fields has all the facilities for this tournament in one place.	5 000.00
6.	Refreshments & Lunch packs for Umpires/Referees & Officials/Municipal Staff	Refreshments for Umpires/Referees & Officials/Municipal Staff	15 000.00
7.	Stipend for Umpires/Referees	All volunteers will receive a stipend of N\$400.00 per person. Number of volunteers needed / code: Soccer = 20 / Volleyball = 10 / Chess = 10 / Netball = 10 / Basketball = 10	24 000.00
<b>TOTAL</b>			<b>95 000.00</b>

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

**(a) That the sport codes for the Mayoral Sports Cup be as follows:**

- Soccer
- Mixed Volleyball
- Netball
- 3-On-3 Basketball
- Chess
- Traditional Sports Codes

**(b) That the estimate budget of N\$95 000.00 be approved and budgeted for accordingly during the 2013 / 2014 Financial Year and that any additional cost in respect of the traditional sports codes be reported to Council.**

**(c) That the name of the event be changed from Mayoral Soccer Tournament to Swakopmund Mayoral Sports Tournament in order to include the additional sports codes.**

11.1.3 **APPOINTMENT OF DIRECTORS: ERONGO RED**  
(C/M 2013/03/27 - A 4/3/1/16, A 4/3/1/16/1)

**Ordinary Management Committee Meeting of 14 March 2013,**  
Addendum 7.6 page 33 refers.

---

**A. The following item was submitted to the Management Committee for consideration:**

Council at an Extra Ordinary Meeting held **11 October 2012**, item 3.1 (c) amongst others, resolved:

(c) *That the following candidates be elected/nominated to serve as board members to represent Council on the Erongo RED Board:*

- |      |                        |   |                     |
|------|------------------------|---|---------------------|
| (i)  | Mr Florian Hartzenberg | - | CIMA Member         |
| (ii) | Mr Werner Ewald        | - | Electrical Engineer |

*Alternate*

- |      |                                              |   |                     |
|------|----------------------------------------------|---|---------------------|
| (i)  | Ms Lempie Joel (secundi to Mr F Hartzenberg) | - | HR Expert           |
| (ii) | Mr Maurice Jankowski (secundi to Mr W Ewald) | - | Electrical Engineer |

**Attached**, find the self-explanatory mail received from Mr Werner Ewald, not accepting the appointment due to work commitments and the resignation of Mr Marucie Jankowski

Council is requested to nominate technical representatives to represent Council on the Board of Directors of Erongo RED.

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

**That Council's representatives on the Erongo RED Board of Directors be as follows:**

- |      |                   |             |
|------|-------------------|-------------|
| (i)  | Mr Linus //Garoeb |             |
| (ii) | Ms Lempie Joel    | - HR Expert |

*Alternate*

- |       |                                       |
|-------|---------------------------------------|
| (iii) | Vacant (secundi to Mr Linus //Garoeb) |
| (iv)  | Vacant (secundi to Ms Lempie Joel)    |
-

11.1.4 **ALLOCATION OF BLOCK ERVEN AT THE PDA TO THE SHACK DWELLERS FEDERATION OF NAMIBIA**  
(C/M 2013/03/27 - H 5, H 5/7)

**Ordinary Management Committee Meeting of 14 March 2013,**  
Addendum 7.8 page 44 refers.

**A. The following item was submitted to the Management Committee for consideration:**

Council on **29 September 2011** under item 11.1.19 resolved:

- (a) *That erven 3594 and 3598 be allocated to the Shack Dwellers Federation of Namibia and that they be informed that the erven allocated to them should be sub-divided to ensure that individuals can obtain full title to their properties.*
- (b) *That it be noted that the full development cost of N\$61.35/m<sup>2</sup> be implemented.*

During the planning phase of the PDA a number of block erven were demarcated and provided with bulk services (water, electricity, sewerage, and road infrastructure) up to the erven boundary. These block erven were created to specifically cater for the needs of various group saving schemes operating in Swakopmund. The group saving scheme would buy the block from the Municipality and thereafter will attend to all internal subdivisions and services at own cost. This was seen as a way low income groups could acquire land ownership a lot cheaper, since they will use own resources to extend services to the individual erven.

The Shack Dwellers Federation of Namibia has now submitted the proposed sub divisional plan for the two block erven with pre-planned building plans for the houses to be erected on the 36 erven created (**Annexure 'A'**). The Federation, however, maintains that at a selling price of N\$61.35/m<sup>2</sup> offered by Council their project will not be feasible and therefore appeals to Council to review its offer; particularly considering the fact that the applicant has to incur additional costs in terms of subdivision of the blocks, extension of internal services to individual erven, including attending to statutory processes that might be required.

Erf 3594, Mondesa measures 5684m<sup>2</sup>, while Erf 3598, Mondesa is 5631m<sup>2</sup> in extent. Based on the selling price of N\$61.35/m<sup>2</sup> the former will cost N\$348 713.40 while the latter will fetch N\$345 461.85.

Similar low income groups i.e. Build Together and Benguella Housing Association were recently allocated fully serviced erven at the PDA at selling prices not exceeding N\$23.00/m<sup>2</sup>, while the development costs for Extensions 7 and 8 Mondesa were N\$102.09 and N\$61.35/m<sup>2</sup> respectively.

The Shack Dwellers Federation of Namibia is a network movement for group saving schemes operating in all urban centres in the country, whose aims and objectives are to improve the lives of the poor by securing affordable land and shelter and improving the living conditions of those excluded from commercial housing, using a community-driven approach.

The matter was submitted to the Planning Forum on **13 November 2012** which resolved as follows:

- (a) *That the layout plans submitted by the Shack Dwellers Federation in respect of erven 3594 and 3598, Mondesa be approved.*
- (b) *That erven 3594 and 3598, Mondesa be sold to the Shack Dwellers Federation of Namibia at 16% of the development cost of \$61.35/m<sup>2</sup>, which is N\$9.80/m<sup>2</sup> in order to make the erven affordable.*

The decision was taken with the understanding that further investigation be carried out regarding the major services (water and sewer) indicated on the northern side of Erf 3594, Mondesa by the consultant of the Shack Dwellers Federation. This was taken up with Dr A Muller of NHAG who, upon receipt of the cost estimates confirmed that NHAG / Shack Dwellers Federation of Namibia will be responsible for the installation of the particular sewer line (**Annexure 'B'**) on the understanding that the land price would be adjusted accordingly to take the additional costs into account.

Regarding the issue of registering the erven to be created into the individual beneficiaries names, NHAG maintains that the costs involved with regard to the registration of bonds as well as rates and taxes for individual plots is beyond the affordability level of beneficiaries and will only create additional burdens on low income households. NHAG therefore proposes that members sign a code of conduct and land agreement constitution (**Annexure 'C', 'D' & 'E'**) which will form part of the sales agreement with the Municipality of Swakopmund. Dr A Muller therefore feels that in so doing, beneficiaries will not burden Council in future with requests for assistance to register the erven into their names.

In the meantime, Dr A Muller has applied to the Ministry of Lands and Resettlement to pilot the flexible Land Tenure Act in Swakopmund as part of the process to establish the bylaws for the Act (**Annexure 'F'**). Unfortunately no response has been received from the Ministry until now. The last mentioned strategy appears not to be effective because it is in a trial stage.

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

- (a) That the layout plans submitted by the Shack Dwellers Federation in respect of erven 3594 and 3598 Mondesa be approved.**
  - (b) That erven 3594 and 3598 Mondesa be sold to the Shack Dwellers Federation of Namibia at 12% of the development cost, of  $\text{N\$}61.35/\text{m}^2 \times 12\% = \text{N\$}7.36/\text{m}^2$ , in order to make the erven more affordable (the 2 blocks will therefore cost  $\text{N\$}7.36 \times 5684\text{m}^2 = \text{N\$}41\,845.61$  and  $\text{N\$}7.36 \times 5631\text{m}^2 = \text{N\$}41\,444.16$  respectively)**
  - (c) That the undertaking by the Shack Dwellers Federation to provide additional major services (water and sewer) to the northern side of Erf 3594 be noted.**
  - (d) That the proposal by NHAG to make their Code of Conduct and Land agreement constitution as part of the Deed of Sale regarding registration of erven into the names of individual beneficiaries.**
  - (e) That the remaining Blocks be subdivided and serviced.**
-

11.1.5 **UPGRADING OF THE STREET ADJACENT TO THE MONDESA CEMETERY**

(C/M 2013/03/27 - N 8/15/5)

**Ordinary Management Committee Meeting of 14 March 2013,**  
Addendum 7.10 page 60 refers.

---

**A. The following item was submitted to the Management Committee for consideration:**

Numerous complaints have been received from members of the public regarding the safety of pedestrians in this particular street. There are no sidewalks/walkways along the street with the result that pedestrians end up sharing the road with traffic, posing great danger to pedestrians.

In addition to that, the cemetery boundary wall runs along the entire street, leaving the pedestrians with little chance to escape, in case of sideways traffic.

An investigation was done and the findings are as follows:

- *The road is 12 meters wide and has a basic street width of 6 meters with a sidewalk width of 3 meters, both sides which is a standard specification.*
- *Access to properties is directly from the street with no on street parking.*
- *Pedestrian movement in that area is high (low income area).*
- *Due to insufficient parking, motorists do sometimes park their vehicles in this street or on the side walk, when there is a funeral.*

It is therefore proposed to pave the whole street and construct a proper sidewalk **(2m, on both sides)** with barrier kerbs to force pedestrians to use the sidewalks rather than the road.

The estimated costs will be as follows:

Dimensions of road reserve, which must be fully utilized:

1. *12m wide x 209m long = 2508 m<sup>2</sup>; 2508 m<sup>2</sup> x (N\$28.00 labour + N\$115.00 for material =) 143/m<sup>2</sup> = **N\$358 644.00.***
2. *480m kerbing @ (N\$25.00/m labour + N\$95.00/m for material =) N\$120.00/m = **N\$57 600.00***
3. *Total estimated cost for paving: **N\$416 244.00.***
4. *Road signage and miscellaneous other (speed bumps etc.) => round off to **N\$460 000.00***
5. *Plus VAT N\$69 000.00 = **N\$529 000.00.***

The matter was discussed at a Planning Forum Meeting on **12 February 2013** under item **4.8** and resolved as follows:

- (a) *That the street adjacent to the Mondesa Cemetery be paved with a proper sidewalk (2m) and barrier kerbs both sides to make it safer for pedestrian and vehicular traffic.*
- (b) *That the necessary budget provision be made in the next financial year 2013/14.*

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

- That the street adjacent to the Mondesa Cemetery be paved with a proper sidewalk (2m) and barrier kerbs on both sides to make it safer for pedestrian and vehicular traffic.**
  - That budgetary provision be made in the next financial year 2013 / 2014.**
  - That the street be included in the next street naming programme.**
-

11.1.6 **REQUEST FOR INCREASE IN IMPOUNDMENT FEES FROM THE SPCA**  
(C/M 2013/03/27 - F 20, J 18)

**Ordinary Management Committee Meeting of 14 March 2013,**  
Addendum 7.11 page 62 refers.

---

**A. The following item was submitted to the Management Committee for consideration:**

The SPCA in Swakopmund has been providing animal welfare and rescue services to the community of the town on a voluntary basis for as long as the organization existed and is very much reliant on donations and voluntary services to secure the continuation of these services.

The management of the SPCA therefore submitted a request to Council for the increase of the current impoundment fees paid to the organization by Council. The request was considered by Council on **31 January 2013** and it was inter alia resolved under item 11.1.6:

- (a) *That the fees levied for the impoundment and euthanizing of stray dogs, be increased from N\$100.00 to N\$150.00 per dog for the period that the dog is impounded.*
- (b) *That, in cases where the impounded dog is claimed or sold, the fee not be paid by Council.*
- (c) *That the General Manager: Health Services makes provision in the Operational Budget for the payment of the amended impoundment fees under the Dog Control Vote 103510207500.*
- (d) *That the new fees be implemented as from 01 July 2013.*

The decision was communicated to the SPCA management whose response (**attached**) is summarized below:

1. Request Council to reconsider the implementation date of the approved increase retrospective to **1 January 2013**.
2. Request Council to reconsider the approved increased amount of N\$ 150.00 to N\$ 250.00 as originally requested. This amount was based on the estimation that an average of 200 dogs per annum are impounded and is detailed as follows:
  - Vaccination                      N\$     70.00
  - De-Worming                      N\$     30.00
  - Boarding for 3 days            N\$    150.00
  - Total / dog impounded N\$    250.00**
3. Request Council to consider a once off payment by Council based on the impoundment of 300 dogs per annum for a boarding period of three (3) days.
4. Stated that the SPCA is operating on a voluntary basis and that if things get too complicated, the impoundment and animal rescue services should revert back to Council.

The General Manager: Health Services considered the request from the management of the SPCA and an investigation into the matter revealed that:

- (a) *Council donates an amount of N\$5 000.00 to the SPCA on an annual basis.*
- (b) *An impoundment fee of N\$100.00 is paid on submission of a payment request from the SPCA for an average number of 25 dogs per month amounting to N\$2 500.00. The annual total on average is N\$30 000.00.*
- (c) *Based on the averages in (b), the increased amount of N\$150.00 per dog impounded accounts to N\$45 000.00.*
- (d) *Based on the averages in (b), if the amount is increased to the requested N\$ 250.00 per dog impounded which amount is the real cost to the SPCA, the cost to Council accounts to N\$ 75 000.00 per annum.*

The animal care and rescue services rendered by the SPCA are essential a service rendered to the community of Swakopmund and is highly recommended. On the contrary, Council does not have the capacity to render the service as effectively as the voluntary management of the SPCA.

All indications are that the contribution currently afforded to the SPCA is minimal compared to the services that the institution renders on Council's behalf. It will also be more beneficial to Council to increase the donation to the SPCA rather than going through a very strenuous administration and control process to get the payments done on a monthly basis.

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

- (a) That the resolution taken by Council on 31 January 2013 under item 11.1.6 be repealed.**
  - (b) That the increased amount for impoundment fees being N\$150.00, be payable retrospective from January 2013 to June 2013.**
  - (c) That the annual donation to the SPCA is increased to N\$75 000. 00 to be budgeted for and implemented as from 1 July 2013 on Council's Vote.**
  - (d) That no further monthly payments for the impoundment of dogs be paid to the SPCA.**
  - (e) That the SPCA facilitates the boarding, de-worming and vaccination of all dogs impounded by the Animal Control Officer to a maximum of 25 dogs per month in addition to their normal activities.**
-

11.1.7 **PROPOSED SALE OF ERF 4884, SWAKOPMUND**  
(C/M 2013/03/27 - G 4/1/3, E 4884)

**Ordinary Management Committee Meeting of 14 March 2013,**  
Addendum 7.12 page 69 refers.

---

**A. The following item was submitted to the Management Committee for consideration:**

**1. Purpose of this Submission**

This submission is tabled to the Management Committee to consider the sale of Erf 4884, Swakopmund separate from the intended closed bid for the newly developed industrial erven; in order to safeguard Council's property to the value of **N\$ 934 072.68** against vandalism.

**2. Introduction**

Council **30 June 2011**, *inter alia*, passed the following resolution:

(e) *That a lease agreement be entered into with Messrs Red Dune Tool Hire CC from 09 November 2011 on a three monthly basis at N\$25 000.00 per month be approved; including a one month notice period of cancellation prior to the auction anticipated for April 2012 in order for Red Dune Tool Hire CC to vacate the premises one month prior to the auction.*

Messrs Red Dune Tool Hire CC on **4 March 2013** gave notice in writing that they will only lease the premises on Erf 4884, Swakopmund until **31 March 2013**.

Also, in terms of the above Council resolution, Council re-imbursed Messrs Nexus Building Contractors (Pty) Ltd (of which Messrs Vermeydu Bricks & Paving (Pty) Ltd is a subsidiary) the amount of **N\$ 934 072.68** for the building on Erf 4884, Swakopmund.

Seeing that Messrs Red Dune Tool Hire CC will be vacating the premises on **31 March 2013**, Council's property, an asset worth **N\$943 072.68**, will be vacant and might be vandalized and damaged.

**3. Latest Council Resolution with reference to Erf 4884, Swakopmund**

Following an application by Messrs Red Dune Tool Hire CC to purchase Erf 4884, Swakopmund, Council passed the following resolution on **24 November 2011**:

(a) *That Messrs Red Dune Tool Hire CC be informed that Council considered their application, but decided to decline their offer to purchase Erf 4884, Swakopmund.*

(b) *That Messrs Red Dune Tool Hire CC be informed that Council intends to sell the erven created by the subdivision of Erf 4007, Swakopmund (Extension 10) by public auction and they be advised to participate at the said auction to purchase Erf 4884, Swakopmund.*

(c) *That point (d) of Council's resolution passed on 02 October 2007-*

(d) *That erf C (a Portion of Erf 4007) be sold as soon as possible by way of auction at an upset price including the cost to Vermeydu (N\$934 072.68), the land price to be determined by three valuers and any other administrative cost to Council.*

*be repealed and replaced with the following:*

- (d) *That Erf 4884, Swakopmund be sold at the public auction together with the newly created erven at an upset price determined for the services erven in addition to the amount refunded to Messrs Vermeydu Bricks & Paving (Pty) Ltd (N\$934 072.68)*

4. **Council's Latest Resolution with reference to the sale of the newly created Industrial Erven**

Whilst considering the sale of the newly created industrial erven, Council passed the following resolution on **28 February 2013**:

- (a) *That the previous resolution by Council to sell by auction be repealed and replaced to sell by closed bid.*
- (b) *That once the cost for the electrical network is available from Erongo RED, an upset price be determined at a cost of not less than the cost for the installation of services plus 25% for the ①General Business erven, ②Light Industrial and ③General Industrial erven respectively.*
- (c) *That an additional amount of N\$100 000.00 be made available for the Environmental Impact Assessment.*
- (d) *That the conditions be as follows:*
- (i) *That the bidder shall submit a bank approved guarantee within 30 days, which shall be valid for 90 days for the entire amount of their bid.*
- (ii) *That transfer of the property can only take place once the services have been completed.*
- (iii) *That 15% VAT is applicable on the sale of these erven.*
- (iv) *That the erven to be rezoned be excluded from this process.*
- (v) *That a refundable deposit of N\$5 000.00 be applicable.*

5. **Proposal**

Taking into consideration that the costs for the installation of an electricity network to the newly created industrial erven might still take some time to be established, and in order to safeguard the premises on Erf 4884, Swakopmund against vandalism, the following is proposed:

- *that Council considers the sale of Erf 4884, Swakopmund by closed bid separately from the remaining industrial erven.*
- *that the conditions of sale be the same as approved by Council on **28 February 2013**, (except for points (ii) and (iv)) i.e.*
  - (i) *That the bidder shall submit a bank approved guarantee within 30 days, which shall be valid for 90 days for the entire amount of their bid.*
  - (ii) *That 15% VAT is applicable on the sale of these erven.*
  - (iii) *That a refundable deposit of N\$5 000.00 be applicable.*
- *that the Engineering Services Department provides a per square metre price calculated on the contract for the installation of services + 25%; which amount be added to the N\$ 934 072.68 as upset price.*
- *that the opening of the closed bids be scheduled for Friday, **26 April 2013**, thereby allowing sufficient time to place the required notices in terms of the Local Authorities Act, Act 23 of 1992, as amended.*
- *That point (c) of Council's resolution passed on **24 November 2011** be repealed.*
- *That due to the urgency of this matter, it is proposed that Council condones the decision passed by the Management Committee on*

*14 March 2013 in order to proceed with the advertising procedure for allocation of the closed bid on Friday, 26 April 2013.*

**B. After the matter was considered, the following was:-**

**RESOLVED: (For Condonation By Council)**

- (a) That the sale of Erf 4884, Swakopmund, measuring 13 780m<sup>2</sup> by closed bid separately from the remaining industrial erven be approved.**
- (b) That the conditions of sale be the same as approved by Council on 28 February 2013, (except for points (ii) and (iv)) i.e.**
  - (i) That the bidder shall submit a bank approved guarantee within 30 days, which shall be valid for 90 days for the entire amount of their bid.*
  - (ii) That 15% VAT is applicable on the sale of these erven.*
  - (iii) That a refundable deposit of N\$5 000.00 be applicable.*
- (c) That the Engineering Services Department provides a per square metre price calculated on the contract for the installation of services + 25%; which amount be added to the N\$ 934 072.68 as upset price.**
- (d) That the opening of the closed bids be scheduled for Friday, 26 April 2013, thereby allowing sufficient time to place the required notices in terms of the Local Authorities Act, Act 23 of 1992, as amended.**
- (e) That point (c) of Council's resolution passed on 24 November 2011 be amended to make provision for sale by close bid.**

*(c) That point (d) of Council's resolution passed on 02 October 2007-*

- (d) That erf C (a Portion of Erf 4007) be sold as soon as possible by way of auction at an upset price including the cost to Vermeydu (N\$934 072.68), the land price to be determined by three valuers and any other administrative cost to Council.*

*be repealed and replaced with the following:*

- (d) That Erf 4884, Swakopmund be sold at the public auction together with the newly created erven at an upset price determined for the services erven in addition to the amount refunded to Messrs Vermeydu Bricks & Paving (Pty) Ltd (N\$934 072.68)*
-

11.1.8 **APPLICATION TO PURCHASE OPEN PORTION OF LAND ON THE NORTHERN SIDE (ADJACENT TO THE BEACH HOUSES) OF ERF 3549 MOLENWEG SWAKOPMUND**  
(C/M 2013/03/27 - G 4/2/2/2)

**Ordinary Management Committee Meeting of 14 March 2013,**  
Addendum 7.13 page 74 refers.

---

**A. The following item was submitted to the Management Committee for consideration:**

**1. Introduction**

**Attached as Annexure “A”** an application received from Ms M Weylandt via e-mail dated **22 January 2013** on behalf of 98% of the property owners in the Molenweg Street who intend to purchase the portions of land adjacent to their beach houses.

There are **17 portions** of land / corridors located between these single residential erven. The map indicating the beach plots is attached as **Annexure “B”** and a masterplan as **Annexure “C”**.

The current conditions of sale require that all beach plot owners must participate. Ms M Weylandt is of the opinion that should those who are willing to purchase, proceed with the transaction be given permission, the other owners will follow suit.

**2. Background**

In **September 1999** an application was received from the beach plot owners to purchase the land between the beach plots, adjacent to their properties, whereby Council passed the following resolution on **30 September 1999** under item 10.1.12:

- (a) *That Council in principle supports the idea to alienate the spaces of land between the beach plots to adjacent plot owners at N\$250/m<sup>2</sup>, subject to the following conditions:*
- (i) *All beach plot owners must participate in this venture and take up the portion on the northern side of their properties.*
  - (ii) *All costs for the project, i.e. relocation of services-, advertisement-, street closure-, subdivision of land- and transfer costs, be for the account of the plot owners.*
  - (iii) *A retaining wall parallel to the sea must be erected for the account of the beach plot owners.*
  - (iv) *The new portions of land to be consolidated with the existing plots within one year after the date of sale.*
- (b) *That all income derived from the sale of these portions be deposited into the Property Development Fund.*

In addition to the above, Council passed the following resolution on **02 October 2007** under item 11.1.5 in respect of the conditions for the sale of these portions of land adjacent the beach houses:

- That the alienation of the land between the beach plots be alienated to the owners subject to the following conditions:*
- (i) *All beach plot owners must participate in this venture and take up the portion on the northern side of their properties.*

- (ii) *The portion of land between erven 3558 and 3559 (Beach Plots 13 & 14) remain open space to leave direct access for pedestrians from Sam Nujoma Avenue.*
- (iii) *That three (3) sworn valuers be appointed to provide Council with a guideline in determining the purchase price for the land.*
- (iv) *All costs for the project, including, but not limited to i.e. relocation of services-, advertisement-, street closure-, subdivision of land- and transfer costs, be for the account of the plot owners.*
- (v) *The owners must make adequate provision for high spring tides when constructing the western boundary walls on the new portions. Relaxation of the building lines be permitted on condition that no double storey be constructed on the boundary.*
- (vi) *The new portions of land to be consolidated with the existing plots within one year after the date of sale.*

With reference to point (iii) above, Council passed the following resolution on **04 December 2007** under item 11.1.12:

*That Council approves the valuation for the sale of the land between the beach plots in Molen Weg for the selling price of N\$1 900, 00/m<sup>2</sup> to the beach plot owners subject to the following conditions:*

- (i) *All beach plot owners must participate in this venture and take up the portion on the northern side of their properties.*
- (ii) *The portion of land between erven 3558 and 3559 (Beach Plots 13 & 14) remain open space to leave direct access for pedestrians from Sam Nujoma Avenue.*
- (iii) *All costs for the project, including, but not limited to i.e. relocation of services-, advertisement-, street closure-, subdivision of land- and transfer costs, be for the account of the plot owners.*
- (iv) *The owners must make adequate provision for high spring tides when constructing the western boundary walls on the new portions. Relaxation of the building lines be permitted on condition that no double storey be constructed on the boundary.*
- (v) *The new portions of land to be consolidated with the existing plots within one year after the date of sale.*

### 3. **Application**

An application per e-mail **22 January 2013** was received from Ms M Weylandt on behalf of some of the beach house owners in Molen Weg Street requesting Council to allow them to purchase the portions of land on the northern side of their beach houses; according to her 98% are interested.

The beach house owners wish to purchase these portions of land primarily for security reasons.

### 4. **Current Situation**

According to Ms M Weylandt, loiterers wait on the open portions of land adjacent to the beach houses where they prey on the tourists and rob them. In cases where loiterers run away from the police they hide on the open portions of land which make it difficult for the police to arrest them. Some loiterers also squat there for days. It has also been noticed that people park their cars on the open areas, have parties and urinate there.

There are woman living alone in their houses and are thus always worried about their safety and the safety of their loved ones.

Currently the zoning of the open portions of land which vary in size, is “Beach Area” and will be zoned “Single Residential” once consolidated with the larger residential erven. The numbers starts from **Erf 4546 to 3562, Swakopmund**.

The Engineering Services Department confirmed on 20 February 2013 that no services are located on these portions of land / corridors.

## 5. **Proposal**

- 5.1 It is proposed to support Ms M Weylandt's application on behalf of the beach house owners in Molen Weg Street to purchase the portions of land located to the north of each beach house, meaning that not all the beach house owners have to participate, subject to the conditions as was resolved on **04 December 2007** under item 11.1.12 by Council, inclusive of an EIA study (if required).
- 5.2 In addition to the above, it is proposed that the respective purchasers provide diagrams for the calculation of the purchase price which was approved as **N\$ 250.00 / m<sup>2</sup> on 30 September 1999** and increased to **N\$ 1 900.00 / m<sup>2</sup> on 4 December 2007**.
- 5.3 Should one of the owners of the portions between Erf 3546 to 3549 not be interested to purchase the portion located to the north of their property, **a second walkway** be considered which is closer to the mole area leading to the new Strand Hotel, Strand café and museum area.
- 5.4 As was discussed at the Planning Forum of **26 February 2013**, it is proposed to the Management Committee to repeal point (a) (iii) of Council's resolution passed on **30 September 1999**, i.e:

*(iii) A retaining wall parallel to the sea must be erected for the account of the beach plot owners.*

The reason being to allow proper draining of seawater during high spring tides between the properties.

- 5.5 In order to ensure no claims due to damage by the sea, the deed of sale must contain a clause clearly indemnifying Council.
- 5.6 It is also proposed that the Management Committee discusses and considers whether the alienation of the portions of land adjacent to the beach houses be advertised for possible objections in terms Section 63 of the LA Act, Act 23 of 1992, as amended, for the general public to be informed of Council's intention, which might attract frivolous or facetious objections.

or

That Ministerial approval be obtained to alienate these portions of land in terms of section 30 (1) (t) of the Local Authority Act, Act 23 of 1992 as the portions of land is not divided into erf numbers. This option will not grant Council the opportunity to inform the general public of its intentions.

## 6. **Conclusion**

It should be kept in mind that selling these portions of land to the beach house owners will help to prevent loiterers squatting and

roaming around and also reduce the chance of tourist being harassed and robbed. It will also be aesthetically pleasing once these owners include these portions in their existing boundaries; the **construction of a double story** building is not allowed on the corridor as clearly stated in the Council resolution of **04 December 2007**, point (iv).

Additionally Council will generate income from the sale, if approved.

For information: during **June 2010**, a private owner sold his beach house located on Erf 3549, Molen Weg Street at an astronomical amount N\$5,500,000.00.

7. **Attachments**

**Annexure "A"**: Application by Ms M Weylandt.  
**Annexure "B"**: Map indicating the beach plots.  
**Annexure "C"**: Swakopmund Master plan of the northern beach area.

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

**That Council's resolution passed on 30 September 1999, under Item 10.1.12 be repealed and that the offer to sell the corridors be withdrawn.**

---

11.1.9 **OBJECTION BY MESSRS STACKS PROPERTY THIRTY SEVEN CC AGAINST LEVYING OF BETTERMENT FEE FOR BAHNHOF SQUARE AND LIFESTYLE CENTRE**  
(C/M 2013/03/27 - E 3777, E 3656, E 444, E 466, E 773)

**Ordinary Management Committee Meeting of 14 March 2013,**  
Addendum 7.15 page 90 refers.

**A. The following item was submitted to the Management Committee for consideration:**

**1. Introduction**

A letter dated **15 February 2013** was received from Messrs Stubenrauch Planning Consultants CC (**SPC**) on behalf of their client, Messrs Stacks Property Thirty Seven CC, objecting against the high betterment fee levied for the rezoning of Erf 444, Re, Erf 466, and Erf 773, Swakopmund; i.e. in the sum of **N\$9 797 500.00**(combined betterment fee for the three erven).

Messrs SPC states in their letter that their *client accepts that betterment is payable and is willing to pay better fee as long as the betterment fee is correctly levied and in-line with the betterment fee policy.*

It is understood that the high betterment fee might render the venture not being financially viable. Should the developer decide not to proceed with the development, Council will not only loose income of monthly municipal charges on the increased value of the land, but also development of our town which provides job opportunities and attracts investment.

**Monthly Municipal Charges:**

<b>Erf No.</b>	<b>Post Zoning Valuation</b>	<b>Current Municipal Charges</b>	<b>Amended Municipal Charges</b>	<b>Difference</b>
<i>Erf 444, Re, Swk</i>	<i>10 000 000</i>	<i>1 985.54</i>	<i>13 054.17</i>	<i>N\$ 11 068.63</i>
<i>Erf 466, Swk</i>	<i>7 650 000</i>	<i>none</i>	<i>9 986.44</i>	<i>N\$9 986.44</i>
<i>Erf 773, Swk</i>	<i>5 430 000</i>	<i>none</i>	<i>7 088.41</i>	<i>N\$7 088.41</i>

Therefore Council will earn a monthly income from the rezoned erven as currently undeveloped in the amount of **N\$28 143.48**.

Subsequent to Council's resolutions passed on **28 November 2012** approving the rezonings, the required pre and post zoning municipal valuations were obtained for the land; and the betterment fees calculated as per schedule provided by the Honourable Minister of Regional and Local Government, Housing and Rural Development; **being a prescribed percentage of the difference of the municipal land value at the current zoning and as the new zoning.**

**Rezoning from “Parastatal” to “General Business”:**

<b>Erf No.</b>	<b>Post Zoning Valuation</b>	<b>Pre Zoning Valuation</b>	<b>Difference</b>	<b>50% of the Difference</b>
<i>Erf 444, Re, Swk</i>	10 000 000	1 521 000	8 479 000	N\$ 4 239 500
<i>Erf 466, Swk</i>	7 650 000	1 150 000	6 500 000	N\$ 3 250 000
<i>Erf 773, Swk</i>	5 430 000	814 000	4 616 000	N\$ 2 308 000

**Rezoning from “Undetermined” to “General Business”:**

<b>Erf No.</b>	<b>Post Zoning Valuation “General Business”</b>	<b>Pre Zoning Valuation “Parastatal”</b>	<b>Difference</b>	<b>30% of the Difference</b>
<i>Erf 3656, Swk</i>	2 403 000	1 760 000	643 000	N\$ 192 900
<i>Erf 3777, Swk</i>	4 900 000	3 670 000	1 230 000	N\$ 369 000

**The following documents are attached:**

- Annexure “A”** : schedule for the levying of betterment fees as issued by the Ministry of Regional and Local Government, Housing and Rural Development
- Annexure “B”** : a map indicating the location of the various erven
- Annexure “C”** : letter dated **15 February 2013** received from SPC

**2. General**

- 2.1 In order to maintain consistent treatment, Council levies betterment fees as prescribed in the schedule provided by the Honourable Minister of Regional and Local Government, Housing and Rural Development

In most cases the directive is clear on the betterment fee to be levied; but as for the specific levy from **“Parastatal” to “General Business”** for the three erven concerned, the schedule does not make provision. Therefore it was interpreted as indicated per **Annexure “A”**.

- 2.2 Quoted from the Ministerial directive circulated on **21 August 2007**:

*“In terms of Section 34 of the Town Planning Ordinance 1954, (Ordinance 18 of 1954), as amended, a local authority **may** recover from a person whose property has increased in value due to a rezoning, an amount not exceeding seventy-five percent of the amount of that increase in value. The purpose of levying betterment fees by a local authority is to enable it to recover costs for the upgrading of services necessitated by the coming in to operation of any provision contained in a scheme.*

*A betterment fee is therefore not a tax or a new source of income for a local authority and is also not compulsory to implement. It must be noted that the majority of smaller municipalities, town and villages do not charge any betterment fees because they want to attract development and betterment fees may result in high extra cost for developers. They rather provide land at subsidized prices (much cheaper), but are then later in a position to benefit from the rates and taxes that they can levy when the development is completed and then ensuring a stable income over the long term.*

*Should a local authority decide to levy betterment fees in terms of section 34 of the Town Planning Ordinance, the maximum levels for betterment fees, as approved by the Minister, are set out in the table below. These maximum levels of betterment fees are for implementation by all local authorities **as guidelines** for the determination and levying of betterment fees and reconcile previous ministerial and local authority policies (mainly the City of Windhoek)."*

2.3 The relevant Ministry, after consultations with Local Authorities amended the scheduled on **01 June 2009** as per **Annexure "A"**.

2.4 **Quoted from Ordinance 18 of 1954:**

***Recovery of betterment by responsible authority***

*34.(1) Where by the coming into operation of any provision contained in a scheme, or by the execution by a responsible authority of any work under a scheme, any property is increased in value the responsible authority, if within twelve months after the date on which the provision came into operation, or such longer period as may be specified in the scheme, or within twelve months after the completion of the work, as the case may be, it makes a claim in that behalf, may recover from the person whose property is so increased in value an amount not exceeding seventy-five per cent, of the amount of that increase.*

***Application of betterment as capital***

*42. All sums received by a responsible authority by way of betterment, or as proceeds of sale of any land purchased under the powers conferred by this Ordinance, shall be applied in such manner as the Minister may approve, towards the discharge of any debt of the responsible authority, or otherwise for any purpose for which capital money may be applied.*

2.5 **Payment of Betterment Fee (for information only)**

The following procedures with regard to the payment of the betterment fees are being followed by Council:

- 2.5.1 Immediately upon the approval of a rezoning by Council, the new municipal valuation is obtained from Council's valuator;
- 2.5.2 The betterment fee payable in terms of Council's Property Policy and based on the new valuation referred to in 2.5.2 above, is calculated;
- 2.5.3 The developer or owner of the land is informed about the betterment fee payable, subject to the successful rezoning and approval by the Minister of Regional and Local Government, Housing & Rural Development;
- 2.5.4 The developer or owner of the land has the option to -
  - *either pay a deposit immediately (or provide Council with an acceptable bank guarantee) equal to the amount to be levied as a betterment fee in order to get his building plans approved; or*
  - *to wait until the rezoning has been finalized and approved and the levying of the betterment fee has been approved by the Minister of Regional and Local Government and Housing.*
- 2.5.5 The attention of the developer or owner of the land is specifically drawn thereto that notwithstanding the payment of the betterment fee in terms of 2.5.4 above and the approval of building plans, no building activities shall be allowed to commence prior to the approval of the rezoning by the relevant Government authority and the approval of the relevant Amendment Scheme.

### 3. Discussion of Objection received by Messrs SPC on behalf of their client

#### 3.1 Erf 3656, Swakopmund

Statement by Messrs SPC	Comments by Municipality
Erf 3656 was created through the subdivision of Erf 3776 which is zoned General Business in Scheme No. 12. Through the subdivision the newly created Erf 3656 retained the zoning of General Business and there is no need for rezoning and therefore no betterment fee can be levied against Erf 3656.	<p>It is confirmed that Erf 3656, Swakopmund was subdivided from Erf 3776, Swakopmund, which erf is zoned "General Business".</p> <p>Therefore, Erf 3656, Swakopmund is zoned "General Business".</p>

#### 3.2 Erven 444, Re, 466 and 773, Swakopmund

Statement by Messrs SPC	Comments by Municipality
Erven Re/444; 466 and 773 have been zoned Parastatal in Swakopmund Town Planning Scheme No. 12. These erven are owned by TransNamib which is a Parastatal enterprise and been used as a railway reserve for many years. The Betterment Fee policy indicates that in the case of a rezoning from "State – state owned enterprise" to any zoning a "betterment fee is to be based on existing legal usage before rezoning". Our understanding is that the existing land has been for a railway reserve for many years which can fall under a category of "Industrial". Since no provision has been made for rezoning from Industrial to any other category within the Ministerial betterment fee policy it is necessary to find an alternative category under which such betterment can be levied.	<p>It was confirmed with our Finance Department that no rates and taxes are levied on Erven 466 and 773, Swakopmund due to their zoning as "Parastatal" these erven does not have any value.</p> <p>Should the value of these erven be assumed to be "Industrial", high rates and taxes would have been levied.</p> <p>Rates and taxes are levied on Erf 444, Remainder, Swakopmund as railway reserve.</p> <p>Rates and taxes are calculated on the actual zoning value, and not the usage value.</p>
After receiving the betterment fee letters, our office had discussions with the Property Section at the Municipality and was informed by the office that since the Policy made no provision for rezoning from Industrial to Business the category for rezoning from "Institutional, private open space – no subsidized price" to "business / Office" was used for the calculation of the betterment fee. It is our opinion that using this category for calculation of the betterment fee is not correct for the following reasons:	<p>The statement is not entirely correct.</p> <p>As can be seen from the shaded categories as per <b>Annexure "A"</b>, the zoning was selected from the column "<b>PREVIOUS</b>" as <b>State (state owned enterprises)</b> to the column "<b>NEW</b>" as <b>Office / Business</b> – which indicate a betterment fee of <b>50%</b> of the difference in municipal land value.</p> <p>This interpretation of the application of the table was verbally confirmed with Ms J de Kock, who was part of the panel who compiled the latest schedule for levies. Ms J de Kock was employed at the City of Windhoek as Legal Advisor for many years.</p> <p>As the schedule does not specifically make provision for the rezoning, it is proposed not to levy a betterment fee for these 3 erven.</p> <p>An interpretation might lead to inconsistent application of the betterment fee schedule.</p>

Statement by Messrs SPC	Comments by Municipality
<p>According to the Swakopmund Town Planning Scheme Institutional Buildings refers to “a building or portion of a building used or intended to be used as an old age home, creche, public or private school, community hall, religious or charitable institution and / or the administration thereof, and includes a hospital, clinic or dispensary, whether private or public, used in connection therewith, but does not include:</p> <ul style="list-style-type: none"> <li>•A hospital, sanatorium, dispensary or clinic for the treatment of infections or contagious disease or;</li> <li>•Premises for the detention or mentally disorder persons; or</li> <li>•A mental hospital.”</li> </ul> <p>It is clear from the definition of Institutional building that neither Industrial activities nor Parastatal activities falls under an Institutional zoning.</p>	<p>As Council did not use the column “<b>PREVIOUS</b>” as <b>Institutional Private Open Space –no subsidized price</b> - this paragraph is not applicable.</p>
<p>The second concern with regards to the betterment fee levying on these properties is the pre-zoning valuation amount that has been used to calculate the difference between the pre-zoning and post zoning valuation. The land was formerly used for a railway reserve, one can say Industrial. It is not clear on what land use category the valuator based the pre-zoning and post zoning valuation for these properties, whether Institutional or Industrial was used. If Institutional land use was used for the pre-zoning valuation and Industrial land use for the post-valuation calculations the same argument applies as above. It would be appreciate if the Municipality could re-evaluate the pre-zoning amount that was used for the valuation or then the category that was used for the pre-zoning valuation so as to ensure that the correct land use category was used for determining the pre zoning and post zoning valuation.</p>	<p>It was confirmed with Mr D Hite of The Trust &amp; Estate Company that he must base his valuation on the zoning of land, and not on the usage thereof.</p> <p>Meaning that should “Parastatal” land be used for “Industrial” purposes, the land value will still be based on the zoning of “Parastatal”.</p>
<p>In our opinion there are three options in this case of the Betterment Fee Policy:</p>	
<p>•<b>Option 1:</b> Since the Ministerial betterment fee policy does not make provision for levying of betterment fees for rezoning from Industrial or Parastatal to Business it can be interpreted that a rezoning from a higher land use category to essentially a lower land use category (here it is referring to land use and not land value) will have lower impact in terms of land use and therefore no betterment should be charges in cases such as these; or</p>	<p>As indicated above, it is proposed not to levy a betterment fee for the rezoning of Erven 444, Re, 466 and 773, Swakopmund.</p>
<p>•<b>Option 2:</b> Since there are no provision made for rezoning form Industrial / Parastatal to Business in the Policy a more appropriate category should be used to calculate the betterment fee.</p>	<p>See comments as proposed under <b>Option 1</b> above.</p>
<p>We therefore urge Council to reconsider the following:</p> <ul style="list-style-type: none"> <li>•No levying of Betterment against Erf 3656 since the erf is already zoned Business.</li> <li>•Reconsider the percentage Betterment Fee to be levied against Erven Re/444; 466 and 773, Swakopmund;</li> <li>•Re-examine the pre-zoning valuation amount or then category for these erven.</li> </ul>	<p>Refer to <b>point 4 - Conclusion</b> – below.</p>

4. **Conclusion**

The following is proposed:

- 4.1 That a betterment fee for the rezoning of Erf 3777, Swakopmund from "*Undetermined*" to "*General Business*" be levied in the amount of N\$369 000.00.
- 4.2 That no betterment fee be levied for Erf 3656, Swakopmund as this erf was subdivided from Erf 3776, Swakopmund, which erf is zoned "*General Business*".
- 4.3 That as the betterment fee schedule approved by the Honourable Minister of Regional and Local Government, Housing and Rural Development on 1 June 2009 does not specifically makes provision for the rezoning from "*Parastatal*" to "*General Business*"; no betterment fee be levied for Erven Re/444; 466 and 773, Swakopmund.

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

- (a) That a Betterment Fee of 40% for the rezoning of Erf 3777, Swakopmund from "*Undetermined*" to "*General Business*" be levied.**
  - (b) That no betterment fee be levied for Erf 3656, Swakopmund as this erf was subdivided from Erf 3776, Swakopmund, which erf is zoned "*General Business*".**
  - (c) That as the betterment fee schedule approved by the Honourable Minister of Regional and Local Government, Housing and Rural Development on 1 June 2009 does not specifically makes provision for the rezoning from "*Parastatal*" to "*General Business*"; no betterment fee be levied for Erven Re/444; 466 and 773, Swakopmund.**
-

11.1.10 **CANCELLATION OF THE SALE OF THE REMAINDER OF ERF 3211, MONDESA TO MR L SHIGWEDHA**  
(C/M 2013/03/27 - M 2081, M 2082, M 3211)

**Ordinary Management Committee Meeting of 14 March 2013,**  
Addendum 7.16 page 103 refers.

---

**A. The following item was submitted to the Management Committee for consideration:**

**1. PURPOSE**

The purpose of this submission is for Council to:

- 1.1 Consider the cancellation of the sale of the Remainder of Erf 3211, Mondesa (Erf 3211, Re, Mondesa), (being an erf created from the consolidation and subdivision of Erven 2081, Re and 2082 Mondesa into Erf 3211 and Remainder of Erf 3211, Mondesa) to Mr L Shigwedha.
- 1.2 Consider terminating the existing lease agreement between the Municipality of Swakopmund and Mr L Shigwedha for leasing Erf 3211, Re, Mondesa; and
- 1.3 Consider the sale of Erf 3211, Re, Mondesa to the public by inviting closed bids.

**2. BACKGROUND**

The Remainder of Erf 2081, Mondesa (now known as Erf 3211, Re, Mondesa) is located in the former Single Quarters & Compound Area which was subdivided from Erf 1837, Mondesa (single quarter block) and later became the Remainder of Erf 2081, Mondesa.

The Remainder of Erf 2081 and Erf 2082, Mondesa were consolidated into Erf 3211, Mondesa and Erf 3211, Mondesa was subdivided into Erf 4090, Mondesa and Erf 3211, Re, Mondesa. Erf 3211, Re, Mondesa measures 133m<sup>2</sup>.

The house located on the Remainder of Erf 2081, Mondesa was repossessed from Mr R N Amakali on **03 October 2006** and it was offered for sale to Mr L Shigwedha subject to the following conditions approved by Council on **28 February 2007** under item 11.2.24:

- (a) That Council, for its account, consolidates Erf 2081 Re, Mondesa and Erf 2082, Mondesa in order to allow access to Erf 2081 Re, Mondesa.
- (b) That the Engineering Services Department submits a plan indicating the consolidation, to be considered for approval by Council.
- (c) That Erf 2082 Re, Mondesa be leased to Mr L Shigwedha for a nominal amount of N\$50.00 per month in order to prevent vandalism, with an option to purchase the newly created erf.
- (d) That a purchase price be determined for the newly created erf after the consolidation process has been completed.

Subsequent to the above, Council entered into a lease agreement with Mr L Shigwedha on **07 May 2007**. In terms of clause 1, Page 2 of the signed lease agreement

*The lease shall be for an indefinite period commencing on 01 July 2007 until the date of consolidation of Erf 2081, Re, Mondesa and Erf 2082, Mondesa (currently in process) subject to each party having to terminate the lease by giving three (3) months notice in writing.*

### **3. DISCUSSION**

Council on **30 June 2011**, item 11.1.4 offered Erf 3211, Re, Mondesa to Mr L Shigwedha subject to the following condition:

- (a) *That the lease agreement entered into by and between Mr L Shigwedha and Council be terminated by giving three months notice.*
- (b) *That the Remainder of Erf 3211, Mondesa measuring 133m<sup>2</sup> and zoned "Residential" be offered for sale to Mr L Shigwedha at a purchase price of N\$32 870.50.*
- (c) *That the transaction be subject to the following conditions:*
  - *advertising*
    - *in terms of the Local Authorities Act, Act 23 of 1992, as amended, Section 63 (2) (b) Council's intention to alienate Remainder of Erf 3211, Mondesa be advertised for possible objections.*
  - *transaction*
    - *that the agreement of sale be concluded and signed within 12 months from the closing date for objections / Ministerial approval.*
  - *Payment*
    - *an Erf purchased by way of private transaction be payable in cash or by formal written bank guarantee within 90 days from the closing date for objections / Ministerial approval (should objections be received).*
    - *should the purchase price be secured by a bank guarantee payable on date of transfer and the property is only transferred after the 90 day period, interest at the prime rate as from closing date for objections / Ministerial approval until date of transfer, will be applicable.*
  - *Cancellation*
    - *Should the full purchase price / bank guarantee not be received at the Municipal Head Office or reflect on Council's bank account (90 days from closing date for objections / approval from the Minister), the transaction will be cancelled, without the need for the Municipal Council to place the purchaser on terms.*
- (d) *That developments must comply with the provisions of the Swakopmund Town Planning Scheme.*
- (e) *That the applicant be responsible for all costs relating to the transaction such as (but not limited to) the advertising of the proposed alienation for objection and transfer.*
- (f) *That the applicant takes note that no rights will accrue to the applicant unless all the abovementioned conditions are complied with in full and all the relevant authorities have given the necessary permission, if applicable.*
- (g) *That should Mr L Shigwedha not be interested to purchase the Remainder of Erf 3211, Mondesa, it be sold by way of public closed bid.*

Mr L Shigwedha was informed of the above resolution on **07 July 2011 (Annexure "B")** and was requested to confirm whether he accepts the above resolution and that the lease agreement will be terminated on **07 October 2011**, no reply was received from him. Mr L Shigwedha briefly visited the office of the Property Officer at the time and said that he is having problems with a drain on the erf and will first finalize this with our Engineering Services Department.

Since no reply was received from Mr L Shigwedha of his intention to purchase the house, the lease agreement between Council and Mr L Shigwedha is still in force and he is still leasing the house on Erf 3211, Re, Mondesa for which he is responsible to pay a monthly rental of N\$50.00 plus 15% VAT and service charges.

With reference to point (c) of the Council resolution quoted above, Mr L Shigwedha was also informed to pay N\$ 2 500.00 for publication of a notice of Council's intention to sell the house to him, however no payment was received by Council.

Having no response from Mr L Shigwedha for a long time, the Manager: Corporate Services had a meeting with Mr L Shigwedha on **30 January 2013** and he was informed to pay the advertisement fee of N\$3 000.00 (cost for publication in newspapers is increased from N\$ 2 500.00 to N\$ 3 000.00) by **08 February 2013**, if no payment is received the transaction will be cancelled.

In addition to the discussion held, Mr L Shigwedha was issued with letter attached (**Annexure "A"**) confirming the points discussed and agreed.

On **08 February 2013**, it was confirmed with Finance Department that no payment was received and that the services account for the leased property is in arrears with N\$3 547.98 (**Annexure "C"**). Mr L Shigwedha was also informed to settle the outstanding amount.

#### **4. PROPOSAL**

Taking into consideration that no reply was received from Mr L Shigwedha confirming his intention to proceed with the purchase of Erf 3211, Re, Mondesa, no advertisement fee was paid on **08 February 2013** and the services account for the property is in arrears with **N\$ 3 547.98**, the following are proposed:

- 4.1 that Council cancels the offer to sell Erf 3211, Re, Mondesa to Mr L Shigwedha;
- 4.2 to terminate the lease agreement between Municipality and Mr L Shigwedha; and;
- 4.3 That Erf 3211, Re, Mondesa be sold to the public by inviting closed bids.

#### **B. After the matter was considered, the following was:-**

**RECOMMENDED:**

That Council resolution of 30 June 2011 under item 11.1.4 be repealed and replaced with the following:

- (a) That the lease agreement entered into with Mr L Shigwedha be terminated on Friday, 05 April 2013 and that Mr L Shigwedha vacates the house accordingly.
- (b) That the Remainder of Erf 3211, Mondesa measuring 133m<sup>2</sup> be sold to the public by way of closed bid at an upset price of N\$39 773.30 plus N\$3 547. 98 (outstanding amount on the services account) = N\$ 43 321.96:

- 2011 = N\$32 870.50 x 10%
- 2012 = N\$36157.55 x 10%
- 2013 = N\$39 773.30

subject to Council's standard conditions for the sale of an erf.

- (c) That only first time property owners may register to participate in the closed bid procedures to purchase the house on Erf 3211, Re, Mondesa, as is, at a registration fee of N\$500.00.
- (d) That the allocation of the property be done according to the Cost Limited Average Price at a date to be determined by Council after the registration process is finalized.
-

11.1.11 **APPLICATION TO LEASE A SITE FOR THE PURPOSE OF COLLECTING AND RECYCLING OF EMPTY BOTTLES: MESSRS LRV WASTE MANAGEMENT AND CLEANING SERVICES**  
(C/M 2013/03/27 - H 5, H5/7, G 4/1/1(14))

**Ordinary Management Committee Meeting of 14 March 2013, Addendum 7.18 page 115 refers.**

---

**A. The following item was submitted to the Management Committee for consideration:**

**1. Introduction**

- 1.1 With reference to an application of Mr J Bamm (**Annexure "B"**) which was tabled by Engineering Services to Council on **28 February 2013** requesting for Council's consent for Mr J Bamm to operate a resident occupation for buying and selling of empty bottles from Erf 760, Mondesa; Council under item 11.1.13 passed the following resolution:

*That Mr J Bamm be informed that he can apply to lease a site at the Light Industrial Incubation Area measuring 1 000m<sup>2</sup> x N\$0.26 m<sup>2</sup> = N\$260.00 per month plus 15% VAT for the purpose of buying and selling of empty bottles, subject to the standard lease conditions.*

- 1.2 In order to inform Mr J Bamm of the Council's resolution and to allocate the available sites on the first-come-first-served basis as per Council resolution of **28 February 2013**, item 11.1.11; the application of Messrs LRV Waste Management & Cleaning Services for a site for collecting, recycling and crushing of empty bottles is now being resubmitted to Council to reconsider its decision passed on **26 January 2012** for fair, equal and consistent treatment.

- 1.3 With reference to the application of Messrs LRV Waste Management & Cleaning Services dated **20 September 2011 (Annexure "A")** to lease a site at the dumping site for the purpose of collecting, recycling and crushing of empty bottles, Council on **26 January 2012** passed the following resolution:

(a) *That Messrs LRV Waste Management & Cleaning Project be informed of the following:*

- that their application for the lease of an area at the rubbish dump cannot be considered as the area is already being managed by Messrs Envirofill; and*
- that they cannot be allocated at the current informal brick makers' area (located between the railway line and Mondesa) due to the possible hazards / dangers of having a heavy load vehicle travelling through the residential area of Meduletu to collect the bags of crushed glass from the current brick makers area; and*

(b) *That Messrs LRV Waste Management & Cleaning Project be advised to participate in the public auction for industrial land once the newly created industrial area is serviced.*

Messrs LRV Waste Management & Cleaning Project was informed the above resolution as per letter dated **30 January 2012**, on file.

- 1.4 For ease of reference, Council on **28 February 2013** under item 11.1.11 after considering the lease proposal of Messrs PIHM Investments CC and allocation of site E to them, among others passed the following resolution:

(d) *That the two sites remaining be leased to Small, Micro and Medium Enterprises on a first-come-first-served basis.*

Sites F & H

Based on the decision by Council passed on **26 January 2012**, the lease proposal document which was approved by Council on **28 November 2012** excluded glass recycling proposals.

2. **Brief Background - Application by Messrs LRV Waste Management & Cleaning Project**

An application was received from Messrs LRV Waste Management & Cleaning Project on **20 November 2011** to lease an area at the rubbish dump. Although the applicant applies for an open space or an area at the rubbish dump, the informal brick making area being an area for SME's was an alternative site for this kind of venture.

The application of Messrs LRV Waste Management & Cleaning Project was submitted to Council on **26 January 2012** recommending not considering the two sites being the dumping site and the brick making area the reasons being that:

- *the dumping site is already managed by Messrs EnviroFill and;*
- *the brick making area currently known as the Light Industrial Incubation the reason being that it is dangers for pedestrians and motorists and it is not convenient to have a heavy load vehicle travelling through the residential area of Meduletu to collect the bags of crushed glass from the current brick makers area.*

Ms V Haoses of Messrs LRV Waste Management & Cleaning Project was contacted at the time she applied and she confirmed that Imperial Cargo Trucks will be collecting the bags with crushed bottles (glass) from the site for exportation to South Africa.

3. **Proposal**

Taking into consideration that the two ventures will sell the same products, although the business of Mr J Bamm will be in a small scale it is proposed that the two projects be treated in the same manner and Council consider leasing a site at the Light Industrial Incubation Site to each.

Should Council approve allocating a site each at the Light Industrial Incubation Area to Mr J Bamm and to Messrs LRV Waste Management & Cleaning Project, Council must takes note that there will be no site available for leasing to the public on a first-come-first-serve-basis as per Council resolution of **28 February 2013**, item 11.1.11.

B. **After the matter was considered, the following was:-**

**RECOMMENDED:**

**That the application of Messrs LRV Waste Management & Cleaning Project to lease a site at the Light Industrial Incubation Area be turned down.**

---

11.1.12 **APPLICATION TO LEASE THE HOUSE WHICH IS SITUATED AT THE SWAKOPMUND AIRPORT**  
(C/M 2013/03/27 - N 9/1)

**Ordinary Management Committee Meeting of 14 March 2013,**  
Addendum 7.19 page 121 refers.

---

**A. The following item was submitted to the Management Committee for consideration:**

**1. Introduction**

The application **attached** as (**Annexure “A”**) of Mr H Schlusche to lease the house which is situated on a portion of land at the Swakopmund Airport located on Swakopmund Town and Townlands was discussed at the Management Committee meeting held on **14 February 2013**, and the following was resolved under 8.6:

*That this item be referred back and be submitted to the Airport Sub-Committee.*

The application was discussed by the Airport Sub-Committee held on **19 February 2013**, and it was proposed that the application of Mr H Schlusche be turned down in order to secure the building for Council's use in the near future.

**2. Brief Background regarding the Application**

A letter dated **26 November 2012** was received from Mr H Schlusche applying to lease the house which is situated on a portion of land at the Swakopmund Airport located on Swakopmund Town and Townlands. Mr H Schlusche intends to accommodate an employee and states in his application, that should his application be successful he will renovate the house and will take responsibility for the maintenance of it thereafter.

According to the **attached** diagram as **Annexure “B”** the premises measures 126m<sup>2</sup>, being the small house and yard to the front of the house enclosed by a boundary wall. The house consists of a small bathroom, kitchen and 1 bedroom.

**3. Current Situation**

An inspection was conducted by the Corporate Officer (Properties) and the Property Officer on **17 January 2013** where the following was observed:

- *Windows were removed from the building*
- *There is no ceiling, only an asbestos roof*
- *Yard is full of dirt and palm trees are dying*
- *A sick dog was found sheltering there*

The house is unoccupied and vandalized and if it remains unoccupied it could be plundered further.

*Below are photos of the premises.*



According to Mr H Schlusche he obtained quotations to install a ceiling and the cheapest amounts to N\$12 000.00. He is willing to renovate the premises and to pay a rental amount.

Mr H Schlusche is the only hangar owner who submitted an application to lease the house. To renovate the house will be very costly to Council.

Currently Council does not receive any rent in respect of lease.

5. **Proposal**

As the future of the airport is uncertain it is proposed to support the recommendation of the Airport Sub-Committee.

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

**That the application of Mr H Schlusche to lease the house which is situated at the Swakopmund Airport be turned down in order to secure the building for Council's use in the near future.**

---

11.1.13 **WITHDRAWAL OF COUNCIL'S OFFER TO LEASE A PORTION OF ERF 266A, SWAKOPMUND TO KAZAK AFRICAN EXPERIENCE CULTURAL TOURISM**

(C/M 2013/03/27 - E 266 ABC)

**Ordinary Management Committee Meeting of 14 March 2013, Addendum 7.20 page 126 refers.**

**A. The following item was submitted to the Management Committee for consideration:**

**1. INTRODUCTION AND BACKGROUND**

Subsequent to an application by **Messrs Kazak African Experience Cultural Tourism (KAECT)** to lease a portion Erf 266A to establish a cultural and information centre, Council on **30 June 2011** passed the following resolution:

(a) *That Messrs Kazak African Experience Cultural Tourism be informed that Council remains with its decision passed on 24 June 2010, i.e.:*

(b) *That Mr I Naweseb of Messrs Kazak African Experience Cultural Tourism be informed of Council's decision and that the temporary market space created in (a) above be considered to be leased to him as public ablution facilities are available on these sites, subject to the conditions applicable to mobile kiosk sites as set-out in Annexure "D" (on file).*

*and that Messrs Kazak African Experience Cultural Tourism may lease an area of  $\pm 16\text{m}^2$  on Erf 266 A, Swakopmund in terms of the following standard mobile kiosk conditions at N\$300.00 (15% VAT excluded) per month payable in advance:*

- (i) *The HIRED PROPERTY shall be utilized by the LESSEE for the purpose of parking a mobile kiosk in order to trade in foodstuff as per license issued by the Health Department and in accordance with conditions set by the Health Department.*
- (ii) *Mobile kiosk shall mean a roadworthy and licensed vehicle rigged for towing by a motor vehicle and approved by the Health Department of the LESSOR.*
- (iii) *In case the LESSEE does not use the HIRED PROPERTY for the duration of the month period, no claim to be refunded, in part or in full, will be considered.*
- (iv) *The trading hours shall only be between 06:00 and 20:00. The LESSEE shall not be allowed to overnight on the HIRED PROPERTY.*
- (v) *The mobile kiosk shall be constructed and maintained to the standards and conditions set by the Fire Brigade of the LESSOR; and that it may only be used once the Chief Fire Brigade has certified that adequate fire precautions are in place.*
- (vi) *No preparation of foodstuff outside the mobile kiosk will be allowed.*
- (vii) *The mobile kiosk will serve as a service point and no seating will be allowed.*
- (viii) *Should the area not be kept to the satisfaction of the Health and Engineer's Departments, the contract will be cancelled with immediate effect.*
- (ix) *The LESSEE shall not be allowed to cede or assign this agreement or any portion thereof, nor shall it be allowed to sublet in any manner any portion of the HIRED PROPERTY, without the written consent of the LESSOR first being had and obtained.*

- (x) The LESSOR or his duly authorized representative, shall at all reasonable time have the right to enter the HIRED PROPERTY for the purpose of carrying out an inspection and to ensure that all applicable regulations and by-laws are being adhered to by the LESSEE.
- (xi) The LESSEE shall indemnify and keep indemnified the LESSOR during the full period of this agreement against possible claims, which may arise from the use of the HIRED PROPERTY by the LESSEE.

(b) That Messrs Kazak African Experience Cultural Tourism furthermore be informed of the following:

- (i) As no public toilets are available in the vicinity a letter must be provided from one of the businesses in close proximity permitting them (staff) to use their ablution facilities (this will waive the requirement for on-site ablution facilities);
- (ii) To provide potable water on site as no Municipal connection is available; and
- (iii) Should any valid / reasonable complaints of smoke pollution be received all operations will be ceased.

(c) That Messrs Kazak African Experience Cultural Tourism be reminded as per Council's letters dated 10 March 2010 and 27 May 2011 that Erf 266 ABC, Swakopmund is in the process of being alienated to a private developer.

Messrs Kazak African Experience Cultural Tourism was informed of the above resolution on **05 July 2011** (letter on file).

They were also informed that the public toilets were being demolished as per Council resolution passed on **29 October 2010**.

*That the public toilets on Erf 226A be demolished because it poses a health risk to the public.*

Messrs Kazak African Experience Cultural Tourism was advised by the General Manager: Health Services that should they provide the Municipality with a letter from one of the businesses in proximity permitting them to use their ablution facilities, the requirement for on-site ablution facilities will be waived.

It is compulsory for the applicant to comply with the standard conditions applicable for the operation of a mobile kiosk as per **Annexure "A"**, in addition, public ablution facilities are required in the vicinity for the area to be considered as a mobile kiosk site.

A further requirement is the provision of potable water on site as no Municipal connection is available.

Following a request from Mr I //Naweseb, the Chief Fire Brigade and the Environmental Health Officer inspected the food mobile braai stand at his home and the following were reported:

<b>Health Department Service</b>	<b>Community Development Service (Fire Brigade Section)</b>
<u>Supply of potable water</u> <ul style="list-style-type: none"> <li>Mr I //Naweseb to provide potable water to his customers.</li> <li>A 20 L container with a tap will be used for the customers to wash their hands.</li> </ul>	<u>Open Fire within the CBD</u> <ul style="list-style-type: none"> <li>No open fire on public places in the Central Business District ( CBD)</li> <li>In terms of subsection (1) (e) the Fire Brigade Act 23 of 1992 " the burning of rubbish, trees, bushes weeds or grass and the making of bonfire / fire is not allowed in public</li> </ul>

	<i>places within the CBD.</i>
<u><b>Ablution Facility</b></u> <ul style="list-style-type: none"> <li>• Mr I // Naweseb must provide a letter to the Health Department before registration of his business from Woermann &amp; Brock and Total Service Station that he and his staff will use public toilets.</li> </ul>	<u><b>Gas System</b></u> <ul style="list-style-type: none"> <li>• Mr I //Naweseb was informed of the necessary requirements of a gas system and example of a layout plan of a food stall operating with a gas were provided to him.</li> </ul>
<u><b>Mobile Braai Stand</b></u> <ul style="list-style-type: none"> <li>• No preparation of food will take place outside the stand</li> <li>• Mobile kiosk must be road worthy.</li> </ul>	
<p><b>Recommendation:</b></p> <p>The mobile Kiosk meets the minimum requirement in terms of the Health regulations, but approval is given subject to the owner making use of the best available methods which are hygienic sound.</p>	

## 2. CURRENT SITUATION

A lease agreement was forwarded for signing to Messrs KAECT as per letter dated **20 February 2012 (Annexure “B”)** and he was requested to return the duly signed document on **16 March 2012**, to date no signed contract was received from him.

A reminder **(Annexure “C”)** was sent to Messrs KAECT on **22 October 2012** stating that should no reply be received on or before **02 November 2012**, it will be assumed that he is no longer interested to lease the site.

Subsequently, a letter dated **02 November 2012 (Annexure “D”)** was received from Messrs KAECT indicating that he will pay the required deposit and that the business will commence during **December 2012**.

He further indicated that the conditions for the lease of the site are unfavorable and that has prolonged the starting of his business operations.

Since then no further correspondence was received.

### Outstanding items from Messrs KAECT

- signed lease agreement
- Road Worthiness Certificate for the Mobile Kiosk
- permission from Messrs Woerman & Brock and at the Total Service Station for staff to use ablution facilities.

## 3. SIMILAR APPLICATION

A letter from Ms H !Gontes was received on **09 October 2012** requesting Council to lease a portion of Erf 266A, Swakopmund to put up a hotdog and burger stand **(Annexure “E”)**.

The applicant was informed that Council has already approved the allocation of the site to Messrs KAECT, although it's not a demarcated mobile kiosk site as no fresh water and ablution facilities are available.

She was further informed that should Messrs KAECT not return his duly signed lease agreement, Council might consider her application, keeping in mind that the lease is only for a short term as Council is in the process of selling the erf to a private developer (await Ministerial

approval to close Erven 266, ABC, Swakopmund as a public place – latest reminder was sent on 18 January 2013).

In the meantime, Council approved the lease of a portion of Erf 2747, Swakopmund to Messrs Kazak African Experience Cultural Tourism on **26 July 2012** for period of five (5) years at a rental amount of N\$0.30 / m<sup>2</sup> , being the same as Messrs Swakopmund Paintball Adventures and on **28 November 2012** Council granted permission to Messrs KAECT to proceed with the lease while Erf 2747, Swakopmund is in the process being rezoned to “*Special*” for the purpose of Holiday Houses, Caravan Park, Business Use and Tourism Related Activities.

4. **CONCLUSION**

Taking into consideration that no signed lease agreement was returned by Messrs KAECT, it can be assumed that he is no longer interested to lease the site.

It is therefore proposed that Council considers withdrawing its offer to lease a portion of Erf 266A, Swakopmund to Messrs Kazak African Experience Cultural Tourism as it amounts to reservation of land which is not in line with Council's policy.

The lease of mobile kiosk sites is being done on a month to month basis. Therefore as it is not clear how long the finalization of the sale of Erven 266, ABC, Swakopmund might take, it is proposed to consider Ms H !Gontes' application subject to the standard conditions applicable to the lease of mobile kiosk sites.

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

- (a) That Council withdraws its offer to lease a portion of Erf 266A, Swakopmund to Messrs Kazak African Experience Cultural Tourism.
  - (b) That Council considers the application of Ms H !Gontes to lease a portion of Erf 266, ABC, Swakopmund while the process of rezoning is dealt with by the Ministry.
  - (c) That the lease be subject to Council's standard conditions for the operating of mobile food kiosks and those approved for the lease of the site to Messrs Kazak African Experience Cultural Tourism.
  - (d) That Ms H !Gontes be informed that Council is in the process of selling Erven 266, ABC, Swakopmund and the lease is only granted on a month to month basis; meaning that Council is under no obligation to allocate an alternative site to her should the sale of Erven 266, ABC, Swakopmund be finalized.
-

11.1.14 **LEASING OF THE SWAKOPMUND MUNICIPAL BUNGALOWS FOR FIVE YEARS**

(C/M 2013/03/27 - N 7/3/1/2)

**Ordinary Management Committee Meeting of 14 March 2013,**  
Addendum 8.1 page 01 refers.

---

**A. The following item was submitted to the Management Committee for consideration:**

**Introduction:**

**Attached** letter was received from Mr D Piek, Managing Director of Messrs Falcon Forest Trading 61 (Pty) Ltd, which is based in Gauteng Province, South Africa.

Mr D Piek is apparently in negotiation with various contractors in South Africa - contracted to construct Husab Mine near Swakopmund which will take more than 60 months to complete. These contractors will need accommodation for the minimum period of five years hence looking for properties to lease in Swakopmund, Walvis Bay or Henties Bay.

In view of the above, Messrs Falcon Forest Trading 61 (Pty) Ltd want to lease the Municipal Bungalows to accommodate approximately 350 employees. In order to realize his vision, the applicant will need the followings:

- *Lease the bungalows for five years*
- *Pay a rental fee of N\$13 500 000.00 annually which will escalate by 7.5% annually.*

**Background Information**

The Swakopmund Municipal Rest Camp consists of 189 self-catering units with 764 beds. All Bungalows are fully equipped with bedding, hotplates, fridges and barbeque facilities (however, no towels are supplied). Some of the larger bungalows offer garages; otherwise there are car-ports and enough space for cars (and trailers) next to the units. There are six ranges of units which consist of:

- *22 Fish bungalows*
- *22 Gecko bungalows*
- *44 Dune bungalows*
- *50 Spitzkoppe bungalows*
- *45 Brandberg bungalows and*
- *4 Moon Valley bungalows*

50% of the above mentioned bungalows are made up of Spitzkoppe, Brandberg and Moon Valley bungalows which bring in more income during peak season only (**20 December - 4 January**) but have the lowest occupancy rate during the rest of the year.

This low occupancy rate negatively affects the overall performance of the Swakopmund Municipal Rest Camp.

Hereunder is the occupancy rate and income generated over the past three years (2010 -2012):

<b>YEAR</b>	<b>HOUSE</b>	<b>OCCUPANCY</b>	<b>N\$</b>
2010	<i>Fish</i>	77%	1 460 682.82
	<i>Gecko</i>	70%	673 428.86
	<i>Welwitchia</i>	61%	801 224.71
	<i>Dune</i>	46%	3 510 646.63
	<b>Spitzkoppe</b>	<b>23%</b>	<b>2 733 210.59</b>
	<b>Brandberg</b>	<b>12%</b>	<b>1 701 926.57</b>
	<b>Moon Valley</b>	<b>1%</b>	<b>343 110.54</b>
2011	<i>Fish</i>	67%	1 587 546.41
	<i>Gecko</i>	50%	585 189.00
	<i>Welwitchia</i>	51%	816 081.30
	<i>Dune</i>	60%	5 021 068.78
	<b>Spitzkoppe</b>	<b>36%</b>	<b>4 854 642.23</b>
	<b>Brandberg</b>	<b>36%</b>	<b>1 641 654.75</b>
	<b>Moon Valley</b>	<b>10%</b>	<b>419 629.35</b>
2012	<i>Fish</i>	68%	1 856 159.86
	<i>Gecko</i>	42%	572 907.54
	<i>Welwitchia</i>	44%	774 621.44
	<i>Dune</i>	40%	3 985 288.81
	<b>Spitzkoppe</b>	<b>17%</b>	<b>2 555 841.66</b>
	<b>Brandberg</b>	<b>8%</b>	<b>1 417 891.05</b>
	<b>Moon Valley</b>	<b>27%</b>	<b>482 711.49</b>

### **Financial Analysis:**

Messrs Falcon Forest Trading 61 (Pty) Ltd proposed to pay the Swakopmund Municipal Rest Camp an amount of N\$13 500 000.00 annually for the whole camp, which is N\$1 098 660.00 more than the budgeted income of N\$12 401 340.00. However in order for the Swakopmund Municipal Rest Camp to still keep its name in the tourism industry and to continue to consolidate its market segment (vacationers, weekenders), it is crucial to keep the best performing bungalows such as Fish, Gecko and Dune bungalows and only lease out the poorly performing bungalows viz. Spitzkoppe, Brandberg and Moon Valley.

The application by Messrs Falcon Forest Trading 61 (Pty) Ltd presents a great opportunity not to be missed. It is, therefore, important for the Rest Camp to offer a reasonable discount to lure Messrs Falcon Forest Trading 61 (Pty) Ltd to lease the mentioned rest houses.

As such Swakopmund Rest Camp is recommending a 65% discount which will translate into an income of N\$12 023 172.00 (for the 3 types of bungalows) annually compared to N\$4 456 444.20 (see below) income generated from these three bungalows during 2012.

<b>Income 2012</b>	<b>Potential Income at 100% Occupancy</b>	<b>Income at 65% Discount</b>
2,555,841.66	16,236,000.00	5,682,600.00
1,417,891.05	16,362,000.00	5,726,700.00
482,711.49	1,753,920.00	613,872.00
<b>4,456,444.20</b>	<b>34,351,920.00</b>	<b>12,023,172.00</b>

In his letter, the applicant has requested various issues/ services to be provided by the Swakopmund Municipal Rest Camp such as partitioning of Spitzkoppe bungalows, revamping of the administration block, improvement to the Rest Camp to a three star level, etc. However most of these issues have been amicably sorted out during our discussion with Mr D Piek and thus do not form part of this proposal.

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

- (a) That the request from Messrs Falcon Forest Trading 61 (Pty) Ltd to lease the Swakopmund Municipal Bungalows for a period of 5 (five) years at a total annual lease amount of N\$13 500 000.00 be turned down.**
  - (b) That Messrs Falcon Forest Trading 61 (Pty) Ltd be informed to follow the normal booking procedures applicable to all the visitors.**
-

11.1.15 **STANDARD OPERATING PROCEDURES FOR BOOKING OF HALLS, OPEN SPACES AND SPORTS FIELDS**

(C/M 2013/03/27 - N 7/3/4, H2/5, I1/10, G 3/10/2)

**Ordinary Management Committee Meeting of 14 March 2013, Addendum 8.2 page 07 refers.**

---

**A. The following item was submitted to the Management Committee for consideration:**

The Internal Audit Report for the Municipal Halls, Open Spaces and Sports Fields which was carried out during **November 2012**, by Messrs Ernst & Young Auditors recommended that the Sport and Recreation section develops operating frame work for booking of Municipal facilities viz. sport fields, halls and open spaces in order to allow staff member to perform their task in an effective and consistent manner.

In addition, the Municipal Risk Committee requested that such procedures **(attached Annexure A)** be submitted to the Management Committee.

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

**That the (attached) operating procedures for the booking of Municipal Halls, Sportfields and Open Spaces be approved.**

---

11.1.16 **WRITING OFF OF REDUNDANT OFFICE EQUIPMENT AT THE HEALTH SERVICES DEPARTMENT**  
(C/M 2013/03/27 - L 2)

**Ordinary Management Committee Meeting of 14 March 2013, Addendum 8.4 page 16 refers.**

---

**A. The following item was submitted to the Management Committee for consideration:**

The following additional redundant office equipment was identified at the Health Services Department.

- 1 x HP Deskjet 1220C Colour Printer (Serial # : CN45P8510H)
- 1 x Sony Cyber-shot digital camera (Serial # : 2437816)
- 1 x Defy Fridge 190 liter (Serial # : DC102583)
- 1 x 2 door cabinet

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

**(a) That the Management Committee approves the writing-off of the following redundant office equipment from the Health Services Department.**

- 1 X HP Deskjet 1220C Colour Printer (Serial No : CN45P8510H)
- 1 X Sony Cyber-Shot Digital Camera (Serial No : 2437816)
- 1 X Defy Fridge 190 Liter (Serial No : DC102583)
- 1 X 2 Door Cabinet

**(b) That the Chairperson of Management Committee, Chief Executive Officer and the General Manager: Finance determines the upset prices for the above.**

---

11.1.17 **APPROVAL OF AMENDMENT SCHEME NO. 54**

(C/M 2013/03/27 - G 3/2/2/2)

**Ordinary Management Committee Meeting of 14 March 2013,**  
Addendum 8.5 page 17 refers.

---

**A. The following item was submitted to the Management Committee for consideration:**

**Attached** Amendment Scheme No. 54 was received from Messrs Stubenrauch Planning Consultants CC. Amendment Scheme No. 54 needs to be approved by Council in order to submit it to the Ministry of Regional and Local Government, Housing and Rural Development for final approval. The following items will be included in Amendment Scheme No. 54:

- Rezoning of Erf 2785, Swakopmund from “Single Residential” with a density of 1:900 to “General Residential” with a density of 1:100 (SPC) **(C/M 2012/02/29)**
- Rezoning of Erf 61, Mile 4, Swakopmund from “Single Residential” with a density of 1:300 to “General Residential 2” with a density of 1:250 (SPC) **(C/M 2012/06/28)**
- Rezoning of Erf 1525, Swakopmund, from “Local Authority” to “General Business” with a bulk of 2.0. (Swakopmund Municipality) **(C/M 2012/02/29)**
- Rezoning of Erf 1113, Tamariskia, from “Local Authority” to “Institutional” (Swakopmund Municipality) **(C/M 2012/08/30)**
- Rezoning of Erf 620, Swakopmund from “Single Residential” with a density of 1:600 to “General Residential” with a density of 1:300 (Elmarie du Toit) **(C/M 2012/01/26)**
- Rezoning of Erven 3658 & 3659, Swakopmund from “Single Residential” with a density of 1:600 to “General Business” with a bulk of 2.0 (Elmarie du Toit) **(C/M 2012/06/28)**
- Rezoning of Erf 757, Swakopmund from “General Residential 2” with a density of 1:250 to “General Residential 2” with a density of 1:100 (Urban Green) **(C/M 2012/08/30)**
- Rezoning of Erf 2186, Mondesa, Swakopmund from “General Residential 1” to “Local Business” with a bulk of 1.0 (SPC) **(C/M 2006/01/26)**
- Rezoning of Erf 539, Swakopmund from “Single Residential” to “General Business” with a bulk of 2.0 (SPC) **(C/M 2012/06/28)**
- Rezoning of Erf 1845 Mondesa, Swakopmund from “Undetermined” to “General Residential 2” with a density of 1:100 (Ritta Khiba) **(C/M 2012/11/28)**
- Rezoning of Erf 3777, Swakopmund from “Undetermined” to “General Business” with a bulk of 2.0 AND rezoning of Erven 444/Rem, 446 and 773, Swakopmund from “Parastatal” to “General Business” with a bulk of 2.0 (SPC) **(C/M 2012/11/28 & C/M 2012/11/28)**

The items as contained in Amendment Scheme No. 54 have been approved by Council through the resolutions taken.

Council is therefore requested for the approval of Amendment Scheme No. 54.

It should also be noted that the rezoning of Erf 1845 Mondesa, Swakopmund from “*Undetermined*” to “*General Residential 2*” with a density of 1:100 (Ritta Khiba) (**C/M 2012/11/28**) is included in the proposed approval. The proposed Scheme will be rectified accordingly and then submitted to the Minister for final approval.

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

**(a) That Council approves Amendment Scheme No. 54 as submitted by Messrs Stubenrauch Planning Consultants CC containing the following items:**

- *Rezoning of Erf 2785, Swakopmund from “Single Residential” with a density of 1:900 to “General Residential” with a density of 1:100 (SPC)*
- *Rezoning of Erf 61, Mile 4, Swakopmund from “Single Residential” with a density of 1:300 to “General Residential 2” with a density of 1:250 (SPC)*
- *Rezoning of Erf 1525, Swakopmund, from “Local Authority” to “General Business” with a bulk of 2.0. (Swakopmund Municipality)*
- *Rezoning of Erf 1113, Tamariskia, from “Local Authority” to “Institutional” (Swakopmund Municipality)*
- *Rezoning of Erf 620, Swakopmund from “Single Residential” with a density of 1:600 to “General Residential” with a density of 1:300 (Elmarie du Toit)*
- *Rezoning of Erven 3658 & 3659, Swakopmund from “Single Residential” with a density of 1:600 to “General Business” with a bulk of 2.0 (Elmarie du Toit)*
- *Rezoning of Erf 757, Swakopmund from “General Residential 2” with a density of 1:250 to “General Residential 2” with a density of 1:100 (Urban Green)*
- *Rezoning of Erf 2186, Mondesa, Swakopmund from “General Residential 1” to “Local Business” with a bulk of 1.0 (SPC)*
- *Rezoning of Erf 539, Swakopmund from “Single Residential” to “General Business” with a bulk of 2.0 (SPC)*
- *Rezoning of Erf 1845 Mondesa, Swakopmund from “Undetermined” to “General Residential 2” with a density of 1:100 (Ritta Khiba)*
- *Rezoning of Erf 3777, Swakopmund from “Undetermined” to “General Business” with a bulk of 2.0 AND rezoning of Erven 444/Rem, 446 and 773, Swakopmund from “Parastatal” to “General Business” with a bulk of 2.0 (SPC) (C/M 2012/11/28 & C/M 2012/11/28)*

**(b) That Messrs Stubenrauch Planning Consultants CC be informed to submit Amendment Scheme No. 54 to the Ministry of Regional and Local Government, Housing and Rural Development for approval by the Honourable Minister.**

---

11.1.18 **WRITING OFF: OLD AND REDUNDANT EQUIPMENT -  
CORPORATE SERVICES AND HUMAN RESOURCES  
DEPARTMENT**

(C/M 2013/03/27 - L 2)

**Ordinary Management Committee Meeting of 14 March 2013,**  
Addendum 8.6 page 21 refers.

---

**A. The following item was submitted to the Management Committee  
for consideration:**

The following old and redundant equipment in the Corporate  
Services and Human Resources Department needs to be written off:

<b>No</b>	<b>Description</b>	<b>Quantity</b>	<b>Office</b>
1.	<i>Vacuum cleaners</i>	2	<i>Production room</i>
2.	<i>punch</i>	1	<i>Production room</i>
3.	<i>Computer</i>	1	<i>Production room</i>
4	<i>UPS</i>	1	<i>Production room</i>

**B. After the matter was considered, the following was:-**

**RECOMMENDED:**

- (a) That the following old and redundant equipment in the  
Corporate Services and Human Resources Department be  
written off and be sold at the next public auction:

<b>No</b>	<b>Description</b>	<b>Quantity</b>
1.	<i>Vacuum cleaners</i>	2
2.	<i>Punch</i>	1
3.	<i>Computer</i>	1
4.	<i>UPS</i>	1

- (b) That the Chairperson of Management Committee, Chief  
Executive Officer and the General Manager: Finance  
determines the upset prices for the above.
-