

URBAN INVESTMENT PARTNERSHIP CONFERENCE

27 & 28 AUGUST 2015 • JOHANNESBURG

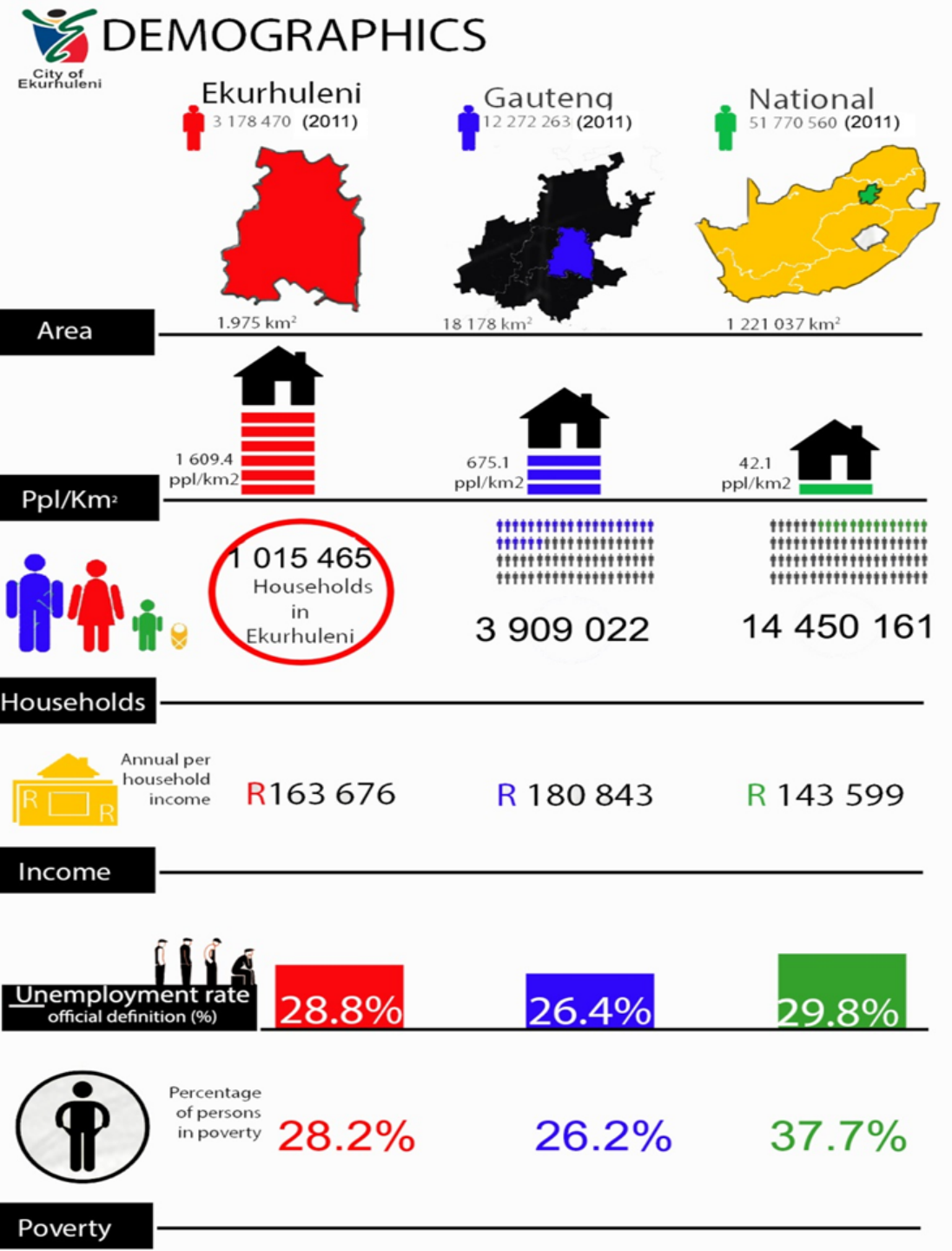


City of
Ekurhuleni

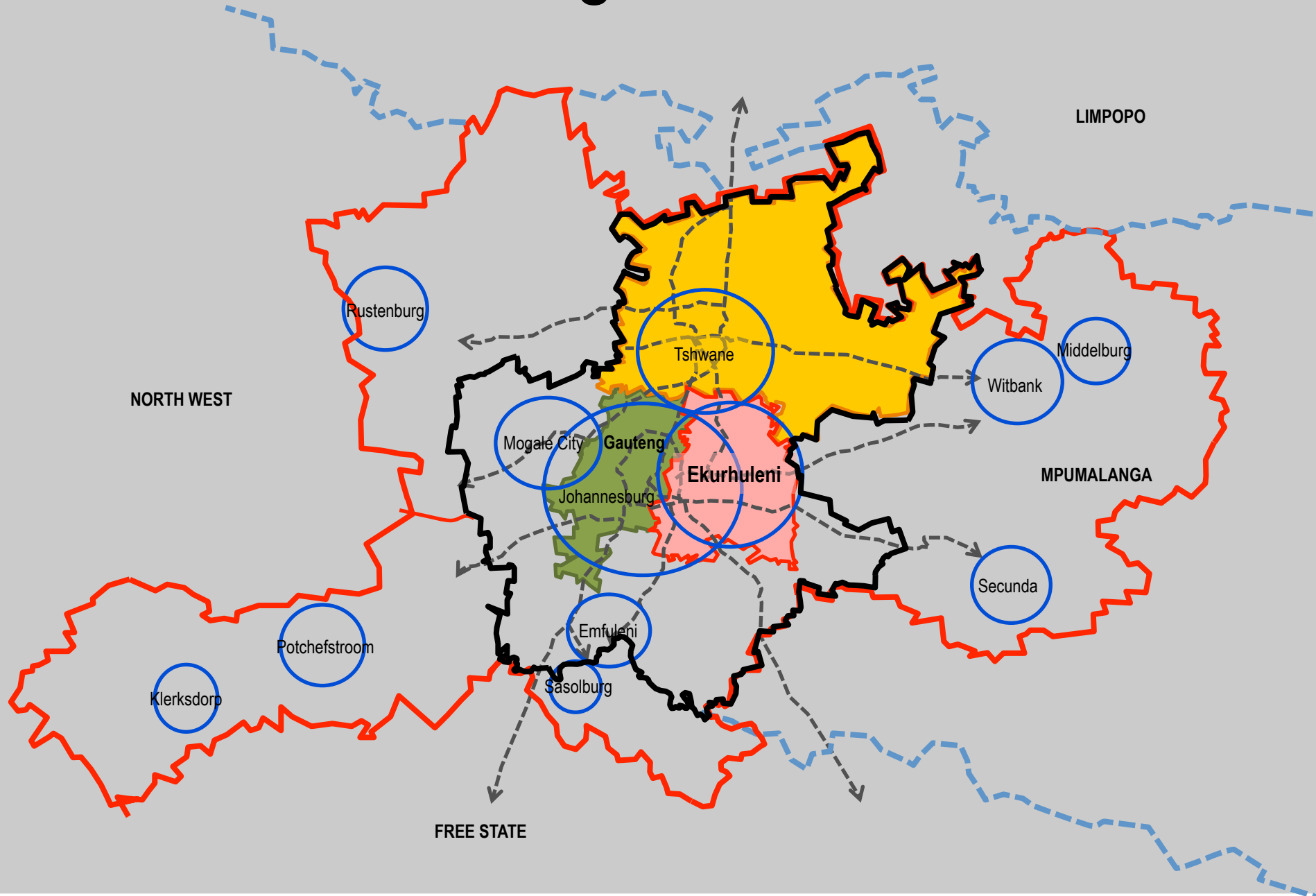
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Presentation Content

1. Strategic Position
2. Economic Strategy
3. Development and Catalytic Projects
4. Investment Centre



Regional Position



FROM 2000 TO 2015

9 
TOWNS

17 
TOWNSHIPS

+8000 
INDUSTRIES

3.1 
MILLION PEOPLE



City of
Ekurhuleni

Ekurhuleni Profile

- Awarded Clean Audit
- Unqualified Audit
- Credit rating of A1
- Blue Drop Status
- Capable S57 Team
- 27 Departments & 3 Entities whose targets respond to the IDP & GDS
- Funding mix: municipal bonds/ development contributions/ grants/ revenue
- Operating budget exp exceeds 90%, our capital budget R4b exp is **low**
- Are part of provincial and national platforms (Global City Region, South African Cities Network, National Treasury City Support Programme etc.)
- Members of the international fraternity i.e. on the Aerotropolis, City-City agreement with Medellin in Columbia



City of
Ekurhuleni

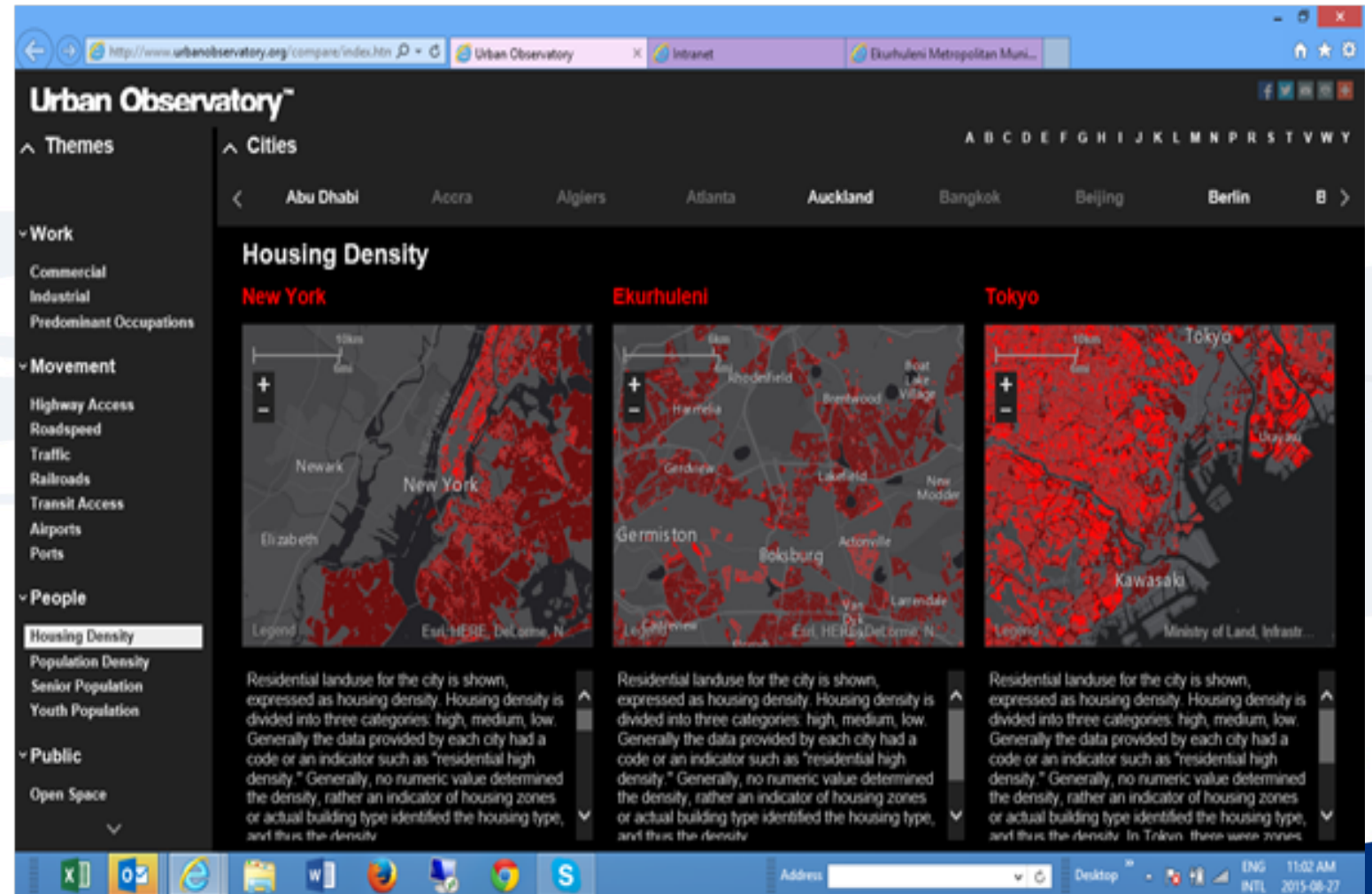
Recent Accolades

COMPARING BUSINESS REGULATIONS
FOR DOMESTIC FIRMS IN 9 URBAN AREAS
AND 4 MAJOR PORTS WITH 188 OTHER ECONOMIES

Doing Business in South Africa 2015



Access the report and data at:
www.doingbusiness.org/SOUTHAFRICA



City of
Ekurhuleni

ECONOMIC STRATEGY





Re-Industrialise:

- Strengthened Industrial Competitiveness*
- Industrial Systems and Infrastructure*
- Market and Product Development*
- New Value Chains Development*

Re-Urbanise:

- EMM Gauteng City Regional Integration*
- Sustainable Settlements and Infrastructure*
- Connected Working and Living Spaces*

Re-Generate:

- Sustainable Resource Use*
- Biodiversity and Ecosystems Management*
- Improved Environmental Governance*
- Sustainable Agriculture*

Environmental Well-being

Delivering City Capable City Sustainable City

Urban Integration

Job Creating
Economic Growth

Social Empowerment

Effective Cooperative Governance

Re-Mobilise:

- Social Care Supply Chains Management*
- Capabilities Development*
- Responsive and Active Citizenry*

Re-Govern:

- Building a Capable Local City State*
- Strengthen Developmental Governance*
- Establish Long Term Fiscal Strength*
- Strategic Acquisition and Management of Assets and Operations*

a partnership that works



GAUTENG' EASTERN DEVELOPMENT CORRIDOR



EKURHULENI POPULATION
OVER 2,000,000



CITY OF EKURHULENI
AMALGAMATION OF 9 TOWNS



SOUTH AFRICA'S INDUSTRIAL HUB



EKURHULENI METROPOLIS



WHAT ON EARTH IS AN AEROTROPOLIS?

O.R. TAMBO INTERNATIONAL AIRPORT
HOME OF AFRICA'S BUSIEST AIR TRANSPORT HUB
PROVIDES INTERNATIONAL & DOMESTIC AIRLINES WITH WORLD-CLASS, SECURED INFRASTRUCTURE

RAIL HUB
RAPID RAIL NETWORK
METRO RAIL NETWORK
FREIGHT RAIL NETWORK

BUSES
NETWORK OF BUS ROUTE IN & BETWEEN TOWNS

ROAD HUB
GILLOLLY'S INTERCHANGE N3 – NORTHWARDS TO PRETORIA, SOUTHWARDS TO ALBERTON & DURBAN,
R24 – WESTWARDS TO JOHANNESBURG CITY CENTRE, EASTWARDS TO O.R. TAMBO INTERNATIONAL AIRPORT, CITY OF EKURHULENI & WITBANK

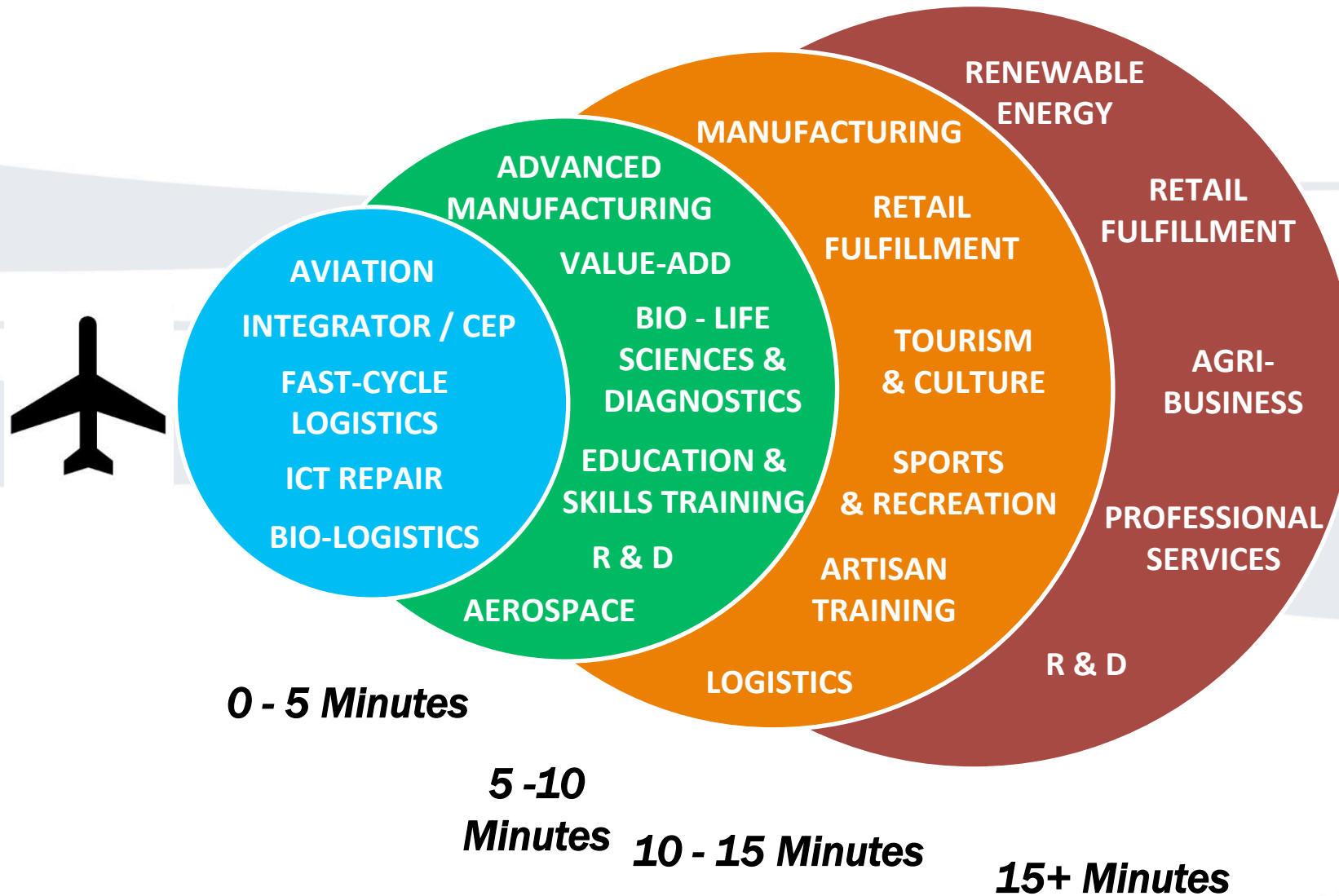


An aerotropolis is a city in which the layout, infrastructure, and economy are centered around a major airport. Ekurhuleni Metropolitan Municipality has worked hard toward realizing this dream for businesses, airport companies and citizens alike. In an aerotropolis you can expect greater opportunity as proximity to O.R. Tambo grants you a ground-to-air shipping network, accessibility and seamless integration. It's a subject that deserves attention which is why we're inviting you to an informative talk with Prof. Kasanda, a well known expert of aerotropolis methodology.

Date: 12 – 18 July 2011.
Venue: Emperor's Palace
When we work as one, we become legends.

Ekurhuleni, building an aerotropolis together

Drive-time distance by economic activity



Aerotropolis Catalytic Projects (Master Plan)

8.6 AEROTROPOLIS DEVELOPMENT COMPETITIVENESS STRATEGY

In order to ensure Ekurhuleni grows in relevant and competitive ways as world-class aerotropolis, thirteen district types are proposed which are specialized to accomodate targeted economic clusters.

AIR CARGO LOGISTICS HUB & AIRPORT



The areas described do not preclude related industrial and commercial developments within them, but prioritise.

AEROTROPOLIS SPORTS & ENTERTAINMENT HUB



The areas described do not preclude related industrial and commercial developments within them, but prioritise.

AEROTROPOLIS TECH R+D HUB



The areas described do not preclude related industrial and commercial developments within them, but prioritise.

AEROTROPOLIS INTERMODAL CREATIVE HUB



The areas described do not preclude related industrial and commercial developments within them, but prioritise.

AEROTROPOLIS GATEWAY TRADE HUB



The areas described do not preclude related industrial and commercial developments within them, but prioritise.

INNOVATION AND TECH DISTRICTS



Clean tech and light industrial district featuring flex development types, including office and retail services.

COMMUNITY ENTREPRENUERIAL DISTRICTS



District that intermingles light industrial, community supportive retail and land re-utilization strategies.

JUST-IN-TIME OFF-AIRPORT DISTRICT



Freeway adjacent district featuring larger single tenant light industrial product with quick airport acces.

LOGISTICS PLATFORMS



The areas described do not preclude related industrial and commercial developments within them, but prioritise.

LOGISTICS PLATFORMS WITH STORAGE



The areas described do not preclude related industrial and commercial developments within them, but prioritise.

MASTER PLANNED COMPLETE COMMUNITY



Mixed-use district that emphasizes mid-density residential, and balances lifestyle retail with class-A office.

MANUFACTURING & PRODUCTION CENTRES



The areas described do not preclude related industrial and commercial developments within them, but prioritise.

COMMUNITY ORIENTED DISTRICTS



Infill and transit-oriented development in existing communities, including street-level amenities and retail.

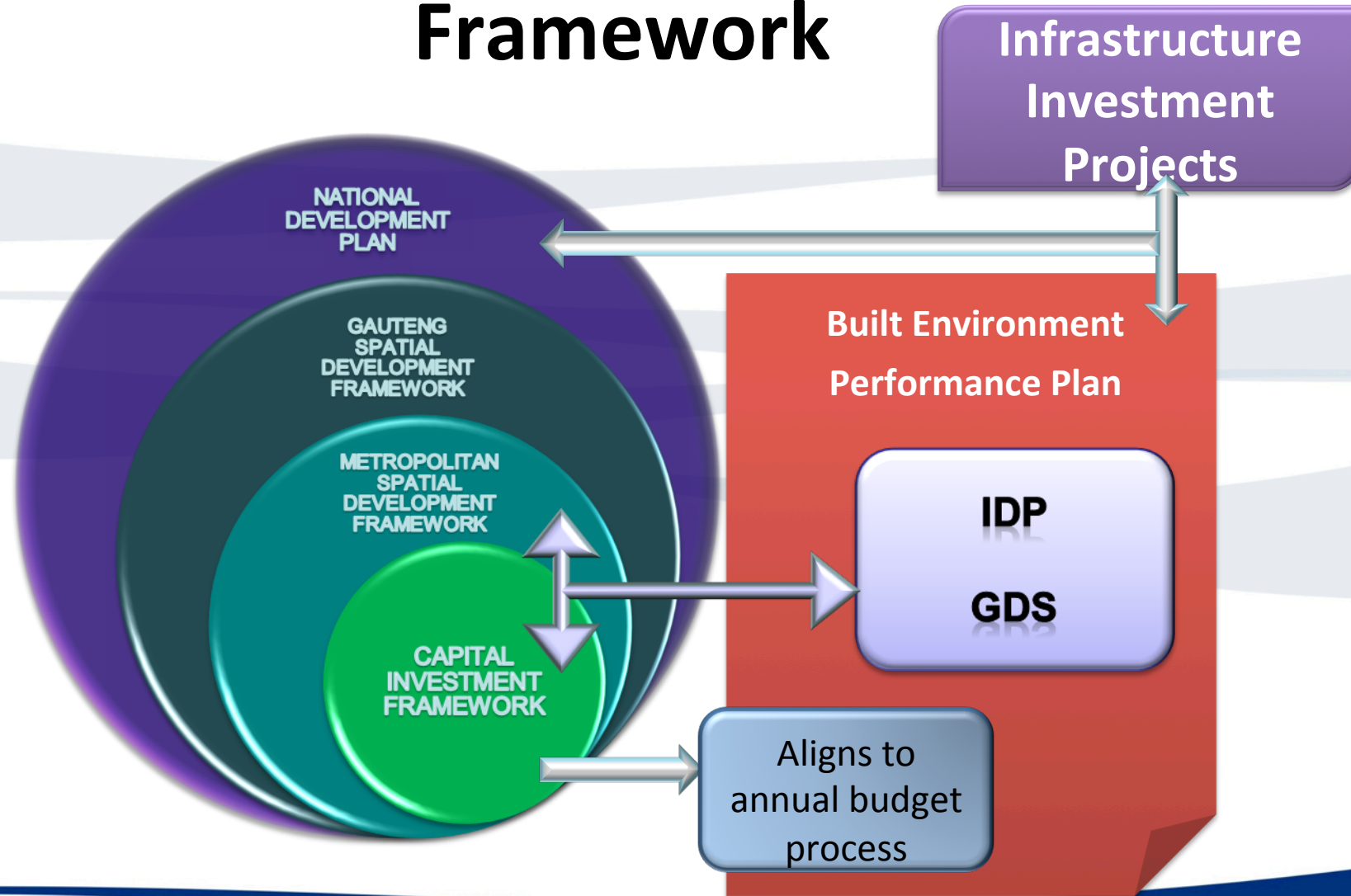
Aerotropolis Development Company being established

30 Year Aerotropolis Master Plan developed with 29 Catalytic Projects with 6 prioritised for immediate implementation

DEVELOPMENT & CATALYTIC PROJECTS



Infrastructure Planning Policy Framework



“Theory of Change: The New Vision”

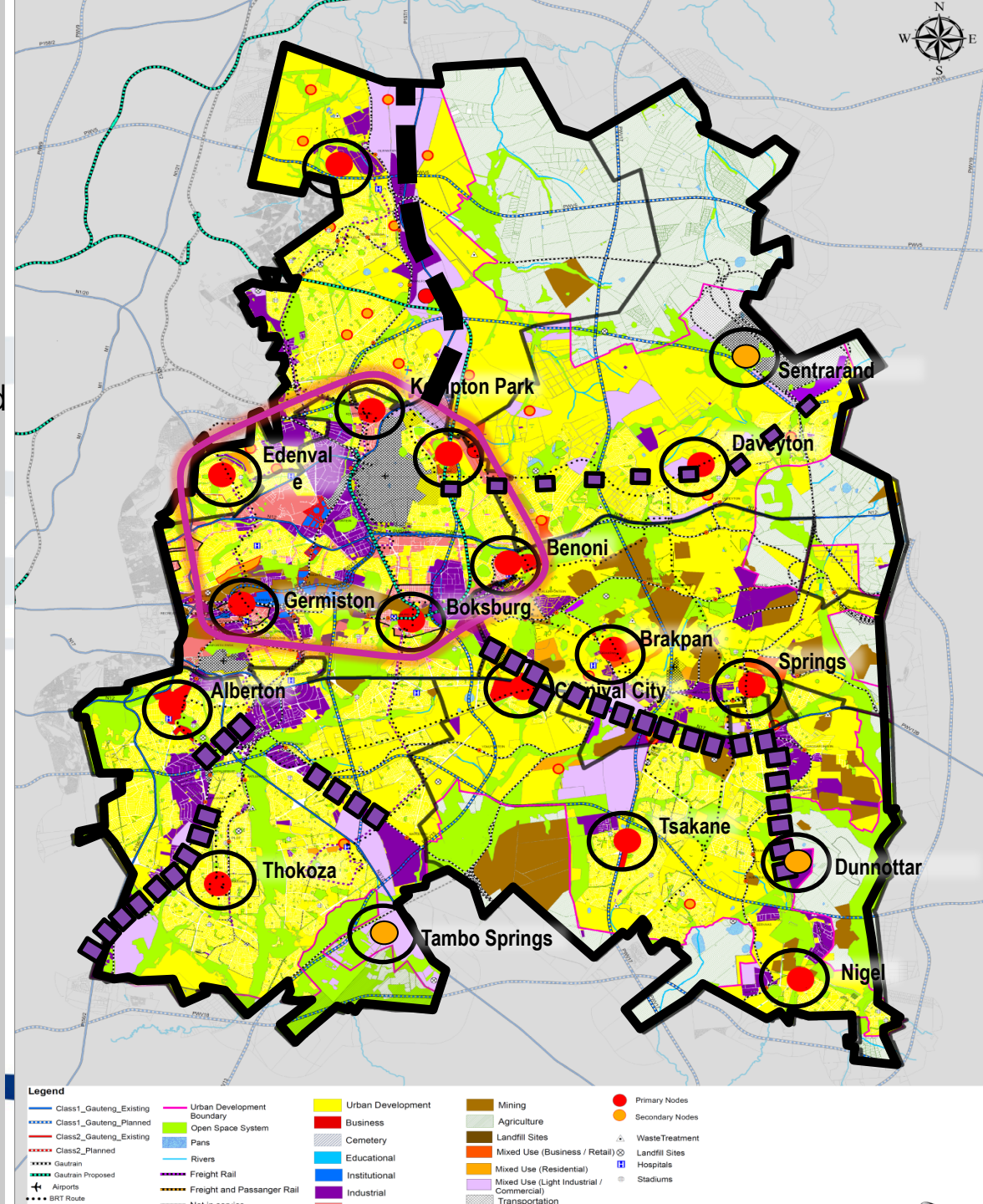
- Permanent urban boundary
- Core
- Nodes
- Corridors
- Strategic Land Parcels
- Environmental pressure
- Agriculture
- Densification
- Transit oriented development
- Improved regional connectivity (road & rail)
- Importance of rail
- Planning language



City of
Ekurhuleni

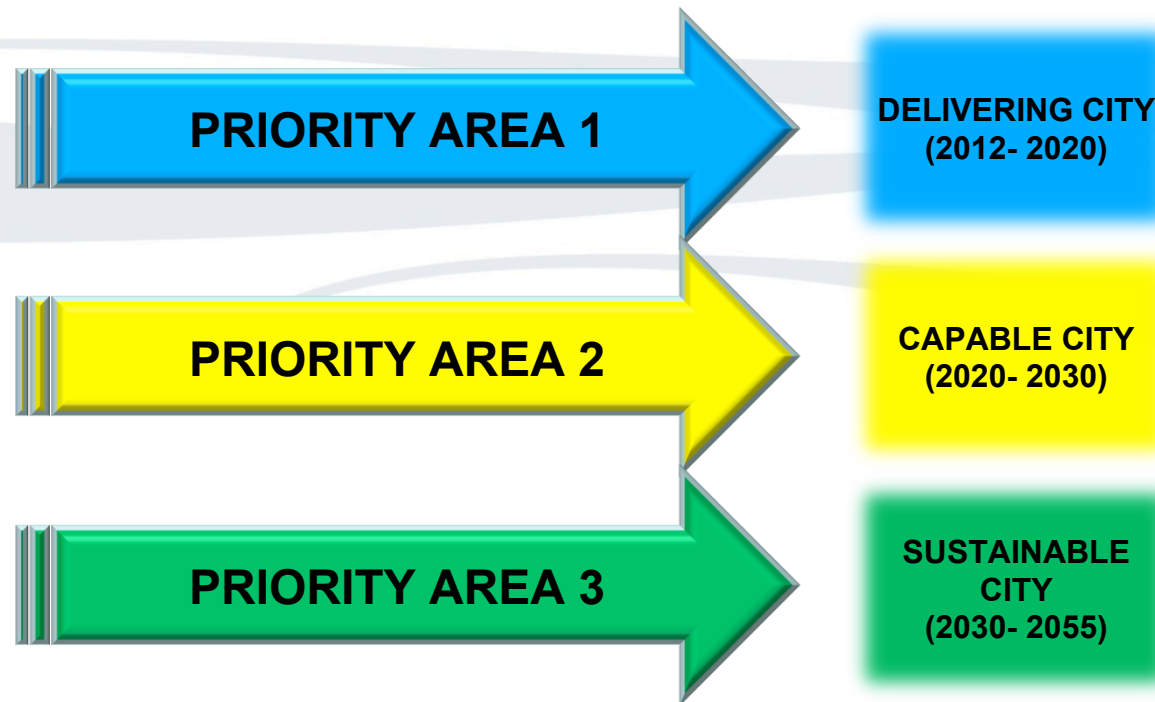
REVISED MSDF

- Metropolitan identity
- Urban boundary
- Growth management
- Strategic densification
- Extended zones of opportunity
- Conservation, consolidation and linkage



Geographic Priority Areas

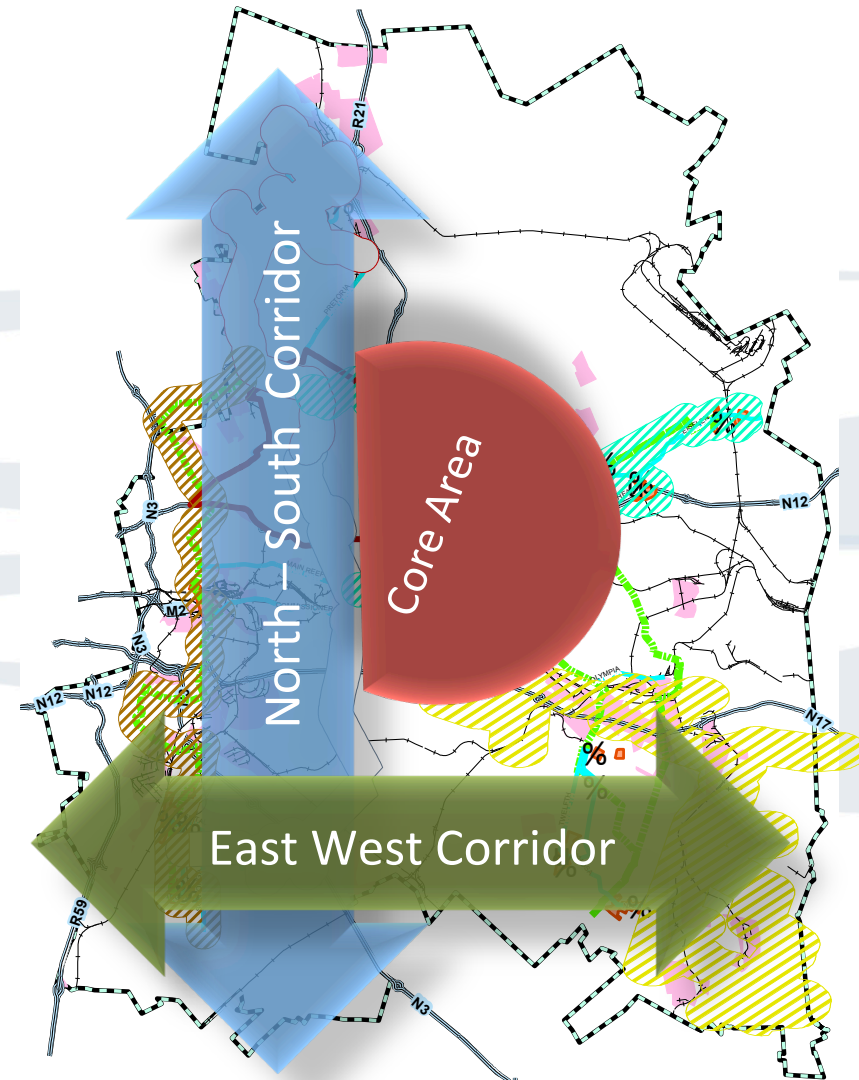
3 priority areas have been formulated within the CIF and are attached to a period of implementation as aligned with that of the EMM Growth and Development Strategy, 2055:



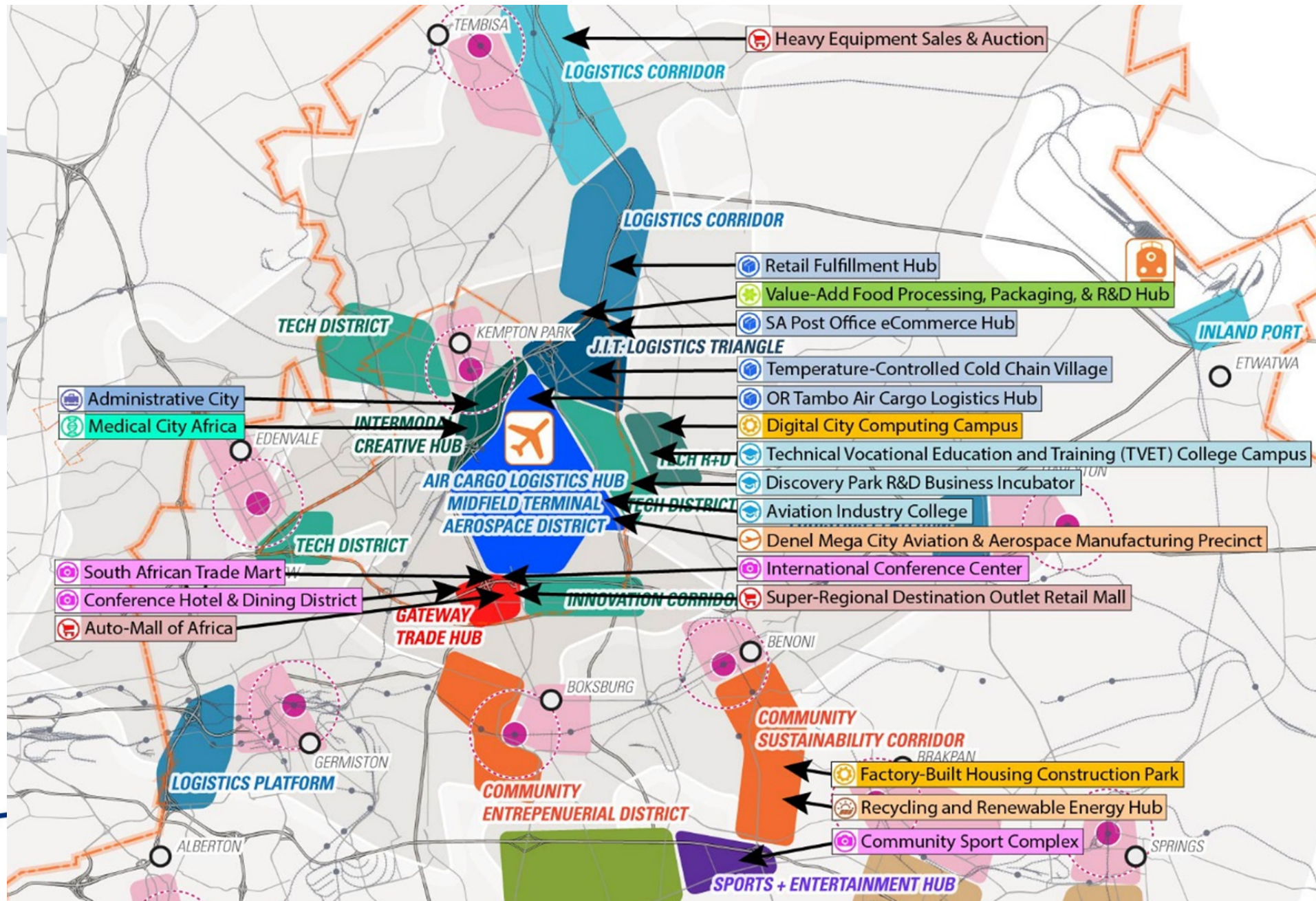
Catalytic Recommendations

Geographic priority area

- Industrial Townships
- National Highways
- Railway Network
- Township regeneration Projects
 - Tembisa
 - Tsakane
 - Katlehong
 - Vosloorus
 - Daveyton
- Primary Transport Links (IRPTN Network)
- Secondary Linkages (Local roads/Bus routes/ Taxi Routes)
- CBD (Aerotropolis Core)
- Urban Hubs
- Secondary Nodes (Economic potential)
- Integration Zone 1 (Tembisa-CBD)
- Integration Zone 2 (Vosloorus-CBD)
- Integration Zone 3 (Katlehong-CBD)
- Integration Zone 4 (Daveyton- CBD)
- Integration 5 (Tsakane-CBD)



21 Catalytic Projects Location Map



Example of the City's Investments on the Integration Zone

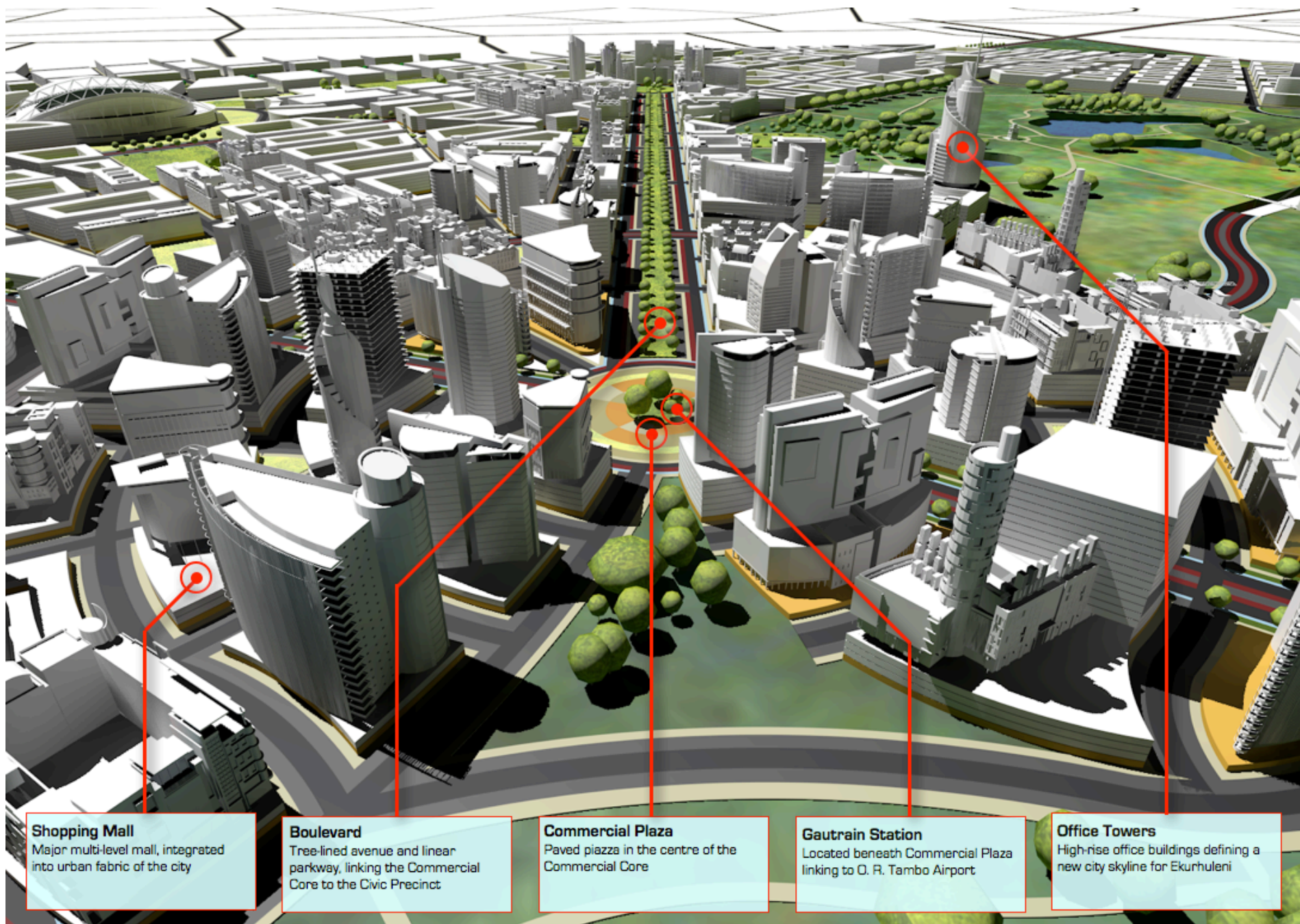
- Township enterprise Hubs
- New Clinic Esselen Park Tembisa
- Tembisa Urban Renewal Framework Projects
- Germiston Civic Precinct
- Aerotropolis: Rhodesfield road network
- Extension of Albertina Sisulu Expressway
- Integrated Rapid Public Transport Network(IRPTN)
- Pomona: Bulk supply Albertina Sisulu Corridor
- Water Loss Eradication Programme

Factors that threaten the City's Spatial Form

- Delayed land disposals processes
- Illegal land-uses and activities
- Decaying towns/ inner cities
- Crime & grime
- Delays in legislative enactments
- Delays by sectors
- High contributions for bulk
- Undevelopable/ hazardous land
- Environmental degradation
- Lack of a growth management strategy
- Use of resources (energy, water)
- SCM challenges

**Being Proactive,
not re-active**





Shopping Mall

Major multi-level mall, integrated into urban fabric of the city

Boulevard

Tree-lined avenue and linear parkway, linking the Commercial Core to the Civic Precinct

Commercial Plaza

Paved plaza in the centre of the Commercial Core

Gautrain Station

Located beneath Commercial Plaza linking to O. R. Tambo Airport

Office Towers

High-rise office buildings defining a new city skyline for Ekurhuleni



INVESTMENT CENTRE



Investment Facilitation: The Investment Centre

- Stages of Facilitation
 - Project Initiation
 - Technical Evaluation
 - Approval
- Investment Committee Established
 - Sub-committee of DFC
 - City Planning, Real Estate, Economic Development, Transport, Energy

Investment Centre: Qualifying Criteria

Categories	Types	Descriptions	Investment
Category 1	Industrial Projects	Smart Industries, Manufacturing, Assembly plants, etc.	> R 250 mil
Category 2	Commercial Property	Business & Office Parks, etc.	>R 200 mil
Category 3	Mixed Use Development	Combination of 3 or more land-uses, etc.	>R 350 mil
Category 4	Retail Development	Shopping Malls, distribution centre, etc.	>R 200 mil
Category 5	Research & Development	Biotechnology Laboratories, etc.	>R 150 mil
Category 6	Services Projects	Entertainment, Hospitality, Game farms, Call Centres, ICT centres, etc.	>R 200 mil
Category 7	Flagship Projects	UDZ, BPO Parks, SEZ, IDZ, Aerotropolis, etc.	>R 250 mil
Category 8	Green Economy Projects	Solar farms, Waste-to-Energy, etc.	>R 250 mil
Category 9	Township Nodal Development Projects	Industrial Estates, Office Parks, Retail & Wholesale facilities, etc.	>R 50 mil
Category 10	Mega Projects	Mega Development Projects	>R1 billion

Real Benefits

- Facilitated 12 large-scale projects with potential to create approximately **287,200 jobs** over the next 15 years
- Over **R 300bn** worth of projects have been registered and are being facilitated
- Over **R 20bn** worth of investment projects have been secured e.g.:
 - Unilever plant
 - Lordsvue Industrial Park
 - River fields Mixed Use Development
 - M-T Mixed Use Development
 - Gibela Manufacturing Plant

SEZ LICENCE SCOPE TO INCLUDE TAMBO SPRINGS, DUNNOTAR



Investment Centre: Scoring

Evaluation Criteria	Weighting	Actual Projections	Point Scale					Scored Points	Weighted Points
			10	20	30	40	50		
Job Creation (New Employees)	12%	0	50-100	101-150	151-200	201-250	250+	0	0
Skills Development (Internal & External)	10%	0	50-100	101-150	151-200	201-250	250+	0	0
Economic Empowerment & Ownership	10%	0	5-20%	21-35%	36-50%	51-65%	65%+	0	0
Employment Equity	5%	0	5-15%	16-30%	31-45%	46-60%	60%+	0	0
Geographic Location	5%		Urban Edge	Non- GPA	GPA 3	GPA 2	GPA 1	0	0
Labour Intensity (% of production process)	5%	0	5-10%	11-20%	21-30%	31-40%	50%+	0	0
Industry Sector	3%		Trade/ Services	Transportation/ Logistics	Development/ Construction	Manufacturing	Agriculture	0	0
Capital Investment (R'value of Investment)	10%	0	50-150m	151-250m	251-350m	351-450m	450+	0	0
Type of Investment	5%		M&A	Redevelopment	Brownfield	Expansion	Greenfield	0	0
Enterprise Development (% of Turnover)	5%	0	5%>	10%>	15%>	20%>	25%>	0	0
Industry Agglomeration (New Companies)	5%	0	1	2	3	4	5+	0	0
Private Infrastructure Investment	5%	0	5-10m	11-15m	16-20m	21-25m	30m+	0	0
Local Production (% of Local Contents)	5%	0	5-15%	16-25%	26-35%	36-45%	45%+	0	0
Export Demand as % of Turnover	2%	0	5-10%	11-15%	16-20%	21-25%	25%+	0	0
Environmental Management Spend (% of Turnover)	5%	0	5-10%	11-15%	16-20%	21-25%	25%+	0	0
CSI Spend (% of Turnover)	5%	0	5-10%	11-15%	16-20%	21-25%	25%+	0	0
Inclusiveness & Social Cohesion	3%	0	5-10%	11-15%	16-20%	21-25%	25%+	0	0
Total	100%							0	0
							Total Score	0.00%	0.00%



THANK YOU

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a partner



City of
Ekurhuleni