



12 April 2016

## **Reclaim the City Releases Government Documents Revealing Inconsistencies in Tafelberg Sale**

Today Reclaim the City releases a series of documents that expose serious inconsistencies in the process by which the Western Cape Department of Transport and Public Works (DTPW) sold the Tafelberg Remedial School site. These documents are contained in an urgent application filed in the Western Cape High Court yesterday calling for an interdict to stop the transfer of Tafelberg (see attached press statement from yesterday).

The documents reveal that:

1. DTPW ignored an appeal by Western Cape Department of Human Settlements (DHS) to stop the sale and reserve the site for social housing;
2. A Provincially supported feasibility study concluded that Social Housing was a viable option for the site. It was also ignored;
3. In 2015, the disposal of the site mysteriously switched from a long-term lease to an outright sale, despite assurances from Public Works MEC Donald Grant that this would never happen.

### **Western Cape Human Settlements Objected to the Disposal**

The Province declared Tafelberg surplus to service delivery needs in 2010.

Yet, papers filed in the Western Cape High Court yesterday reveal that the DHS requested that the Tafelberg Remedial School site be reserved for affordable housing. In a letter (attached) dated March 2013, DHS objected to proposals by its counter-part, the DTPW, to dispose of the property. Signed by then Head of Department Mbulelo Tshangana, it makes a strong case for why the Tafelberg site is essential for the fulfillment of the Province's objective to develop affordable housing opportunities in well-located areas.

This throws into doubt the decision by DTPW to sell Tafelberg based on a declaration that it was "surplus" to government service delivery needs.

The letter was filed as an annexure to a supporting expert affidavit by Malcolm McCarthy, general manager of the National Association of Social Housing Organisations.

## **A Professional Feasibility Study Concluded That the Site was Suitable for Social Housing**

In 2012, the Province supported a [feasibility study](#) funded by the Social Housing Regulatory Authority (SHRA) at a cost of approximately R 500 000. The report shows that the site could have accommodated the development of up to 341 Social Housing rental units for low income households. It further concluded that such a project would be financially viable. The detailed report, including renderings and financial models, was ignored.

## **MEC Grant Reneged on His Commitment to Lease Rather than Sell the Site**

On 11 June 2014, the DTPW indicated that the disposal of Tafelberg would be on long term lease basis. In a letter to the Social Justice Coalition MEC Donald Grant had this to say:

“As was indicated at the investors conference the group of four sites [including Tafelberg] referred to is a first tranche and that more are to follow. In all these the market was presented with an opportunity to utilise the development potential *but without ever owning them*. This is done so that future generations will (in say 30 or 50 years’ time) again have the opportunity to decide on how to utilise this most valuable, finite and irreplaceable resource, namely property.” (emphasis added)

The tender documents, secured by Ndifuna Ukwazi last week, reveal that the land was sold, not leased. MEC Grant has still not explained why this initial commitment to a long term lease was reneged upon.

Together these documents supports Reclaim the City's argument that the sale of the Tafelberg site was unjust and unreasonable.

For comment:

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