



**BY 2030 ETHEKWINI WILL BE AFRICA'S MOST CARING AND  
LIVEABLE CITY**



## **PRESENTATION TO CESA KZN BRANCH PRESIDENTIAL WEBINAR**

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## PRESENTATION CONTENT



- ☐ Infrastructure development policy context
- ☐ Role of Catalytic Projects Unit
- ☐ List of High Impact Catalytic Projects
- ☐ Progress on High Impact Catalytic Projects
- ☐ Opportunity areas for collaboration



# INFRASTRUCTURE DEVELOPMENT POLICY CONTEXT



## POLICY CONTEXT

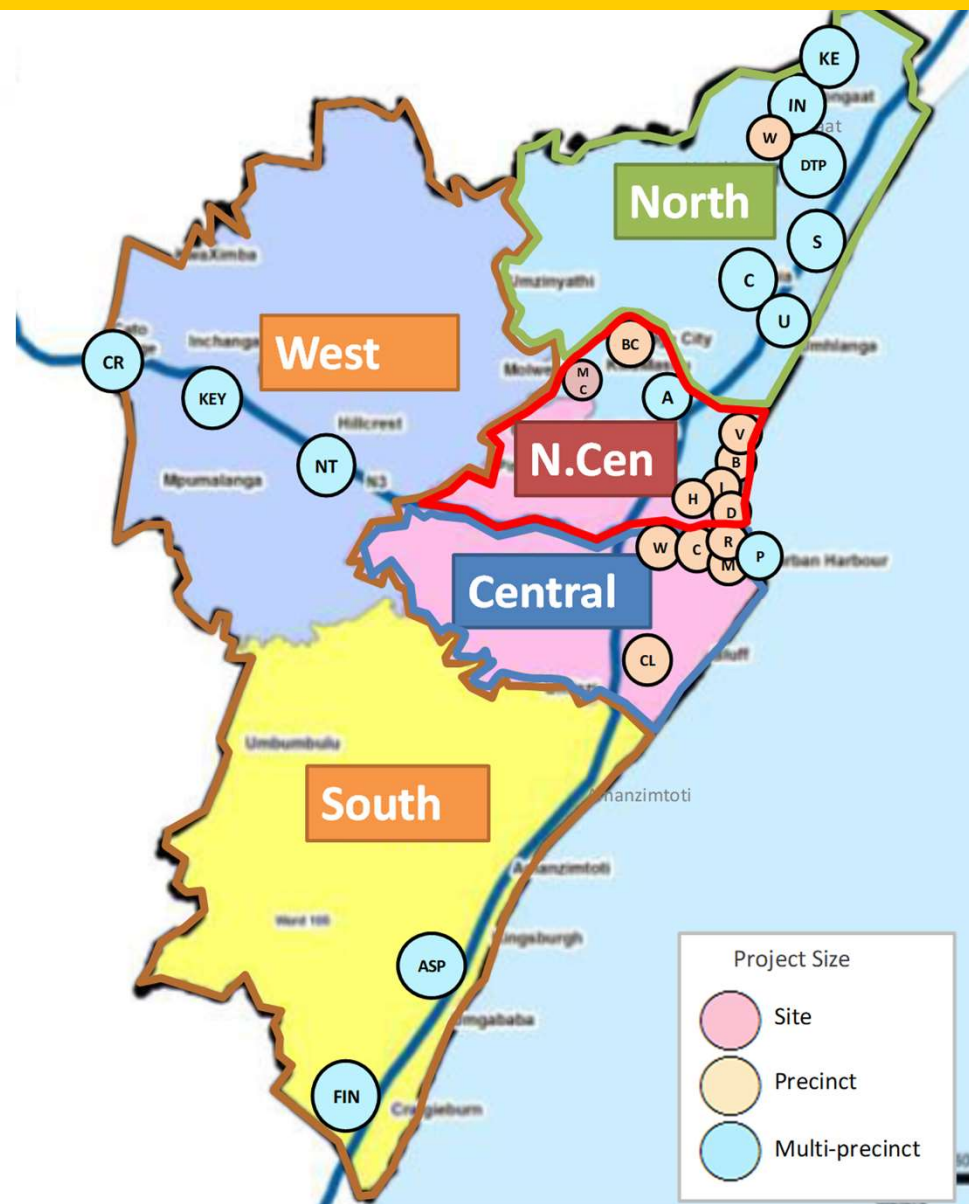
1. Integrated Development Plan (IDP)
2. Spatial Development Framework (SDF)
3. Regional SDFs
4. Local Area Plans (LAP)
5. Precinct Plans

## PRIORITY INVESTMENT AREAS – TRANSIT ORIENTED

1. Inner City (Centrum, Point Waterfront, Rivertown)
2. Bridge City
3. Umlazi
4. Pinetown
5. Mpumalanga (Keystone)
6. C3 corridors (Midway Crossing)

## PRIORITY INVESTMENT AREAS – GREENFIELDS

1. Aerotropolis (Dube Trade Port) / Cornubia
2. SIP2 / Cato Ridge / Keystone/ Ntshongweni
3. Illovo South (Auto Supplier Park)
4. Virginia Airport





# CATALYTIC PROJECTS UNIT



- ✓ Established in 2015
- ✓ Large scale integrated and mixed use spatial transformation projects
- ✓ Major infrastructure investment required
- ✓ Investment amount above a certain monetary value (e.g. > R500 million)
- ✓ Blend of financing
- ✓ Substantial contribution to economic growth
- ✓ Significant promotion of economic and social inclusion through spatial transformation development projects

## **Categories of Catalytic Projects**

- ✓ Category A – Private sector led (e.g. Cornubia, Sibaya)
- ✓ Category B – Public sector driven
  - B1 – City (e.g. Centrum)
  - B2 – Provincial (e.g. Dube Trade Port)
- ✓ Category C – Departmental driven (e.g. GO! Durban)





# CATALYTIC PROJECTS UNIT



- ✓ One stop shop (provides single entry for private sector led development projects
  - Facilitate processing of Development Rights application for shorter turnaround (1 year to 1 month)
  - Facilitate private sector catalytic projects
  - Facilitate internal departmental contribution/support to private development
  - Facilitate resolution of challenges and/or disputes between departments and developer
- ✓ Project manage, implement and coordinate the implementation of catalytic land development projects across the city
- ✓ Influence pipelining and coordination of land development and bulk infrastructure rollout



## ACCELERATE IMPLEMENTATION OF CATALYTIC PROJECTS HIGH IMPACT



Project Reprioritisation into **High, Medium and Low Impact Projects** are categorised by determining which projects have high **Social and Economic benefits in the shortest time frame**. Also, Impact vs cost revenue benefits for the City.

High Impact Projects	Reasoning	Benefits
<b>Point precinct</b> <ul style="list-style-type: none"> <li>- Point promenade (City)</li> <li>- Point Watermains (City)</li> <li>- Cruise terminal (Transnet)</li> <li>- Mahatma Gandhi (City)</li> <li>- Government Mall (City)</li> <li>- FDI Private development (Rocpoint – UEM Sunrise &amp; Vulindlela Holdings)</li> </ul>	<ul style="list-style-type: none"> <li>- Government led PPP project</li> <li>- Anticipating FDI</li> </ul>	<ul style="list-style-type: none"> <li>- Will assist for future Point Development.</li> <li>- Increased future investment and tourism opportunities for City.</li> <li>- Increased funding for City.</li> </ul>
<b>Centrum Site Redevelopment</b>	<ul style="list-style-type: none"> <li>- Brownfield site owned by City.</li> </ul>	<ul style="list-style-type: none"> <li>- PPP candidate</li> <li>- Long term lease for public land</li> </ul>



## ACCELERATE IMPLEMENTATION OF CATALYTIC PROJECTS HIGH IMPACT



Projects	Reasoning	Benefits
Midway Crossing (Siveni Investment)	Critical municipal infrastructure project already underway in support of a Shopping Centre with a floor area (bulk) of ±21 000 square metres	- High socio-economic impact
Brickworks (Investec)	Critical municipal infrastructure project to support the 540 000m <sup>2</sup> building of light industrial development & logistics park (Avoca Nodal Development) which includes; construction of Northfield Road& construction of electricity substation(Mount Moriah)	- High economic and socio-econ. Impact - Estimated 10 billion ROI - Revitalise the industrial sector of the Northern areas similar to Riverhorse development. - Employment and SMME opportunities; - New rates and taxes for the municipality



## ACCELERATE IMPLEMENTATION OF CATALYTIC PROJECTS HIGH IMPACT



High Impact Projects	Reasoning	Benefits
<b>Aerotropolis</b> - Dube Trade Port - iNyaninga	- Government driven project - Project readiness. Planning approvals close to being finalised.	- Development of tradezone to support and grow the economy as part of the Durban Aerotropolis initiative.
<b>Cornubia (Tongaat Hulett)</b>	- Public & private sector driven - Current projects/initiatives already underway.	- Continuation of critical social and civil projects required to service existing and future residents.
<b>Whetstone Business Park (Edstan Group)</b>	- Readiness to implement	- Support of private sector investment momentum in North.
<b>M4 corridor</b> - Sibaya (Devenco) - uMhlanga Rocks Village Node - Beachwood (Edstan Group) - Virginia airport	- Some sites were already under construction - Tourism and property market will be severely impacted due to lockdown.	- Support of private sector investment momentum in North. - Socio-economic development growth maximised
<b>Keystone (Rockwil)</b>	- <b>Roads project</b> to support private sector driven investment; - Precinct already operational - Huge investment by private sector to date.	- <b>High socio-economic impact</b> with 3,000 jobs created to date.





## ACCELERATE IMPLEMENTATION OF CATALYTIC PROJECTS HIGH IMPACT



High Impact Projects	Reasoning	Benefits
<b>Ntshongweni</b> <b>(TH &amp; Siveni Investment)</b>	<ul style="list-style-type: none"> <li>- <b>Roads project</b> to support private sector driven investment;</li> <li>- Secure investment from the private sector, in a shovel ready project.</li> </ul>	<ul style="list-style-type: none"> <li>- <b>High economic and socio-econ. impact</b></li> <li>- Generate economic activity in an under developed area, along the SIP2 corridor;</li> <li>- Employment and SMME opportunities;</li> </ul>
<b>Cato Ridge</b> <b>(Cato Ridge Logistic Hub Company)</b>	<ul style="list-style-type: none"> <li>- <b>Roads project</b> to support private sector driven investment;</li> <li>- High strategic importance locally, provincially and nationally from a logistics and trade support perspective.</li> </ul>	<ul style="list-style-type: none"> <li>- <b>High economic and socio-econ. impact</b></li> <li>- Logistic hub to support SIP 2 corridor;</li> <li>- Creation of a dry port, addressing congestion at ports and CBD,</li> <li>- Improve value chain of cargo moving on SIP2;</li> <li>- Freight hub to support shift from road to rail;</li> <li>- Creation of employment and SMME opportunities.</li> <li>- Reduce cost of doing business.</li> </ul>
<b>Auto Supply Park</b>	<ul style="list-style-type: none"> <li>- Planning and procurement of Turnkey Service Provider to execute an <b>automotive supplier park (Manufacturing)</b></li> </ul>	<ul style="list-style-type: none"> <li>- <b>High economic and socio-econ. impact</b></li> <li>- Enable existing OEM to expand operations and attract new investors;</li> <li>- Provide KZN competitive edge in automotive components production;</li> <li>- Employment and SMME opportunities.</li> </ul>



# CATALYTIC PROJECTS



## NORTH, NORTH CENTRAL REGION & CENTRAL





# CATALYTIC PROJECTS CORNUBIA



- **Deliverables:** Mixed-use mixed-income development, incorporating industrial, commercial, residential and open space uses. 1,200ha in total, 25,000 residential units
- **Status:** 30% of the planned precincts complete or underway. Housing, Business hub and town centre underway underway.
- **Estimated Value:** Overall investment value of over R25bn. Public sector: R10bn; Pvt Sector: R15bn
- **Duration:** Started 2008, with 25-30 years rollout.
- **Jobs:** Estimated to date: 20,000 (con), 3,000 (per)







## CATALYTIC PROJECTS CORNUBIA



### ■ Next 12 months

- **CIBE (Industrial)** – continuation of development role out (currently 85% developed). Targeting light manufacturing, logistics and warehousing
- **Housing** – Phase 1b – Social facilities cluster underway, which includes a Primary School, Clinic, Community Hall, sports fields, Park). Tender for civil infrastructure
- **Conubia Business Hub (Commercial) & N2 Business Estate (Business Park & Logistics)** – potential development of undeveloped land parcels
- **CTC (Mixed Use)** – THD underway with internal service reticulation
- **Phase 2A Housing** – Tender for civil infrastructure for first phase complete, negotiations with preferred tenderer underway.
- **IPTN** – ETA underway with SCM for Cornubia Boulevard, should be finalized within the next 6 months.





# CATALYTIC PROJECTS CORNUBIA



## ■ Next 24 months

- Housing – Ph1b – Retail and ECD sites to be developed
- CTC – possible private sector development of first sites (Business Park zoning)
- Umhlanga Hills – possible internal service reticulation contract to start
- Housing – Phase 2A – possible contract for top structures for first phase
- IPTN – Contract for C8 portion (Dube West) and interchange upgrade
- Marshall Dam Residential – possible development by private sector (Balwin Properties).

## ■ Next 60 months

- Umhlanga Hills – development of education facilities and affordable housing – by private sector
- Housing – Phase 2 A – the second part of this precinct to be delivered. SPLUMA to be submitted
- Housing – Phase 2 b – start of phase 2 b units. Project Manager already appointed
- Decision on development option for city owned land under the noise contour, based on the expected roll out of the C8 corridor



## CATALYTIC PROJECTS DUBE TRADE PORT



- **Deliverables:** 2840 hectare development near King Shaka International Airport, Airfreight hub comprising of Cargo Terminal, Trade, Agri and Support Zones.

- **Status:** Trade Zone 1, Dube City & Agrizone 1 complete with serviced infrastructure. Trade Zone 1 – fully subscribed.

Bulk earthworks in progress for Trade Zone 2

- **Estimated Value:** Overall investment value of over R13bn





# CATALYTIC PROJECTS NORTH REGION



AREA	BULK SERVICES REQUIRED AT A REGIONAL LEVEL				
NORTH	Roads	Electricity	Water	Sewer	
Components	IPTN C8 corridor & Eastern Arterial	New regional substation to service north	Commissioning of Northern Aquaduct	Tongaat WWTW Functional & Capacity upgrade	New uMdloti Regional WWTW
Current status	Conceptual Design	Feasibility	Underway	EWS don't have resources to undertake	TA appointed as part of PPP process
Next steps	Finalise Alignment	Finalise EIA	-	DTP to review scope	Go out on tender for DOB
Responsibility	ETA	Eskom	EWS	EWS/DTP	EWS
Budget Required	To be determined	To be determined	Secured	R6,4m for functional & R200m for capacity	PPP





# CATALYTIC PROJECTS MIDWAY CROSSING



- **Deliverables:** Shopping Centre (2ha), Go!Durban feeder facility; Go! Durban safety & security centre; Sizakala Centre; Municipal Services centre (Library and Clinic); and Newlands Express Way.
- **Status:** Overhead powerlines relocated. DWS appointed contractor to relocate water mains to clear the site. MOA signed. Developer busy with site establishment since Aug 2019, completion Apr 2021
- **Estimated Value:** Public – R0.4 billion and Private – R1.5 billion
- **Job:** 300 Construction jobs and 100 operational jobs







# CATALYTIC PROJECTS VIRGINIA AIRPORT



- **Deliverables** – Redevelop airport site (10ha development potential) to mixed use development, comprising of residential, office and retail
- **Status:** At feasibility study.
  - Draft feasibility has been accepted by CIC in July 2019
  - Submission of option report to Council in **Sept 2019**
  - Land release process to commence in **Aug 2020**, if approved
  - Bulk infrastructure to start in **June 2022**, if approved
- **Estimated Value:** R6 billion





# CATALYTIC PROJECTS POINT PRECINCT



## ❑ Additional 750m Point Promenade

- Construction complete
- Practical Completion – October 2019
- Official opening to Public – 16 November 2019
- Project Value – R385 million

## ❑ Water mains & Mahatma Gandhi public realm

- Contractors appointed in Jul 2019
- Site Establishment - 15 January 2020
- 18 months duration (Jan 2020 – Jul 2021)
- Project Value - R245 million

## ❑ Transnet contribution

- Cruise terminal construction from Nov 2019 until June 2021
- Harbour Promenade construction from July 2020 until June 2021

## ❑ Point Precinct Phase 1

- Hotel Development, Retail Mall & Residential Apartment
- Total Investment Value – R3,5bn
  - End Quarter 3: R1.3 billion residential apartment
- Development Timeframes – 5 years 2020 - 2024







# CATALYTIC PROJECTS



## WEST REGION





## CATALYTIC PROJECTS NTSHONGWENI



- **Deliverables:** 85 000 square metres of Shopping Centre, logistics and Business Park and 20 000 housing units
- **Status:** MOA with Developer signed for Phase 1 of development. MOA with Provincial DoT is awaiting signatures.  
Designs for the Kassier Road complete. WULA application will be submitted to DSW national once MOA is signed. Tender documents for the upgrades are being prepared. Mall to be completed 2021
- **Estimated Value:** Overall investment value of over R28bn







## CATALYTIC PROJECTS KEYSTONE

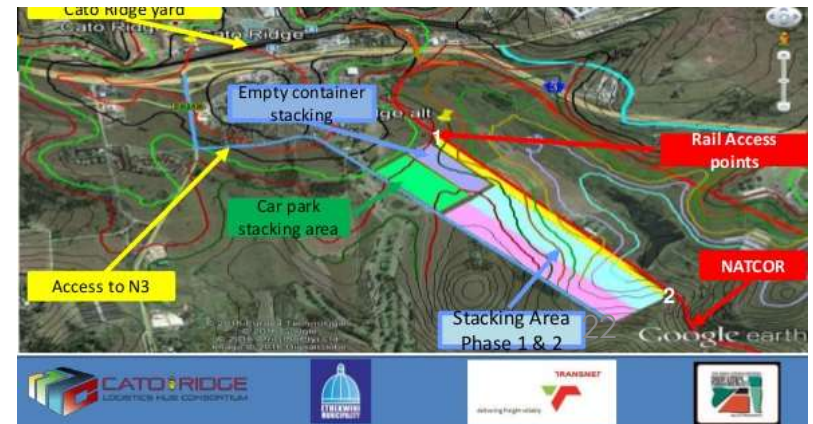


- **Deliverables:** Light Industrial Warehousing and Logistics Precinct.
- **Status:** Currently under development, with approximately 33% of the planned distribution centres already complete
- **Estimated Value:** Overall investment value of over R6.5bn, with City contributing approximately R350m
- **Duration:** The development started implementation in 2015, with an anticipated roll-out duration of approximately 25-30 years.



## CATALYTIC PROJECTS CATO RIDGE

- **Deliverables:** Container depot, Logistics & Warehousing, N3 interchange
- **Status:** Currently under development. Designs for interchange complete
- **Estimated Value:** Overall investment value of over R6.5bn
- **Duration:** Duration of approximately 25-30 years





# CATALYTIC PROJECTS CATO RIDGE



PROJECT	BULK SERVICES			
	(Note: Hammersdale WWTW will cater for the existing Hammersdale industrial area as well)			
	Roads	Electricity	Water	Sewer
Component		Eskom area of supply	Upgrade existing Reservoir	Upgrade Hammersdale WWTW, Gravity Main
Capacity Required	KwaXimba IC, CD Roads, Cato Ridge I/C	38MVA	17MI/d	13,5MI/d
Current Capacity		29MVA	14.5MI/d	0,0
(R'm)				
Total Estimated Cost	826,0	0,0	123,0	300,0
Developer Contribution	to be negotiated	to be negotiated	to be negotiated	to be negotiated
Shortfall				
Line Function Roll-Out Plans	None		Upgrade Cato Ridge Reservoir	Hammersdale WWTW, Gravity trunk sewer,
Line Function Costs	To be advised		To be advised	To be advised





# CATALYTIC PROJECTS



## SOUTH REGION





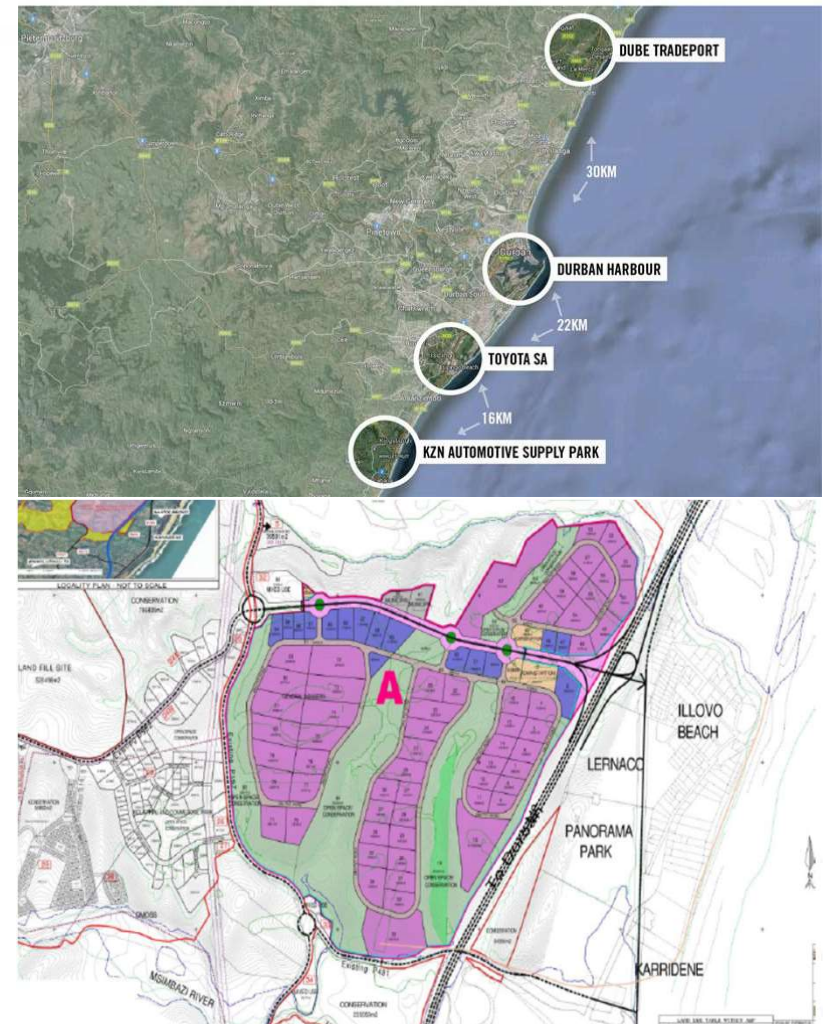


# CATALYTIC PROJECTS AUTO SUPPLIER PARK



- **Deliverables:** Centralised production, assembly, sequencing and warehousing facilities that are within close proximity to the OEM's such as Toyota and new entrants
- **Progress:**
  - Planning stage
  - SANRAL approval of proposed interchange off the N2 required
  - Bulk infrastructure will be required (water reservoir, WWTW upgrade & sewer main and electricity substation)
- **Estimated Value:** R30b
- **Duration:** Construction to start Aug 2022

KZN ASP Location





# CATALYTIC PROJECTS AUTO SUPPLIER PARK



PROJECT	BULK SERVICES			
	(Note: "Internal" Costs for Phase 1A incl. platforming and onsite wastewater treatment estimated at R255m)			
<b>AUTO SUPPLY PARK PH1A</b>	<b>Roads</b>	<b>Electricity</b>	<b>Water</b>	<b>Sewer</b>
Component				Transfer Main from Pumpstation to Kingsburgh
Capacity Required	Boulevard Road, Upgrading of P197 Temporary access	Up to 40MVA depending on Industrial Tenant Type	3ml/d	0.26ml/d
Current Capacity	none	16MVA	none	1.35ml/d at regional works
<b>PH1A Costs (R'm)</b>				
Total Estimated Cost	100,0	125	30,0	61,0
Developer Contribution	cost sharing to be agreed	cost sharing to be agreed	cost sharing to be agreed	cost sharing to be agreed
Shortfall	to be determined after cost-sharing	to be determined after cost-sharing	to be determined after cost-sharing	Transfer scheme from Kingsburgh - HP
Line Function Roll-Out Plans	none	none	none	Hutchinson Park - Amanzimtoti transfer scheme
Line Function Costs				230,0



## OPPORTUNITY AREAS FOR COLLABORATION



- ❖ Work with Investors and Developers
  - Planning to Implementation of major projects
  - Supporting professional teams in development approvals facilitation
  - Proper due diligence that meets statutory requirements
  - Honest feedback on accurate status of planning approvals
- ❖ Bulk infrastructure development and rollout
- ❖ What does “new normal” post COVID 19 mean to the sector
  - Doing more with less
  - Use of 4IR
  - Soft skills become even more critical
- ❖ Empowerment
  - Radical Socio-Economic Transformation
  - Community centred solutions
  - Project scoping and packaging to prioritise community participation
  - Training and development of communities and young professionals
    - Targeted groups
  - Preparation of communities for productive jobs/work opportunities
  - How to respond to negative impact of Business Forums





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