# **Minutes of First Public Meeting**



Date:29 October 2024Time:18:00Venue:Gene Louw Primary School Hall

#### 1. Attendance

Community members could choose to attend the meeting in person or join via a Youtube livestream link that was available on the website <u>www.sondal-cid.org</u>.

- Hard copy attendance register 114 entries
- Electronic attendance register 42 entries
- Youtube live stream attendance 275 views to date

### 2. Welcome and Introduction

The chairman of the meeting was Julian van Zyl (chairman of the proposed Sondal CID steering committee). Julian opened the meeting with a brief introduction and requested that everyone be respectful of each other. He explained that the aim of the meeting is to provide information and answer questions, not to debate.

#### 3. Presentation

The presentation, consisting of 32 slides, is available on the website <u>www.sondal-cid.org</u>. No questions were asked during the presentation.

A guest speaker from a CID management company, Gene Lohrentz, was invited to share some thoughts and experiences with CIDs in Cape Town over the past 20 years and to explain the benefits of a CID and using a CID management company.

After the presentation the chairman allowed a few minutes for people to leave the hall if they were not interested in the question and answer session.

# 4. Questions and Answers

#### 4.1 Question 1 – Ricardo Sieni

What guarantee do we have that the City of Cape Town will give us the money that we pay over to them? Do we have the power to unilaterally close the CID?

Answer: There is a finance agreement/contract between the CID and the City which means the CID can take the City to court if they do not honour the agreement. The City may not withhold funds. The City by-laws and policies protects the CID model. The City supports CIDs because the City's budget is shrinking and population is growing. There are 3 options to close the CID:

- (a) Majority of property owners (50% plus one) can submit application to City to close the CID.
- (b) The NPC motion put forward on agenda to voluntarily wind up the company (75% must vote in favour to pass the motion).
- (c) The City gets involved where there is fraud/corruption and the City closes the CID (last resort).

### 4.2 Question 2

Why is the Greenville residential estate next to the golf course not included in the CID boundaries?

Answer: Please send us an email and we will provide feedback.

#### 4.3 Question 3

Do you need 60% of total votes in favour or 60% of all properties in favour to establish the CID?

<u>Answer:</u> 60% of all property owners must vote yes to apply for the establishment of the CID.

#### 4.4 Question 4

Why does the CID want to do the City of Cape Towns job? <u>Answer:</u> The CID will not replace the City's services, but offer additional or top-up services. The CID will not duplicate what the City does, but enhance where we feel it is needed.

#### 4.5 Question 5

Why can't the contribution be a fixed fee instead of proportion of property value? People in estates have higher property value and will be paying more. If property values increase due to the value that the CID adds then the cost will increase even more. What will the CID be doing to remove problems such as vagrants? Why must the City be involved, can it not be a community project with a fixed fee?

**Answer:** The CID Policy and By-Law does not allow a funding model of a fixed fee. The CID Policy and By-Law stems from national legislation (Municipal Property Rates Act) whereby a Special Rates Area can be declared where special rates are charged, which must be linked to the property rates on the municipal account (valuation of property provides basis to calculate rates). If your valuation increases your CID rate might come down as the budget will not be increased. Response to the second part of the question

- the CID will have a LEAP officer that has powers to take legal action against people in contravention of law.

# 4.6 Question 6 – Eduard Ungerer

53% of budget goes to security. I've lived in Sonstraal for 45 years and walk in the streets daily. Many of us has spent money on our own security or live in estates (at a cost) to feel safe. How will the CID make me feel more safe? Can we get more details on the crime stats?

**Answer:** It comes back to public safety vs. private safety. We want people to be able to enjoy public spaces and go out for walks and feel safe while doing it. SAPS does not release more detailed information on crime incidents.

### 4.7 Question 7 – Rene McGregor

The additional rate will appear on your municipal account. What happens when you fall into arrears? Some people are in arrears on municipal accounts and make special arrangements w.r.t. payment of municipal account. Does the additional rate also reflect as arrears on municipal account if not paid? You also need municipal rates clearance to sell your property.

Answer: CID process can only embark if the collection ratio of the area is above 95%. We had a collection ratio of over 100%. Yes, it will form part of your municipal debt. The additional rates will be collected by the City in the same manner as other property rates imposed by the Council. Anyone that qualifies for any form of rates relief are exempt from paying the additional (CID) rate. Across all CIDs in the City the collection rate for the past months have been 100% because the owners see the value they get for paying the additional rate.

# 4.8 Question 8

How were the CID boundaries determined? Why were estates not consulted to find out if they want to be included?

<u>Answer:</u> Main roads are used for the boundaries. Not practical to cut out small sections/estates as they also use public areas. You are welcome to give us a formal comment that you don't agree with the boundary and give us your suggestion in this regard.

# 4.9 Question 9

Thank you for all the effort to put this together, I support it 100%. Ultimately it will be a benefit to everyone in the long run.

## 4.10 Question 10

I support the CID. Moved here from Kraaifontein (no break-ins). Had a break-in in the area. Will private cameras be able to be incorporated with the CID network and be monitored? <u>Answer:</u> If you have a public facing camera it can be integrated in the network, but due to legislation it must be a closed network so the owner will not have access to their camera footage if it is integrated in CID network.

## 4.11 Question 11

Public safety is not as bad as the budget is suggesting. Can the funding model be changed to a tiered system like electricity or water. Not a fair model, the rich subsidize the poor.

**Answer:** Noted and agree, but we can only do what legislation allows.

### 4.12 Question 12

CID rate is capped at 25% of your property rates. Do we have to go for the maximum or can we go for a lower portion.

**Answer:** The CID rate will not be that high. Additional explanation (not mentioned in the meeting) - The 25% capping is to protect property owners from their rates being doubled. The calculated additional rate for 2026/27 financial year for residential properties as a percentage of the 2024/25 rates rate equates to 17%. This percentage will come down as the rates rate is increased for 2025/26 and 2026/27.

#### 4.13 Question 13

Over 50% is spent on safety. It is more a deterrent than anything else. You can't stop someone from walking in your area. It is a free country.

**Answer:** Yes, it is a free country. But you can inform someone that you are watching them. It's called interruption of an opportunity for a crime to take place. You can also confiscate the shopping trolley from the bin scratcher if you have the legal mandate from the retailers – thereby you discourage bin scratchers to come into the area.

# 4.14 Question 14

If we use a CID Management Company will there be a Service Level Agreement to hold them accountable? Answer: Yes, definitely.

#### 4.15 Question 15

Why are we not putting a fence around the neighbourhood with gates like in Gauteng? No one is denied access but you go through a gate.

Answer: We cannot do that in Cape Town. You are welcome to send us an email with

examples and we can investigate what structure they use.

### 4.16 Question 16 – Richard Gerber

Richard Gerber was given the opportunity to address the meeting to highlight four concerns. He requested that the chairperson include his input in the minutes of the meeting and submitted a transcript to the chairperson for attaching to the minutes (see attached).

-----MEETING CLOSED-----

Input at the Sondal CID public meeting 29 October 2024

Thankyou Chairperson for the opportunity to make my input. Although I will present this, my input is fully endorsed by my wife Sharon who is the owner of our home in Durbanville.

Ladies and Gentleman,

This is a very professional business plan we have before us, emphasising the benefits of a Special Ratings Area (SRA) for Durbanville, but I have concerns regarding four issues.

# Firstly, the Legislative Framework

Sondal CID is an NGO established in terms of a City of Cape Town By-law regarding a Special Rating Area.

- 50% community support is required, but there is no independent voting authority to oversee this and no independent audit of this vote count.
- Money collected as Rates will be handed to the NGO, but
  - NGO not subject to the controls on expenditure of public funds, for example the PFMA, and
  - There is no elected official responsible for the NGO's expenditure (only on NGO's Steering Committee),
  - This appears to be a subversion of democracy,
  - A Recipe for a second wave of corruption, which the SRA establishes the legal framework for.
  - I'm surprised that the WC political leadership is implementing SRAs and that it hasn't been challenged as unconstitutional.
- Once established, this SRA can only be terminated by Council, which is highly improbable and in practise impossible since Council approved the SRA by-laws in the first place.

# Secondly, my experience with Bitou Municipality, which is also in the Western Cape Province

My wife and I have a holiday home in Nature's Valley, where a SRA was established last year.

- Despite expecting an increase in rates of about R300 per month for my property (as indicated in the NGO's business plan),
  - The increase from June 2023 to July 2023, excluding any consumption actually used, amounted to R766.57 (R3'713.24 R2'946.67), an increase of 26.0 percent, about five times the rate of inflation at the time.

A letter objecting to the SRA in NV that I had sent to Bitou Municipality was passed to the NGO for a response,

- with the Municipal Manager:
  - repeatedly writing in a covering letter: "Please see the response from the NVSRA",
  - Not responding to my concern that the community support vote count was highly dubious,
  - Claiming that I was one of only two ratepayers who objected to the NVSRA. This was easily shown to be false when I walked around the block and numerous people signed a petition objecting to the SRA, many expressing gratitude that someone was doing something to stop it (which I was unfortunately not doing).
  - Objections were simply swept under the carpet.

# Thirdly, Affordability

The Sondal CID marketing/business plan refers to rate rebates for pensioners but in practice this applies to persons 60 years or older earning R7 500 or less gross income a month. Pensioners aged 60 years or older earning more than R22 000 a month can receive no rebate. I doubt that any property owner in Durbanville could have an income of less than R22'000 per month, what with medical aid costs, bond costs, municipal costs and so on.

But any additional cost of R300 or R750 per month will nevertheless be significant to younger families with school going children and to pensioners. My children and grandchild all live in Switzerland so this additional local rates tax may prevent my wife and I from visiting them as often as would like to. Every rate payer in Durbanville would like to choose how they spend their extra cash, if any, and a thousand Rands a month will severely impact many families in our community.

# And lastly, Future Scenarios

While the NGO may begin with lofty goals, things change over time:

The NGO steering committee may be taken over by leaders with more dubious agendas such as self-enrichment or worse.

While this SRA may begin by targeting homeless people (reminiscent of Gypseys first being targeted in the 1930s in Germany), it could transform into:

- Suppressing other minorities,
- Controlling citizens when lockdowns are imposed by the UN WHO (remember Covid), and
- possible future emergency environmental disasters or scenarios imposed by the UN.

The legal framework and surveillance cameras will all be in place for control of citizens as described in George Orwell's book 1984. Vehicle registration identification software exists today and facial recognition software is already being envisaged for social welfare recipients. International news reports suggest that such technology is already used to oppress people in some countries.

I strongly believe that we should all resist enabling such a future. I especially request the Steering Committee of The Sondal CID to consider the bigger picture regarding the future of our community and the role you are playing.

I request the Chairperson of this meeting to include my input in the Minutes of the meeting and I submit a transcript of my input to the Chairperson for attaching to the Minutes of the meeting. A few copies of this transcript are also available to other interested parties and the Press.

Signed by:

Richard Gerber and Sharon Gerber