MOTIVATING MEMORANDUM

IN SUPPORT OF AN APPLICATION SUBMITTED IN TERMS OF SECTION 96 OF THE TOWN PLANNING AND TOWNSHIPS ORDINANCE, 1986 IN RESPECT OF PROPOSED TOWNSHIP:

LEEUFONTEIN EXTENSION 20

SITUATED ON A PART OF PORTION 55 (A PORTION OF PORTION 1) OF THE FARM PIENAARSPORTE 339 JR

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1. **INTRODUCTION**

1.1 This motivational memorandum is submitted in support of a application in terms of Section 96(1) of the Town Planning and Townships Ordinance, 1986 (Ordinance 15 of 1986) for the establishment of a mixed use township on part of Portion 55 of the farm Pienaarspoort 339 J.R. (herein-after referred to as the subject property).

1.2 The proposed township will be known as Leeuwfontein Extension 20.

*Annexure A* hereto contains a copy of the City of Tshwane cover letter dated 31 January 2013 confirming the township name and extension number.

1.3 *Infrasors Holdings Limited*, the registered owner of the subject property, originally purchased the property for mining purposes, however, the sand mining activities have ceased and the registered owner is of the intention to redevelop the subject property for mixed use purposes.

1.4 The proposed township Leeuwfontein Extension 20 will consist of the following land use mix:

- 2187 “Residential 1” Erven
- 7 “Residential 2” Erven, subject to a density of 50u/ha
- 4 “Residential 3” Erven, subject to a density of 80u/ha
- 3 “Business 1” Erven, subject to a FSR of 0.6
- 6 “Institutional” Erven
- 6 “Educational” Erven
- 2 “Special” Erf, subject to a FSR of 0.6
- 31 “Private Open Space” Erven
- 21 “Proposed Streets” Erven

1.5 The afore-mentioned proposed land use mix implies a total of 4 364 residential units with associated community facilities and a Business/Special GLA of approximately 62 040m².

1.6 It is the purpose of this memorandum to provide the relevant details of the subject property and to motivate the proposed mixed use township establishment in the context of the Town Planning And Townships Ordinance, 1986 (Ordinance 15 of 1986) such that the City of Tshwane Metropolitan Municipality may be placed in a position to take an informed decision on the matter.

2. **HISTORICAL INFORMATION**

2.1 **Process undertaken thus far**

2.1.1 It should be noted that a consultative process between our office and the, then relevant, local authority already started in January 2011.

2.1.2 The proposed township establishment was conveyed to, Mr. Amos Matjiya, the then Acting Director of Planning and Local Economic Development of the Nokeng Tsa Taemane Local Municipality.

2.1.3 Our office confirmed at that point in time to Mr. Matjiya that the subject property falls outside the approved Urban Edge but that the intension was to consult with Council in this regard.
2.1.4 Coincidentally it should be noted that the Nokeng Tsa Taemane Local Municipality had a policy where satellite urban edges were supported.

2.1.5 During this time the amalgamation of the City of Tshwane Metropolitan Municipality, Nokeng Tsa Taemane Local Municipality as well as Kungwini Local Municipality into one local authority was initiated and Mr. Matjija recommended that our office resume the process once the merger was successfully completed.

2.1.6 Herewith confirmation that our office was involved in the 2012 City of Tshwane Metropolitan Municipality process in terms of the (then draft) Spatial Development Framework 2012: Region 5 as well as the (then draft) Tshwane Metropolitan Spatial Development Framework.

2.1.7 The involvement in terms of the above Frameworks was to apply for the realignment of the urban development boundary (and to ultimately be in a position where a township establishment application can be submitted for consideration).

2.1.8 Supporting documentation as well as consultative meetings was held with Council, however, the City of Tshwane Metropolitan Municipality felt at the time that the urban edge cannot be realigned in order to include the subject property since it would not be in-line with the City’s compaction and densification strategies. Sensitive area must remain protected as per C-plan.

2.1.9 Subsequently our office submitted a formal appeal at the offices of the Gauteng Department of Local Government and Housing in order to review the possible realignment of the urban development boundary (as well as the SDF: Region 5 and MSDF).

2.1.10 The Gauteng Department of Local Government and Housing confirmed that the matter should be referred to the Gauteng Department of Economic Development (as custodian of the Provincial Spatial Development Framework (GSDF) which includes inter alia the Gauteng Urban Edge).

2.1.11 As part of the township establishment process the proposed township application for Leeuwfontein Extension 20 will be circulated for comments to relevant external departments including the Gauteng Department of Economic Development.

2.1.12 Our office intends to enter into a consultative process with the Gauteng Department of Economic Development as well as with the City of Tshwane Metropolitan Municipality once the application has been circulated for comments.

2.1.13 We are of the opinion that based on the fact that a township establishment application is a lengthy process the urban boundary issue can be amicably resolved prior to the approval of the township without prejudice to either the City of Tshwane Metropolitan Municipality or the Gauteng Department of Economic Development.

2.1.14 It is noted that there are still numerous other properties which currently falls within the Urban Edge(s) which have not been developed to date. However, not all of these properties will be developed by the registered owners and as such our client can not be restricted from doing so if it has been demonstrated that bulk services can be provided to the subject property (albeit at a cost to the developer since most of the services are quite a considerable distance away).

2.1.15 The inclusion of the subject property into the amalgamated City of Tshwane Urban Edge (and inter alia approval of the township establishment application currently under consideration) will ensure that the City of Tshwane Metropolitan Municipality be paid bulk
services contributions as well as monthly rates and taxes, which monies can be utilized for other development projects and/or initiatives in its jurisdiction.

2.1.16 The applicant will demonstrated that the subject property is:
- located within the Bavianaspoort WWTP drainage basin;
- Can be serviced;
- Ads value.

2.1 **InfraSors Holdings Limited**

2.2.1 It should be noted that *InfraSors Holdings Limited*, is a JSE listed company which have to optimize the assets under its control in order to satisfy shareholders/investors.

2.2.2 The *InfraSors Holdings Limited* prospectus confirms that "*InfraSors is a South African mining resources company maintaining a well balanced portfolio of mining assets that offer sustainable growth through the exploitation of minerals via its mining and beneficiation operations*".

2.2.3 *InfraSors Holdings Limited* has turned in a solid performance for the year ended February 2012 – despite the weak economy and the flagging construction sector with a 14.7% increase in turnover to R279m for the year ended February 2012.

2.2.4 It therefore stands to reason that *InfraSors Holdings Limited* would be better positioned to develop the subject property and we are of the opinion that the Development Framework compiled for the proposed phases forms a more holistic approach to development (and is more desirable than ad hock development by registered owners of smaller farm portions in the area).

2.2.5 Cognisance should be taken that the proposal contained in this motivational memorandum does not constitute a speculative development which will be sold subsequent to approval.

3. **GENERAL INFORMATION**

3.1 **Locality and Access**

3.1.1 The subject property is situated North of the R104, South of the R513 and East of Mamelodi Extensions 18 and 22 in the jurisdiction of the new amalgamated City of Tshwane Metropolitan Municipality.

3.1.2 Cognisance should be taken that the subject property is located within the Bavianaspoort WWTP drainage basin – an important fact which will come into computation when the provision of civil bulk services are discussed.

3.1.3 The subject property is located approximately 1.25 km east of Mamelodi Extension 22 in very close proximity to the Edendal Spruit. The Magaliesburg Ridge flanks the subject property on the Western boundary.

3.1.4 The Pretoria-Nelspruit railway line is located directly to the South of the subject property and the closest station “Pienaarspoort” is located approximately 3km to the west of the subject property.

3.1.5 The gravel service road (Future K16) is located on the southern boundary of Portion 55 (a Portion of Portion 1) of the farm Pienaarspoort 339JR.
Annexure B hereto contains a copy of the Locality Plan. The locality plan also indicates the adjacent properties which could potentially be included as latter phases of the development proposal (refer to Section 6 of this memorandum).

3.2 Existing Zoning

3.2.1 In terms of current zoning and the definitions contained in the Peri Urban Areas Town Planning Scheme, 1975 the subject property may only be used for Dwelling houses and Agricultural buildings.

Annexure C hereto contains a copy of the relevant zoning information relevant in terms of the subject property, which confirms the current zoning as “Undetermined”.

3.3 Existing Land Use

3.3.1 Portion 55 (a Portion of Portion 1) of the farm Pienaarspoort 339JR is currently vacant although it was previously part of sand mining activities.

3.3.2 The affected areas will be rehabilitated by means of reinstating the overburden back into the worked out areas.

Annexure D hereto contains a copy of the Aerial Photo confirming the existing land use(s) prevalent in the immediate vicinity.

3.3.3 The surrounding land uses include a mixture of vacant properties, agricultural residential as well as residential townships (Pienaarspoort Extensions 1 - 5, Mamelodi Extension 18 and Mamelodi Extension 22).

3.4 Property Description, Ownership and Size

3.4.1 The following table provides a clear illustration of the ownership, size and property description of the subject property:

<table>
<thead>
<tr>
<th>Property Description</th>
<th>Title deed number</th>
<th>Ownership</th>
<th>Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portion 55 (a Portion of Portion 1) of the Farm Pienaarspoort 339 JR</td>
<td>T72860/1996</td>
<td>Pienaarspoort Ontwikkelings Proprietary Limited*</td>
<td>641.3740ha</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td><strong>641.3740ha</strong></td>
</tr>
</tbody>
</table>

Annexure E hereto contains a copy of the Deed of Transfer T72860/1996 applicable in terms of Portion 55 (a Portion of Portion 1) of the Farm Pienaarspoort 339 JR.

Annexure F hereto contains a copy of the signed Power of Attorney and Company Resolution documentation.

*Infrasors Holdings Limited* is a JSE Listed company and has full ownership of Pienaarspoort Ontwikkelings (Pty) Ltd.

3.5 Conditions of Title and Registered Servitudes

3.5.1 All of the Conditions of Title (bar Condition F which relevance needs to be further investigated) will remain and all the proposed township erven affected thereby shall be made subject to the relevant condition(s).
Annexure G hereto contains a copy of the conveyancing certificate compiled by Mr Zacharias Andreas Schickerling.

Annexure H hereto contains a copy of the surveyor certificate compiled by Messrs Jack Williams.

3.6 Mineral Rights

3.6.1 In terms of the provisions of the Mineral and Petroleum Resources Development Act, (Act 28 of 2002), unused old order rights have lapsed on the 30th April 2005, if no formal application was made for a valid prospecting and/or mining rights.

3.6.2 It is hereby confirmed that Pienaarspoort Ontwikkelings Proprietary Limited applied for the mineral rights prior to the deadline and as such the mineral rights vests with the holding company.

Annexure I hereto contains a copy of the Mining Rights issued to Pienaarspoort Ontwikkelings Proprietary Limited over a portion of Portion 55 of the farm Pienaarspoort 339 J.R. on 15 April 2010.

3.6.3 Cognisance should be taken that the application will be duly circulated to the Department of Mineral Resources for comments.

4. PHYSICAL FEATURES

4.1 Gradient

4.1.1 It is hereby confirmed that the subject property fall within the Baviaanspoort WWTP drainage basin.

4.1.2 The bottom section of Portion 55 the Farm Pienaarspoort 339 JR slopes and drains towards the South West whilst the top half of the property slopes and drain predominantly towards the South East with the highest lying point of the property at the 1 525m contour line and the lowest point at the 1 335m contour line (above sea level).

4.1.3 Surface drainage takes place towards the poort and stormwater will be managed on the site in accordance with a Site Development Plan to be submitted to the City of Tshwane Metropolitan Municipality for consideration (if the subject property is included into the Urban Edge and inter alia the township application currently under consideration approved).

5. DESKTOP STUDIES

5.1 The following desktop studies were conducted in order to establish the feasibility of establishing a mixed use township on the subject property (if the inclusion of the site into the amalgamated City of Tshwane Urban Edge is successful).

5.2 The desktop studies also quantify the impact on infrastructure as well as the location of the nearest Municipal services, if applicable.
5.3 Environmental Assessment

5.3.1 An Environmental Sensitivity Analysis was compiled by Messrs Delron Environmental Assessment Practitioners.

5.3.2 Herewith a summary of the sensitivity analysis findings:

Vegetation
- With a total of 311 plant species recorded (293 indigenous and 19 exotic), in five different vegetation units, very high plant species diversity was recorded.
- Neither plant species which are described as red data species nor species that are included in the red and orange plant list nor any protected species were encountered in the study area during the time of the study.
- The drainage line or ravine running from West to East through the centre of the subject property and the stream and wetland associated with it, does raise some concern. Other than the concerns surrounding the mentioned ravine there are no major reasons on a floristic level why the proposed development cannot take place.
- Physical disturbance to the mountain vegetation units should not be allowed since these areas are in pristine condition.

Mammals
- Four small mammal species were captured on site using Perspex traps.
- Tracks and signs of five small mammal species seen on site were also recorded and added to the species list.
- Additional mammals and bat species from the desktop that could possibly occur in the area were also added to the species list.
- No red data species were recorded for the small mammals.
- The following three small mammal species with red data status could occur in the area (Least Dwarf Shrew, Lesser Dwarf Shrew and the Southern African Hedgehog).

GDARD: Conservation Plan (C-Plan 3)

Watercourses
- In terms of the Gauteng Department of Agriculture and Rural Development (GDARD) requirements for Biodiversity Assessments, rivers and streams are considered sensitive environments.
- Accordingly it is a requirement that the 1:100 year and 1:50 year flood lines are delineated and that a 100m buffer zone from the edge of the riparian zone for rivers/streems outside the urban edge and a 32m buffer zone from the edge of the riparian zone for rivers/streems within the urban edge should be delineated.

Important and/or Irreplaceable Biodiversity Areas
- The GDARD C-Plan 3 shows the north-eastern portion of the site as an important area and the eastern portion as an ecological support area.
- The mapping is however at a broad scale and subject to ground truthing.

Ridges
- In terms of the development guidelines for Ridges, the following is applicable regarding the development of “Class 2 Ridge”, namely:
  - The consolidation of properties on “Class 2” ridges is supported.
  - The subdivision of property on “Class 2” ridges will not be permitted.
  - Development activities and uses that have a high environmental impact on a Class 2 ridge will not be permitted.
  - Low impact development activities, such as tourism facilities, which comprise of an ecological footprint of 5% or less of the property may be permitted. (The ecological
footprint includes all area directly impacted on by a development activity, including all paved surfaces, landscaping, property access and service provision).

- Low impact development activities on a ridge will not be supported where it is feasible to undertake the development on a portion of the property abutting the ridge.
  - Furthermore, in terms of the above-mentioned guidelines, where the interface between the lower slopes and adjacent land is deemed important for certain species (e.g. low density herbivores recorded on site and important/rare invertebrates), a buffer zone of 200m must be mapped and designated as sensitive.
  - In light of the above, the proposed Development Framework Plan meets the requirements pertaining to GDARD’s Development Guidelines for Ridges. However, when considering the buffer zones developed for the riparian areas, the buffer zone must be measured from the edge of the watercourse and not the centerline.
  - It should also be noted that the exact extent of the riparian areas and associated buffer zones on the subject property will be subject to detailed on-site investigations and delineations at a later stage.

**Conclusion**

- The proposed township Leeuwfontein Ext 20 will require environmental authorization in terms of Section 24 of the NEMA due to the possible activation of certain listed activities.
- There are no ecological fatal flaws that militate against advancing to the next phase of the environmental assessment process, which is Scoping/EIA Report.
- The applicant should conduct a legal validation to identify all the water use activities associated with this project that will require authorization by the Department of Water Affairs.

**Annexure J** hereto contains a copy of the Environmental Sensitivity Analysis compiled by Messrs Delron Environmental Assessment Practitioners.

5.3.3 A comprehensive Rehabilitation and Compaction study will be compiled prior to any development of the subject property. The finding of the afore-mentioned study will be lodged for consideration and comments at the Department of Mineral Resources.

5.4 **Geological Assessment**

5.4.1 A geotechnical evaluation was compiled by Messrs Africa Exposed Consulting Engineering Geologists in order to determine the stability of the subterranean strata.

5.4.2 Herewith a summary of the desktop study findings:

  - The property is located on the Magaliesburg ridge and along the northern slopes of the mountain range.
  - The geological evaluation of the site is based on literature.
  - From the available literature the site is underlain by quartzite and shale belonging to the Magaliesberg and Rayton formation of the Pretoria Group, Transvaal Sequence.
  - A large portion on the eastern side of the property is underlain by a considerable thickness of transported colluvial soils derived from the Magaliesburg ridge.
  - A significant normal fault is identified along the southern boundary of Portion 55, with the downthrow side situated to the south. The presence of the fault is identified by a displacement in the Magaliesburg and the presence of the gap where the railway line and road pass through the ridge.
  - Steep gradients in excess of 18° will render an area long the southern and western side of Portion 55 unsuitable for development.
  - Almost the entire eastern parts of Portion 55 are suitable for development, however, some geotechnical constraints, such as compressible and/or expansive soils may be encountered.
The western parts of Portion 55 appear to be suitable for development.
Detailed and intensive Geotechnical Investigations needs to be conducted prior to any development of the study area in order to determine exact areas suitable for development.


5.5 Civil Services Assessment

5.5.1 Messrs Hlangani Consulting Engineers compiled a bulk services desktop study in order to assess the current situation in terms of a civil services perspective.

5.5.2 The desktop study took due cognizance of other approved townships in close proximity like Pienaarspoort Extension 1-5, Mamelodi Extension 18 and Mamelodi Extension 22.

5.5.3 It is hereby confirmed that the service agreements have been concluded for Pienaarspoort Extensions 1-5 and the infrastructure upgrades related to this will bring some of the engineering services closer than previously thought.

5.5.4 Herewith a summary of the desktop study findings:

Bulk Water
- No existing bulk water infrastructure is available on the proposed site.
- The Pienaarspoort developments will fall within the Mamelodi R6 reservoir zone.
- A Rand Water connection (RW3752) is, however, located approximately 5km from the site (this connection and/or other connections must be confirmed).
- In lieu of the information available at the moment Bulk Water supply is therefore available with the installation of a 5km supply main of estimated 400mm diameter as well as a 5Ml gravitation reservoir.
- Cost implication of approximately R10 million.
- The bulk water service provider will be the City of Tshwane and service agreements will be established subsequent to the approval of the township establishment application.

Sewer
- No existing bulk sewer infrastructure is available on the proposed site.
- The site is located in the Baviaanspoort WWTP drainage basin.
- The master plan state that the Baviaanspoort WWTP capacity is 58Ml/day and that the capacity will be increased to 302Ml/day in 4 phases.
- A gravity link to the Baviaanspoort WWTP area is feasible.
- The developer to install a gravity link sewer main to the eastern outfall sewer for a length of approximately 5km, 500mm dia. at a cost implication of approximately R15 million.
- The developer may have to implement (finance) upgrade of other effected bulk sewers in accordance with the service agreement (subsequent to the approval of the township establishment application).
- The sewer size may have to be increased to cater for future possible development within its drainage basin.

Access Road
- Access to the township is shown from the future planned K16 route which currently comprises a gravel road from Mamelodi. The access road should be upgraded to a tar level of service for approximately 3km at an estimated cost of R15 million.
- The two accesses into the proposed township also require bridge structures over the river designed for the 1:100 year storm return period.
The width of the flood lines is relatively wide which subsequently will have an effect on the bridge length.

The crossing positions must be optimized.

Extensive geotechnical founding investigations are required for the bridge design.

The cost of a bridge structure is approximately R25 000/m².

5.5.4 With the information at hand it is the opinion that bulk services could be provided to the site boundary at a reasonable capital cost.

5.5.5 It is estimated that approximately R42 million capital expenditure will be required to bring the bulk wet services to the proposed township border.

5.5.6 A further R15 million, excluding the bridge cost, will be required to provide tar access roads to the proposed development.

Annexure L hereto contains a copy of the Civil Services Desktop Study compiled by Messrs Hlangani Consulting Engineers.

5.6 Electrical Services Assessment

5.6.1 Messrs Eksteen & Le Roux Consulting Engineers compiled a desktop study in order to quantify the current situation in terms of electrical services to the subject property.

5.6.2 Herewith a summary of the desktop study findings:

Bulk Supply
- Tshwane Electricity have recently completed the construction of the first phase of the new Heatherley Substation.
- Heatherley substation has limited capacity (supplied with Medium Voltage from Tshwane’s 132/11kV Mamelodi 3 Substation.
- The development will require 17MVA for the proposed Phase One, 15MVA for the proposed Phase Two and 8MVA for the proposed Phase Three.

Future Supply
- Tshwane Electricity is planning a new 132kV bulk intake point from Eskom at Donkerhoe (planned Wildebeest Substation) to the South-East of this township.
- The afore-mentioned intake point will provide the primary supply to Heatherley Substation and created the bulk capacity required for the area.
- Planning indicated that the project will be completed by 2014 but it may only be completed in 2015/2016.

Link Supply
- Once the bulk supply becomes available the developer will be responsible for the installation of the necessary link services.
- This will consist of 11kV underground cables.
- The link and internal services will be taken over by Tshwane Electricity and will have to comply with their standards and specifications.

External Services Contributions
- The external engineering contributions will be calculated at the applicable rates when the township is approved.
- A maximum of 4000m of the link cables will be deductible from the bulk contributions.

Annexure M hereto contains a copy of the Electrical Services Desktop Study compiled by Messrs Eksteen & Le Roux Consulting Engineers.
5.7  **Traffic Assessment**

5.7.1 Messrs Mariteng Consulting Engineers compiled a traffic desktop study which concludes the following:

- The study area is affected by the alignment of the future provincial road K16.
- Based on the basic road design, provision should be made for a 62m road reserve which should be excluded from any future township planning.
- A 95m building line is imposed along this section of road (from centre line of the road reserve) which can be reduced to 16m (distance measured from the road reserve boundary).
- The final position as well as number of access points will have to be approved by Gautrans subject to final road design and potential geometric constraints.
- The local authority may require the section of the road linking the site with Mamelodi to be surfaced.

- As part of the initial calculation of the said road construction cost the following assumptions were made:
  - The section of road to be constructed measures approximately 5.0km
  - The surface road width measures 8.6km (two 3.7km lanes with 0.6m surface shoulders. The remaining 2.4m shoulder width to remain unsurfaced).
  - R750/m² for road construction subject to detailed design. The cost does not include any mayor bridge/culvert requirements.

- Based on the above the preliminary bulk road cost is estimated at R 32 250 000.00

- The potential cost for the bridge was also calculated based on the following assumptions:
  - Typical bridge length of 20m – crossing single tract rail line.
  - Surface road width measures 12m (two 3.7m lanes with 0.6m surface shoulders, plus 2.5m pedestrian walkway).
  - R20 000/m² construction cost subject to detailed design.

- Based on the above the preliminary bridge cost is estimated at R 4 800 000.00

**Summary**

- Access can be provided along the existing gravel road, which follows the alignment of the provincial road K16 subject to compliance with Gautrans design standards.
- The road reserve for the K16 should be excluded from the approval of the township application.
- The local authority may request the developer to surface the link road.

*Annexure N* hereto contains a copy of the Traffic Desktop Study compiled by Messrs Mariteng Consulting Engineers.

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6. **DEVELOPMENT PROPOSAL**

6.1  **Summary of Proposed Phase One (Township Leeuwfontein Extension 20)**

6.1.1 The intention is to develop Part of Portion 55 of the farm Pienaarspoort 339 J.R. as the first phase which will thereafter form the backbone of the subsequent phases of the development proposal to link onto.

6.1.2 Phase one (i.e. Leeuwfontein Extension 20) will be predominantly residential in nature (with ancillary community based facilities) and seek to provide a combination of RDP, Bonded, Credit Linked housing typologies to the market.
6.1.3 The above-mentioned will allow for different ownership options, etc.

6.1.4 The following table indicates the Land Uses, Nett areas, Percentage of study area and the Percentage of the development area:

<table>
<thead>
<tr>
<th>PROPOSED LAND USES</th>
<th>NETT AREA</th>
<th>STUDY AREA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential 1 (total of 2187 dwelling houses)</td>
<td>61,14ha</td>
<td>21,38 %</td>
</tr>
<tr>
<td>Residential 2 @ 50u/ha (total of 1168 units)</td>
<td>23,37ha</td>
<td>8,17 %</td>
</tr>
<tr>
<td>Residential 3 @ 80u/ha (total of 1009 units)</td>
<td>12,62ha</td>
<td>4,41 %</td>
</tr>
<tr>
<td>Business 1 @ FSR 0.6 (implying a developable bulk of 22 440m²)</td>
<td>3,74ha</td>
<td>1,31 %</td>
</tr>
<tr>
<td>Institutional (Church)</td>
<td>1,52ha</td>
<td>0,53 %</td>
</tr>
<tr>
<td>Educational (Schools and Crèches)</td>
<td>13,01ha</td>
<td>4,55 %</td>
</tr>
<tr>
<td>Special @ FSR 0.6 (implying a developable bulk of 39 600m²)</td>
<td>6,60ha</td>
<td>2,31 %</td>
</tr>
<tr>
<td>Private Open Space</td>
<td>124,14ha</td>
<td>43,41 %</td>
</tr>
<tr>
<td>Proposed Streets</td>
<td>39,85ha</td>
<td>13,93 %</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>285,99ha</strong></td>
<td><strong>100 %</strong></td>
</tr>
</tbody>
</table>

6.1.5 Cognisance should be taken that the proposed township includes community facilities currently lacking in the greater area.

6.1.6 The larger phase one might also be phased into smaller components subsequent to approval as a result of availability of service, etc.

6.1.7 The design rationale in terms of the proposed Leeuwfontein Extension 20 was driven in part by the exclusion of sensitive areas as well as providing a variety of residential options.

6.1.8 The “Special” erf (for the purposes of Light Industry) will provide employment opportunities (over and above the Business 1 zoned properties) and entails that Leeuwfontein Ext 20 will be able to function as a cohesive integrated development.

6.1.9 In this regard it is confirmed that land use rights will be allocated to the proposed individual erven by way of township establishment in terms of the provisions Section 96 of the Town Planning and Townships Ordinance, 1986 (Ordinance 15 of 1986).

6.1.10 The afore-mentioned land use rights will be incorporated into the Tshwane Town Planning Scheme, 2008 in terms of the provisions of Section 125 of the Town Planning and Townships Ordinance, 1986 (Ordinance 15 of 1986).

**Annexure O** hereto contains a copy of the concept township layout plan CPD 9/1/1/1 LFTX20/1.
6.2 **Summary of Proposed Phase Two**

6.2.1 The proposed second phase of the development will consist primarily of an Industrial / Commercial Park to be located on Re/10 of the farm Pienaarspoort 339 J.R. (also coincidentally owned by Infrasors Holdings Limited).

6.2.2 The driving force behind phase two is the creation of sustainable employment opportunities in close proximity to the regional residential component (i.e. Mamelodi).

6.2.3 The following table indicates the Land Uses, Nett areas, Development Potential and Percentage of Proposed Phase Two:

<table>
<thead>
<tr>
<th>PROPOSED LAND USES</th>
<th>NETT AREA</th>
<th>STUDY AREA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industrial/Commercial Park @ FSR 0.6 (implying a development potential of 328 800m²)</td>
<td>+54.8ha</td>
<td>40 %</td>
</tr>
<tr>
<td>Private Open Space /Landscaping</td>
<td>+82.2ha</td>
<td>60 %</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>+137ha</td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

6.3 **Summary of Proposed Phase Three**

6.3.1 The third phase of the proposed development will consist of additional residential units to complement the Industrial and Commercial Park.

6.3.2 The following table indicates the possible Land Uses, Nett areas, Development Potential and Percentage of Proposed Phase Three:

<table>
<thead>
<tr>
<th>PROPOSED LAND USES</th>
<th>NETT AREA</th>
<th>STUDY AREA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medium Density @ 30 u/ha (implying 2 280 units)</td>
<td>+76ha</td>
<td>32,47 %</td>
</tr>
<tr>
<td>Roads and other development areas</td>
<td>+26,06ha</td>
<td>35 %</td>
</tr>
<tr>
<td>Private Open Space /Landscaping</td>
<td>+131,94ha</td>
<td>32,53 %</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>+234ha</td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Annexure P hereto contains a copy of the proposed phasing plan.

Annexure Q hereto contains a copy of the concept Development Framework illustrating the interconnectivity of proposed Phase One, Two and Three.

7. **DEVELOPMENT POLICIES**

7.1 **City of Tshwane Metropolitan Spatial Development Framework (MSDF) and Regional Spatial Development Framework 2012: Region 5 (RSDF)**

It is hereby reiterated that the subject property falls outside the current City of Tshwane Urban Edge.
Brownfield and Leapfrog Compliance
Section 2.3.1 on page 14 of the RSDF Region 5 proposes that brownfield developments should be encouraged and that leapfrog development would be opposed.

The Tshwane Metropolitan Spatial Development Framework 2012 confirms on page 3 the definition of a Brownfield Site as follows: *Previously developed land and any associated fixed surface infrastructure. It often constitutes abandoned or under-utilised sites within the built-up urban area, (such as hazardous industry, manufacturing, utilities, etc...) and available for redevelopment.*

When the locality and the current land use of the subject properties are taken into account we conform to the above stipulations.

We are of the opinion that even though the Magaliesburg Ridge separates Mamelodi and the subject property it should not be regarded as leapfrog development, especially if one takes the contents of the engineering studies (refer to motivational memorandum Annexures L and M) into account.

Cognisance should be taken that the subject property is also flanked by thee Urban Edge areas (i.e. City of Tshwane Urban Edge, Roodeplaat Urban Edge and the Pienaarspoort Urban Edge).

It is hereby confirmed that the ridge will be excluded from the developable footprint and therefore conforms to the COT policies of protecting the ridges and outcrops in Region 5.

Engineering Services
The MSDF confirms on page 24 under Section 1.1.5 that significant service backlogs exist in this area.

Section 3.7.2 on page 39 RSDF Region 5 concurs that access to municipal services is relatively high in the urban areas but should be extended to the rural areas to unlock potential where sensible development in line with the requirements of residents can be undertaken.

Cognisance should be taken that the subject property fall within the Baviaanspoort WWTP drainage basin and that the provision of civil services would therefore not pose a problem.

The proposed development will extend Municipal services to areas of Mamelodi/Pienaarspoort which is currently either subserviced or totally lacking in services.

Public Rail Transport
Section 2.4.2 on page 19 of the RSDF Region 5 deals with the efficient Metropolitan Movement System in Tshwane and confirms that the existing rail system has great potential of becoming the basis of public transport throughout Tshwane and should therefore form the primary movement system, especially over the longer distances. This system however has current challenges that must be resolved.

Section 4.5.3 on page 76 of the MSDF concurs that too much time-consuming and expensive commuting is necessitated, which aggravates poverty (and inequity) in society.

Herewith confirmation that the Passenger Rail Agency of South Africa (Prasa) has recently invested R373-million in the doubling of the 4.5 km railway line between Eerste Fabrieke and Greenvue, the complete upgrading of the Mamelodi Gardens and Pienaarspoort stations and a new station at Greenvue.
Section 5.2 on page 128 of the MSDF confirms that one of the goals is to reduce the economic impact of travel on communities that are far removed from work opportunities relative to residential location. The Mobility Gap between different populations can have substantial impacts on opportunities available to individuals.

The Pienaarspoort station is located approximately 3km due west of the subject properties. Furthermore the subject property is located on the periphery of the Modal Transfer Station 5km catchment area of the Mahube Valley Station (refer to page 22 of the RSDF Region 5).

As a point of interest it should be noted that the Movement and Connectivity Map on page 24 of the RSDF Region 5 illustrate the distinct lack of emerging nodes within the eastern quadrant of the amalgamated City of Tshwane Metropolitan Municipality.

It is also prominent that no Restructuring Zones exists in either Region 5 of Region 7.

We are of the opinion that the proposed development could be the catalyst needed for economic development in the region.

Municipal Objectives
The development proposal contained in our attached motivational memorandum is of a mixed use nature (and to a larger scale than most) and ties in with the strategic objectives of the MSDF.

The afore-mentioned strategic objectives confirmed on page 25 of the MSDF are as follows:

1. Provide basic services, roads and stormwater;
2. Economic Growth and Development and Job Creation;
3. Sustainable communities with clean, healthy and safe environment and integrated social services;
4. Foster Participatory Democracy and Batho Pele;
5. Promote Sound Governance;
6. Ensure financial sustainability;

Section 2.5.3.4 on page 28 of the RSDF Region 5 confirms that the Tshwane Rural Component aims to promote:

- An effective response to rural poverty;
- Ensure food security by maximizing the use and management of natural and other resources;
- Create vibrant, equitable and sustainable rural communities;
- To contribute towards the redistribution and sustainable use of all potential agricultural land;
- Rural economies will be supported by agriculture, and where possible by mining, tourism and agro processing;
- To create employment and business opportunities for the existing rural population;
- Aims to prevent natural disasters like erosion and pollution and other detrimental effects on natural resources;
- Formalize residential settlements according to the Rural Component Framework;
- Accessibility to community facilities, work opportunities and housing for all;
- Maintenance of acceptable standard for roads and other modals;
- Public transport should be provided as a service for the more densely rural areas;
Identification of multipurpose community centers to provide for business, medical, educational, recreational, social and other needs at the most optimum and accessible locations;

Adequate and respectable services must be addressed to improve living conditions;

The matter of ownership and tenants rights must receive attention especially in areas where tribal land ownership exists.

It is confirmed that the development proposal contained in our motivational memorandum addresses many of the objectives highlighted in the RSDF Region 5 as well as the MSDF.

Residential Locality Versus Employment Opportunities

A site inspection was held by this office in February 2013 and it was found that illegal land encroachment was already occurring into the poort separating the subject property and Mamelodi proper as result of expansion pressure from Mamelodi. The aforementioned encroachment in our opinion exemplifies the need for residential expansion to the east of Mamelodi.

Section 3.6.4 on page 37 of the RSDF Region 5 confirms that approximately 6 532 houses are required to address the housing backlogs within Region 5 (Metsweding IDP 2009/2010).

If developed in its current state our development proposal can contribute in alleviating the afore-mentioned backlog since it will result in the construction of approximately 6 700 residential units (consisting of a mixture of RDP, Bonded as well as Credit linked units).

We are furthermore of the opinion that because the development is of a mixed use nature (residential including community facilities as well as employment opportunities at the industrial/commercial park) the proposal is sustainable and will ad value to the greater precinct.

Section 4.5.3 on page 76 of the MSDF reiterates the importance of sustainable growth and confirms that the NDP targets for 2030 are as follows:

- More people living closer to their places of work;
- Better quality public transport;
- More jobs in or close to dense, urban townships.

The development proposal will ensure that residents of the Pienaarspoort and Mamelodi precinct have access and opportunity for employment close to their place of residence. The afore-mentioned is especially relevant if the recent commercial expansion adjacent to the N4 is taken into account.

Page 40 of the RSDF Region 5 concurs that in relation to economic matters, it is proposed in the GSDF: 2010 that declining economic industries must be assisted and that residential development must be managed and contained.

Section 4.6 on page 47 of the RSDF confirms that Residential development within Region 5 should be guided by the principles contained in the Tshwane Compaction and Densification Strategy. The core principles of this strategy are as follows:

- Densification must contribute to the overall structure and functionality of the metropolitan area in that it takes place in a balanced, focussed, structured and meaningful way;
o Appropriate higher density housing opportunities at appropriate locations must be provided for all income groups to promote the aims of social integration;

o **Specific areas of opportunity or need for restructuring should be identified (areas that should not be densified for specific reasons should also be identified);**

o Areas targeted for densification should be treated as whole environments, i.e. densification should not happen in isolation but as part of a larger program aimed at creating a suitable high density environment;

o **Areas targeted for densification should be well served by public transport, or have the potential to be well served by public transport in future;**

o **Areas targeted for densification should be well served by social facilities such as education, open space, recreation etc. or should have the potential to be well served by social facilities;**

o **Preserve and enhance open space, farmland, natural beauty and critical environmental areas;**

o Encourage community and stakeholder collaboration;

o **Retain, enhance and encourage cultural assets increasing accessibility to public transport facilities.**

With reference to Annexure N of our motivational memorandum it is confirmed that the proposed development will enjoy a high level of accessibility via the transport hierarchy of rail, busses and taxis.

**Economic Stimulation**

The development of the subject properties will readdress some of the current imbalances which are currently prevalent in Region 5.

It needs to be reiterated at this point that the development proposal is substantial - encompassing a total of 653 hectares (for all three phases) and that the developer has considerable financial backing and therefore should not be viewed in the same light as other smaller developers with development proposals which may be more ad hoc and reactive in nature.

Section 4.3.1 on Page 43 of the RSDF Region 5 confirms that there are other small sand mining businesses that operate in the area which contribute in their own way to the economy of Region 5.

**Urban Edge and Future Urban Areas**

On page 58 of the MSDF the urban edge is defined as the primary growth management tool used to counter urban sprawl and unplanned expansion, encourage densification and protect natural resources within the city, however, it is conceded however that amendments or deviations to the urban edge will be at the discretion of the Municipality, subject to the merits of the specific application.

Page 28 of the RSDF Region 5 states that there are examples of developments that were approved and developed inconsistent with the Urban Edge and these developments and areas need to be evaluated against the backdrop of sound town planning principles and the smart growth concept.

There are furthermore areas within the Urban Edge earmarked for Future Urban Development and densification with no provision of essential services. The promotion of efficient and effective resource allocation will also not provide services in the near future.

These areas will remain as Future Urban Development as it shall retain a rural character until such time that basic service can be provided. These areas still need to be managed as rural areas with specific guidelines contained in the different RSDF’s. As soon as the
areas earmarked as Future Urban Development been serviced, these newly serviced areas will be excluded from the Rural Component and will form part of the Urban fabric of the city.

We are of the opinion that our request to be included into the urban edge has sufficient merit, are supported by our engineering reports (albeit with enormous financial implications for our client) and can forthrightly be accommodated without setting a precedent for inclusion based on unjust reasons.

Page 94 of the MSDF state that in addition to urban areas, one also finds Future urban areas: Areas that have been identified as suitable for urban development in the short to medium. These areas are identified based on need (development pressure, logic of area to expand, in line with growth management principles of compaction, densification and infill). Availability of services / infrastructure, environmental sensitivities and geological constraints must be taken into consideration. Certain rural areas may fall into this category.

We are of the opinion that if the Municipality decides to uphold its opinion that the subject property cannot be included unto the Urban Edge that our proposed development conforms to most if not all of the prerequisites for inclusion into the Future Urban Development Area.

**Conclusion**

Section 4.8 of page 56 of the RSDF confirms that the newly demarcated COT now includes a significant rural component and that these Rural Areas as well as the other existing areas need to be analyzed and planned for in order to protect the Environmental sensitive areas, to manage the buffer areas and to create opportunities for sustainable development and promote sound land use development in the less sensitive areas.

Our office has been involved in the feasibility studies compiled for the subject properties from 2009 and have procured specialist studies which confirms the feasibility of the proposed development.

Page 145 of the MSDF concludes by stating that in order to create a Sustainable, Competitive and Resilient future City of Tshwane, the nodal concept will be implemented. Sustainability in this contest refers to:

- the optimal use of land through densification
- infill and consolidation and spatial integration giving equal opportunity
- correction of spatial imbalances
- creation of sustainable human settlements and
- social equity.

In lieu of the afore-mentioned factors (as well as the information contained in our attached motivational memorandum and supplementary specialist desktop studies) we are of the opinion that the subject property should either be included into the urban edge or alternatively included into the Future Urban Development Area.

The inclusion of the subject property into the Urban Edge or alternatively the Future Urban Development Area can occur without prejudice to the City of Tshwane Metropolitan Municipality.
8. GENERAL CONSIDERATIONS

8.1 Sustainability (i.e. Value Added)

8.1.1 When a new development proposal is evaluated, the sustainability of such development (i.e. value added) should be considered from a social, environmental and economic perspective.

As far as the proposed development is concerned, the following applies:

8.1.1 Social Sustainability

8.1.1.1 The locational circumstances of Portion 55 of the Farm Pienaarspoort 339 JR will afford residents of the proposed development the opportunity to reside, work, enjoy recreational activities as well as have access to community facilities in close proximity of one another.

8.1.1.2 The proposed development will create a number of employment opportunities during the constructions and operational phase of the development and therefore skills training and social upliftment will also be achieved from this perspective.

8.1.2 Environmental Sustainability

8.1.2.1 From an environmental sustainability perspective it is confirmed that various specialist studies will be conducted (including comprehensive environmental studies, fauna and flora studies, services reports, etc.) to ensure that the proposed development will be sustainable from an environmental perspective.

8.1.2.2 Early indications are that the proposed development will not result in any adverse negative impacts on the receiving environment if due diligence are taken in terms of sensitive areas already identified.

8.1.2.3 It is confirmed that the anticipated negative impacts of construction activities can be mitigated to acceptable levels.

8.1.2.4 The environmental characteristics and/or features that hinder the proposed development of the subject property has thus far been identified and in this regard the applicant is of the opinion that the property lends itself to the establishment of a mixed use township.

8.1.3 Economic Sustainability

8.1.3.1 The development proposal will enable the registered owner to provide the housing market with reasonably priced entry level residential units.

8.1.3.2 Portion 55 of the Farm Pienaarspoort 339 JR is located in close proximity to numerous arterial routes in the center of the amalgamated City of Tshwane Metropolitan Municipality which attribute increases the appeal and contributes to the feasibility of the proposed development.

8.1.3.3 The ‘old’ Eastern Region of the City of Tshwane Metropolitan Municipality has experienced exponential growth in recent years which can partly be ascribed to the ease of access the Region has in terms of other precincts in and around the City of Tshwane, as well as the areas previously under the jurisdiction of the Kungwini and Nokeng Tsa Taemane Local Municipalities and beyond. The development trend of properties in the precinct further confirms the afore-mentioned notion.
8.1.3.4 The mixed use development proposal will result in positive impacts on the local economy and afford residents the opportunity to gain employment in close proximity to their residences.

8.2 Need and Desirability

8.2.1 The need and desirability for affordable housing developments complemented by ancillary community facilities and job opportunities have been identified by the City of Tshwane Metropolitan Municipality, and is exemplified by the influx of developments (residential, commercial, recreational, etc.) into the greater metropolitan area in recent years.

8.2.2 The afore-mentioned influx is driven in part by the increased permeability to the area in lieu of recent road infrastructure upgradings.

8.2.3 The subject property is located in close proximity to the following linear corridors/activity spines/mobility routes:

- R513;
- R104;
- N4 National Highway;
- M8;
- R515;
- M10.

8.2.4 The subject property is located in close proximity to the following places of interest:

- Pienaarspoort Railway Station;
- D.S. Shabangu Primary School;
- Emasangwene Primary School
- Vista University Mamelodi Campus;
- Mamelodi Gardens Railway Station;
- Mamelodi East Police Station;
- Mamelodi East Clinic;
- Reneilwe Adult Ed;
- Bula-Dikgoro Primary School;
- Stanza Bopape Clinic;
- Rethakgetse Primary School;
- Koos Matli Primary School;
- Rethabile School;
- N’wa Vangani Place of Worship;
- Mamelodi Hospital;
- Mamelodi Community Health Centre;
- Mamelodi Police Station;
- Eerste Fabrieke area;
- Rayton proper; and
- Cullinan proper.

8.2.5 The subject property is also relatively easily accessible and in this regard potential residents will be able to gain access to Tsamaya Avenue/Stormvoël Road as well as Solomon Mahlangu Drive which, in turn, provides access to major collector routes in the surrounding area.

8.2.6 The establishment of mixed land use townships is a normal town planning phenomenon and is driven in part by policies which aim to promote integrated development.
8.2.7 In this regard it remains important to support investment and development in close proximity to Mamelodi, since such development may eventually ensure that higher quality living environments may also be established in this area.

9. **SUMMARY**

9.1 The applicant has demonstrated that the application for the township establishment (and inter alia the inclusion of the area into the COT urban development boundary) of Leeuwfontein Extension 20 on Part of Portion 55 of the farm Pienaarspoort 339 J.R. can be regarded as sustainable and desirable from a strategic point of view.

9.2 Leeuwfontein Extension 20 will consist of the following land use mix:

- 2187 "Residential 1" Erven
- 7 "Residential 2" Erven, subject to a density of 50u/ha
- 4 "Residential 3" Erven, subject to a density of 80u/ha
- 3 "Business 1" Erven, subject to a FSR of 0.6
- 6 "Institutional" Erven
- 6 "Educational" Erven
- 2 "Special" Erf, subject to a FSR of 0.6
- 31 "Private Open Space" Erven
- 21 "Proposed Streets" Erven

9.3 As is evident from the above, and on a holistic evaluation of the development principles, the application complies with the principles of the Town Planning and Townships Ordinance, 1986 (Ordinance 15 of 1986) to the extent that the City of Tshwane Metropolitan Municipality is placed in a position to take an informed decision on the matter.

9.4 The need, desirability and sustainability of the proposed development has been demonstrated and we are therefore of the opinion that the application deserves the favourable consideration of the relevant authorities.