

# **Summary of Interviewee Transcript**

**Representative of Urban Planning and Design Department**

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## **1. Position of Urban Planning and Design Department**

The Interviewee discusses the critical role of Cape Town's Urban Design Department in the city's planning processes. The department is central to creating the Municipal Spatial Development Framework (MSDF), which is an integral part of the Integrated Development Plan (IDP) required by South African municipalities every five years. The MSDF provides a 20-year spatial vision and encompasses various sectoral plans including economic projections, transportation, human settlements, and infrastructure development. These sectoral plans are compiled into a comprehensive document that guides long-term development and is approved by the council. It is done only every 5 years due to the quite intensive consultation processes and stakeholder engagements that have to happen. The department's work helps set the direction for urban growth, specifying development corridors and aligning infrastructure plans such as water and sanitation to support this growth.

## **2. Land use model predictions**

The response explains the evolution and current status of land use models used by the City of Cape Town for forecasting. Initially, in 2018, the city employed four different models ranging from conservative to aggressive approaches in spatial strategy, particularly focusing on Transit-Oriented Development (TOD). However, only two models were predominantly used: a comprehensive, aggressive model led by private sector development, and a more pragmatic model revised in light of real-world challenges.

Post-COVID, economic slowdowns and unforeseen issues like land invasions necessitated a revision of these models to reflect more realistic scenarios. The city is currently planning to update these models again, focusing on two potential future scenarios based on economic growth rates and levels of informality. One scenario will assume high economic growth and low informality, aiming for an ideal state akin to the comprehensive TOD model previously favored. The other will account for low economic growth and high informality, addressing challenges like unregulated development and the lack of state control over various functions.

## **3. Process of creating land use models**

The Interviewee describes the process of developing models for urban planning in Cape Town, focusing on how different scenarios impact various urban functions like housing and transportation. They explain that each scenario, such as one assuming low economic growth, leads to specific assumptions about development in sectors like housing (e.g., a focus on less affordable housing categories) and transportation (e.g., no new rail or Bus Rapid Transit developments, reliance on informal transport like minibuses).

In the case of high economic growth scenarios, they assume the activation and enhancement of economic nodes, leading to changes in land use to support more business developments and less residential, reflecting a strategic shift towards

Transit-Oriented Development (TOD). The approach entails creating a comprehensive model that includes a high level of formality and infrastructure investment, with detailed planning for functional railways and specifically targeted development along identified corridors. This model aims to guide the city towards a more organized and economically vibrant urban structure.

The Interviewee details the ongoing development and refinement of their land use models, emphasizing the process of selecting and focusing on the most critical scenarios for detailed modeling. They mention reducing their focus to two extreme models to efficiently test assumptions and compare outcomes. Currently, they are initiating a process that is expected to run until the end of the year, involving drafting seven position papers to better understand specific factors like urban densification.

These papers aim to quantify the implications of density in terms of the viability of transport networks and infrastructure costs, and to explore potential revenues from rates and taxes linked to increased population density. The goal is to determine how density affects economic dynamics, service provision, and the financial sustainability of urban areas. This detailed study of density is seen as essential for supporting the city's planning efforts, as it directly influences the efficiency of service delivery and the city's financial health. The outcome of this work will guide assumptions in their next modeling cycle, crucial for planning future urban scenarios.

#### **4. Population estimates Cape Town**

The Interviewee discusses the projected population growth in Cape Town, which is expected to rise by about 1.8 million, reaching a total of around 6 million people. This estimate was based on prior data indicating a population of approximately 4.2 million. However, the Interviewee notes that these figures are subject to verification with the latest census data, which will confirm whether the projections were accurate.

In terms of housing, the expected population increase translates to a demand for approximately 630,000 residential units, with about 70% of these units categorized as affordable housing. This includes a variety of housing types such as backyards, social housing, BNG (Breaking New Ground—a comprehensive plan that aims to promote sustainable development), and gap housing.

Gap housing specifically refers to housing solutions for individuals whose incomes are too high to qualify for full state subsidies but too low to afford market-priced housing. This type of housing typically caters to individuals earning between 22,000 and 70,000, providing them with access to bond assistance and other support to bridge this 'gap' in housing affordability.

The Interviewee also touches on where this growth is predominantly occurring within the city, hinting that a significant portion may be in areas with higher concentrations of informal settlements, although precise regional details remain unspecified.

## **5. Spatial Trends Report**

The Interviewee describes the structure and purpose of the Spatial Trends Report for monitoring urban development in Cape Town. The report uses specific indicators to assess various aspects of urban growth, such as the urban extent, which shows how the city has expanded over time, particularly in newly developed areas or on the outskirts. The report also examines land and building development, both residential and non-residential, to evaluate how well these align with spatial policy goals and whether these developments are being embraced by the market.

Additionally, the report addresses public investment and infrastructure, and monitors areas of informality and case studies to provide a comprehensive view of spatial trends. One significant observation from the report is the impact on natural assets, highlighting a concerning 5% reduction in protected spaces due to the encroachment on the Drift Sands Nature Reserve by informal settlements, leading to a formal reclassification of the land.

This analysis helps the city understand patterns of sprawl versus intensification and densification, which are crucial for planning and achieving sustainability goals like mitigating the urban heat island effect and managing water resources. The overall aim of the report is to guide future development in a way that is both sustainable and responsive to ongoing urban pressures.

## **6. Land use zoning and development management processes**

The Interviewee describes the zoning and development management processes in Cape Town, which are handled by the Development Management Department. The city employs specific mechanisms, like the incentive overlay zone, to stimulate economic development in designated areas. These mechanisms allow for alterations in zoning within a pre-defined framework, enabling properties in these areas to develop beyond their current zoning restrictions, such as increasing building height.

However, the process of rezoning is not straightforward. It involves obtaining the permission of property owners, which can be challenging. Additionally, rezoning may require development contributions for infrastructure, raising questions about who will bear these costs. The city prefers not to perform blanket rezonings due to these complexities and the potential reluctance of property owners to develop their land even after rezoning.

The overall aim is to enhance development flexibility within existing zoning categories, particularly in mixed-use areas, without radically changing property designations from residential to business, thereby fostering residential growth and economic development within the existing urban framework.

## 7. Mechanisms to stimulate land use development.

- Blanket rezoning measures
- Spatial Policy
- Heritage Exemption Zones
- Incentive Zone
- Business Tax
- Urban Development Zone Tax - a national tax scheme, if you develop certain things in a specific area that suggests tax incentives

## 8. Satisfaction with Urban Development in Cape Town

The Interviewee expresses a strong sense of disappointment regarding the pace of urban development in Cape Town. They identify several factors contributing to this frustration:

1. **Economic Constraints:** The current economic situation limits what can be achieved in terms of urban development.
2. **Infrastructure Investment:** There is a concern over reduced grants and the city's capacity to fund infrastructure, which is seen as a critical driver for development.
3. **Interdepartmental Coordination:** Despite efforts to integrate and centralize decision-making, the Interviewee points out the lack of mandate over other directorates, which affects how resources are allocated and prioritized.

Overall, these challenges paint a picture of a complex administrative environment where intentions for rapid development are hindered by economic limitations and bureaucratic hurdles.

## 9. Vision for where the Interviewee would prioritise development

The Interviewee envisions transformative urban development in Cape Town, particularly in the Metro South East area, which they see as having significant untapped potential for residential growth and economic development. They express frustration with the current passive regulatory role of the government and advocate for a more proactive approach where the government not only regulates but also acts as a developer, especially in areas where the private market is hesitant due to perceived risks.

To realize this vision, the Interviewee proposes that the government should focus on redevelopment to increase density and reduce sprawl, which would allow for the better use of land by creating more compact living spaces. This strategy would enable the development of essential community services such as schools and clinics within these denser areas, thereby significantly improving the quality of life for residents.

Moreover, the Interviewee suggests focusing on economic development not just in central business districts but throughout the city in designated "activity streets" or through special economic zones that could foster specific industries like green technology. This could involve setting up manufacturing plants for solar panels or batteries, leveraging local technical colleges to align education with the skills needed in these industries, thus creating jobs and building local expertise.

The Interviewee criticises the current economic strategy of the city, which they perceive as too general and unfocused. They argue for a more targeted approach that would not only attract specific industries suited to the local context and infrastructure but would also enable more effective planning and investment, leading to sustainable economic growth and urban development.