



# The Art of Precinct Management: *A Municipal Guide*

## Part of the Urban Network Support Guide

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## 1 Introduction: The Guideline in Context

Cities are the engine of economic growth, and home for approximately 60% of South Africans. At the same time, cities do not currently work for all its inhabitants, with vastly difference experiences of public space, facilities and transport across the city. The eradication of spatial inequality is a national priority, and chapter 8 of the National Development Plan highlights the need to invest in public spaces that would significantly improve the life of poor communities who cannot afford private amenities.

The Neighbourhood Development Programme, through its Urban Network Strategy (UNS), supports this agenda by providing technical assistance and grant funding to municipalities for capital projects that will leverage further public and private sector investment in strategic locations around the country. **However, to be sustainable, these interventions require on-going operational management to avoid physical, functional and economic obsolescence.**

*The problem statement: In the context of scarce municipal resources, how do municipalities support the operational management of key precincts which require services beyond what the municipality can equitably provide to all its citizens?*

### 1.1 Guideline Legend

Much of this guide also has relevance for broader precinct management; however sections which are of particular relevance to the UNS strategy will be highlighted on the left margin with **green** throughout.

Throughout the guide the role of the municipality, along with specific concerns and interests, will be highlighted in the margin in **red** in each section of the guide.

Case Studies are highlighted in **blue**

### 1.2 Urban Network Support Guide

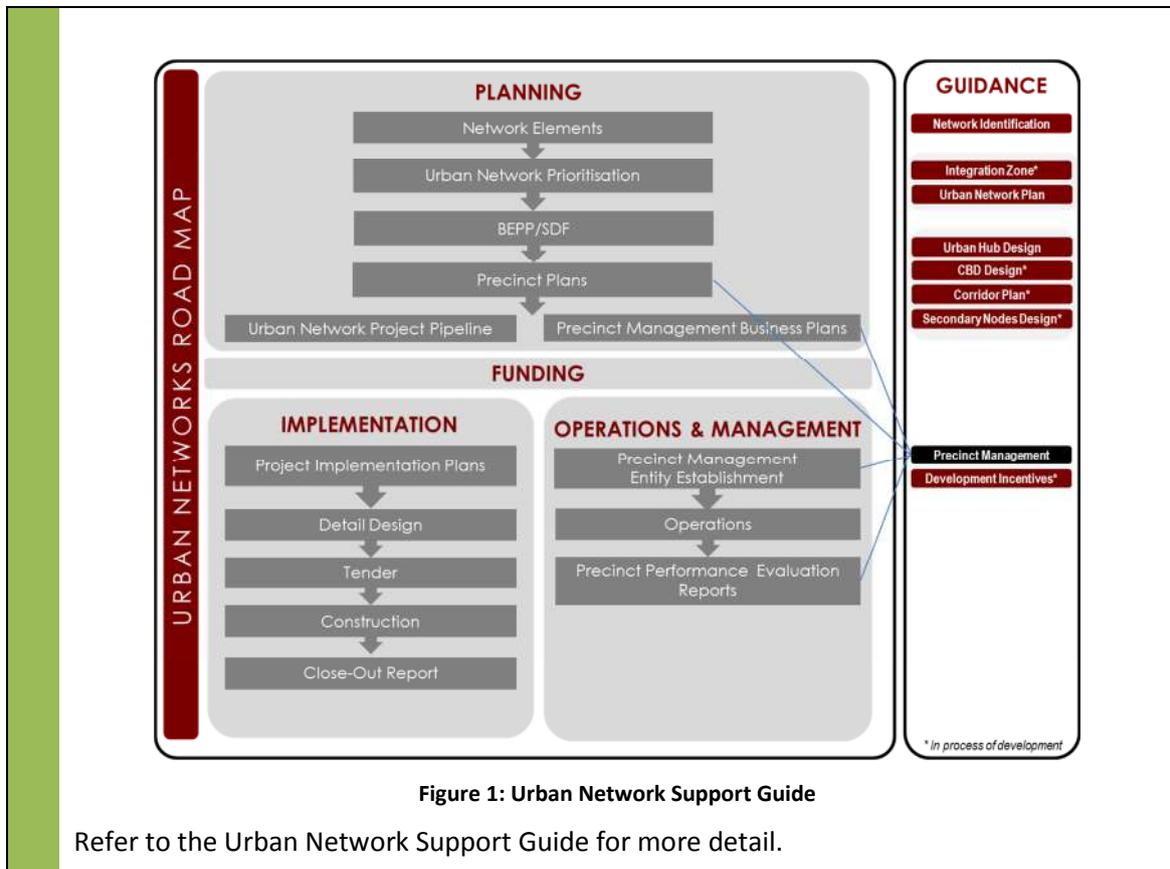
The Neighbourhood Development Programme Unit has developed an Urban Networks Support Guide and Road Map (shown in Figure 1 below) with a proposed planning process, supported by a number of best practice toolkits and manuals to support infrastructure project pipelining and spatial planning.

This Guide to Precinct Management is one of the supporting toolkits and describes a methodology to support the introduction of Precinct Management for designated Urban Hubs. A Precinct Plan should be developed for each Urban Hub, and will form part of a package of plans, including the precinct management business plan, required to identify, develop and sustain a successful urban precinct.

PLAN	DESCRIPTION
<b>URBAN NETWORK PLAN</b>	<p>The Urban Network Plan is critical in identifying, prioritising and planning the strategic spatial Urban Network Elements for a specific municipal area as proposed within the Urban Networks Strategy.</p> <p>The Urban Network Plan prepares the Municipality for the development of Precinct Plans addressing local planning and the prioritisation of projects within the CBD, Urban Hubs and Activity</p>

	PLAN	DESCRIPTION
		<p>Corridors in underserved/ previously disadvantaged areas. The Primary Network consists of a number of Integration Zones. Each zone consists of one Urban Hub, a Transport Link and Activity Corridor as well as the CBD. The UNS features in the Built Environment Performance Plan or BEPP. The BEPP is a brief, strategic overview of the built environment that will be used to enhance inter-governmental relations aimed at improving the performance of metropolitan built environments.</p>
	<b>PRECINCT PLAN</b>	<p>A Precinct Plan is a document detailing the plan for the development of an Urban Hub. A toolkit with detail on the design methodology for the development of the Urban Hub discussed is available from the NDP Website.</p> <p>The outcome of a Precinct Plan will be a detailed composition of the future spatial structure of the urban hub by means of a map/s as well as design guidelines.</p> <p>In addition, the Precinct Plan will prepare the Municipality for the submission of a precinct phasing plan and a table of prioritised concept project (name, cost, end-dates, cost estimates and) for approval by NDP. The Precinct Plan will therefore also contain Project Concept Plans with detail on individual projects.</p> <p><b>In the case of designated urban hubs, the preparation phase of precinct management falls within the precinct plan stage.</b></p> <p>There may be one or more Precinct Plan/s per Municipality depending on the number of Urban Hubs identified by the Municipality.</p>
	<b>URBAN HUB</b>	<p>Urban Hubs refer to a small number of emerging regional nodes located in strategic areas within townships. They will function as “town centres” for the surrounding township or cluster of townships and will provide access to the rest of the wider urban area. It will be planned and developed as a high density, mixed use precinct that contains a diverse variety of land uses, services and activities.</p> <p>At the core of the Urban Hub is an efficient intermodal public transport facility and a system of public spaces and walkways where people can experience a diverse range of activities. Land uses such as retail, recreation, offices, banking, community facilities and government services, hospitality/tourism, leisure and high density housing are located around the core within an urban design framework that promotes a vibrant sense of place in which to live, work and play.</p> <p>Refer to the Urban Hub Design Methodology Toolkit for more detail.</p>
	<b>PRECINCT MANAGEMENT</b>	<p>A Precinct Management Business Plan is a tool to optimise the use of existing resources and manage/maintain and improve key activities and priorities within a delineated area to ensure value for</p>

PLAN	DESCRIPTION
<p><b>BUSINESS PLAN</b></p>	<p>money and long term impact.</p> <p>The Precinct Management Business Plan will focus on more operational issues such as:</p> <ul style="list-style-type: none"> <li>• Establishing a PM Entity</li> <li>• Costs and revenue streams associated with the operational management of the Precinct.</li> </ul> <p>A precinct management business plan may also be developed by an independent group of concerned citizens (such as in the case of CIDs), and in these cases does not require active municipal participation beyond the support which is requested.</p> <p>There may be one or more Precinct Management Business Plan/s per Municipality depending on the number of Urban Hubs identified by the Municipality.</p>
<p><b>PROJECT PLAN</b></p>	<p>A Project Plan is submitted by a Municipality to confirm the implementation details of a discrete project. It is viability based and should be supported by:</p> <ul style="list-style-type: none"> <li>• Detailed engineering/architectural designs of the project.</li> <li>• Technical documentation sufficient for council submissions.</li> <li>• Tender evaluation and approval information.</li> </ul>



**Figure 1: Urban Network Support Guide**

Refer to the Urban Network Support Guide for more detail.

### 1.3 Guide to Precinct Management

This Guide to Precinct Management is both an analytical/evaluation tool for municipal officials and a process guide to convert the outputs from planning into inputs for Operations and Management. Its companion document is the Urban Hub Design Toolkit, and both are key documents for briefing purposes on the UNS.

In line with national objectives of promoting equity, economic and social development, **precinct management is not about the privatisation of public space, or of creating zones of exclusion, but about creating integrated, vibrant townships and urban areas, with inclusive public spaces that work for all its users.**

One of the better known forms of precinct management is referred to as city, central or business improvement districts (CIDs and BIDs). CIDs have traditionally been established in commercial areas where a majority of property owners have agreed to fund an additional level of service, usually aimed at improving the customer experience of an area, and focussing on security, street-cleaning and marketing the area. The services provided by CIDs are intended to supplement, and not replace, those already provided by the municipality.

In most South African towns and cities the central business districts (CBDs) have declined due to loss of buying power to suburban developments. One negative effect has been lower levels of investment into CBDs. The CIDs that have emerged in commercial nodes or CBDs represents a new public and private sector commitment to turn such negative trends around. Both private investors and municipalities have made historic investments that should be used as effectively as possible, and precinct management is one mechanism for achieving this.

Key nodes in townships (urban hubs) face a different challenge from historic CBDs, is that they still require significant investment in the built environment, both in terms of infrastructure, public facilities and building. In this context the public sector has a much greater role to play, both in terms of broader urban-management and place-making, but also in terms of ensuring that precincts are well managed and operated prior to implementation of capital projects.

Both types of precinct are required to support spatial transformation and the development of a more integrated city in South Africa. This toolkit is aimed at outlining the role for precinct management in both traditional CBDs, and emerging township hubs, to ensure that both public and private investment are optimised and sustained.

## 2 Part I: Unpacking Precinct Management

### 2.1 What is Precinct Management?

Precinct management in its broadest form is about the day to day operational management of a small, specific portion of the urban environment. It is focussed on areas which are small enough to be defined in terms of walking distance, and around areas which have been identified as significant hubs of urban activity, characterised by mixed land-use, and modal interchanges.

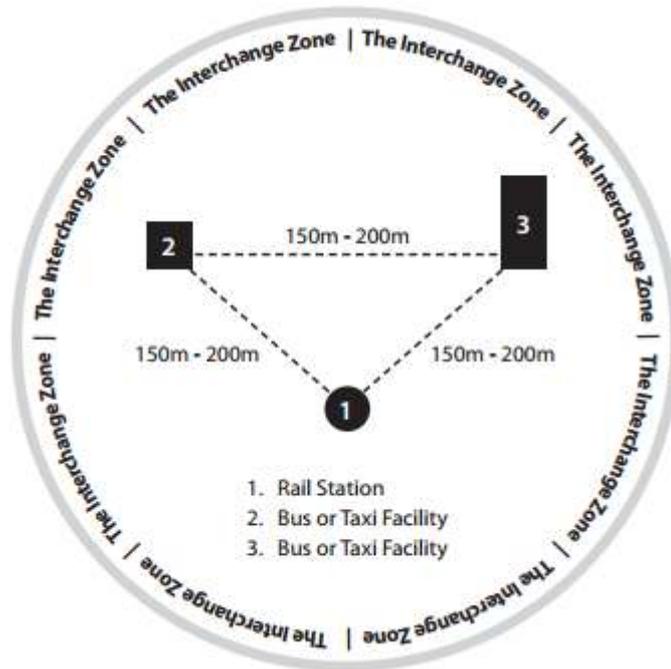


Figure 2: Interchange Zone Concept

A precinct consists of people and place, public and private property, services and infrastructure. Certain factors direct the movement of people, the establishment of markets, and help to create a critical mass of people.

The goal of precinct management can be summarised as follows:



Precinct Management generally involves the use of private-public partnerships, like CIDs, or similar types of community-based partnership structures. Such partnerships are tasked with ensuring a shared efficient management and maintenance approach of the precinct, and promoting a sense of ownership by the community.

### 2.1.1 Precinct Management in the Context of Urban Management

Precinct Management is one supportive approach within broader urban management. Its focus is on day to day operations, and enhancing the user’s experience of an urban precinct. In most cases, PM will be demand driven, and is not dependent on municipal planning processes.

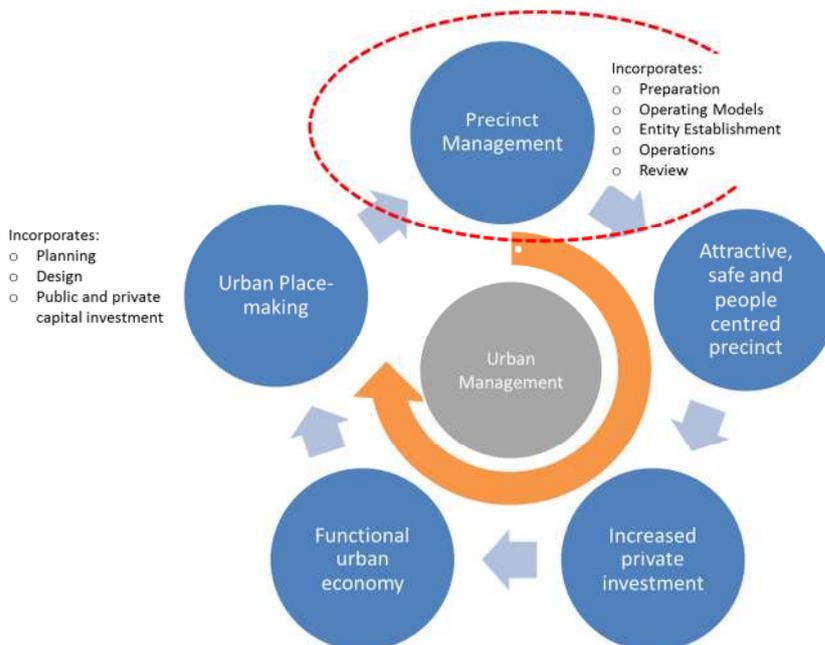
However, in the case of identified urban hubs which are of strategic significance to the development of the municipality and the urban network, precinct management will be required following the implementation of other projects which are detailed within a municipal precinct plan. Precinct management must be considered prior to implementation as well: who will be responsible for the day to day management of the area? **In the case of urban hubs, Precinct Management must therefore be considered before, during and after a precinct’s development.**

**PM is a key element in Lever 6 of the UIS: Urban Management as an institutional approach.**

Planning which occurs prior to communicating with recipient communities is unlikely to be sustainable.

**Stakeholder groupings must be identified prior to precinct planning. There must be extensive and on-going interactions during precinct planning, status quo assessments, precinct design and phasing plans. Collectively these form the preparation process of precinct management.**

A sustainable version of urban management must begin with extensive community interaction and engagement. Projects must be demand driven, with up-front commitment and buy-in from communities regarding how precinct planning, development and management responsibilities will be shared.



**Figure 3: Precinct Management in the Context of Urban Management**

Precinct Management is a sub-set of broader **Urban Management**, but is generally undertaken by the non-governmental sector, in partnership with the municipality.

Where municipalities are directly involved in precinct management, such as in the case of Urban Hubs, this is in conjunction with the relevant community and precinct property-owners.

The broader urban management goals for a specific precinct will be contained within a Precinct Plan (see Figure 1).

In contrast to **property, asset or facilities management** which is typically concerned with a specific property, precinct management is focussed on the post-implementation management of the public spaces knitting the public, private and community facilities and properties together. Precinct management is about ensuring that the different uses of the precinct are accommodated in a mutually beneficial way.

While some precinct management entities also engage in **place-making activities**, the activity of precinct management is primarily concerned with day to day operations of the precinct. PM generally focusses on improving cleanliness, safety and security to improve the user experience, and sometimes also extends to place marketing of the precinct.

In the South African context, the **intention of precinct management is to ensure public place making and therefore at its core is about balancing the desires of different users of that space. The challenge is for precinct management to acknowledge and work to address existing social problems, rather than simply displacing undesirable elements into surrounding areas.**

The goals of precinct management are therefore enhanced by and supportive of broader urban design issues and projects which will be contained within the broader Precinct Plan. Where a precinct management plan is developed, it will be a supportive element of the Precinct Plan.

TERM	DEFINITION	RELATIONSHIP WITH PRECINCT MANAGEMENT
Urban Management	Urban management means that city governments together with other urban stakeholders - civil society, private sector, and local communities - assume an active role in mobilization, management and coordination of resources to support the objectives of urban development and ensure the vitality of cities. Municipalities take a leading role in urban management. <sup>1</sup>  It is broader than a single precinct, but looks at all precincts and other areas, city wide.	PM is a supportive tool in urban management.
Area-based management	Area based management focuses on a defined geographic area, but recognises that the area is connected to a broader urban ecosystem.	The broader Precinct Plan is based on this approach. Unlike a traditional sectorial approach, the area is considered as a socio-

<sup>1</sup> <http://www.plandialog.de/plandialog.de/ProfileUM.html>

TERM	DEFINITION	RELATIONSHIP WITH PRECINCT MANAGEMENT
		economic whole comprised of people, resources, know-how, etc.
Place making	Place making is a multi-faceted approach to the planning, design and management of public spaces. Place making capitalizes on a local community's assets, inspiration, and potential, with the intention of creating public spaces that promote people's health, happiness, and well-being.	The successful outcome of a PM entity's activities would be place-making.
Facilities management	Facility management (or facilities management or FM) is an interdisciplinary field devoted to the coordination of space, infrastructure, people and organization, often associated with the administration of office blocks, arenas, schools, convention centers, shopping complexes, hospitals, hotels, etc. It is confined to specific facilities, generally with a single owner or property management company. Focus on cleaning, security and parking	PM can be seen as a broader form of facilities management, but is aimed at the public space knitting several properties and facilities together. Facilities management usually lacks the social complexity of PM, but there are similarities.
Property management	Property management typically involves the managing of property that is owned by another party or entity. The property manager acts on behalf of the owner to preserve the value of the property while generating income. Relationship management with tenants.	Precinct management is concerned with the spaces knitting these managed properties together. Property management is concerned with individually owned properties.
Community Delivery of Services (CDS)	Where a municipal entity contracts with a community based supplier (NGO, individual, SMME or other community organisation) to provide services or manage a facility on a short term service basis, usually for a term of one to three years.	Service delivery mechanism for community-based PM
Urban Improvement Precincts (UIP); City Improvement Districts (CID); Management	A UIP or CID is a geographical area where ratepayers can choose to pay a fee (based on property rates), which is collected on their behalf by the city council, to improve the area in which their property is situated. Sometimes also referred to as	One specific form of PM.

TERM	DEFINITION	RELATIONSHIP WITH PRECINCT MANAGEMENT
Associations	management associations.	
Special Ratings Areas	SRAs are specific geographic areas within which property owners agree to pay for supplementary services. They are constituted in terms of Section 22 of the Municipal Property Rates Act 2004.	One specific type of PM
Urban Development Zones <sup>2</sup>	The Urban Development Zone tax incentive is an incentive scheme under the Income Tax Act aimed at encouraging inner city renewal across South Africa.	Tax incentives per demarked area (currently only applied to CBD's)

### ROLE, BENEFITS & CHALLENGES OF THE MUNICIPALITY IN PRECINCT MANAGEMENT

Throughout the world, the ability of Local Government to continue to deliver high levels of service across all areas is being challenged by many varied social and economic factors.

Nowhere is this more evident than in South Africa, where municipalities face a myriad of issues, including service delivery backlogs and existing infrastructure which is in urgent need of maintenance. In addition, they are tasked with addressing historical spatial inequalities, and fostering the development of more inclusive cities.

While the municipality is tasked with broader urban planning and management, there is growing recognition that a different kind of operational management is needed to support municipal investments in key urban locations. “Managed” Precincts are a mechanism increasingly being used to manage areas positively and provide additional top-up services, usually paid for by levies on those who benefit from them through enjoying a potentially higher quality and value urban environment.

One benefit includes improved investment and retention, and growth of property values, which in turn may increase tax income for both national and local authorities.

There are many anecdotes of new public facilities which have been constructed, which have failed to achieve their intended benefits to the surrounding community. In addition, in many cases insufficient provision was made for operational maintenance, and the facility fell quickly into disrepair.

Local municipalities play a key role in guiding, supporting and monitoring precinct management entities. The level of involvement will vary according to the individual context and needs of each precinct. The involvement of local stakeholders and community from conception are important in creating a successful PM organisation.

A partnership with local property owners and community stakeholders are important in achieving the vision contained within precinct plans.

<sup>2</sup> More information on UDZs are available from several sources, including the South African Revenue Agency.  
<http://www.sars.gov.za/AllDocs/OpsDocs/Guides/LAPD-IT-G12%20-%20Guide%20to%20the%20Urban%20Development%20Zone%20Tax%20Incentive%20-%20External%20Guide.pdf>

Throughout the guide the role of the municipality, along with specific concerns and interests, will be highlighted in the margin in **red** in each section of the guide.

## 2.2 Why do Precinct Management?

In the case of established urban centres which have been the recipients of historic public and private investments, Precinct Management of some kind is essential to create an environment conducive and attractive to existing investment, existing business growth and new investment to maintain or increase the economic value of the precinct to the City.

In the case of emerging township centres or urban hubs, precinct management is about creating an environment which provides access to jobs, services, transport and a desirable public environment for surrounding residents, lowers the risk of investors, and ensures that new strategic investment (private and public) is managed to optimise its value/reach its full potential.

Such an environment is also critical to the sustainable successful implementation of the urban hub precinct plan and its identified projects, which is an initiative of the municipality.

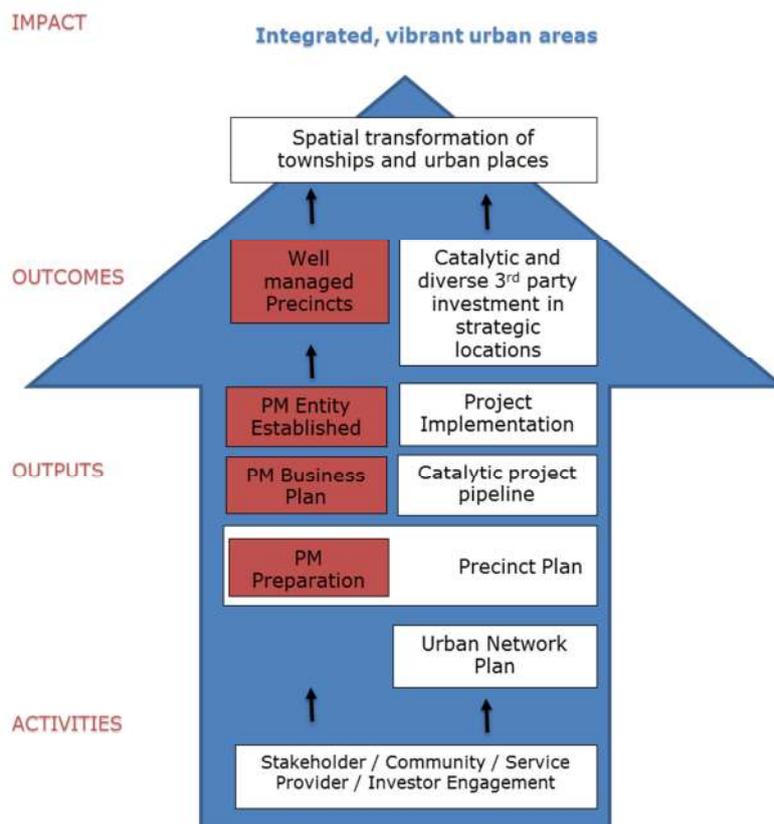


Figure 4: Precinct management in the context of the NDP and UNS

However to be sustainable, these interventions require ongoing operational management to avoid physical, functional and economic obsolescence. Precinct management has been

identified as an approach to ensure that this does not occur, and to both attract and enhance private and public investments which occur in the precinct. The funding of this management will differ based on the context, but is generally funded largely by property owners, where an active property market exists. (Funding options are discussed later in this guide.)

**Case-studies: examples of where public investments have not been "operationalised":**

**Red Location Cultural Precinct**

The Red Location Museum in New Brighton outside the Port Elizabeth houses hundreds of "memory boxes" containing the life stories of anti-apartheid activists, including former president Nelson Mandela. The museum was to be the first phase of a broader Red Location Cultural Precinct, an urban renewal development initiative of the Nelson Mandela Bay Municipality developed prior to the NDPs UNS strategy. The museum opened in 2005 to international acclaim, billed as a "world class museum bridging the past towards the future". 2011 saw the completion of Phase 2, which included construction of an art gallery, electronic library and the City Archives. The plan of the precinct shows a mixed-use area centre which was to include retail, day-care facilities, a sports field, residential housing, churches and gathering places, all integrated with the existing railway network. Unfortunately, the museum was forced to close in October 2013 due to community protests, with surrounding residents accusing the authorities of building "a house for dead people" while they live in squalor. The building has subsequently been stripped by people helping themselves to electrical wiring, water pipes, power sockets, fencing and wooden fittings for their shacks. While the underlying problems are complex, it does speak to the need to ensure that any developments are meeting the needs of the surrounding community. It is tempting to wonder if perceptions would have been different if the first phase had also included community oriented services and retail, aimed at generating both local and tourist traffic, rather than leaving these elements for later phases.

**Key lesson:**

Precinct planning and management should be demand driven, and responsive to the needs of local communities.

**Ellis Park Precinct**

The Ellis Park Precinct is an example of how infrastructural upgrades alone were insufficient to revitalise an area. The precinct is centred around 3 international sports complexes, the Ellis Park Stadium, the Johannesburg Stadium and Ellis Park Public swimming pool. The area was substantially upgraded for the 2010 Soccer World Cup, including upgraded engineering services and infrastructure, upgrading of the railway station, creation of a proper public square, with commercial display areas, entertainment zones, and ablutions; pedestrian facilities, social housing units, and park & ride facilities.

The massive and coordinated investment by both the public and private sector resulted in a transformation of the area from a "rundown and tired old suburb" to "an eye-catching, accessible hub linking sport, education, residential and transport sectors."

However, the area has failed to thrive and take-off as expected. There are plans underway to initiate some form of precinct management, to ensure that this investment is optimised.

**Key lesson:**

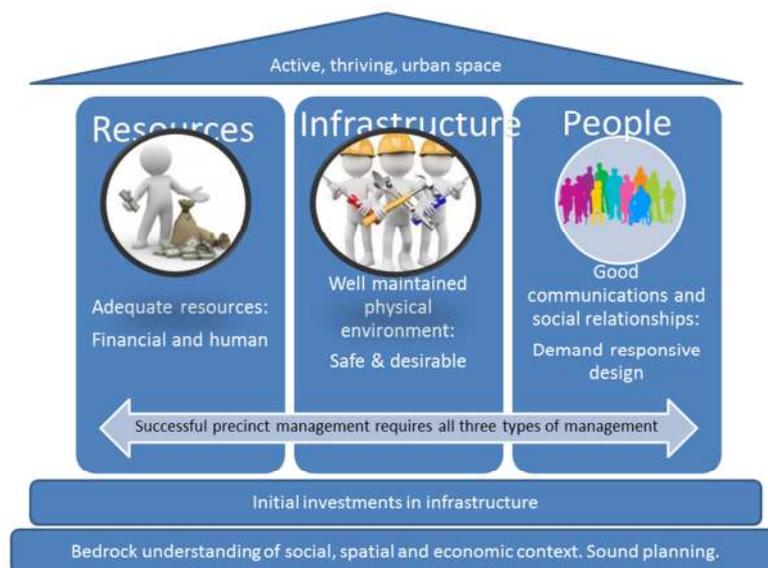
Capital investments are insufficient by themselves to stimulate an area: some level of precinct management is required.

In certain areas, an extraordinary level of management is required to ensure the success of these spaces, which goes beyond the usual allocation of roles between the municipality and

the resident property owners. Precinct management is seen as a vehicle for the additional management which is required, and is concerned with the day-to-day operations of urban precinct environments, both in traditional CBDs and new urban centres in outlying township areas.

At its core, precinct management is about recognising the importance of operational management, and planning accordingly.

Despite the presence of precinct plans and even economic tools and incentives, or public investments, a precinct may still fail to develop into a thriving urban space. Precinct management is needed to provide an immediate and on-going improvement in the environment, to instil confidence, and to identify what is needed to make these spaces successful on a day-to-day basis.



**Figure 5: Pillars of Precinct Management**

Precinct management exists in a dynamic interaction between both the specific context, and the management of the different aspects which affect the experience of a public space: the physical infrastructure, the resources (both financial and human) required to undertake this management, and the ongoing, dynamic relationships between the different users of the precinct.

**Case Study: Woodstock UDZ and the WID in Cape Town**

“Conversely, while incentive schemes ... can have a positive impact, property and business owners usually only require the urban management basics to be in place in order to invest in an area.” (A. Borraine, 2009)

The Woodstock Improvement District (WID) began operations in July 2005, building on the earlier work of the Woodstock Up-liftment Project. While the initial focus was establishing safe routes for commuters between the rail station and their places of employment, with growing support and input from the City of Cape Town Municipality a city improvement district was created.

Woodstock is to the east of the City Bowl, between the N1 and N2 highways, and well served

**Case Study: Woodstock UDZ and the WID in Cape Town**

by public transport. Despite its proximity to the CBD, the area has been in decline for some time and was identified as an Urban Development Zone (UDZ) by the municipality. A UDZ is a tax incentive administered by SARS, and aims to encourage private sector-led residential and commercial development in inner city areas with developed public transport facilities. The UDZ allows businesses which fall within its area to benefit from significant tax savings for building development which fall into certain categories.

There has been a marked turn around in investment, both residential and commercial, and the successful redevelopment of areas such as the Old Biscuit Mill. However, there is a general sense that this turn-around would not have been possible without the activities of the WID; that the tax incentives themselves would have been insufficient to change perceptions of the area.

The WID is funded entirely by levies on industrial and commercial property owners which are collected by the City of Cape Town as a rates top-up and passed on to the WID management. The WID has expanded its initial mandate of cleaning, reporting of council-related faults, security and law-enforcement to include social up-liftment activities in the area. They have employed a qualified full-time social worker to engage with social issues in the area, in particular homelessness.

In partnership with NGO's, pro-active programmes create work opportunities for homeless people. The NGO's tailor their work programmes to include cleaning and maintenance services to improvement districts. This partnership between improvement districts and NGOs create a cost effective approach to providing "top-up" municipal cleaning services, in addition to addressing homelessness in the area.

**Key lesson:**

A co-ordinated suite of urban management interventions are needed to revitalize urban areas. PM can also be designed as a source of employment for local residents.

**2.3 What are the outcomes of Precinct Management?**

Precinct management supports the goals of a number of different groups. Some of these goals are illustrated in the table below.

STAKEHOLDER	PRECINCT MANAGEMENT OUTCOMES	
	IMMEDIATE	LONGER-TERM
National Government objectives		Chapter 8 of the National Development Plan: "Create spaces that are liveable, equitable, sustainable, resilient and efficient, and support economic opportunities and social cohesion."
National Treasury	Spatial transformation – making our cities work  Improved spatial targeting of investment, to make cities that work for all its inhabitants. to support improved coordinated public interventions through a package of	The aim is to address the fragmented/silo-based sectorial programmes and projects that are uncoordinated and have low impact and the lack of socio-economic prioritisation of a project pipeline and other public

STAKEHOLDER	PRECINCT MANAGEMENT OUTCOMES	
	IMMEDIATE	LONGER-TERM
	public infrastructure investment, fiscal & regulatory development instruments and incentives	interventions aimed at catalytic human settlement transformation.
Municipal	Immediate: Support implementation of the precinct plan, by improving day to day operations and improving the user-experience of the precinct.	Longer-term: Increased property rates, resulting from restored investor confidence, new investment, rising property values.
Private sector	Maintaining or improving property values and rental incomes	Shareholder Value
Community	Improving the lives of the urban poor. The outcome of this is not only an increase in the level of commercial investment in townships, but also an increase in access to community, government and private sector services, including financial services, for the marginalised urban poor.	Improved public environments, which are desirable to work, shop, travel, play and socialize in.

#### MUNICIPAL QUESTIONS: WHERE AND WHEN IS PM APPROPRIATE?

While PM is useful, and can support municipal plans, it will not be appropriate (or possible) for municipalities to provide support in all contexts. Some useful questions for municipal officials to ask themselves if approached for support:

- Is the group asking for support representative of all the interests in the area?
- Are the goals of Precinct management aligned with the municipality’s spatial investment goals for the area? If a precinct plan exists, are the goals consistent?
- What support is being requested of the municipality?
- If municipal capacity to support these initiatives is limited: how important is the precinct in the context of the city? A residential area, for example, would not warrant much municipal engagement, but a key transport interchange marked for development would.
- Is it part of the municipal spatial targeting strategy (e.g. urban Network / integration zone)
- Is there an active property market?
- What is the record with regard to payments of property rates?
- Depending on implementation, improved precinct management can result in improved satisfaction and payment of property rates.

## 2.4 The “Whom” of “Partnership Led” Precinct Management

Precinct management is about creating a partnership between the municipality, the private sector, the community, different tiers of government and social organisations. Depending on the context, the role of these partners will differ, ranging from CIDs where the private sector plays a dominant role with municipal support, to emerging township areas where the public sector and NGO’s take the lead initially.

Managed precincts, such as CIDs, have on occasion been considered by local government to be elitist and exclusionary, aimed at serving the interests of property owners. By engaging in positive partnerships with Local Government and private companies, area-based or Precinct Management Associations can act as both facilitator and active participant.

The main lesson is the need for a “bottom-up” methodology, including community participation in the relevant stages of precinct and project prioritisation, planning, implementation, all the way through to operation and management. In addition to the participation of all stakeholders to ensure full and sustainable use of investments, another key lesson concerns the implementation capacity of municipalities to ensure that project funds are used effectively. Municipal implementation capacity depends on political commitment, available staff with relevant expertise, together with efficient procedures and structures for decision-making, coordination and monitoring. While it is important that the central government provides an enabling and supportive environment and framework for systematic action, the actual needs assessment, planning, implementation and management efforts needs to stay at the local level – calling for a flexible instrument, which considers the individual situations on the ground but stays simple enough to avoid additional unnecessary administration and coordination efforts.

Whatever form it takes, collaboration and partnership between all the relevant stakeholders and users of the precinct is vital for achieving inclusive, sustainable precinct operations.



**Figure 6: The importance of partnerships in Precinct Management**

### 3 Part II: The Precinct Profile and Context

Before selecting a specific form of precinct management, there are a number of ways of understanding the role and types of precincts, and the potential for precinct management to be an effective tool.

#### 3.1 Understanding the Precinct

The selection of a suitable precinct management operating model should be informed by the nature of the precinct and its stakeholders. There are three main elements to consider in each precinct, illustrated in the matrix below:

1. Socio-economic profile: this incorporates the range of property values present, household incomes or socio-economic circumstances. What are the economic groups currently served by the node;
2. Existing land use mix: what types of land-uses are present and who do they serve; and
3. Stakeholder mix: the types and numbers of stakeholders present; public or private, owners or tenants, formal or informal enterprises; many or few.

These dimensions provide an initial insight into the nature of the precinct, and also the potential complexity of establishing a partnership based on the diversity of interests present.

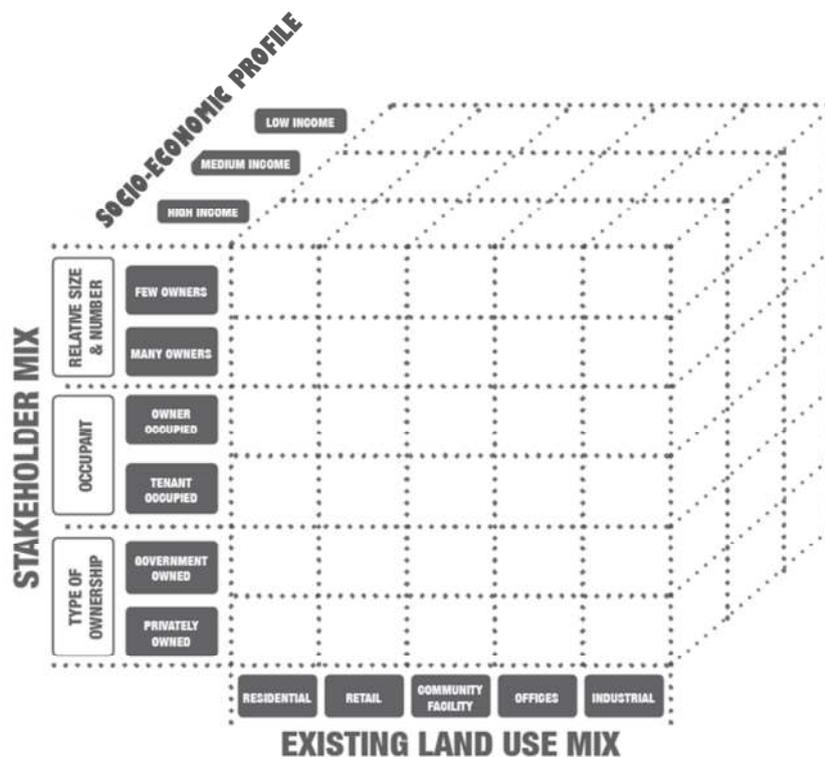


Figure 7: Key elements for profiling a precinct

#### Market Segment/Socio-economic profile

This dimension is primarily concerned with understanding who the main users and customers of the precinct are currently, and what the social characteristics are likely to be in future.

Key factors to consider include:

- Is it a mixed income area catering to a variety of incomes, or does it serve only one section of the market currently?
- It is a high-income node with low vacancy levels, and high property values with active investors, or is it a low-income, largely informal node? Low income nodes will tend to not have an active property market, and will be more suited to community based management, rather than a model based on property ownership.
- What will the impact of increasing the residential component be on the variety of income groups?

**Land Uses**

Precincts also differ by the types of land-uses which are present, and the degree of mixed-use. The complexity of precinct management increases as the variety of different uses increases.

The presence of different land-uses will help to inform an understanding of the nature of the node’ the role it plays in the community and the city, and what the key land uses are that are currently attracting people to an area. Some possibilities include:

- Is it a modal interchange where many people travel through each day, but with little reason to linger?
- Is it purely a retail centre, with (for example) one supermarket with a few informal traders, or is it a fully mixed use area, with apartments, offices, retail, restaurants and public facilities?
- Are there public assets: courts, schools, hospitals, libraries which could function as social anchors, stimulating different types of economic activity?
- What is the profile of private assets, e.g. what investments or assets are there?

The NDP’s concept of the Investment Index is also relevant here: Public investment should be targeted at areas where they have the greatest chance of being catalytic, such as nodes which support a diversity of land-uses, and which are strategic points in terms of transport connections.

It is also important to note that land usage changes, and that precinct management will have to adapt to the changing uses and users. Precinct Management has a role to play in influencing the trajectory of the precinct (improving or declining). Factors that measure the improving or declining nature of a precinct include the perceptions of people living, working or travelling through the area, and the state of the property market, such as how long it takes to rent a vacant apartment or office. Other measures are discussed in section 4.4.3.

**Stakeholder Profile**

Stakeholder profile, the vertical dimension, is the most complex and it attempts to capture the range of stakeholder interests which may be present in any specific precinct.

<b>FACTORS TO CONSIDER</b>	<b>POSSIBLE IMPLICATION</b>
Type of property ownership	Public sector owners are not as responsive to property values as private investors. Public agencies may also less control of their budgets, and therefore greater difficulty in allocating funds to precinct management.
Type of occupant	Tenants can move elsewhere so may be reluctant to assist. Owners have a vested interest.

<b>FACTORS TO CONSIDER</b>	<b>POSSIBLE IMPLICATION</b>
Relative size and scale of owners	A few large institutional property owners are easier to organize than many small owners who don't have the time or resources to invest in precinct management
Tenant mix	Small independents will have fewer resources to draw on. National chains have access to more resources. If there are informal traders, are they organized in any way?
History of rates payments	This may indicate the level of satisfaction with municipal services, and affect the relationship between the municipality and the rate paying community.
Any evidence of social capital	What is the current state of relationships between the different stakeholders, which may help or hinder agreement on how to manage the precinct?
Perceptions of the area	How do the different groups perceive the area? What future do they currently envisage?

These aspects will all inform the final choice of management model, funding, and also affect the goals and vision of the managing entity. It is important to be realistic about the different reasons and motivations for different types of stakeholders: private property owners will be concerned with property values, business owners with parking and foot traffic, people with safety, facilities and employment opportunities.

### 3.2 Understanding the Spatial Context

In addition to the contextual elements considered above, the spatial role and context of the precinct in relation to the rest of the city must also be considered. Precincts never function in isolation, and their relationship to other areas of the city is important to understand.

The key factors to consider include:

- What is the precinct's location in the city's spatial or urban network? Is it located along an activity corridor, or is it a CBD or emerging urban hub?
- Where is it placed in the hierarchy of centers /nodes? They may be located on the primary or secondary network, or even in a peripheral area.
- Is it a significant transport hub and movement generator?
- Does the precinct appear on IDPs, SDF and other strategic urban plans?
- Is it an established or emerging node?

A precinct area which is of strategic spatial importance to the city, and which has a diversity of tenants and land-uses will score highly on the investment index. Both public and private investments should be directed to areas where they can have the maximum impact, such as urban hubs.

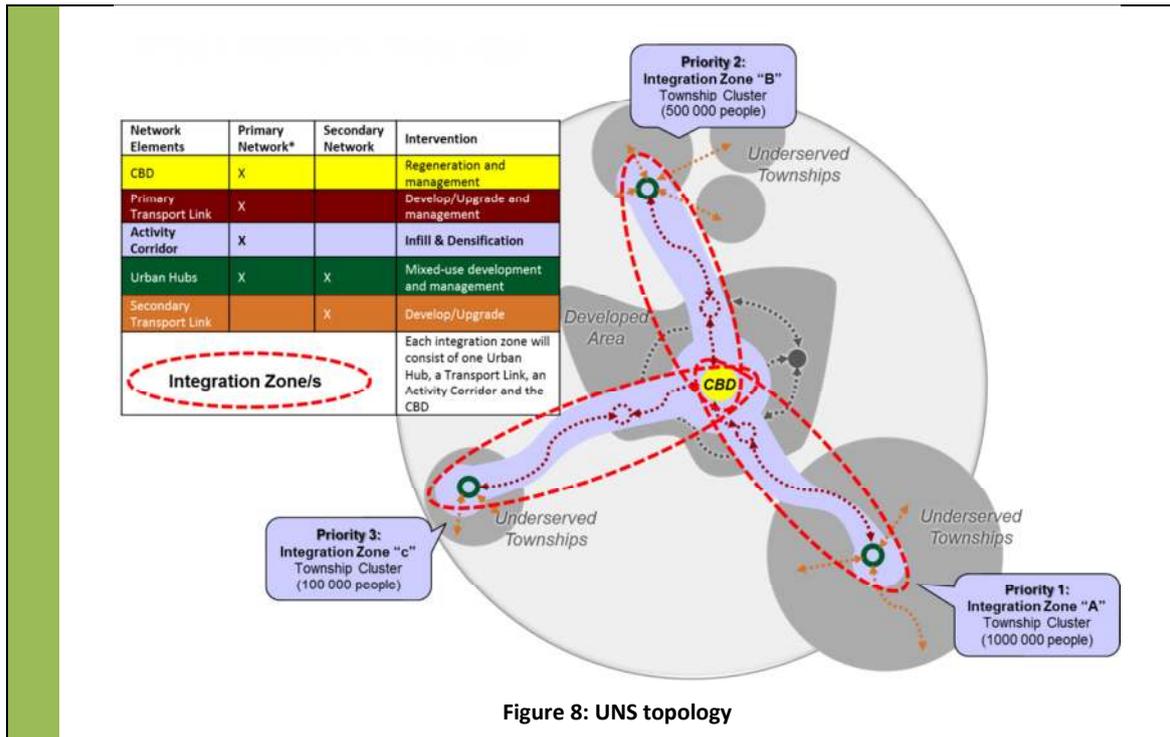


Figure 8: UNS topology

The spatial characteristics, its function within the overall urban network strategy, its economic characteristics and the nature of the stakeholders present will all influence its priority for investment, the readiness for precinct management, and the type of operational entity selected.

#### WHAT IS THE MUNICIPAL OBJECTIVE FOR THE AREA?

Municipalities may encounter a number of requests for support from new or proposed precinct management entities – or may initiate. A key question for the municipality will also be the role that the precinct plays in existing municipal plans: is it a key node, seen as vital for the city, or is it a lower priority node which only serves the surrounding community? Where are the scarce resources and skills of the municipality likely to result in the greatest return to society?

- What is the municipality’s objective in promoting the node, e.g.
  - Providing employment opportunities via job creation or job growth
  - Stimulating a neighborhood/municipal economy
  - Repopulation/increased tax base

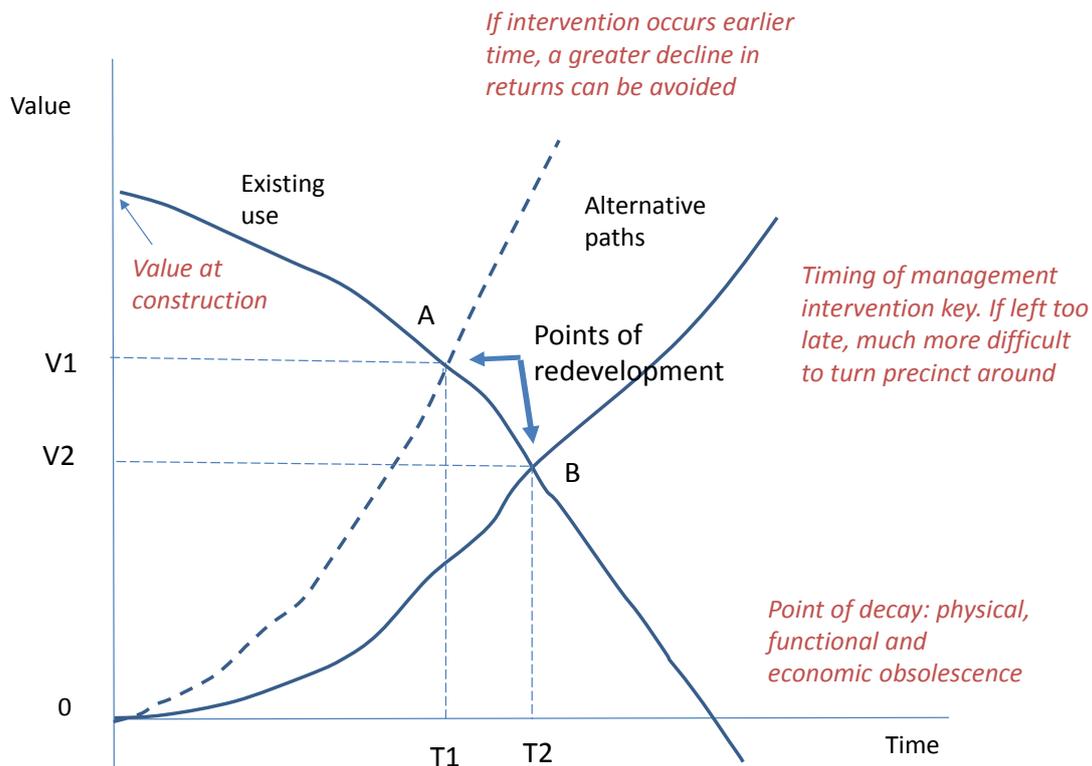
### 3.3 Understanding the Economic Context

Historically, spatial planning initiatives in South Africa to address inequitable and inefficient urban structure have been undermined by a lack of understanding of the economic forces driving the city’s development. This section outlines two key areas which municipalities must consider when analysing precincts: the role of the urban property market, and what influences business location decisions.

**3.3.1 The role of the urban property market in CBD's and emerging urban hubs**

Most city centres (or CBDs), in South Africa and internationally, have been struggling to avoid economic decline, particularly with the advent of suburban office parks and malls, catering to private road-based transport.

For a variety of reasons, certain areas experience a period of decline, with declining property values and rental returns. If the decline continues, there may be disinvestment, and ultimately decay of that area over time. The art of precinct management in this context is about the right intervention at the right time, to avoid physical, functional and economic obsolescence. Precinct management is an intervention at a moment in time to avert, halt and reverse this decline.



Source: Prof. Francois Viruly

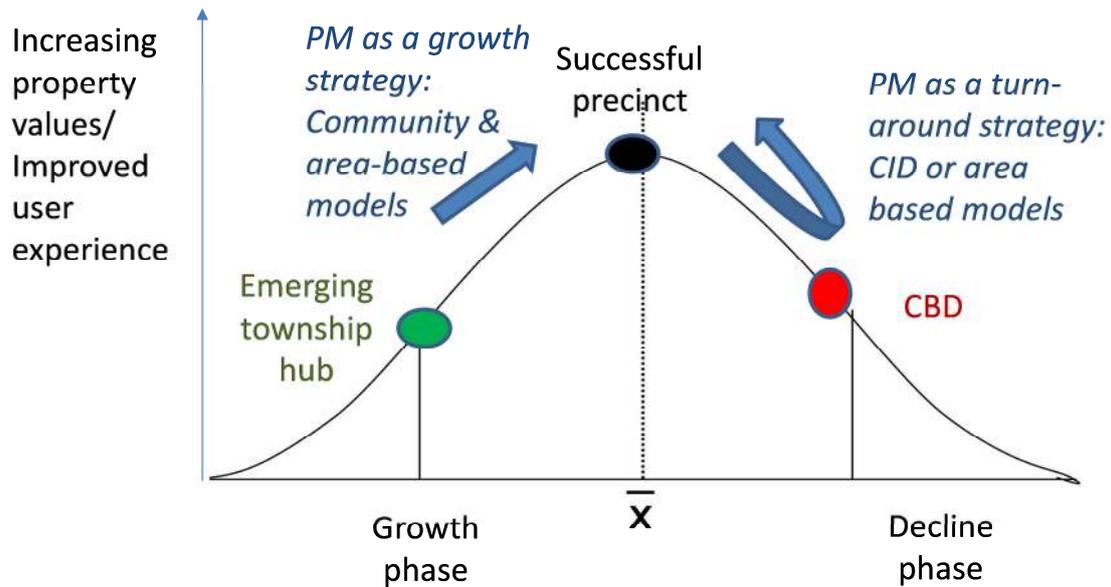
**Figure 9: Precinct management as a tool to halt, avert or reverse urban decline – The timing of intervention**

The timing of precinct management can be important. An intervention which occurs at A is preferable to one that occurs later (B), as additional loss of value is averted. However, at some point the CBD or urban centre may have decayed to such an extent that physical, functional and economic obsolescence has been reached.

The graph illustrates a few concepts. The primary use and nature of a precinct may change over time – it will not always be possible (or desirable) to avoid this change if it is demand driven. Sustainable precinct management is not about keeping a node “static” and avoiding change. However, if the existing use declines and no alternative use exists there is a possibility that “urban decay” occurs. At this stage the ability to intervene or introduce an effective PM strategy becomes difficult. So PM must happen at the right time and should be reflective of both existing use and possible alternative uses. In other words PM has a role to play in

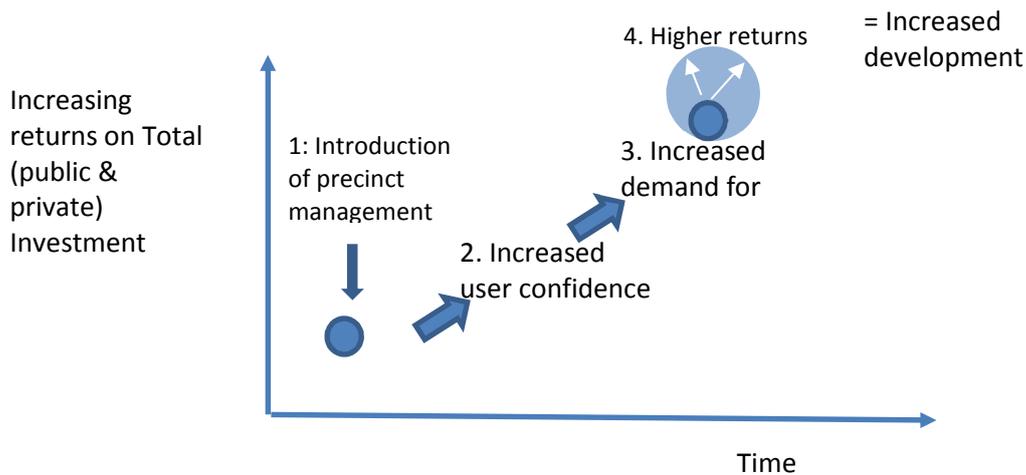
promoting the transition of a node. PM must be flexible enough to accommodate uses for which there is a demand as well as focus on the basics of service & infrastructure provision.

Precinct management, in the form of City Improvement Districts, has traditionally been primarily a tool for property owners, to organise to improve the user experience, change perceptions to both maintain existing users and attract new customers to the precinct. This model is based on levies on property owners, recognising that they have a direct economic motive to ensure that a precinct thrives.



**Figure 10: Role of Precinct management in emerging urban hubs and decaying CBDs**

However, the NDP/UNS strategy believes that precinct management also has a role to play in encouraging the growth of emerging urban hubs, where the property market is characterised by both formal and informal arrangements. While there is a functional property market, it is not very active. As a result the traditional CID model based on property ownership is most likely not appropriate and alternative models may be more suitable. Precinct management still has the potential to improve the level of confidence in an area, with the goal of improving the social and economic returns from private and public investments in key precincts. The main goal is to have a positive impact on demand: the focus should ultimately be on the user, rather than the investor.



**Figure 11: Precinct Management as a tool for emerging urban centres**

While community based PM has an important role to play, it is insufficient by itself to achieve the desired changes in areas lacking an active property market. The role of the public sector (municipal and other spheres) is vital in these areas to demonstrate confidence, reduce risk, provide basic infrastructure, and coordinate investment. The success of a precinct will also be influenced by other aspects, such as competition with other precincts. This is why sustainable PM must be driven by an understanding of both supply and demand: not only supply of infrastructure, but an understanding of what the market demand currently is.

Precinct management therefore has a role to play in two fundamentally different contexts: the established CBD with a liquid and well-developed property market in commercial nodes trying to remain relevant and avoid & reverse decline, and the emerging township primary urban center or hub which is still developing. These different contexts and the associated options are discussed in section 4 of this guide.

### 3.3.2 Business Location Decisions

While PM is partly aimed at improving investor confidence, it is important to recognise the role that other factors play in influencing where investors choose to locate. This includes the state of the local property market, the availability and condition of basic infrastructure, the location relative to transport networks and other opportunities, security, the size of the premises available, the characteristics of the surrounding area, among others. The local property market will be driven by users, current rates and taxes, security of tenure, and rezoning processes. Ultimately businesses find locations that they believe will optimize their long term returns. Decisions are therefore also made for the long run and users have to feel confident that an area will continue to meet their needs in the future.

#### **MUNICIPAL CONCERNS: UNDERSTANDING THE PRECINCT LOCATION IN TERMS OF BUSINESS LOCATION DECISIONS**

Several aspects influence the long-term desirability of any given location, and it is important that municipalities have a good understanding of some of these drivers before deciding to support any specific precinct.

**Economic Areas Management Programme ('ECAMP')**

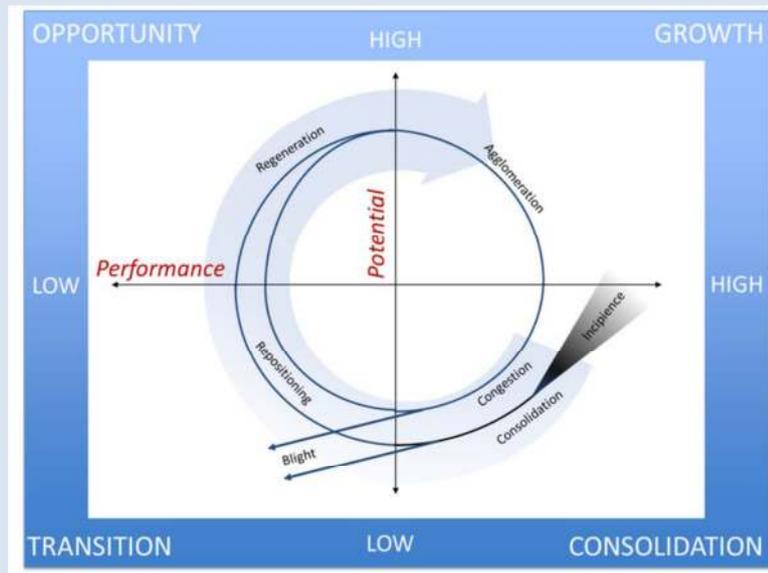
**Business Location Intelligence, Cape Town**

The City of Cape Town has recently launched ECAMP, a research and policy support initiative which tracks and assesses the market performance and long-term growth potential of over seventy business precincts across the metropolitan region, giving the City insight into local business dynamics, opportunities and inefficiencies which can be used to inform an appropriate area-based strategy and practical local interventions.

ECAMP assesses each node in terms of market performance and location potential.

Location potential indicators look at a variety of medium to long term attributes, such as the scale of land-uses present (by sector value and floor-space), the amount of space available, accessibility and congestion, availability of infrastructure, security and the nature of the surrounding population. The underlying hypothesis is that these attributes determine the relative attractiveness of each precinct to business, creating the conditions necessary to drive market performance.

Market performance indicators take into account recent sales performance or "churn"; the amount of floor-space newly built, in development, or redevelopment; and rental and vacancy rates. They reflect short to medium-term market signals generated by the interaction of the demand for and supply of desirable business locations for a variety of activities.



"It is essential however that the classification of areas not be interpreted as a static and conclusive image of the space economy, but rather a transitory snapshot of a dynamic process of urban transformation. Business districts are continuously subject to changing internal and external conditions and their respective trajectories reflect a gradual and unceasing cycle of growth, decline and regeneration. In this sense, we are primarily concerned with the transformation of business districts as they pass through these various life cycle phases, and how local authority interventions may leverage these dynamic forces." (p. 12).

**Key lesson:**

Precinct Management has to be able to respond to a node as it goes through these different stages. It has a role to play in each of these stages, but is most frequently used initially in an attempt to avoid obsolescence and blight.

**A MUNICIPAL CHECKLIST: THE FOLLOWING TABLE SUMMARISES THE MAIN CONSIDERATIONS WHEN ASSESSING A PRECINCT IN TERMS OF ITS PROFILE, CONTEXT AND READINESS FOR PRECINCT MANAGEMENT.**

ATTRIBUTE	POSSIBLE RANGE OF CIRCUMSTANCES AND KEY CONSIDERATIONS	MOST SUITED TO PM
Status of the property market	Well established to none	Easiest to implement where strong private property base gives an economic incentive for committed action.
Nature of property ownership	Fully private, mixed, or fully public. Large institutional owners, too many small single-property owning landowners.	Easiest to implement where large private property owners have an economic interest and additional capacity to become involved in PM. Dominant public sector institutions can also provide strong leadership.  More difficult to implement with a diversity of small interests
Nature of customers/users	Understand the current mix and nature of users, and what the current demand is in the precinct (both actual and unrealized)	Applicable to all types, but must be responsive to their needs. Must be aware of the unmet demands on the node, and not have unrealistic expectations of future.
Land-uses present	Single-use to mixed	Diverse, mixed use areas
Municipal plans for the area	Does the area appear in any municipal plans? What is the type of development that should be encouraged in these areas? What is the highest and best use of the area?	Higher order nodes: in particular CBDs and urban hubs
Role of the municipality	Dominant land-owner, to one of several land-owners, or only basic service provision.	Will vary according to the context: may be a founding member in some cases, or it may be restricted to coordination and general service provision.
Role of the public sector	Dominant land-owner, to one of several land-owners.	One of many stakeholders
State of municipal service provision	Poor to excellent quality	An insufficient level of service is a key driver for establishing a PM entity
Core need	“Crime and grime” issues, to marketing and branding, to basic service provision, or basic economic infrastructure	Supplementary service provision,  Community organization and lobbying/engagement with municipality.

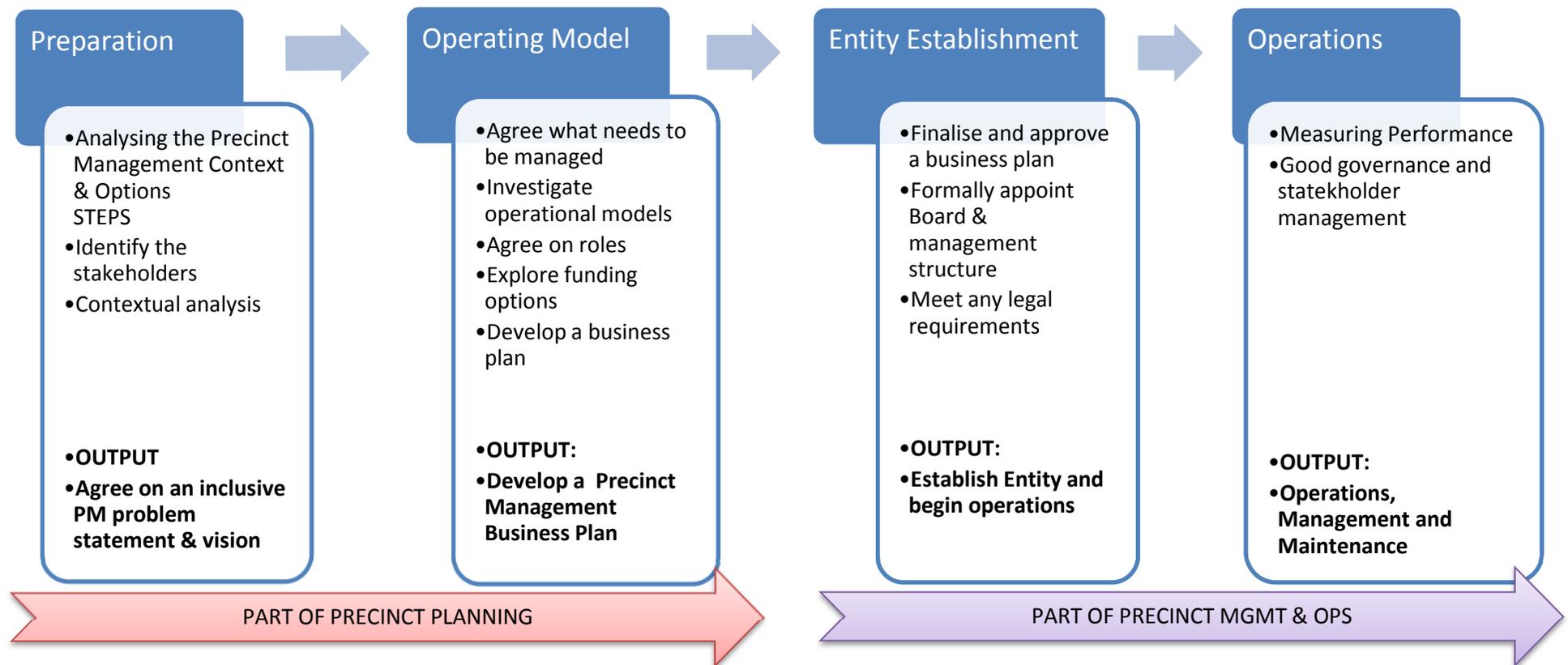
A MUNICIPAL CHECKLIST: THE FOLLOWING TABLE SUMMARISES THE MAIN CONSIDERATIONS WHEN ASSESSING A PRECINCT IN TERMS OF ITS PROFILE, CONTEXT AND READINESS FOR PRECINCT MANAGEMENT.		
ATTRIBUTE	POSSIBLE RANGE OF CIRCUMSTANCES AND KEY CONSIDERATIONS	MOST SUITED TO PM
Focus of precinct management	Inclusive, day to day operational management: Focus needs to be agreed by all stakeholders	

As this section has demonstrated, there are a number of different types of precincts which are inter-connected in the broader urban network and which play different roles in that network. **Given the goals of the UNS, the rest of the guide focusses on implementation of precinct management in CBDs and Township Urban Hubs.** It outlines the steps involved in creating a sustainable precinct management entity, including possible funding options.

#### 4 Part III: Precinct Management Process: From Concept to Reality

Precinct management can take many different forms, and must be responsive to both the current local context, and to future changes which may occur. PM must improve the resiliency and flexibility of the precinct to adjust to change. For this reason, the process outlined here is not intended to be prescriptive, but rather to lay out a basic process, highlighting key considerations at the various stages, illustrated with case-studies. It is aimed at anyone considering implementing precinct management.

The subsequent pages explore each of these stages in more detail.



#### 4.1 Profile Focus: Declining CBD vs. Emerging Township node

While PM is useful in a number of different situations, this guide is concerned with two specific contexts: the established CBD with a functioning property market, and the emerging township primary urban centre or hub. Both of these have been identified as key elements in the Urban Network Strategy. While many of the principles discussed here will have relevance for all precinct types, this discussion is specifically focussed on precinct management in these areas, and is not concerned with neighbourhood improvement in general.

This guide is focused on precinct management in the context of urban decline in established CBDs, and promoting take-off in township hubs, where these areas have been identified as key hubs within the broader city environment.

The historic CBD is characterized by decline, and precinct management in this context is an intervention to avert, halt and reverse this decline. However, in emerging township hubs the property market has yet to develop, and does not have the same degree of diversified investment and the related property rates base to draw on as a primary funding source. The township urban hubs needs targetted and coordinated spatial investment (both public and private) to enhance its prospects of developing into a mixed use, vibrant area with an active property market which is attractive to different types of investors, and services the needs of residents, visitors and workers in the hub.

The role of precinct management in emerging township nodes or hubs is to support this investment with operational management, with the goal of improving the user experience and investor confidence.

Using some of the questions introduced in the previous section, the two different contexts can be summarized as follows:

	<b>DECLINING CBD</b>	<b>EMERGING TOWNSHIP NODE</b>
Problem statement: additional effort needed to address...	Declining investor confidence; Quality of user experience needs improvement	Needs takeoff. Planned node, “failure to launch”. Need to build private sector confidence, and improve the understanding of the locational decisions of the residential, commercial and government investment.
Status of property market	Functioning, property values may have dropped; Suffer from physical and economic obsolescence.	Fairly inactive property market, low investor confidence.
Nature of property ownership	Mix of private and public may be large commercial property companies, and a variety of small property owners. Owner-occupied & leased. Mostly private	Mainly public ownership. May be some limited private ownership. High degree of informality.
Land uses present	Mix of higher and lower	Tends to be lower order, may only

	<b>DECLINING CBD</b>	<b>EMERGING TOWNSHIP NODE</b>
	order retail, formal / informal trading; Mix of public and private offices; Business & leisure; work and limited residential - apartments	have retail aimed at commuters, some government properties. High degree of informality.
Role of public sector	One of many landowners.	Probably most significant land-owner. Potential catalytic nature of investment – can work to lower risk of private sector (“We’re here, join us”) Reduce private risk through its investments and leases (demonstration value, & lower transaction costs). The area may have been identified as an urban hub under the UNS strategy.
Municipal service provision	Current service levels inadequate and uncoordinated	Current service levels inadequate and infrastructure provision is uncoordinated.
Focus of Precinct management	Improving day to day operations, the user experience, to ultimately improve investor confidence and user experience.	
Core need	Crime & grime, social development, perhaps marketing	Crime & grime, additional investment, public space improvements. Risk reduction for investors; unlocking potential; co-ordination of investment & management. Households will be focused on housing, social facilities and access to economic opportunities.

#### 4.2 Preparation: Initial Engagement

<b>PREPARATION: INITIAL ENGAGEMENT</b>	
Objective	Agreeing on an inclusive precinct management problem statement & vision  Preparation of a draft feasibility report, informed by an analysis of the precinct, and the views of the stakeholders.
Municipal Role	This will vary according to the capacity of the stakeholders, but at a minimum the municipality must be prepared to support and engage with the precinct stakeholders.

PREPARATION: INITIAL ENGAGEMENT	
	<p>Identify capacity within the municipality to support precinct management.</p> <p>Provide any relevant plans/info to the stakeholders</p> <p>Provide examples of service level agreements, or other supporting documentation.</p>
	<p>In the case of emerging urban hubs, the municipality will be playing an active role in developing the hub.</p> <p>In this situation the municipality should be engaging with the community about precinct management during the preparation of the over-arching Precinct Plan.</p>
NDPG Role	<p>The NDPs role will vary depending on the nature of the precinct. If the precinct is identified as important under the UIS/UNS, the NDP role may include helping municipalities with the rules of engagement with private sector partners.</p> <p>If the node is considered a high priority and designated as an urban hub, there is potential for funding of initial preparatory work, but this should preferably follow demonstration of sufficient local demand and interest.</p>

#### 4.2.1 Getting started

Traditional precinct management usually begins with a core group of interested and concerned stakeholders, who have identified a need for precinct management. In established urban centres it is generally initiated and driven by a group of property owners. In this situation a CID type model is appropriate, and there are several organisations that specialize in providing support to CIDs. Municipalities are also potential sources of information about how to establish a Special Rating Area. (Please refer to the additional resources section of this guide). Successful precinct management depends on the presence of a few key stakeholders who are interested enough in the precinct to canvas for support, prepare a draft business plan, and generally do the groundwork required for a first level of engagement. This is a precondition for success.

However, in the case of an emerging township urban hub with a limited property base, it is usually the municipality who is encouraging and directing investment to the urban hub. In this situation, it is essential that the municipality engage with community and other stakeholders to discuss precinct management needs from the beginning. These engagements should begin during the preparation of the municipal Precinct Plan.

#### **The role of the public sector in driving precinct management**

In established areas where the concern is preserving or enhancing an existing concentration of investment (both private and public in the form of historical investment in infrastructure), the process of preparing for precinct management usually begins with a group of interested and dedicated individuals. In these cases municipalities should be

supportive, rather than driving members.

However, in the case of an emerging urban hubs with a lack of significant private investment, the public sector, especially the municipality, is likely to be the driving force behind precinct management. The public sector has a strategic role to play in ensuring that supportive infrastructure is provided, and in making the area more attractive to the public sector through reducing the risk of investment. Improving the desirability of the urban hub precinct will help to reduce this risk.

**MUNICIPAL CONSIDERATIONS: DEVELOPMENT FACILITATION**

While the municipality is a key strategic partner in supporting and guiding the formation, development and operation of a PM entity, it should (in most circumstances) not be the driving partner. For sustainable precinct management, the drive and vision for the precinct must be driven by a broader consortium of interests.

At this stage, the municipality should assess its own internal resources: does it have the capacity to assist with the management in the precinct? A precinct development facilitation manager would be responsible for the overall co-ordination of all activities necessary to implement all projects that have been identified in the broader municipal Precinct Plan. This precinct plan should have been developed in consultation with the community.

**4.2.2 Stakeholder Analysis**

The first step in preparing for precinct management is to identify the key stakeholders in the area, and their objectives. Although property owners are traditionally the key drivers of PM, in South Africa there is also a broader societal need to make our public spaces work better for everyone. All the major current land-users need to be represented, and accommodated in PM to ensure that it responds to the real demand. Section 3.1 provides some questions to guide this process.

**Key steps:**

- Conduct a perception survey of all stakeholders relevant to the precinct.
- Engage with all stakeholders. This should be inclusive, which will require different types of engagement.
- Have an initial meeting to establish a steering committee.

The following table outlines the key interests of the different stakeholders, and their potential roles in precinct management.

STAKEHOLDER	KEY INTEREST	ROLE IN PM
Local municipality	Urban upgrading; maintaining public investments Promoting local economic development & increasing property rates base Service delivery - Coordinated	Role may vary from strategic partner to a private CID, to active co-management of the precinct. Provide planning context (Precinct Plan, urban design considerations)

STAKEHOLDER	KEY INTEREST	ROLE IN PM
	- Efficient	May contribute facilities. Continuing basic municipal service provision
Local private property owners (asset)	Maintain or improve property values and rental returns	Important funding source for supplementary PM services. Investing in private facilities Time
Private businesses (service provider)	Attracting additional customers to the area	Potential funding source, depending on nature of lease agreements.
Informal traders	Attracting additional customers to the area; location accessible to pedestrian traffic	Stakeholder, may be directly involved in keeping area clean. Can enhance security through their presence and co-operation.
Other public bodies	Maintaining public investments if they own (or lease) property. If tenants, then interests are aligned with other users of the precinct.	Funding source: seed funding, membership fees
Local community/users Will depend on category (resident, visitor, worker)	A safe, convenient shopping/working/commuting experience	Will vary from no active participation, to sweat equity and active engagement in community based PM entities
NGO's/community organisations	Addressing social issues in the area, such as begging, homelessness, unemployment.	Key partner in addressing local social issues, to avoid displacing problems onto surrounding areas. NGO's should ensure that interests and amenities of the community are protected and enhanced by PM.
Transport sector (private & public)	Providing transport services: picking up and dropping off passengers. Private freight movements	While they are not expected to perform a key role in PM, they will most likely be a key presence in the precinct. Interests must be represented.

### 4.2.3 Situational Analysis

The next step is to better understand the context of the precinct: in addition to understanding the stakeholders, there must be good understanding of the economic and social role the precinct plays in the city, and the community it serves. Other aspects to consider include:

- Establishing the boundaries of the proposed precinct. In some cases an area may already have been identified in municipal plans as a precinct, but the final boundaries should be determined by the final members of the precinct association.
- An accurate assessment of current municipal service delivery;
- The capacity and state of municipal infrastructure;
- The socio-economic characteristics of the area that the precinct serves. While this may change over time, it must continue to meet the actual needs of the surrounding community, and adapt along with it;
- The location of the precinct in the city, and the role that it plays in the local economy;
- Perceptions of the area, in terms of personal safety, cleanliness and general desirability. crime statistics;
- The state of the precinct property market, including vacancy rates and sales by type/sector, the type of space available (criteria in the precinct design toolkit);
- The level of property rates payments. **Poor payment levels should not be seen as a reason for not continuing with precinct management.** It is however a potential indicator of levels of satisfaction with municipal services, and the relationship with the municipality. Precinct management and community building may help to improve rates payments, as relationships improve.

In the case of existing nodes or established CBDs, much of the information on the opportunities and challenges may be available in existing municipal plans, and from private sector partners interested in the precinct.

For urban hubs, this could occur in parallel with the Status Quo assessment for municipal Precinct Planning, and be collected as part of developing the Precinct Plan

This information can also be used as the basis for ongoing monitoring and evaluation after the precinct management entity has been established.

Information might also be sourced through a market report which highlights existing and future demand and supply trends. A perception survey should also be undertaken to understand the issues faced by the different users of the precinct.

**Tools:** Existing municipal information including precinct plans, IDPs, transport studies, environmental reports, economic assessments or socio-economics surveys undertaken.

Business location systems like the City of Cape Town’s ECAMP will be a key source of information if they exist in the municipality.

**Warning point:** An evaluation of this type is only one stage of the planning process. While it will surface a lot of information, it won’t prioritize issues which arise. That will happen in subsequent stages. Not all issues will require the same depth of analysis, but this phase can help to provide an overall understanding of the precinct.

## MUNICIPAL ROLE

The municipality can play a key role in this context, by providing access to any municipal data on the area. This could include information on the level of municipal services currently, the condition of municipal infrastructure and capacity for growth. Much of this may already be available in existing municipal plans, particularly for strategic nodes in the municipality

#### 4.2.4 Agreeing on a common vision and the steps to get there

**Key outcome:** Broad approval of a draft business plan, with initial recommendations for the types of services to be provided, and proposed operational structure.

This should be based on stakeholder and contextual analysis, and should meet a threshold level of buy-in from the stakeholders before proceeding. Approval from at least 25% of stakeholders is sometimes seen as an adequate level of support at this stage. Depending on the nature of the precinct, this may be 25% of property owners, but approval in principle must also be sought from non-property owning stakeholders.

In the case of emerging urban hub precincts, this should be finalised on completion of the precinct design and phasing plan.

This step is the culmination of the first rounds of engagement. In many ways the broader vision is self-evident: creating a safe, convenient, secure and comfortable environment. However the objectives and ways of achieving this may differ according to the type of customer: a pedestrian has different ideas of convenience from a driver; a family has a different idea of comfort from a group of teenagers; a property investor has a different goal than an informal trader – yet the precinct has to meet all these differing needs.

Before establishing a precinct management entity, the key stakeholders have to be able to agree on a vision or mandate for the entity. Broadly speaking, they must agree on the need for a management intervention to bring about positive change in the precinct. It is important that any management entity in CBDs or Urban hubs have a broad mandate of creating successful public spaces that work for all their users, and not only for a sub-set of stakeholders. The role of the entity is fundamentally about managing conflicting land-uses and interests, even if the focus is on improved service provision.

The culmination of the preparation phase is the development of a common, high-level vision. While precinct management won't encompass all of these aspects, it **should be informed by the Key UNS objectives for Urban Hubs:**

- **Create a sense of place by responding to local conditions of topography, climate, human needs, function and culture;**
- **Cater for those on foot (not at the exclusion of the car but always prioritised above the car); and**
- **Creating a safe, convenient, secure and comfortable environment public space network, supported by a mix of land uses and activities that services the needs of residents, people working in the Hub and visitors to the Hub.**

**Tools:** The earlier engagements, perception surveys and technical analysis of the precinct.

#### **Catering for Informal traders: Warwick Junction, Durban**

The Warwick Junction Urban Renewal Project has been recognized as one of the more successful examples of urban upgrading. Warwick Junction is Durban's largest transportation node and trading hub, located on the outskirts of the inner city. In 2009, about 460,000 people walked through the area daily, and hosted between 5,000 and 8,000 traders. In addition, 300

### **Catering for Informal traders: Warwick Junction, Durban**

buses and 1,550 minibus taxis departed from the junction on a daily basis and 38,000 vehicles passed through daily.

In the early 1990's, Warwick was in desperate need of upgrading, with high crime rates, neglected or non-existent infrastructure, over-crowded and unsanitary trading conditions, and tense relationships between the police, traders and municipal officials. The City of Durban set out to upgrade the area, with the use of processes which were designed to be inclusive and engage the community as much as possible. There was both an acceptance and a recognition that urban management would have to both innovative, and as responsive to the needs of traders as possible. The City launched an area based management (ABM) initiative in 1996: the Urban Renewal Project (the iTRUMP Project). This policy allowed the City to cooperatively tackle urban management challenges, diminish contentious relationships between urban managers and informal traders, and led to more appropriate interventions for the informal traders.

The new policy of collaboration meant that the City worked with informal traders, their organizations, and a variety of government departments to establish the necessary management and ongoing reform around Warwick Junction and the markets. There was a concerted effort to understand the dynamics of different trading operations, particularly how and why they did things a certain way. The City designed and created specific infrastructure, including storage space, tailored to the needs of specific informal trade sectors, such as the traditional medicine market, mielie cookers, and cardboard collectors. Within the span of three years, Warwick Junction became a safer, cleaner and more vibrant space where informal trade flourished.

At the peak of its fame, in around 2003, the Warwick Junction Project was successful in expanding markets and reorganising space to meet the demands of greater numbers and a widening range of trading activities; being continually open to the traders organisations; building an interface between the demands of traders and the objectives of health, security and an orderly appearance to the city; and serving as an incubator for area based management and wider city initiatives.

In 2013, Warwick Junction is still considered to be much safer; many traders have established sites to conduct their trading, and there is a sense of ownership and pride in the area. Unfortunately, since the mid 2000's, peaking in a failed bid by the City to relocate the market to make way for a mall for the 2010 World Cup, there has been a decline in the level of trust and cooperation between traders and the City. Unsatisfied traders complain that the city does a poor job maintaining their facilities, while City officials feel that the traders suffer from infighting and unrealistic expectations.

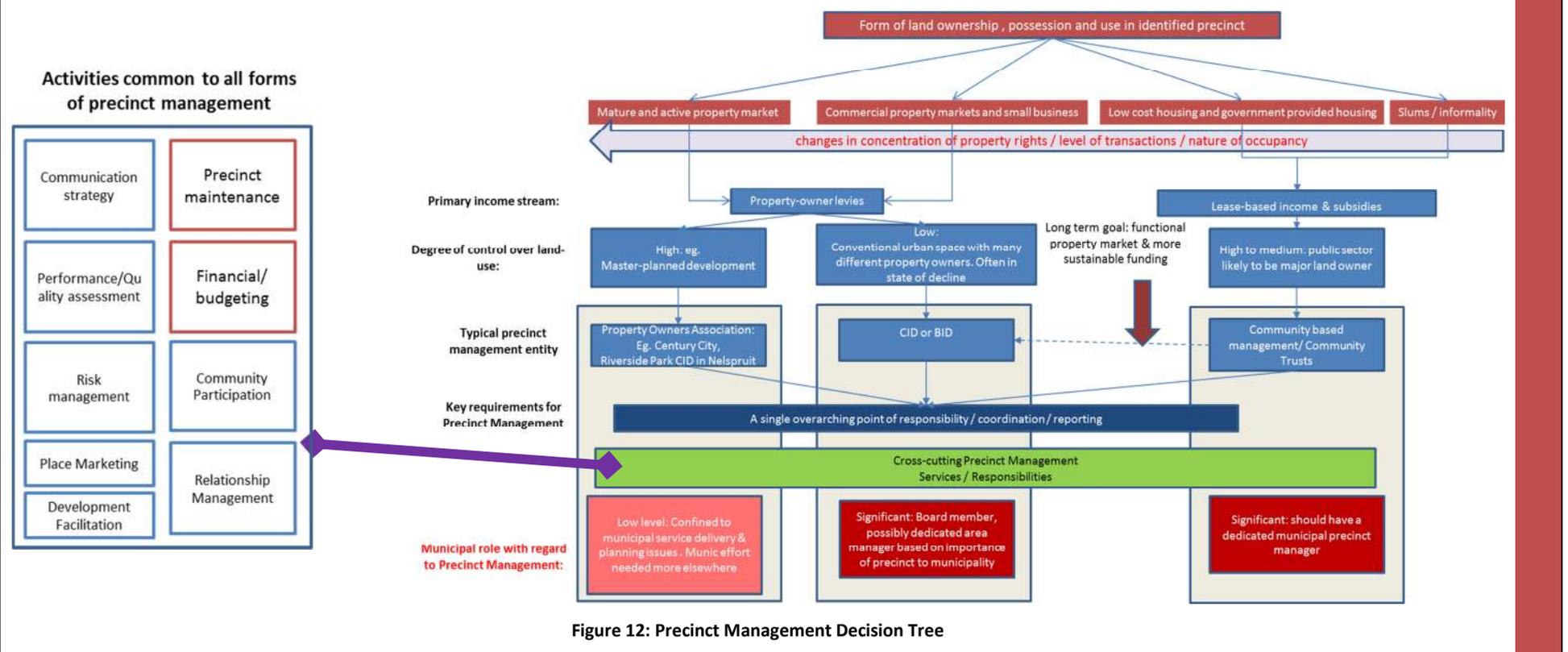
However, the sustainability of the model is reliant on both continued municipality funding, and successful engagement and dialogue between the traders and the municipality. In recent years the level of trust appears to have declined somewhat, underlining the importance of ongoing collaboration.

#### **Key lesson:**

Successful precinct management should be tailored to the needs of the land-users: it should be demand driven.

The continuing importance of maintaining good relationships between stakeholders.

**MUNICIPAL CONSIDERATIONS**



### 4.3 Operating Model

OPERATING MODEL	
Objective	Development of a precinct management business plan, with choice of an operational model
Municipal Role	Level of engagement will depend of type of operational model, but could range from partner to lead in the case of urban hubs.  Assign or appoint a municipal area manager.  Engagement with precinct association.
NDPG Role	Technical Assistance for full feasibility study and/or business plan development and required engagement.

#### 4.3.1 Development of a precinct management business plan

The objective of this stage will be the development of a precinct management plan/framework, and the choice of an operational model.

The Precinct Management Business Plan should reflect a consensus by all stakeholders (community, private and public sector), that the precinct needs additional management to improve the environment for its users, and to attract and accommodate investment that can help it to become or remain a desirable destination.

#### **MUNICIPAL ROLE: KEY INFORMANTS TO A PRECINCT MANAGEMENT BUSINESS PLAN**

- Key development issues identified in meetings with stakeholders and also in technical investigations undertaken
- Planned public and private sector investments into the area, which involve building and infrastructure development projects
- The limitations on the municipality in that it can only make capital investment and have a visible influence on the development direction of the precinct on land that it owns.
- The development vision, objectives, design principles and concepts contained within the municipal Precinct Plan
- The urban design framework for the precinct, which is a key component of the municipal Precinct Plan
- Implementing municipality departments, municipality organisation and operations
- Local community initiatives.

#### 4.3.2 Bringing Stakeholders Together: One unified representative voice

The outcome of this step is about selecting an organizational structure that provides for different types of input, from a variety of stakeholders. While broad input and engagement is required for successful implementation, not all stakeholders will have the same level of

engagement. Different stakeholders will have different legal and financial obligations, as well as economic interest.

The participative process required to set up a sustainable urban management institution is lengthy, difficult and costly, but essential for establishing a viable organization. Whichever model is finally selected, the management structure must be transparent, with a clear legal framework. Any number of committees or representative bodies can be established as required, which answer to the Board or governing body. However, **in order to be an effective lobbying body for the precinct, there should be only one representative voice for negotiating.**

#### **Case-Study: eKhaya, Hillbrow and bottom up engagement**

Hillbrow is a central Johannesburg suburb, one of the densest areas in South Africa. In the 1980's Hillbrow suffered from a lack of investment in infrastructure which could not keep up with the rapid growth, leading to an exodus of middle-income residents. By the end of the 1990's Hillbrow had declined significantly.

In 2004 Josie Adler set up the eKhaya Neighbourhood Association with the support of property owners, managers and residents. The objective was to make Hillbrow a safe and desirable place to be and live in.

eKhaya started from the ground up, building relationships between building owners and managers, residents and commercial tenants, and between these groups and agencies actively involved in Hillbrow, such as the Hillbrow Community Policing Sector Forum, SAPS, JMPD, Pikitup (solid waste collection), Johannesburg Roads, as well as local councillors. The increased level of involvement in general urban management led to a drastic reduction in crime, according to the Johannesburg Housing Development Agency.

eKhaya is not a formal Community Improvement District (CID), and relies on donation funding from property owners and the public sector. eKhaya started with the bottom-up approach of first organising local stakeholders on a voluntary basis around a common cause, then in defining priorities and implementing plans to deal with these. They currently have a fee for each unit in a building involved in eKhaya activities. The functions that eKhaya performs are complementary to those of the City, and mainly revolve around cleaning, safety and the maintenance of public spaces such as parks. There has been an expansion into other social initiatives, such as children's events and health projects.

#### **Key lesson:**

Alternatives to the traditional CID and property based levy model are possible. Tenants are willing to pay for initiatives that they believe in, and which result in a real improvement to their daily lives.

### **4.3.3 Agree On What Needs To Be Managed**

Flowing out of the common problem statement and vision, there needs to be agreement on what is to be done: the actual programmes, services or projects provided by precinct management, that are required to achieve the agreed vision. These should be supplementary and complementary to the services the municipality is already providing. Increased service provision for a cleaner and safer environment is generally the starting point for precinct management entities.

Over the longer term, precinct management is usually focused on the following activities:

- **Safety & Security:** this may include public safety ambassadors, and sector committees.
- **Cleaning & Landscaping:** Removing graffiti, collecting rubbish, washing sidewalks, cutting grass, upgrading landscaping, maintenance of public space infrastructure

- Marketing the precinct: newsletters, social media, and basic website. Marketing activities will vary greatly, from simple awareness raising of the PM entity, to hosting community festivals, to active promotion aimed at potential property developers, investors, residents and businesses.
- Overall entity management and administration.

The emphasis placed on these elements, and the budget assigned to them will probably change over time. As the organization matures, and its ability to effectively lobby for the area increases, marketing, co-ordination and place-making activities may become more important over time, and the budget assigned to these activities increase proportionally.

The final form of the activity, and how these services are to be provided (employing own staff, use community, tender etc.) will be detailed further in the business plan.

A key implicit function of the precinct management entity will be to serve as a **coordinating body**, and establishing relationships with relevant partners such as social outreach organizations to manage problems such as homelessness, or other bodies which might not have formal membership, but have a key impact on the functioning of the precinct, such as transport providers.

In addition to day to day operational management, the PM entity will also be **uniquely placed to represent the needs and interests of the precinct**. In the case of an independent entity, it can partner and coordinate with all levels of government to secure and manage infrastructure upgrades, and ensure co-ordination of investment, both public and private.

In the case of emerging urban hubs, where municipalities may initially be responsible for driving precinct management, they will be well-placed to co-ordinate with other levels of government. The challenge will be to ensure that area-based municipal management remains responsive to the needs of the private sector and the general community

Broader urban management and design are the responsibility of the local municipality –with input from stakeholders, but as the entity matures, it can become a very **effective lobbying body** for ensuring that the municipality is aware of the needs of the precinct.

**Tools:** This will build on the work done in the initial situational analysis and the common vision. It will also be informed and refined by the available budget.

**Warning point:** The exact nature of the activities will obviously depend on the available budget. The presence of a limited budget will also require the members or stakeholders to agree on what their highest priorities are.

### **Safety as a Core Consideration in Precinct Management**

Safety is a fundamental attribute of quality public spaces. In South Africa, however, the real or perceived fear of being victimised is a significant deterrent to people using and enjoying public spaces. Safety concerns (often referred to as “crime and grime” issues) are also a major barrier to precincts developed through the Neighbourhood Development Programme attracting private sector investment and achieving their economic and social objectives.

#### **Unpacking safety in precincts**

Depending on the particular nature of the precinct – its land use, stakeholder and income mix – the susceptibility to different types of criminal, violent or anti-social behaviour within the precinct may differ. For example, in some precincts, safety-related problems may be extremely serious, such as armed robberies of businesses, or other violent attacks on residents or users of the precinct. In others, more common problems may be crimes relating to property, such as burglary, theft of motor vehicles, or vandalism of public or private property. From a precinct

### **Safety as a Core Consideration in Precinct Management**

management perspective, each particular crime profile of a precinct would warrant a specific set of responses in terms of prevention or control.

Careful consideration needs to be given to the experience of different kinds of precinct users from a safety perspective (e.g. women, young people, children, older persons, people with disabilities, homeless people) and how to cater to their specific vulnerabilities and needs.

#### **Looking at the drivers**

The extent to which precincts are unsafe has much to do with the communities within which they are located, and the risk factors related to crime and violence that exist in those communities. For example, in townships, many residents (and especially youth) may be exposed to multiple risk factors, such as unemployment, poor access to social services, and few facilities for sports and recreation, that make them vulnerable to criminal or violent behaviour. Precincts, by their nature, as hubs that concentrate people and economic activity, may also attract anti-social or criminal behaviour. At the same time, quality, well-utilised precincts can make a valuable contribution to the quality of life of users of these spaces and local residents, and thereby contribute to community safety more generally.

#### **Ways of enhancing safety as part of precinct management**

A typical approach to addressing safety concerns within precincts, adopted by almost every precinct management entity, is to invest in security measures in the form of active surveillance, such as private security guards, CCTV cameras, and physical security barriers. Related to this is the enforcement of by-laws and precinct-specific rules regulating behaviour within the precincts, for example restrictions on the consumption of alcohol, the carrying of weapons, loitering etc. Security and law enforcement measures have their place in precinct management, although in the long-term the costs of sustaining these measures can become increasingly burdensome for precinct management entities, unless complemented by people-centred and inclusive approaches that target the drivers of crime or violence. Too many oppressive security measures may also contribute detrimentally to the atmosphere, and a sense of enjoyment of public space, that would attract people to precincts in the first place. The design of precincts can play a large role in making them safer: good lighting, proper signage, design elements that encourage passive surveillance and natural access control, for example street furniture, trader kiosks, or the location of trees or bus/taxi stops, public art, and many other techniques of crime prevention through environmental design are relatively simple but effective measures that can reduce opportunities for crime or violence to occur within particular spaces and make users feel safer. From a precinct management point of view, there may be modifications that can be made to the physical design of precincts that can enhance safety. Ensuring proper maintenance of physical infrastructure in public spaces also contributes positively to deterring criminal or anti-social behaviour and making users feel safer.

While place-making may not be the core function of precinct management entities, it can play a crucial role in enhancing safety within precincts. Permanent or transient interventions that activate people to visit and spend time within precincts, such as cultural, artistic or recreational activities, create a positive identification between users and that space, and thereby reinforce a sense of appreciation and shared responsibility for the precinct.

#### **Key lesson: The role of precinct management entities**

Local institutions or structures tasked with managing precincts have as one of their core functions the responsibility to promote safety within the precincts. How safety will be enhanced should be a key element of the precinct management plan. The primary role of entities in this regard should be to identify and bring together all relevant local stakeholders to jointly diagnose the particular safety-related issues within the precinct. Stakeholders can then together decide on the appropriate combination of measures, such as those mentioned above,

### **Safety as a Core Consideration in Precinct Management**

to be implemented to make the precinct safer, and what the roles of different stakeholders (public, private, community) will be. Some safety-related services might be delivered or managed directly by the precinct management entity. The entity can also specifically direct and mobilise contributions from individual stakeholders, for example investment by local businesses in physical improvements or supporting social programmes (that could be run by local NGOs) in public spaces within the precinct and the surrounding neighbourhoods.

#### 4.3.4 Selecting an operational model

**Whichever model is selected, the common denominator is the need for a single, overarching point of responsibility which guides the management and vision for the area.**

A key difference between CBDs and township hubs is the presence of an existing investment base and active property market in historic CBDs. While CBDs have a number of different property owners, a township node may lack significant private property ownership. This results in a key differentiating factor between models:

*To what degree is there a grouping of property owners, who have a direct economic interest in the performance of the precinct?*

This will have direct implications on funding options, but will also affect the choice of operational model.

The main models are:

- A private sector driven City Improvement District (CID) model, based on levies from property owners.
- A community trust model, which will most likely be lease based, and may require additional subsidies in the form of sweat-equity or funding.
- Municipal area-based management, located within the municipality.

#### *The CID model*

A City Improvement District (CID) is a well-known and established precinct management model in South Africa, which has had success in revitalising urban centres, and averting urban decline where there is an active property market. It has done so by generally focussing on issues such as cleanliness and safety, although some have also included broader social issues, to address public perceptions of the public environment, generally funded using top-up or additional rates which are levied on property owners.

A CID is a private-sector driven association, where over 50% of property owners (by number and value) in a defined geographic area have agreed to the formation of a CID, and to pay for supplementary service provision in the precinct through a top-up levy which is earmarked for use in this area. The legal framework for this currently is a Special Rating Area (SRA), established under Section 22 of the Municipal Property Rates Act, or the Gauteng City Improvement District Act of 1997.

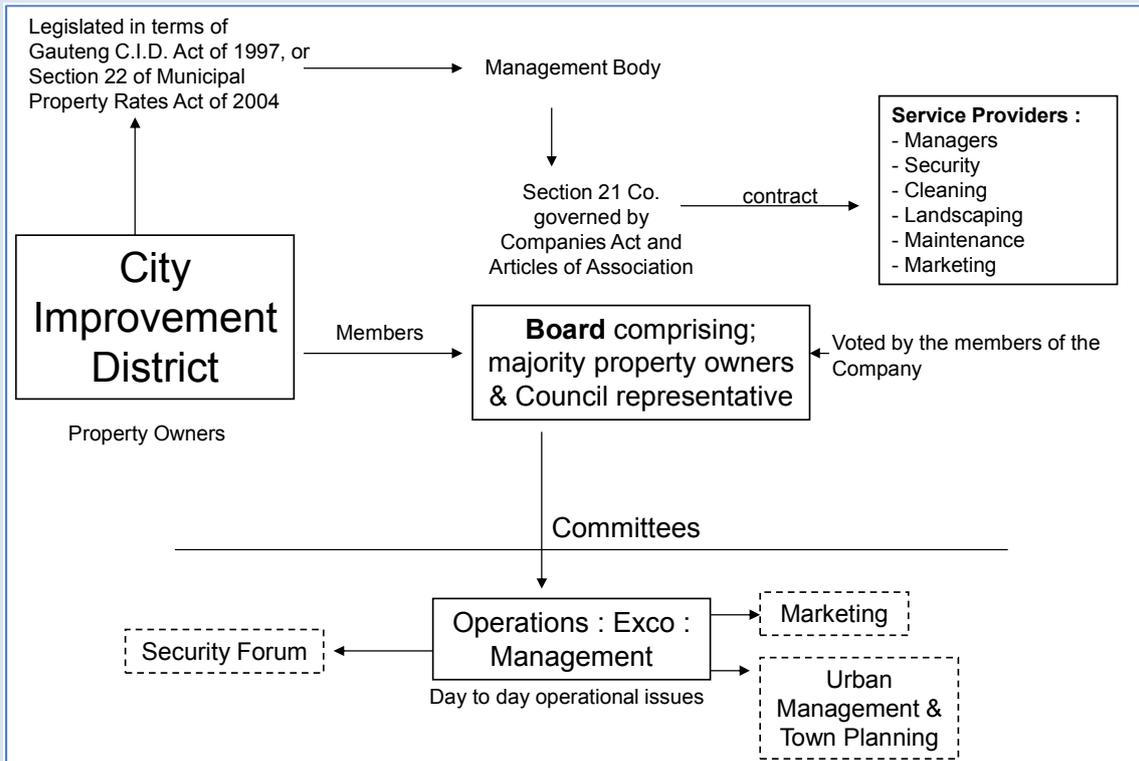
Property ownership is the core basis for membership, generally with representation from other stakeholders through a steering group.

There are many good guides which have already been developed to assist communities in establishing City or Business Improvement Districts. Those in search of detailed business plans, or legal documentation are encouraged to consult the reference section of this guide.

**CIDs in South Africa**

There are numerous CIDs currently operational in South Africa. Some of the oldest are based in Cape Town and Johannesburg. There are at least 15 legislated CIDs in Johannesburg along with numerous initiatives which haven't been legislated and over 20 in Cape Town.

Several companies have been established which are dedicated to providing operational support services to the CID market, ranging from perception surveys to development of business plans to security systems.



Source: A. Steffy

**Figure 13: Typical Formal CID Management Structure**

*Community based management*

In township urban hubs which lack an active property market or which have a very limited property rates base, other models such as a community based organization or trust may be more appropriate.

In this case a formal partnership is established between the residents associations, local businesses, property owners and the municipality to promote the development of the precinct. An entity is established to oversee the day to day operations of the precinct.

The precinct entity or association would also need to be supported by the municipality. The level and placement of this municipal contact will be important to the ultimate success of the relationship between the precinct association and the municipality.

In the case of a designated urban hub, the degree of involvement of the municipality is likely to be much greater. However, community based management should be explored during the Precinct Plan development process.

**Preferential leases** are one potential mechanism for organizing within a community. Nomzamo Community Trust and the Fashion District Institute are two examples where this mechanism has been used.

Where the key land-owner is public, special leases could be negotiated where in return for assuming responsibility for the operational management of the precinct; tenants are given preferential leases within public properties.

#### **Nomzamo Community Trust**

Nomzamo community is located in the Helderberg Sub council of the City of Cape Town. It is a 4km<sup>2</sup> informal settlement consisting of 60 000 people. Prior to the City's investment in this community, approximately half of the community's workforce was unemployed.

The City identified Nomzamo in 1998 as a target to attempt to grow and foster SMME's. Location was identified through surveys as being the most frequent stumbling block for businesses. The City owned a piece of centrally located land which could provide a better location for many businesses, and a special purpose vehicle was created in order to ensure that the ownership of the newly established Community Trust remains public and representative of the community. The Trust entered into a long term developmental lease with the City in 1999. The lease enabled the Trust to act as a developer on the City land, thus eliminating the cost of the land.

The developmental lease consisted of four phases, each creating additional small business facilities and making the area more appealing for businesses to move to. These phases were funded by public funds. Further SMME development was undertaken in the formation of the Nomzamo Builders Trust which tendered for, and won, the construction of this community based construction project.

The lease based funding mechanism allowed the Trust to rent the land from the City at preferable rates, while providing local employment. In return, the Community Trust is obliged to perform routine maintenance in the area, keeping it clean, and overseeing general upkeep and safety functions. The levies and sub-rentals which the Trust receives from the tenants pay for the management of the precinct.

The most difficult aspects of this community development approach is the management of tenants, ensuring that rental fees are paid timeously, vandalism and ensuring that the Trust board members adequately represent the members of the community.

#### **Key Lessons**

Rental-based income from small tenants, combined with local employment generation and sweat-equity, is a viable precinct management operational model.

Sound and ongoing support of the established business community in terms of advice and organisational experience has been invaluable. Preferential leases, combined with advice and support

#### *Municipal managed entities*

This operational model is most relevant in the case of urban hubs which municipalities have identified as strategic precincts, but which currently lack a significant private investment base. These precincts still need significant investment co-ordination, and precinct management can support the goals of the Urban Investment Strategy.

In this model, the municipality delegates personnel to oversee the day to day operations of the precinct, coordinating across municipal departments, and in partnership with the local community and property owners.

For any municipalities considering municipal led precinct management, key questions to be answered include:

- Who does the management?
- Who do they report to? Is it a planning function, LED, engineering or finance?
- Where do they fit in the local authority hierarchy?
- Should personnel be dedicated to one area, or to several areas?

An official responsible for managing a specific precinct must be able to facilitate management across all of the services in an area. If existing personnel are used, this can be a very cost-effective solution. The challenge is ensuring that the person or personnel are able to coordinate across departments, and retain good relations with the community.

This approach may use intensive monthly meetings, with representation of all the different stakeholders, service line managers and other relevant people who can discuss what is happening and what needs to happen in the specific area. These meetings need to establish the systems and routines that achieve the required level of service for that area, and should be based on constructive and on-going engagement.

Successful area-based management (ABM) by a municipality can help to improve relationships with the community. If a municipality can successfully provide a service which the community has expressed a desire for, this can serve as a foundation to improving the level of trust. A good way of getting the community's trust is capital investment targeted to the needs of the community. This implies having meaningful consultation with the community to begin with, to properly understand their needs.

#### **Area-based municipal management: Ethekewini municipality**

Ethekewini provides an interesting example of in-house area-based management located within a municipality, rather than in a separate entity. Beginning with work in Warwick Junction, but expanded to other areas of the City, the City reconfigured institutional structures to allow them to provide more responsive urban management. The Inner City Thekewini Regeneration and Urban Management Programme (iTrump) area extends from the Umngeni River in the north, the Beachfront and Point to the East, Victoria Embankment to the South and Warwick Avenue, Umngeni Road to the west. The area-based management (ABM) approach adopted by the City was innovative in that instead of creating a new team, which is expensive and may simply introduce another layer of institutional complexity, Ethekewini chose to rather assemble officials from existing departments and moved them into one building. Although they continued to maintain many of their old tasks, this gathering of officials made collaboration much easier, as department silos were spatially broken down.

Typically intensive monthly meetings are held, with people representing all the different stakeholders, service line managers and other relevant people who can discuss what is happening and what needs to happen in any specific area.

In 2003 iTRUMP's jurisdiction substantially expanded from its original focus on Warwick to a total of nine areas, including the Umngeni Estuary and the southernmost point of the Durban coast. Although iTRUMP officials deny that the expansion affected their work in Warwick Junction, a 2013 study notes that a common issue in ABM is that when areas change, particularly if they expand, the quality and method of management changes as well. Some commentators have noted that after 2003, project officials have been unable to dedicate the same degree of attention to infrastructure upgrades and day-to-day management in the precinct, and this may have contributed to a decline in relationships at Warwick Junction. It is interesting to contrast this with the experience of several private-led CIDs, who have decided to share operational management, but retain independent, small scale Boards with

**Area-based municipal management: Ethekekwini municipality**

representation which is focussed on very small areas. For example, the original Rosebank Management District, founded in 1998, was joined in the 2007 by the adjacent Lower Rosebank Management District. The two not for profit companies jointly manage the public space of Rosebank within the prescribed boundaries, with all property owners funding supplementary services to those provided by the Johannesburg municipality. While sharing operational structures, service delivery mechanisms and a common identity and vision, the two districts have separate governing boards, recognising the importance of retaining real and small-scale representation.

**Key Lessons**

Operational management benefits from economies of scale and shared resources; representation of local interests doesn't. Precinct representation should be focused on one specific area.

The ongoing importance of meaningful consultation and investment in social relations (not simply communicating what has already been decided). Area-based should be a bottom-up process, focused on integrating the beneficiaries into the development discussions and decision-making process.

Responsive designs, which entail knowing and respecting the nature of the activities which are currently present in an area, that are responding to a specific market demand.

**4.3.5 Developing a Business Plan**

The business plan is where the desired activities will be refined based on available funding. The cost of different ways of providing the services should be evaluated as part of this process.

It will also require agreement on the relative roles and contributions from the different stakeholders

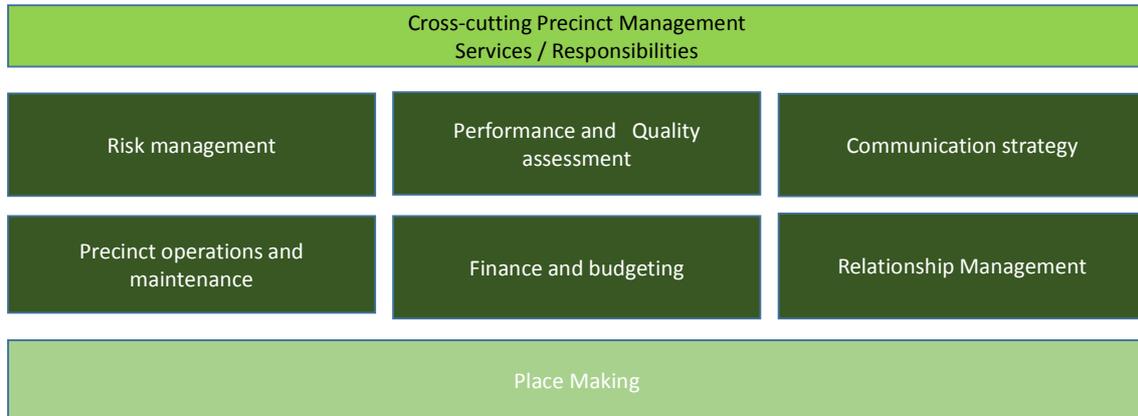
**MUNICIPAL ROLE: TYPICAL ELEMENTS OF A BUSINESS PLAN WOULD INCLUDE THE FOLLOWING:**

- Overview of precinct management and what its goals are
- Description of the area, including a map illustrating the proposed boundaries
- Description of who the association represents
- Motivation for establishing a PM entity or association
- Vision, and objectives of the PM association
- Services to be provided, by whom and at what kind of service level.
- Service level agreement with the local municipality
- Programme of action
- Feedback or proof of support from the association's stakeholders.
- In the case of property owners, a database with CID levy apportionment, and the total revenue expected from surplus levies on rates.
- In the case of tenants, a database of the association fees payable by square meter, or % of turnover, whichever metric has been agreed.
- Identification of proposed sweat equity contributions, and associated value
- Detailed Budget (Total anticipated revenue vs. cost of specified services)

*With Thanks to Anne Steffny*

Irrespective of the form of operational model selected, certain management components will remain necessary. Place-making is not essential for precinct management, but is an additional activity that many precinct management entities engage in.

Essential responsibilities which cut across all types of precinct management entities include the functions shown in Figure 14.



**Figure 14: Cross-cutting precinct management responsibilities**

**Tools:** The business plan will be informed by the earlier identification of what needs to be managed.

#### 4.3.5.1 Relative roles of stakeholders within the management entity

Irrespective of the model chosen, the roles and responsibilities of the stakeholders must be clearly stated and agreed to. In particular, the relationship between the municipality and the precinct must be specified in a service level agreement, along with agreement of how funds are to be collected.

Where the precinct management entity is external to the municipality, as in the case of a CID or community-based entity, the municipality will be a key partner. While issues such as urban management will remain the role of the municipality, the precinct entity will want to be able to provide input on key municipal processes which affect the precinct, such as:

- Transportation Plans
- Development Plans
- Land Use Management
- Tourism / marketing
- Area-based strategies
- Municipal Budget.

Where an area-based model is chosen, the municipality will be the key driver of precinct management. In this case the challenge will be to ensure that the management of the precinct remains demand-responsive, and that good communication with the community is retained.

Over the longer-term, the goal should be for operational precinct management to be moved out of the municipality, to ensure that it remains relevant and responsive to the needs of the community, and to enable the municipality to focus on core service-provision. If the precinct is successfully developed, and risk to the private sector is reduced, the investment base should grow. This will provide additional funding sources, and ultimately the stakeholder group should be diverse enough to successfully operate the precinct on their own.

**Case-Study: Umhlanga Urban Improvement Precinct**

The Umhlanga Urban Improvement Precinct (UIP) has been instrumental in revitalising the Umhlanga Rocks CBD, and reversing the decline in vacancy rates, property values, and visitor numbers that the precinct had been experiencing by the mid 2000’s.

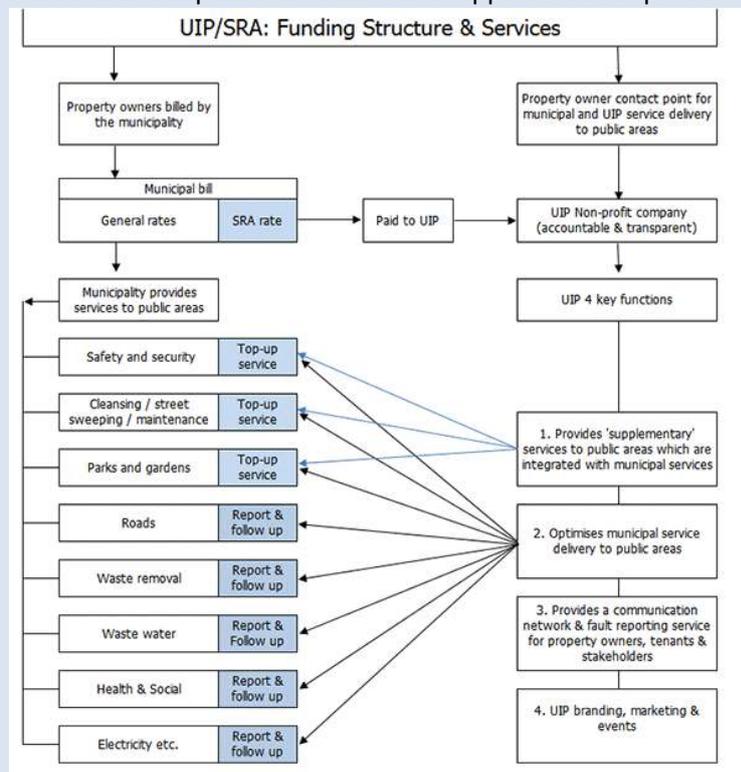
It was established to create a well-managed public environment, using a public private partnership while delivering privately funded security, cleaning, maintenance, greening and marketing services. The UIP is funded by local property owners, both commercial and residential. The UIP partners with the municipality by notifying them of any municipal work which needs to be done, and providing any supplementary services which are thought to be necessary. The Ethekwini Municipality is still responsible for overall urban management, and in 2007 appointed consultants to undertake a Precinct Plan for the Umhlanga Node. The Plan recognised the importance of the node, and the need to develop partnerships with the private sector to achieve its vision for the area.

The UIP follows a traditional CID model, which entails creating a non-profit company which falls under the framework of the National Companies Act. The UIP is approved as a special rating area (SRA) under the Municipal Property Rates Act of 2004

Similar to the Rosebank Management District, the UIP technically consists of 2 UIPs, the Umhlanga Promenade and the Village UIPs. Each UIP is organisationally and financially independent, but work together to ensure strategic alignment with both areas managed as one precinct.

– “UIPs are all about creating sustainable structures that align the thinking of property owners and stakeholders in a precinct around the shared vision. In partnership with the local municipalities they drive service delivery... This all creates desirable nodes that have the flexibility to change and the resilience to endure.” (Brian Wright, Head of the Umhlanga UIP)

Each UIP has an annual service agreement with the municipality specifying what services are to be provided. The following diagram clearly outlines the core municipal and UIP responsibilities, which are formalised in the service level agreements.



**MUNICIPAL ROLE**

**THE MUNICIPALITY AND DEVELOPMENT FACILITATION**

If a municipal precinct plan has been developed, the municipality should identify a

precinct development manager, who will be dedicated to managing the implementation of the precinct plan. This manager will also be charged with promoting, building, managing and coordinating a partnership between the municipality and other agencies or stakeholders active in the precinct.

The exact role between this manager and the Precinct Management Entity will depend on the specific context, and the chosen operational model.

#### 4.3.5.2 Financial Sustainability Model

Funding options will largely be determined by the local context: where the local property rate base is well established, and a majority of property owners agree, additional levies linked to property ownership will be the primary source of revenue. In this case, precinct management levies can be seen as a form of value capture: in order to maintain or improve their own private investment value, owners are willing to fund PM activities.

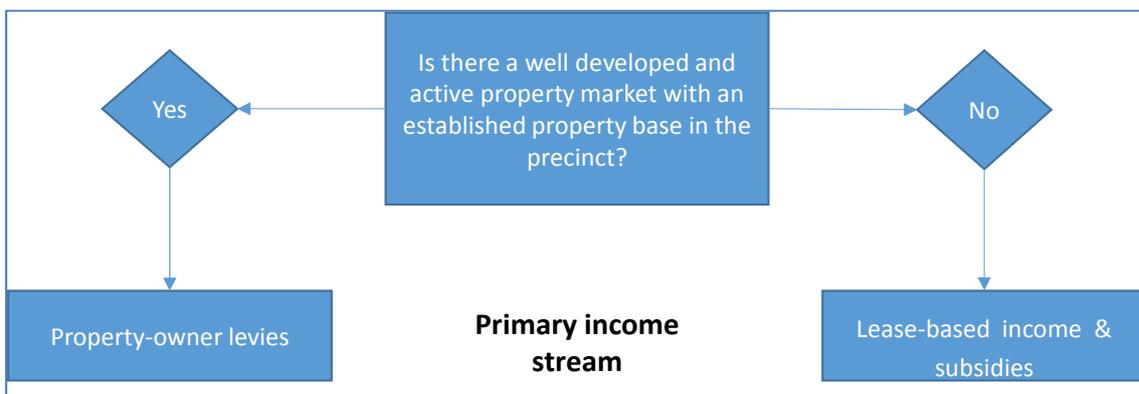


Figure 15: Impact of property base for income streams

However, where the property value base is very limited, such as in emerging nodes, other funding models may be more appropriate. For example in urban hubs where the public sector may be the dominant land-owner, lease or rental based income may provide a broader income base with which to start operations.

CIDs are traditionally funded principally by property owners through fees which are collected for the purpose of providing additional services in the area. While voluntary fees have been used in the past where agreement is not possible, this funding model has not proven to be sustainable, and is not recommended here.

For established CBDs and areas where a traditional CID-type structure is possible, the main sources of funding will be:

- Mandatory fees levied on top of the existing municipal property rates and collected from all property owners in geographically defined area top-up/additional rates.

As the entity matures and value is proven, additional forms of funding are possible:

- Corporate sponsorship
- National lottery funding
- Government funding
- Advertising
- Donor funding

- Special fundraising events

In terms of funding, different sources may be available to fund different functions. For example, service provision may be funded differently from place-making or marketing initiatives.

In the context of community-based management and the township hub context, additional forms of funding become more relevant:

- Portion of rental income (public or private), often linked to a preferential or reduced lease. In this case a property is leased to an organization for lower than market rates, in return for assuming certain responsibilities, such as maintenance and cleaning of the property.
- Municipal funds or earmarked rates. Mbombela municipality has a mechanism which provides for 10% of municipal rates to be rebated and earmarked for use in the designated area.
- “Sweat equity”
- Community Delivery of Services
- Top up rates within a defined area (likely to be less relevant initially, given the limited property rates base)
- Subsidies are likely to be required for some time, depending on the specific context.

Short-term funding (no longer than 3 years) may be available under the UNS and the NDP, to assist in the early stages of implementing precinct management in designated urban hubs. This funding will be conditional on development of business plan showing how precinct management will be funded in the future.

#### **Case study: Community Delivery of Services**

VPUU is actively promoting Community Delivery of Services approaches in Khayelitsha because of the belief that it provides a practical vehicle for helping people gain socio-economic benefits and it strengthens community ownership and participation in community development. Some departments in the City of Cape Town have implemented interesting and helpful CDS programmes, a few of which are included as case studies. As examples, three of the initial VPUU CDS projects were:

- The Ntlazane Informal Traders in Harare organizing themselves and preparing to manage a small community facility with 14 trading stalls at the Khayelitsha train station;
- A group of 4 local organisations forming a management committee to run the Harare Peace Park Active Box and park as a mini-community centre;
- A group of schools, sports organizations and City officials forming a management committee to manage a sports facility and grounds at Kwamfundo Secondary School.

#### **Case-study: Nelspruit : refunded rates for CID funding**

The Mbombela municipality has agreements in place with the CIDs in its jurisdiction that 10% of the rates collected in the area will be refunded, for the explicit purpose of funding operational management of the precinct. This is subject to a service level agreement which is drawn up between the municipality and the relevant association, explicitly stating who is responsible for the funding and execution of specific services.

#### Case-study: Nelspruit : refunded rates for CID funding

The implementation of CID type precinct management in Mbombela, appear to have resulted in an increase in the level of payment of rates. The reasons may be two-fold: the CID management is notified of who is failing to pay their bills, and they have frequently been able to act as a mediator between the property owner and the City in the case of a dispute. The second reason is due to improved satisfaction with regards to the actual precinct environment.

The Nelspruit example supports the view that existing payment levels of property rates should not be seen as a pre-condition for establishing a precinct management association, as improved area management may itself be a tool for improving payment levels.

Service provision also does not have to be professional in all cases; certain services can be done by community members on a volunteer basis. This can have the dual function of lowering costs, and fostering a sense of community. In Nelspruit, one CID obtains 40% of its income from the 10% share of rates revenue, with the majority of funds coming from surplus levies on property owners in the area, while in another, the 10% property rates rebate is sufficient to cover the costs of precinct management operations in the area. The CIDs work with the municipality by supporting them in carrying out lower-level municipal services which generally fall by the wayside due to more pressing social needs. Examples include repainting of lamp poles, or replacing street names. Both the municipality and area-residents benefits, with a resulting increase in community pride.

The Riverside Park CID was established in 2004, becoming the first legal CID in Mpumalanga in 2010. In December 2010, a Service Level Agreement between Riverside Park and Mbombela Local Municipality was signed. The Board of Directors is made up of land owners and a municipal representative.

The Riverside Park CID cites the 10% rates refund and the service level agreement as key components of their CID. The presence of one collective voice has helped the CID to negotiate with the municipality, and to establish good relationships with each municipal utility department.

#### Key lessons:

Precinct management can be a mechanism for improving collection of property rates, as resident satisfaction increases.

Giving up a portion of municipal rates income can have significant dividends in terms of unlocking civic co-operation, pride and volunteerism.

#### 4.4 Entity Establishment

ENTITY ESTABLISHMENT	
Objective	Establish a precinct management entity and begin to deliver services
Municipal Role	Depending on the operational form which has been chosen, this could vary from creating an municipal area-based management team, to legally approving a special rating area, and establishing any accounting or record-keeping systems which might be required.
NDPG role	Possible funding of an area manager. The post will depend on the type of organization which is created. Funding to be of a short-term nature only.

#### 4.4.1 The Practicalities of Establishing a Precinct Management Entity

Once the services, organisational structure and business plan have been developed, they need to be formally agreed to by the stakeholders.

The objective of this phase is the formal establishment of a precinct management entity in some form, and the actual provision of programmes or services. There are a number of steps which must first be undertaken, namely getting sufficient proof of local support, establishment of a non-profit company, and legal approval of the precinct management association if necessary.

While it is possible to implement precinct management in the absence of creating a non-profit company, it is not advisable. The creation of a NPC provides a transparent, legal governance framework, with established reporting and accounting requirements, without which it will be difficult to retain legitimacy.

##### 4.4.1.1 Legal establishment

The only current nationally relevant legislation is the Municipal Property Rates Act, Section 22, which provides for the creation of a Special Rating Area (SRA). The provides for municipality to approve the creation of a special area that will be subject to an additional rate on property, for the purpose of raising funds for improving or upgrading that area.

Other legislation aimed at CID type precinct management currently includes:

- The Gauteng City Improvement District Act of 1997  
<http://ocw.mit.edu/courses/urban-studies-and-planning/11-422-downtown-management-organizations-fall-2006/readings/gautenglegislation.pdf>
- Cape Town uses Municipal Property Rates Act, section 22, in conjunction with local policy & model bylaws. [https://www.capetown.gov.za/en/ehd/Documents/EHD\\_-\\_CID\\_bylaw\\_GGFormat\\_Final\\_04-03-11\\_812008163940\\_.pdf](https://www.capetown.gov.za/en/ehd/Documents/EHD_-_CID_bylaw_GGFormat_Final_04-03-11_812008163940_.pdf)
- Mbombela municipality has also developed local CID by-laws  
[http://www.mbombela.gov.za/cid%20by-laws%20\(a\).pdf](http://www.mbombela.gov.za/cid%20by-laws%20(a).pdf)
- Durban has developed a local policy on Urban Improvement Precincts.  
[http://www.durban.gov.za/City\\_Government/Administration/Area\\_Based\\_Management/South\\_Durban\\_Basin/Projects/Pages/Support\\_Establishment\\_Urban\\_Improvement.aspx](http://www.durban.gov.za/City_Government/Administration/Area_Based_Management/South_Durban_Basin/Projects/Pages/Support_Establishment_Urban_Improvement.aspx)

Once a formal SRA or CID is approved, the payment of additional rates becomes statutory for all the specified categories of rate-payers within the demarcated area. The CID is answerable to both its Board, and the approving municipality.

Even if a precinct management association wishes to remain voluntary, or cannot get sufficient support to become a formal SRA or CID, the association should still establish a non-profit company, the governance of which must be done in accordance with the National Companies Act. This is essential to promote legitimacy, transparency and accountability.

All entities are most likely required to have the following structure:

- Establishing a Section 21 non-profit organization, which is governed by the Companies Act
- A service level agreement with the municipality, to clearly outline the roles of the municipality relative to the precinct management body. This will include agreements regarding revenue collection, which may or may not be done by the municipality.

- A 3 to 5 year business plan setting out their anticipated costs and revenues. The required term differs across the country.
- A governing board. The membership of this board is likely to be very different in established CBDs, where private property owners are likely to dominate, and township hubs, where the public sector is likely to be dominant.

#### 4.5 Sustainable Operations

SUSTAINABLE OPERATIONS	
Objective	Sustainable, effective, precinct management operations
Municipal Role	Continuing to provide core municipal services Ongoing support, dependent on organizational arrangements
NDPG Role	No direct role, as the goal over the longer-term is to establish self-sustaining organizations  An important role with indirect implications for precinct management is in advocating for amendments to the MFMA, to make the establishment of cross-sector partnerships less onerous.  Assistance may also be required in the amendment of other legislation, such as the Property Rates Act and the Gauteng CID Act.

##### 4.5.1 Demand responsive and community driven planning

Although this element has to be present all through the process, the core rationale for ensuring that interventions are responding to community needs is to ensure sustainability.

The precinct management entity or association, in some form or another, has a key role in facilitating partnership between the community, private sector and public sector both before and after implementation.

##### 4.5.2 Sustainable operations: Funding, institutional knowledge and legitimacy

Establishing a sustainable organization will be an ongoing challenge, and includes different components:

**Funding sustainability:** Identifying secure sources of revenue will an ongoing challenge. However there appear to be two key lessons:

- Mandatory rather than voluntary levies are required for financial sustainability. While harder to establish, experiences to date in South Africa suggest that voluntary levies are not able to generate sufficient revenue over time, and that financial sustainability has not been possible where payments are voluntary. There must be a legally binding agreement to pay in place.
- A diversity of funding sources.

**Operational sustainability:** While key individuals have been very successful in driving CIDs over the initial early years, the organisation has to be broad-based and inclusive enough to continue to function after their departure. While champions can be invaluable in driving PM, operations should be developed around sound processes, and not key individuals.

##### Sustainability & Institutional Knowledge: VPUU rotating boards

One of the VPUU innovations directly tackles the problem experienced in many PM associations, of a loss of knowledge and momentum when the “champion” leaves. Community

### **Sustainability & Institutional Knowledge: VPUU rotating boards**

structures have been designed to gradually take over the project's management and operations, so that these processes can be sustained once the formal project has concluded. VPUU's RLF is structured around a rotating committee system, in which the RLF's chair and board members are limited to tenures of two years. This practice would threaten continuity of the forum's work, and its effectiveness could be compromised as a result, if the whole board were to be changed at once. To minimise the risk of inefficiencies resulting from RLF board shuffles, elections are held every year for half of the board, so that board movement is staggered. Existing board members are therefore able to induct new board members and ensure that their experience is transferred before their tenures end one year later, after which the transferral process begins anew. As Warwick demonstrates, the need for inclusive, community-driven urban management is continuous, and ongoing.

**Relevance & Legitimacy:** This will be determined by the success of the entity at bringing about positive change in the area, and the degree to which the needs of all stakeholders were addressed and incorporated. Precinct management at its core is community-based management, and to be successful the community must remain engaged. It needs to retain the support of the community, and be representative of and responsive to different stakeholder needs.

The creation of a sustainable management institution will depend on its perceived legitimacy, and relevance to the all stakeholders.

### **Warwick Junction: Partnerships put to the test**

In 2013, Warwick Junction is still considered to be much safer than it was in the mid 1990's; many traders have established sites to conduct their trading, and there is a sense of ownership and pride in the area. Unfortunately, since the mid 2000's, peaking in a failed bid by the City to relocate the market to make way for a mall for the 2010 World Cup, there has been a decline in the level of trust and cooperation between traders and the City. Unsatisfied traders complain that the city does a poor job maintaining their facilities, while City officials feel that the traders suffer from infighting and unrealistic expectations.

However, the sustainability of the model is reliant on both continued municipality funding, and successful engagement and dialogue between the traders and the municipality. In recent years the level of trust appears to have declined somewhat, underlining the importance of ongoing collaboration.

One of the criticisms's leveled at the municipalities Urban Renewal Project is that the initiative was driven by individuals rather than processes, which has impacted the sustainability of the initiative. A personality-centric project is less likely to succeed in the long term, once those individuals are no longer affiliated to the work. This is a key risk for any sustainable precinct management initiative.

As Warwick demonstrates, the need for inclusive, community-driven urban management is continuous, and ongoing.

#### 4.5.3 Measuring success

While in many ways the success or failure of precinct management will be evident to all the people who live, work, invest in, or travel through the hub, there are several key metrics which can be used to quantify success.

INDICATOR FOCUS	DESCRIPTION OF MEASURES
Service delivery	This will be based on the services provided by the entity, and should also be linked to the service level agreement

INDICATOR FOCUS	DESCRIPTION OF MEASURES
	<p>with the municipality. This could include:</p> <ul style="list-style-type: none"> <li>- KPI's to measure the maintenance and cleanliness of public areas e.g. Grass cut when needed, litter removal, street cleaning.</li> <li>- Monitoring and reporting of potholes, missing man-hole covers or other infrastructure issues to municipality</li> <li>- Visible presence of safety ambassadors, or precinct safety personnel.</li> </ul>
<b>Economic/Property market</b>	<ul style="list-style-type: none"> <li>- Lower vacancy rates</li> <li>- Increasing property value, seen in property sales</li> <li>- Value of new developments</li> <li>- Number of refurbishments</li> <li>- Improved investor confidence (measured in actual expenditure and area or floor-space of investment, both new &amp; upgrading)</li> <li>- Increasing rental values</li> <li>- Lower turnover of tenants</li> <li>- Tenant mix and public / private ratio</li> <li>- Diversification of rental stock (move from offices to mixed office and residential, for example)</li> <li>- Investment in infrastructure (maintenance and capital)</li> </ul>
<b>Customer/community based perceptions</b>	<p>This will be more about perceptions of the area and generally include surveys to assess views on:</p> <ul style="list-style-type: none"> <li>- Awareness of and satisfaction with Precinct Management Association</li> <li>- Perceptions of personal safety</li> <li>- Experience of the area: is it positive or negative, does it meet their needs</li> <li>- Social issues</li> <li>- Criminal incidents: is there a change in trend</li> <li>- Number and type of criminal incidents in the precinct</li> <li>- Adequacy of lighting</li> <li>- Ease of movement: access to public transport, parking and walking flow</li> <li>- Improved community identification/pride of place</li> <li>- General improvement in confidence (customers, tenants, residents and property owners)</li> </ul>

INDICATOR FOCUS	DESCRIPTION OF MEASURES
Place-making	<p>Any special events held, and attendance at the events.</p> <p>Use of the precinct: numbers of people spending time in the precinct, accessing the facilities present.</p>

## 5 Part IV: Further Resources

### 5.1 Glossary of terms

TERM	DEFINITION
Area-based management	Area based management focuses on a defined geographic area, but recognises that the area is connected to a broader urban ecosystem.
Asset management	Concerned with financial management of financial assets, in this case property assets.
Community Delivery of Services (CDS)	Having a municipal entity contract with a community based supplier (NGO, individual, SMME or other community organisation) to provide services or manage a facility on a short term service basis, usually one to three years.
Facilities management	Facility management (or facilities management or FM) is an interdisciplinary field devoted to the coordination of space, infrastructure, people and organization, often associated with the administration of office blocks, arenas, schools, convention centers, shopping complexes, hospitals, hotels, etc. It is confined to specific facilities, generally with a single owner or property management company. Usually focussed on issues such as cleaning, security and parking.
Management Associations	An association dedicated to the management of a precinct. This term is sometimes used to contrast PM in highly-functional precincts, from areas which have experienced decline and require improvement.
Mixed land use	Mixed land use enables a range of land uses including residential, commercial, and industrial to be located in the same area in an integrated way that supports sustainable forms of transport such as public transport, walking and cycling, and increases neighbourhood amenity. Mixed land use developments can enhance the economic vitality and perceived security of an area by increasing the number of people on the street and in public spaces.
Modal interchange	The point where people change their mode of transport, which can be between walking, driving, cycling, or using different forms of public transport such as busses, taxis or trains. It can also refer to a specific purpose-built facility where the change between modes (interchange) takes place, such as a railway station, bus station or bus/tram stop. It can also refer to a wider area encompassing one or more interchange facilities creating a multi modal hub, and the associated public spaces.

<b>TERM</b>	<b>DEFINITION</b>
Neighbourhood management	Driven by local representatives, using public or communal services as an organising point, and involving maximum involvement from communities and private organisations, with targeted assistance from the public sector.
Place-making	Place-making is a multi-faceted approach to the planning, design and management of public spaces. Place-making capitalizes on a local community's assets, inspiration, and potential, with the intention of creating public spaces that promote people's health, happiness, and well-being.
Precinct management	The management of a walking scale urban area, focused on service provision and the public spaces which knit the area together. Generally focused on issues of safety and cleanliness, but can include a range of measures to improve the user's experience of being in the precinct.
Priority Zones	Priority zones are geographic areas in which the municipality decides to fund supplementary and complementary services to those normally provided, in order to maintain and manage the public environment at a superior level
Property management	Property management typically involves the managing of property that is owned by another party or entity. The property manager acts on behalf of the owner to preserve the value of the property while generating income. Involves relationship management with tenants.
Special Ratings Areas	SRAs are specific geographic areas within which property owners agree to pay for supplementary services. They are constituted in terms of Section 22 of the Municipal Property Rates Act 2004.
Urban Improvement Precinct (UIP)	This is a term, similar to precinct management, which has been adopted by Ethekewini municipality. A UIP is aimed at establishing a local management structure for specific strategic precincts in which property owners and investors participate. It is slightly narrower than the precinct management envisaged in this guide, as it is focused on property owners and investors.
Urban Improvement Precincts (UIP); City Improvement Districts (CID);	A UIP or CID is a geographical area where ratepayers can choose to pay a fee (based on property rates), which is collected on their behalf by the city council, to improve the area in which their property is situated.

TERM	DEFINITION
Urban Management	Urban management means that city governments together with other urban stakeholders - civil society, private sector, and local communities - assume an active role in mobilization, management and coordination of resources to support the objectives of urban development and ensure the vitality of cities. Municipalities take a leading role in urban management. [1]

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### 5.3 Additional Resources

#### 5.3.1 Community based management

<http://www.vpuu.org.za/index2.php>

#### 5.3.2 Resources on safety in public spaces

[www.saferspaces.org.za](http://www.saferspaces.org.za)

SaferSpaces is an interactive platform run by and for community safety and violence prevention practitioners in South Africa to connect, share knowledge and learn from each. Here you can find useful tools (for example, how to conduct a safety audit of a precinct and develop a safety plan as part of the development of a precinct management plan), ideas for safety-enhancing interventions within public spaces, and case studies for inspiration.

[http://www.csir.co.za/dpss/LOCAL\\_CRIME\\_PREVENTION.html](http://www.csir.co.za/dpss/LOCAL_CRIME_PREVENTION.html)

The toolkit is a partnership initiative led by the CSIR Crime Prevention Centre with the Civil Society Organizations (UMAC and Business Against Crime), the South African Police Service (SAPS).

Integrated Social Crime Prevention Strategy, developed by the National Department of Social Development, 2011,

[http://www.dsd.gov.za/index2.php?option=com\\_docman&task=doc\\_view&gid=217&Itemid=3](http://www.dsd.gov.za/index2.php?option=com_docman&task=doc_view&gid=217&Itemid=3)

#### 5.3.3 A selection of CID websites in South Africa

Central Johannesburg Partnership: <http://www.cjp.co.za/aboutcids.php>

Johannesburg CID Forum: <http://www.cidforum.co.za/>

Maboneng Precinct, Johannesburg: <http://www.mabonengprecinct.com/>

Cape Town CID <http://www.capetowncid.co.za/about/>

Cape Town Partnership: <http://www.capetownpartnership.co.za/about/>

Lessons from the first 10 years of the Cape Town Partnership:

<http://www.capetownpartnership.co.za/wp-content/uploads/2009/08/Lessons-FINAL-8-Sep-09.pdf>

Woodstock Improvement District <http://www.wid.co.za/>

Rosebank Management District, Johannesburg: <http://www.rosebank.co.za/>

Umhlanga Improvement Precinct: <http://umhlangauip.co.za/>

#### 5.3.4 Master-planned precinct management

Century City <http://centurycity.co.za/ccpoa>

Riverside Park Precinct Association, Nelspruit <http://www.riversidepark.co.za/>

#### 5.3.5 Understanding local economic potential

City of Cape Town's ECAMP Portal: <http://ctcs.capetown.gov.za/ecamp>

Includes a “How to” manual which outlines many of the key assumptions and underlying thinking:

[http://ctcs.capetown.gov.za/Ecamp/DownloadFiles/ECAMP\\_Portal\\_how\\_to\\_Manual.pdf](http://ctcs.capetown.gov.za/Ecamp/DownloadFiles/ECAMP_Portal_how_to_Manual.pdf)

### 5.3.6 Bylaws and sample legislation

City of Cape Town CID legislation and SRA policy

[https://www.capetown.gov.za/en/ehd/Documents/EHD\\_-\\_CID\\_bylaw\\_GGFormat\\_Final\\_04-03-11\\_812008163940\\_.pdf](https://www.capetown.gov.za/en/ehd/Documents/EHD_-_CID_bylaw_GGFormat_Final_04-03-11_812008163940_.pdf)

<https://www.capetown.gov.za/en/Budget/Documents/2011-12%20Final%20Main/ANNEXURE%20-%20SPECIAL%20RATING%20AREAS%20POLICY.pdf>

City Of Nelspruit By-Law For The Establishment Of City Improvement Districts Mbombela

Bylaws: [http://www.mbombela.gov.za/cid%20by-laws%20\(a\).pdf](http://www.mbombela.gov.za/cid%20by-laws%20(a).pdf)

### 5.3.7 Private Tools and Resources for CIDs

Research Paper prepared on behalf of the Accounting Standards Board in South Africa, regarding Accounting for CIDs.

<http://download.asb.co.za/download/CID%20research%20paper.pdf>

There are several private companies dedicated to servicing the CID industry who provide information and resources for people interested in establishing CIDs. Their inclusion here should not be read as an endorsement of the parties listed here.

Geocentric Information Systems is a private company that hosts a website dedicated to sharing information about Cape Town CIDs: <http://cityimprovement.co.za/wordpress/>

Urban Genesis is another private company which manages many of the CIDs in Johannesburg: <http://www.urbangensis.co.za/home>

Urban Genesis has produced a guide to CIDs which is available at the following link: <http://www.urbangensis.co.za/ckfiles/files/CID%20Guide.pdf>

The CID Forum was established primarily as a platform from which Joburg CID’s could share information, follow international trends and keep track of issues that have an impact on CID’s as a collective. [www.cidforum.co.za](http://www.cidforum.co.za)