



MEDIA RELEASE

04 MAY 2012

For immediate release

Statement by City Manager on the Occasion of the Public Hearings by the Demarcation Board, 4 May 2012

Your Worship, the Mayor of eThekweni Municipality, Councillor James Nxumalo;
Her Worship, the Deputy Mayor of eThekweni Municipality, Councillor Nomvuzo Shabalala;

The Speaker of eThekweni Municipality, Councillor Logie Naidoo;

Representatives of the Demarcation Board;

Members of the Executive Committee;

Chief Whip, Councillor Stanely Xulu,

Officials of eThekweni Municipality;

Members of the Media; and

All members of the general public

It is an honour and privilege to welcome the delegation from the Demarcation Board to Durban on this occasion when the Demarcation Board is conducting public hearings regarding its intention to incorporate some areas falling outside the boundaries of eThekweni Municipality into our jurisdiction.

As eThekweni Municipality we are aware that demarcation issues are highly sensitive and have in the past led to discontentment where the public's views have been ignored. On the other hand, we are also mindful that under certain circumstances demarcation processes have become an important instrument for remedying anomalies that impact on service delivery and unifying divided communities, especially in Traditional Areas, and this needs to be supported.

In the last few days KZN Media has focused on the negative implications on the previous intentions of the Demarcation Board to remove the La Mercy area, including King Shaka International Airport and Dube Tradeport from the Metro for inclusion into KwaDukuza Municipality, including Wards 58, portions of 59, 60, 61 and 62.

This is a matter that we as eThekweni Municipality together with all stakeholders and affected communities opposed. We reiterate that our position remains unchanged. We are of the view that the status quo in respect of the Northern Boundary of eThekweni Municipality must remain unchanged. This is based on the submission that has been

presented to the Demarcation Board previously. Amongst others, our objections to changes in the Northern Boundary are based on the following:

- **Spatial Development Context of eThekweni Municipality**

Ethekweni is built around a natural sea port which plays a key role in the City's economy as well as that of South Africa, and it is the main coastal gateway into and out of Southern Africa. The City has developed along two main development axes, the N2 and N3, both national routes. Areas falling within this 'Golden T' are well resourced and characterised by low-density suburban sprawl, whilst the areas in between and on the urban periphery, by crumbling and inadequate infrastructure and inappropriate high densities. The coastal plain offers opportunities for expansion north and south from the Port, but undulating topography, steep river valleys and the Kloof escarpment, west of Pinetown, hinder development westward.

Some of the key challenges facing the city are:

- Grow the City's rates base
- Address housing & infrastructure backlog
- Address limitation of infrastructure capacity for new growth
- Costs associated with unlocking development
- Need for strategic economic growth and investment
- Need to protect key environmental assets and services
- Need to manage development growth
- Need for integrated & efficient city structure

The spatial planning approach currently being used seeks to ensure that access to opportunity (jobs, services) and amenity at the local and metro scale is equally available to all communities. Not only is there a need to be connected at the metropolitan level (roads, rail and linkages), individuals and communities also need to be connected at a local level (daily trips).

The City Spatial Plans (SDF and SDP's) whilst focusing on redressing past imbalances also build for the future by responding appropriately to future needs and anticipated growth patterns and trends.

In order to address metropolitan population growth trends, development has focused on utilizing the capacity within each spatial planning region to accommodate growth. Key elements of the desired spatial structure have been identified to guide the future physical growth and development of the city towards a more efficient, equitable and sustainable urban form.

Accordingly, an integrated system of growth axes or corridors and associated nodal service points have to be established and maintained throughout the city.

Key development principles for directing all land use, development and management strategies in the Municipality include:

Equity	reducing infrastructure and service disparities
Promote an equitable city by:	redressing imbalances in the location of employment opportunities providing adequate, accessible and affordable housing opportunities promoting integration by linking and reducing distances between people, places and activities making the city work better for the disadvantaged (the poor, the disabled and women)
Efficiency	
Promote an efficient city by:	promoting more compact development by encouraging higher densities where appropriate reducing the separation between places where people live and work optimising development in areas of greatest opportunity encouraging effective use of infrastructure and facilities promoting cost effective movement systems promote accessibility through improving relationships between people, places and activities promoting a well-managed spatial form
Sustainability	
Promote a sustainable city by:	promoting optimal use of remaining land opportunities promoting the inherent value of the natural and built environment and introducing environmentally sensitive management of development alleviating environmental health hazards promoting total living environments retaining and enhancing positive qualities and productive assets of the DMA

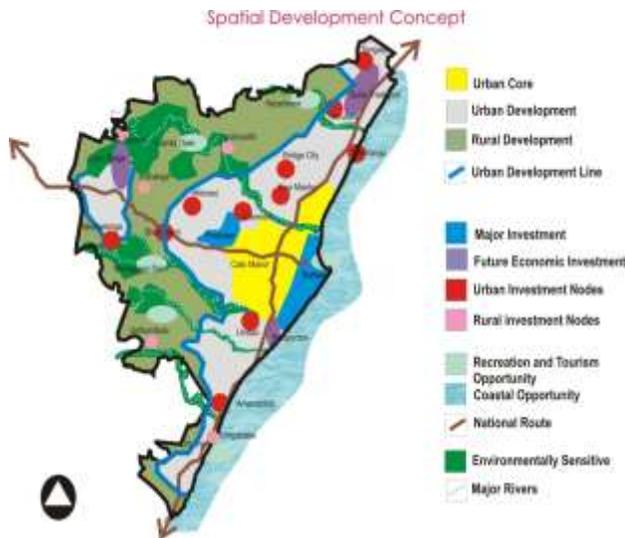
Spatial Development Concept & Economic Strategy

The Spatial translation of these principles is illustrated in the figures below. Key elements of this spatial concept is the identification of “an urban development corridor” within which compact city development is promoted along with a polycentric arrangement of nodes of economic opportunity that will provide, through improved metropolitan road and freight linkages, the much needed access to services and employment opportunities for the surrounding, highly populous residential areas. Land availability in the highly

accessible location of Cato Ridge along the N3 and DTP / Tongaat along the N2 with good access to Public transport routes, provides the opportunity for consolidating existing as well as expanding new industrial and logistic opportunities within the city. The viability of the expansion of the Back of Port logistics activities is strongly supported by the establishment of an inland logistics hub and consolidation of existing industrial opportunities in the Cato Ridge node.

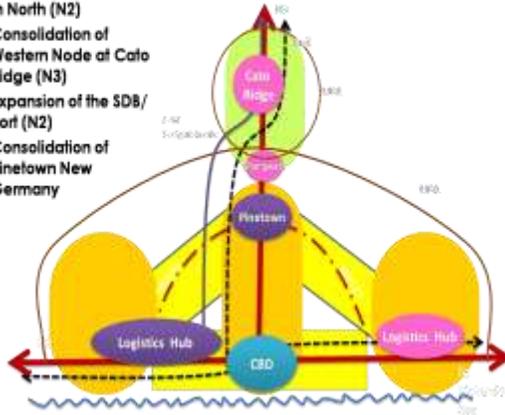
Tongaat / Dube Trade Port and surrounds not only offers one of the few greenfields opportunities for industrial expansion in the city but it can simultaneously address other developmental needs such as improved access to social facilities, housing and commercial services . The city's decision to proceed with investment in Cato Ridge and northwards, in Tongaat/ Dube Trade Port, has informed numerous city initiatives and investments in infrastructure aimed at unlocking the development potential of these two areas. A significant amount of investment is still required to unlock the potential of both these areas and the question needs to be asked if the financial capacity and human capital exists in other municipalities to meet this challenge.

Both Dube Trade Port / KSIA / Tongaat and Cato Ridge node are seen as key economic investment areas needed for city rates, employment opportunities for the surrounding regions and their establishment as key nodes of opportunity are important for creating a more integrated, efficient and sustainable city structure.



METROPOLITAN INDUSTRIAL AND LOGISTICS PLATFORMS

- ❖ New economic Node in North (N2)
- ❖ Consolidation of Western Node at Cato Ridge (N3)
- ❖ Expansion of the SDB/Port (N2)
- ❖ Consolidation of Pinetown New Germany

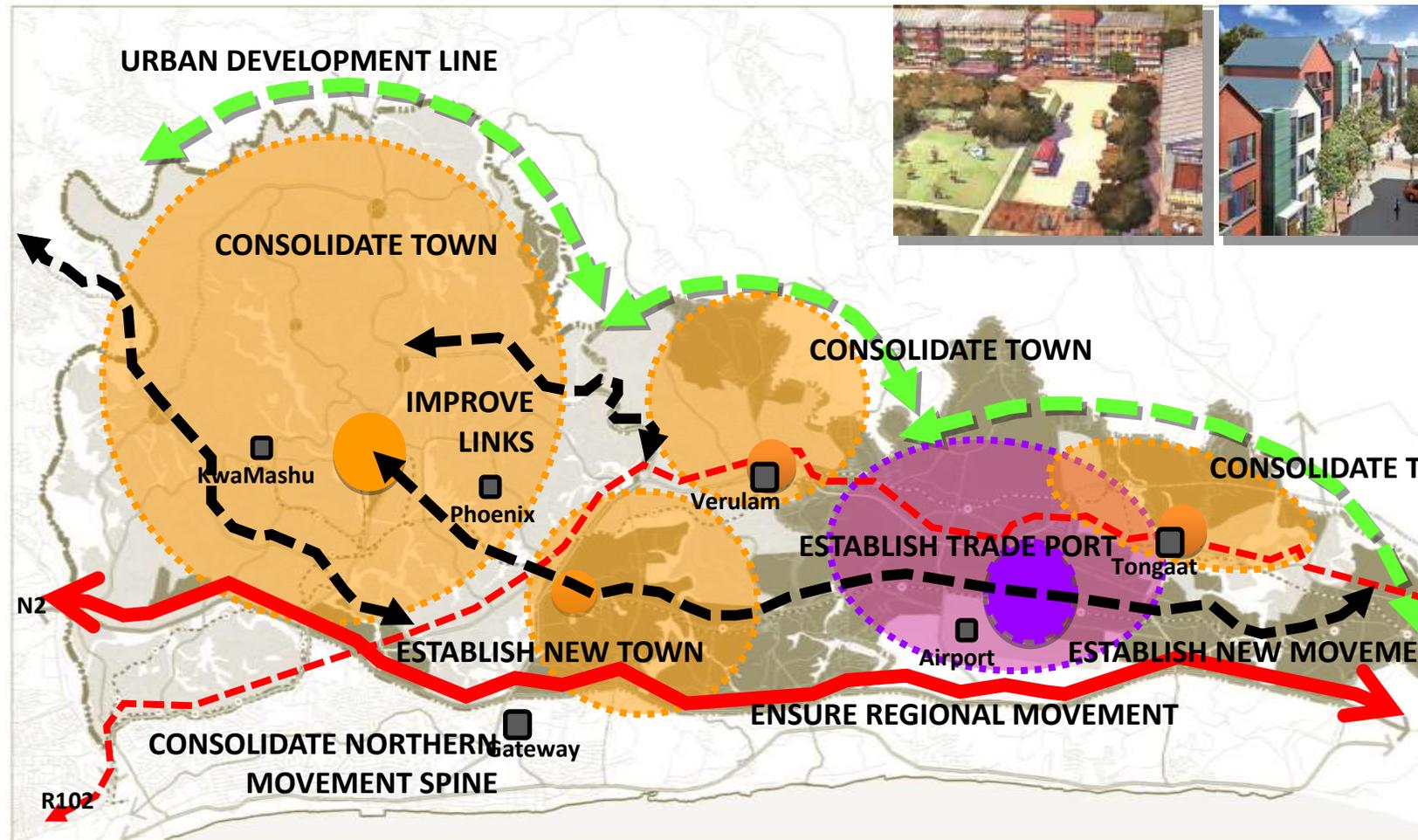


Spatial Importance of the Dube Trade Port and surrounds to the eThekweni Municipality

Motivation

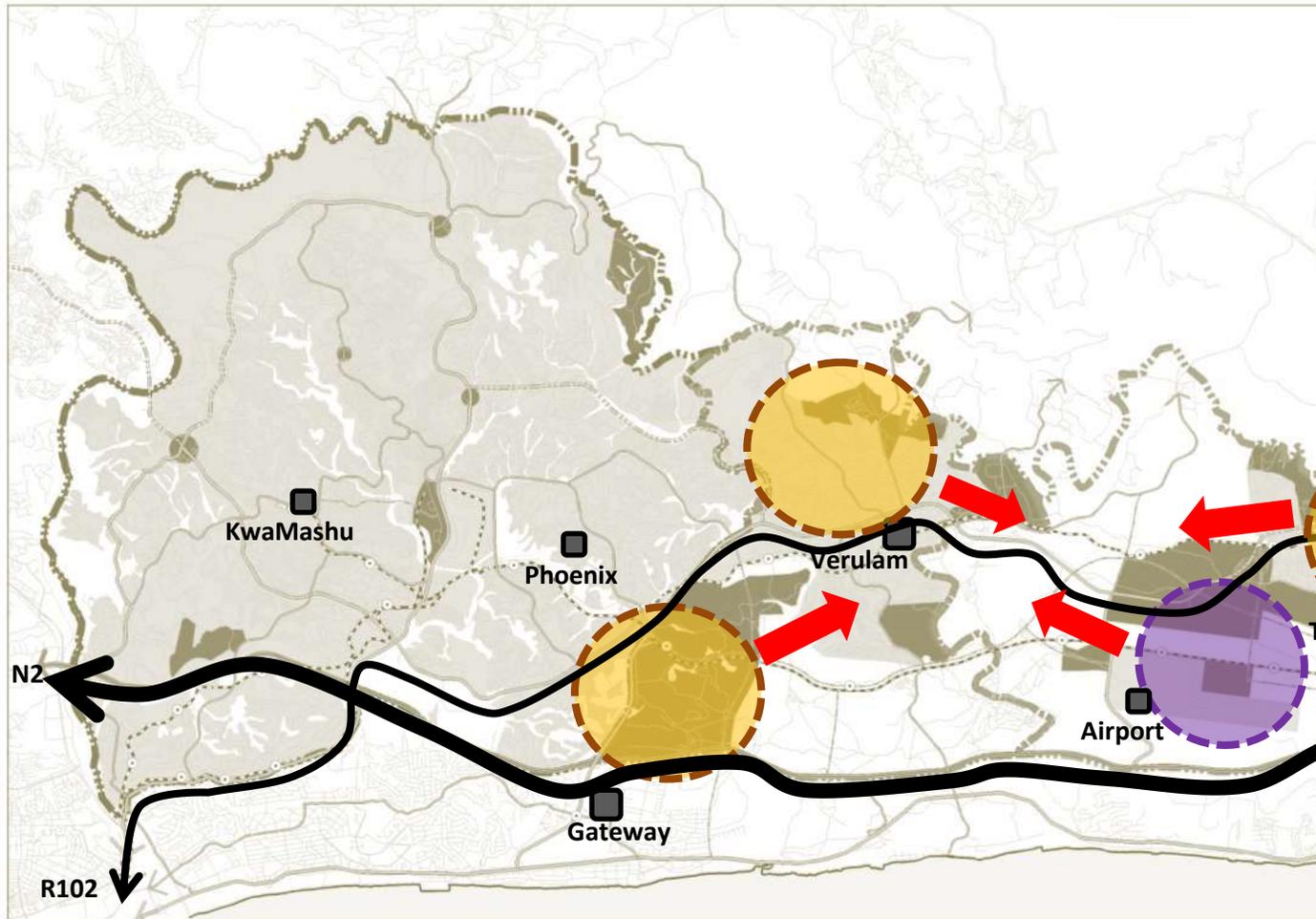
The following short report outlines the importance of the Tongaat/Dube Trade Port Local Area to the City of eThekweni.

The Northern Urban Development Corridor Spatial Concept (below) seeks to intensify development and integrate the existing spatially fragmented development pattern, using the Dube Trade Port development as a key economic and infrastructural catalyst.



In particular, the 2030 development focus will be on consolidating, densifying and integrating the existing towns of Tongaat and Verulam, the mixed use new town of Cornubia and the proposed industrial and light industrial development in Inyaninga to the west of Dube Trade Port (see map below). This will be facilitated by unlocking land parcels in the area, prioritising roads, public transportation and infrastructural projects, and aligning public and private sector planning for the benefit of all the residents of the

city.



The objectives of providing employment, housing, transportation and social facilities for the entire region are based on this spatial concept. A vision for a compact and efficient city is also strongly supported by this plan.

As the table below shows, the 2030 land use projection indicates that of the 3 Local Areas in the Northern Development Corridor, the most significant industrial greenfield development will occur in the Tongaat/Dube Trade Port Local Area, an **estimated 800 hectares of a total of 950 hectares**. The loss of this significant opportunity cannot be discounted.

NUDC 2030 Projected Gross Greenfield area by sector				
Local Area	Residential 2030	Mixed Use Business Commercial 2030	Industrial 2030	TradePort
Tongaat DTP	850 ha	50 ha	800 ha	100 ha

Verulam Cornubia	1200 ha	100 ha	100 ha	
Phoenix INK	200 ha	150 ha	50 ha	
Total 2030	2250 ha	300 ha	950 ha	100 ha

- CONCERNS

In light of the challenges in supplying industrial land to the west (environmental/services) and to the south and central (land availability), the land around Dube Trade Port in the North is seen as the primary industrial opportunity and in this regard is a spatial priority. The Provincial Growth and Development Strategy also identifies the Dube Trade Port as one of the top 5 provincial catalytic projects.

A summary of the impact of Development in the Northern Urban Development Corridor overall indicated that for 2030 the following are projected:

- 250,000 additional people
- Additional 77,750 new housing units on 2,250ha
- 70-200ha commercial land
- 200-610ha industrial land
- 155,000 new jobs
- Bulk costs = R 19 billion
- Potential to add R 128m p.a. in rates

Key to all of this growth is the City's investment in infrastructure in the Tongaat/Dube Trade Port Local Area. It can be argued that the extent of past and future investment and planning in this area cannot be matched by a municipality with fewer financial and human capital resources.

Another concern is the developmental planning approach that eThekweni has applied in the Northern Planning Region has always focused strongly on ensuring that the growth in the region is inclusive and seeks to reverse the historic spatial inequalities, and seeks to integrate the highly populous and historically disadvantaged communities of INK, Phoenix, Verulam and Tongaat into the development occurring in the region. It is possible that, should the Local Area be administered by another municipal entity, these communities may be marginalised, and their integration sidelined.

The positive economic and developmental impact of the current spatial planning vision goes well beyond the boundaries of the eThekweni Municipality, into the neighbouring disadvantaged communities.

The Northern Urban Development Corridor and Northern Spatial Development Plans have also engaged extensively in discussion, workshopping and consultation with a

variety of public and private landowners and stakeholders, including neighbouring municipalities, and to this end have produced a spatial planning vision which is sustainable and inclusive. This should not be undermined.

- **Economic and Spatial Linkages**

Wards 61; 62; 60 etc to the north of the City, bare little or no existing relationship with KwaDukuza. The economic and spatial linkages are to the south with areas in the eThekweni area - and this is likely to strengthen in future.

Labour

- Labour (both skilled and unskilled) for the new Dube Trade Port will come predominantly from INK; Phoenix; the new Cornubia development; Umhlanga as well as Pinetown, (due to the new P577).
- The implications of municipally separating the place of work and place of residence of a huge portion of the population means that there will be a drainage of income outside the City - this is problematic as the people that are contributing to the business activity will be robbed of the benefits of improved service delivery as this will accrue to individuals outside their municipal area - thus it bears some resemblance in implication to the homeland policy of the former government which saw people contributing to businesses in one area, but being deprived of the benefits of their contribution through improved service delivery, due to a demarcation issue.

Service Delivery

- Over the past few years the areas in the north and south that are under question have seen improved service delivery, e.g. Tongaat.
- It will probably take 30 years before KwaDukuza & other municipalities gear themselves financially to be able to both raise enough income from these areas to be able to plough into the poorer areas while still maintaining the goose that's laying the golden egg (i.e. the rates generating areas).
- The result in the north maybe an over-enthusiasm to sell land around DTP to sub-optimal economic uses. Rather than strengthening municipalities, it may have the opposite impact in some instances.

Spatial Structure

- The effect of this fracturing of the municipal area would result in largely unplanned/incoherent spatial structure, while urban form will be continuous.

- The municipal entities and the differing policies and political pressures may result in unplanned structure that will result in long-term urban problems - such as the current problems around poor public transport systems which are a result of fractured planning during apartheid.

We are raising these concerns so that the people of eThekweni Municipality are aware of our position and to confirm that our position has not changed in this regard.

RESPONSE TO CURRENT PROPOSALS

For purpose of today's proceedings, we have confirmed with the Demarcation Board the today's proceeding have nothing to do with previous proposals, especially around the Northern Boundary of eThekweni. Our understanding is that the purpose of the public hearings is about the proposals of the Demarcation Board as they relate to the redetermination of certain areas falling within other Local and District Municipalities for inclusion into eThekweni Municipality. The following areas are proposed for redetermination of their boundaries:

- Proposed redetermination of the Municipal boundaries of Mkhambathini Local Municipality (KZN226), Umgungundlovu District Municipality (DC22), and eThekweni Metropolitan Municipality, by excluding the Traditional Council of KwaXimba from the Municipal area of Mkhambathini Local Municipality and Umgungundlovu District Municipality, and by including it into the municipal area of eThekweni Metropolitan Municipality. (This area is already under the jurisdiction of eThekweni)
- Proposed redetermination of the Municipal boundaries of Vulamehlo Local Municipality (KZN211), Ugu District Municipality (DC21), and eThekweni Metropolitan Municipality, by excluding traditional areas of Mgangeni, Enchobeni, KwaNdaya, Toyana and Maphumulo from the municipal area of Vulamehlo Local Municipality and Ugu District Municipality and by including them into the municipal area of eThekweni Metropolitan Municipality.
- Proposed redetermination of municipal boundaries of Umdoni Local Municipality, Ugu District Municipality (DC21 and eThekweni Metropolitan Municipality, by excluding eZembeni Traditional Council from the municipal area of Umdoni Local Municipality and by including it into the municipal are of eThekweni Metropolitan Municipality
- Proposed redetermination of the municipal boundaries of Mkhambathini Local Municipality, Umgungundlovu District, and eThekweni Metro by excluding Ward 5 from the Municipal area of Mkhambathini Local Municipality and by including it into the municipal area of eThekweni Metropolitan Municipality.
- Proposed redetermination of municipal boundaries of Mkhambathini Local Municipality, Umgungundlovu District Municipality, and eThekweni Metro Municipality, by excluding the traditional council of Embo Thimuni from the

municipal area of Mkhambathini Local Municipality, and by including it into the municipal area of eThekweni Metropolitan Municipality.

In relations to these areas, our position as eThekweni Municipality is that we are in principle not in disagreement with the proposed changes. However, we will after consultation with all different political parties within the Municipal Council and all affected stakeholders make formal submissions to the Demarcation Board. The submission will be made by taking into account a detailed demographic and economic analysis of the proposed changes and their implications for eThekweni Municipality.

In conclusion, we wish the Demarcation Board successful and fruitful deliberations. We trust that the outcome of these public hearing will strengthen your resolve to address the service delivery and economic development challenges facing our people. As an important organ of state, we also hope and trust that the proposals that will be developed in future will take into account the view of eThekweni Municipality and its stakeholders, especially their concerns around the removal of the Northern Boundary that was mooted before.

Issued by the eThekweni Municipality's Communications Unit. For more information contact Municipal Spokesperson Thabo Mofokeng on 031 311 4820 or 0827317456 or e-mail mofokengthabo@durban.gov.za