



## SESSION 4

# Urban design, Public Space and Local Governance: Experiences of the Cape Town Partnership

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*The work of the Cape Town Partnership, since its beginning as a non-profit organisation in 1999 (founded, at the time, by the City of Cape Town, the South African Property Owners' Association and the Cape Town Regional Chamber of Commerce and Industry), has been about helping make the city work. It is an organisation that brings people together around common goals for Cape Town's transformation. It defines its staff as connectors, facilitators and translators, working to help people find a common language and a shared set of priorities specific to projects that can make a positive impact in people's lives.<sup>1</sup>*

<sup>1</sup> <https://web.archive.org/web/20161003181139/http://www.capetownpartnership.co.za/>

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The session was moderated by **Jenny Botha**, Lecturer, Department of Architecture and Spatial Planning, NUST

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**Editorial note:** Shortly after this Forum was held, the CTP came to an end since funding from the City of Cape Town ceased.

## Introduction

I am going to talk to you about the work of the Cape Town Partnership (CTP). It is housed in a small space in the CBD of Cape Town. It started in 1999 without the luxury of hindsight of anticipating of what cities were going to be. Remember that, by 1994, after the first democratic elections [had] just [taken] place in South Africa, there were many changes in municipalities and governance. For example, at that time, Cape Town was in the process of amalgamating into one metropolitan area: a lot of smaller municipalities were incorporated together to form one single metropolitan area with an executive mayor. This was happening from 1994 to 1999, which were years that were marked by a serious decline in the [Cape Town] CBD. In 1994, you could still have high street shopping in the middle of town. There were major retailers based there – Old Mutual had their headquarters there. By 1999 a lot of corporate entities left the CBD to relocate to other areas, and the reason was very simple: the CBD was declining – crime and grime had taken over. It was no longer safe to be in the CBD; you could not conduct business. We were left with a CBD that was decaying, with empty buildings, and an increasing ghettoisation of the city.

We, as CTP, emerged out of conflict. That conflict was between the South African Property Owners' Association and the City of Cape Town in terms of municipal governance. On the one hand, the Municipality was saying they were in the process of amalgamating. There [were] a lot of municipalities and that they did not have the time to pay attention to one small space. They said that they were dealing with a multimodal economy, where there were a lot of CBDs in Cape Town – many in a state of decline. So, they asked why they should pay attention to a space that, in comparison, was better off than the centre of Khayelitsha.<sup>2</sup> On the other hand, you had property owners who said they [were] paying rates, but they [couldn't] rent their buildings because tenants were complaining; therefore, the Municipality's rates base was declining. More importantly, the property owners could not do business. And so, out of this conflict, which happened over a period of time, a compromise was reached by both parties. Instead of leaving the CBD only to the private sector or leaving it to the Municipality and abandoning it, the parties needed to come together to form a PPP with the mandate to rescue the CBD. And that is how the CTP came about in 1999.

In this presentation I will take you through some of the lessons which we have learnt, our current challenges, how this relates to housing, and what the future [looks] like at the moment.

### About the CTP

When the CTP was established, there was crime and grime in the CBD. People were mugged at gunpoint on their way from their offices to get lunch, cars were broken into, the rubbish piled up in the streets, and there was no parking

system. So, when we came in, we had to convince property owners to pay a levy on top of the rates for the services that the Municipality provides, because clearly those services were not sufficient. This top-up levy was for urban management, including cleaning, security, parking and, most importantly, dealing with homelessness and street kids. We assisted the Municipality with developing a bylaw that allowed the establishment of City Improvement Districts (CIDs). It means that, if you are a property owner within a certain CID, in addition to your usual rates you pay a top-up levy. This levy is collected by the Municipality who then passes it on to an agency that provides the top-up services. For example, if your garbage is collected on Tuesday, and by Friday there is already a need for another round of garbage collection, but the Municipality is unable to do it, [then] the CID, through a service level agreement with the City, would come around and collect the garbage. The same applies to security. If there is not sufficient security provided by the City, the CID provides top-up security. There are currently about 80 security cameras around town which provide visible security in every corner. That security system works hand-in-hand with the Government's security system, so that there is a seamless provision without competition.

The relationship sounds easy, but it is quite a complicated [one] to manage. Our responsibility as the CTP was to create and manage the Central CID, and to provide a strategic vision of where the City of Cape Town CBD [needed] to be. We created four CIDs and became the managing agent for all four. [The] CTP then provided a development strategy that laid out a vision for the CBD for the following ten years. So, one responsibility is operational and the other is strategic, but they need to work hand-in-hand in order to provide a seamless experience.

Today, 17 years later, we have an urban management focus. You first need to get this right, because the urban management focus provides the basics: security, cleanliness, parking, and attention to homelessness and street kids. Then you move into urban regeneration: this is where you bring back investment into a space. Once the basics [were] in place we went out to look for partners in the private sector who [were] willing to invest in the space. The first real investment in the CBD was through the Irish, who invested N\$1 billion by buying up buildings in town and renovating them. If you have been to [the] Cape Town CBD, you will know [the] Mandela Rhodes and TAJ hotels: that was the first block of buildings that was bought. They initiated a trend where, instead of only commercial buildings in the CBD, they provided residential space – and suddenly, we had housing in town. Mandela Rhodes is high-income housing, and at the bottom of the building there was retail, including hotels.

We really celebrated it. At that time, we had the Waterfront development down the road, Cavendish Square in the Southern Suburbs, and Century City was developing. So, the CBD was competing with malls or other areas that were really thriving. Given the context of this conference, I want to note that, at that time, nobody spoke about affordable housing or accessibility. It was all about celebrating that there was an investment in town. We then saw a very

<sup>2</sup> An informal settlement on the outskirts of the Cape Town CBD.

rapid trend, e.g. Old Mutual abandoned their building to build a new campus in Pinelands. They boarded up their building in the CBD and literally left it empty. Later, they came back and reinvested in the building, [renovating] it as residential units. We suddenly saw an influx of residential owners within the CBD, which again was something to be celebrated.

Between 2006 and 2007, almost 4,000 residential units were built in the CBD. However, unfortunately for us at that time, the people who were buying into these units were people that were not occupying them, but were speculating for investment. So, what we saw [was] that the lights were on in December, and after December it was dark. This caused a lot of problems for us, because we did not have owner-occupiers – which meant we did not build communities within the CBD.

At the same time, in District Six, just outside the CBD, the land restitution project started. You [will] remember that almost 60,000 people were moved out from District Six to other parts of Cape Town during apartheid.<sup>3</sup> It would have been ideal to build houses in District Six for the original owners. It was a process that was incredibly complicated, that involved all three levels of government, and that was highly politicised. To this day, only about 20 houses have been built in District Six.

So, here we have this big open space which could be a huge opportunity for the CBD – which, if you remember, is squeezed between the mountain and the sea, so we do not have a lot of land to begin with. In addition to that, we have heritage guidelines that regulate that no building should compete with the view of the mountain. So we do not have a lot of opportunities to go vertical, leaving a very restricted zone to build. This also means that we have very expensive land, and very little of that land is owned by the City of Cape Town. Some of it is owned by Provincial Government, but they have opted for what was more attractive in economic terms. In other words, there is currently no social agenda to make the CBD an inclusive residential zone. We would require different residential zoning and tenure offerings in order to make it a more inclusive space. That is the current challenge we face.

We also realised that, while we have 4,000 residential units which are empty, every morning we have 400,000 people driving to the CBD and 400,000 people driving out at the end of the day, leaving the CBD with no life. I had a lot of people complaining to me, especially [in] hotels that are full, that they spend a lot of time marketing the city [overseas], but on Sunday, when visitors open their windows, they are all by themselves. [They] ask where everyone is because no one actually lives in the CBD – which makes it very unsafe. Our retail strategy of having a 24-hour city is actually affected by the fact that, at the end of each day, people are rushing to get out of the CBD. However, our mandate is mainly the management of the spaces in between the buildings. And although we realised that the CBD really has something to offer for everyone in the metropolitan area, whether you come from Mitchells Plain,

Khayelitsha, Llandudno or Constantia, you do not feel like the CBD belongs to you. When we started, there was a fragmented retail pattern within the CBD. Our first strategy was to integrate the retail offering, and to do this you need to activate the spaces in between the buildings.

It is similar when you provide a house. If your house is part of the RDP, it is likely that it is just a house and not a home, because no one is paying attention to the public spaces. You may end up as a 'hostage family', where there is nothing outside the house; therefore, you will spend all your time inside the house. So, what we are trying to do is to prevent our current workers from being 'hostage workers', because they come to work in their cars, which they park inside their buildings, go to work, and go back to their cars and back home. We want to get them out of the buildings and into the public spaces. So, we animate public spaces in various ways: we have a programme called City Walk on the third day of every month, where we activate public spaces with music [and] poetry, and we theme it accordingly. We also have the *First Thursdays*,<sup>4</sup> which happens [on] the first Thursday of every month, [when] businesses remain open until late so that everyone comes out to the streets after hours. The transition period is between 16:00 and 20:00, and if you catch your target during that time, they will linger longer in the CBD, and then you will be able to turn the tide.

So, to recap: in 1999, the CBD was a space that was abandoned, where nobody wanted to invest. In 2017, the CBD has become an economic engine for the GDP of Cape Town. When the city experienced a decline in property values and sales, the CBD was not affected. If you come to Cape Town, you just have to look at how many cranes are up: [it] shows that construction is still happening. We have been having this boom for a very long time now.

### Significance to housing

In terms of residential property, you will be very lucky to find something below N\$1.2 million in the CBD, no matter how small the space is. One of the buildings approved by the City of Cape Town is very controversial because it casts a major shadow on the Bo-Kaap area. The cheapest apartment in that building is about N\$1.9 million, and the project includes 250 apartments. What you can see is that our success has become our weakness. With that kind of investment coming in, we would have liked the Municipality to say that, "If we are going to approve this building, you have to provide different levels of affordability in order for young professionals who want to work in town to afford apartments in the building, [or] for students to be able to rent in the building."

As CTP, we spent a lot of time and energy in providing the City of Cape Town with guidelines for land use management so that they [would] understand what type of approval they should give for what types of buildings and in what part of the city. There are a lot of developers that are willing to provide

<sup>4</sup> First Thursdays is a project that encourages galleries, restaurants and shops to stay open in the evenings on the first Thursday of every month to attract visitors and activate public spaces (<http://first-thursdays.co.za/>, last accessed 31 July 2019).

<sup>3</sup> Today, a dedicated museum holds the archive of such displacement (see <http://districtsix.co.za/>, last accessed 31 July 2019).

affordable housing on the basis of an incentive strategy, either in terms of land prices [or] approval systems, etc., but that has not happened yet. I understand that the housing market in Windhoek is in fact similar in this respect. So, the question is: whose responsibility is it to make sure that there is a gradation of different housing options, from the lowest to the highest incomes in society? There is a gentleman who has taken aerial photographs of neighbourhoods in South Africa (Image 4-1). In Hout Bay you can see how RDP houses and shacks are right next to mansions. You would assume that someone in power would see this as an issue, because if this inequality continues, in a few years' time we will all be at each other's throats.



Image 4-1 Hout Bay / Imizamo Yethu, Cape Town, South Africa<sup>5</sup>.

In Cape Town, you will notice that many people are starting to react negatively to what some call dormitory housing. The cleaner at my office in the CBD lives in Delft and wakes up at 05:00. [She] takes three modes of transport to my place: first a taxi to the train, then the train, then she walks. It takes her two hours and 40% of her salary just to get to work. You can see that this is unsustainable: we have an unsustainable type of growth. We have a 'doughnut' situation, where you have centres of prosperity surrounded by a sea of poverty. What is the solution to something like this?

You cannot have a thriving neighbourhood without paying attention to public spaces. You need public squares; the streets must serve cyclists, motorists and pedestrians; and you need to be able to manage parking. We are lucky in the CBD that we had the 2010 FIFA World Cup which allowed us to invest in public spaces [and] turn our car-dominated streets into multi-purpose [ones] for different users. I do not think we will be able to reverse the apartheid city design without paying particular attention to public spaces, because people meet each other in public spaces. Once I saw a mother with two children from Constantia and a mother from Mitchells Plain sitting next to each other, enjoying the music, and their children playing together. That is how you build [a] society. In other words, you cannot reverse the apartheid city through

infrastructure alone: you need to hook [people's] hearts and minds. Public-space activation is a science, which requires a methodology and consistency. It is extremely fragile: it does not happen by mistake. Someone behind the scenes must make it happen. However, when it happens, you take it for granted; [and] when you do not have it, you realise how valuable it is.

### Lessons learnt

Conflicts of interest carry opportunity within [them]. If we did not have the conflict of interest at the beginning of our existence, we would not have embarked on this process. You need to engage with developers: they want to make money because they want a return on their investment, but they are willing to help, especially if they understand the context in which they are investing. It is very rare to get municipalities who have dealmakers on their staff who are able to entice developers to provide what the municipality cannot provide. Especially with regards to housing, there is no single sector that can provide multi-tenure housing: it needs to be a PPP. Where high land values become problematic, they can only be mitigated by the municipality to ensure affordability. We have [difficulty] in convincing our municipality, based on their social mandate, to use their own land to show leadership of what is possible. There is no one-size-fits-all strategy for housing.

In the rural areas in the Eastern Cape, people do not have full tenure security; they do not have a title that allows them to use it as bank [loan] collateral. In many cases, the land has been passed on from generation to generation, and there is no fear of displacement. What you see is that people are investing in their houses; they are building mansions on land that is not secured in the formal way. We must understand that land is being secured for the next generation – they are not interested in selling. They are building because they feel that this is their home. This is the same situation in Namibia. Imagine that, instead of providing houses, one would provide security of tenure. We would see an amazing and innovative way of housing provision by [the] people themselves.

### Discussion

**Jenny Botha** asked how the City could encourage affordable housing without necessarily providing affordable housing.

**Ms Makalima-Ngewana** mentioned a new programme that the Mayor of Cape Town had announced to introduce affordable housing in the city's central areas.<sup>6</sup> On the other hand, she noted the difficult situation that the MyCiTi<sup>7</sup> bus system had created in the city, and that its sustainability was still in question. She also referred to Metrorail's<sup>8</sup> plans to build housing on top of its building in the CBD to contribute to the inner-city housing stock.

<sup>5</sup> This may refer to the release of 13 centrally-located sites for affordable housing projects, also through a call for proposals; see Yoder, W., & Hendricks, A. (2017, September 14). In photos: Cape Town's affordable housing sites. Retrieved September 24, 2019, from GroundUp News website: <https://www.groundup.org.za/article/photos-cape-towns-affordable-housing-sites/>

<sup>7</sup> Cape Town's integrated rapid transit system (<http://www.prasa.com/Index.html>). It has been criticised for being costly and serving only wealthier suburbs, making it operate way below its capacity; see Eichhorn, M. (2013, May 29). MyCiTi: Brilliant service delivery or irresponsible public planning? Retrieved September 24, 2019, from GroundUp News website: <https://www.groundup.org.za/article/myciti-brilliant-service-delivery-or-irresponsible-public-planning/>

<sup>8</sup> Metrorail is a division of the Passenger Rail Service of South Africa, a State-owned enterprise and implementing arm of the national Government's Department of Transport (<http://www.prasa.com/Index.html>).

An **unidentified participant** remarked that the construction of Maerua Mall in Windhoek had had an impact on the CBD and lamented that this caused less diversity in the CBD.

**Ms Makalima-Ngewana** agreed that malls were a threat to urban life in the CBD. She stated that malls provided a 'predictable experience' which the city could not really guarantee. At the same time, she noticed how shopping malls were in decline in the US.<sup>9</sup> She encouraged participants to focus on the 'CBD experience' that would make inhabitants gravitate towards it.

**Nina Maritz, an architect**, explained how new apartment buildings were emerging in Windhoek's CBD, but that they were not offering affordable housing. She proposed looking at proposals where inner-city developers were required to ensure a certain percentage of their developments constituted affordable housing.

**Britta Hoffman, an architect**, asked about the CTP's sources of funding and how the City dealt with the issue of the homeless.

**Ms Makalima-Ngewana** mentioned that the City of Cape Town was giving additional bulk and tax incentives in order to persuade developers to agree on certain demands. She cited the case of Singapore, where the model was that of the vertical village, i.e. a tall building consisting of housing, retail, schools, public spaces, etc. Regarding the CTP's funding, she explained that they received public and private money, municipal grants and funds from other foundations. She added that their relationship with civil society and the Municipality was based on trust: there was no situation where one party 'owned' the partnership. Regarding the homeless issue, Ms Makalima-Ngewana responded that efforts were made to take them back to their family's homes or to formal children's homes. However, the issue involved those in their mid-teens who were more prone to organise into gangs, and in some cases not even their families were willing to welcome them back into their houses. She also mentioned that begging had reached a point in the CBD where some women begged with a baby in their arms or 'rented out' the baby for a day to increase their earnings.

**Ms Botha** proposed a situation where urban planning, transportation and housing issues could be dealt with 'under one roof'.

**Ms Maritz** remarked that housing was often seen as something apart from public space. Often, the housing objectives were reduced to a matter of building as many units as possible instead of thinking that a proportion of public space should be allocated to each unit at the same time.

**Ms Makalima-Ngewana** agreed, reiterating the importance of public space. Referring to Ms Botha's question, Ms Makalima-Ngewana responded that budgets were often allocated per department, so one was in a situation

where there were multiple teams and multiple budgets. These could be streamlined to encourage collaboration between departments, she felt. She also stressed that, to activate the city, one needed innovative ideas. She offered the example of *First Thursdays*,<sup>10</sup> which was started by a two 20-year-olds who asked for support but not money, and their project led to 30,000 visitors attending these events. She termed this organised civil disobedience. Another example was the social bicycle night-ride in Cape Town at full moon known as *#moonlightmass*,<sup>11</sup> where cyclists started out at the Green Point Circle at 21:00 and cycled to the CBD. She explained that the event's aim was to raise awareness of cycling as an alternative to the car for transport, and that it had encouraged the City to provide bicycle lanes.

**Pieter Genis, a lecturer at NUST**, asked about the relative relevance of the public and private sectors when it came to public spaces or 'the space between the buildings'.

**Ms Makalima-Ngewana** responded that it was important to create partnerships to transform public spaces. The example she gave was Church Square offering free WiFi, which succeeded in attracting more visitors to the space.

An **unidentified participant** wanted to know how the issue of security had been addressed.

**Ms Makalima-Ngewana** replied that the security response in the CBD was very efficient. She also mentioned a significant presence of security cameras, but that they also had to address the need for 'visible security' to put people's minds at ease. Mounted police had proved not only to be a good way to tackle visible security, but also provided a higher vantage point for the rider. Another measure, she added, was to ensure buildings had retail entities at street level rather than parking garages, and for the retail entities to have glass windows and to keep their lights on at night for good street illumination.

An **unidentified participant** asked how the partnership dealt with informal trade.

**Ms Makalima-Ngewana** clarified that no African city would be without some informality, so there was an initiative to get trading zones in the CBD managed by one entity who would then oversee informal trading activities. She noted that trading had become more sophisticated, and that some of those selling local art and crafts were in fact selling items manufactured in China.

An **unidentified participant** asked what urban design guidelines existed for Cape Town's CBD.

**Ms Makalima-Ngewana** responded that there were general guidelines that needed to be followed.<sup>12</sup>

<sup>10</sup> See footnote 4 of this session.

<sup>11</sup> A night bicycle ride in Cape Town (<http://www.moonlightmass.co.za/moonlightmass/Home.html> and <https://www.facebook.com/moonlightmass>, both last accessed 31 July 2019).

<sup>12</sup> This may refer to the Draft Guidelines for the Provision of Open Space (Isikhungusethu Environmental Services with Louw and Dewar 2017) published by South Africa's Ministry of Agriculture, Rural Development and Land Reform.

<sup>9</sup> Several news sources document this phenomenon; see e.g. BBC. (2014, October 21). The death of the US shopping mall. Retrieved from <http://www.bbc.com/culture/story/20140411-is-the-shopping-mall-dead>; Thompson, D. (2017, April 10). What in the World Is Causing the Retail Meltdown of 2017? The Atlantic. Retrieved from <https://www.theatlantic.com/business/archive/2017/04/retail-meltdown-of-2017/522384/>.