

## Pledge to take back buildings

By <u>Claudi Mailovich</u> 1 Jun 2017

Mayor Herman Mashaba plans to open up Johannesburg's hijacked buildings to private developers and will expropriate property if necessary.



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Johannesburg has hundreds of "hijacked" buildings that have been taken over by residents or abandoned by owners.

Mashaba said that as part of developing the inner city and providing affordable housing to city residents, more than 70 of these buildings had been identified for development.

The DA-led coalition government passed a R55.9bn budget on Thursday last week.

Mashaba said in an interview with Business Day he would announce his plans for the buildings in the next two months. The project would be driven from the mayor's office and the plan was to provide long-term rentals.

If he did not take over the inner city and provide affordable housing, he would be unable to reduce the 300,000 housing backlog in the country's economic hub, Mashaba said.

With an R8.6bn capital expenditure budget, Johannesburg lacks the ability to develop enough housing and infrastructure. "It [the buildings] is infrastructure that is already in place. It is an opportunity for the private sector to turn it into construction sites. They just need the government that can play a role to give them access to " these hijacked buildings.

If a building belonged to the city, or if an owner could not be found, he would open it up for proposals. If owners owed the city money and they could not be found, he "definitely will expropriate buildings. We cannot afford a situation where I have a good building and next door I have a building that is not taken care of and they owe us as a city," Mashaba said.

Proposals would have to stipulate how much money would be invested in a building and how many people would be employed during and after construction.

Johannesburg should be like other cities with high-density accommodation and his main focus was to get millions of people to live in the inner city.

"I don't have the balance sheet, but the private sector has got the money," he said.

Mashaba's plans comes amid criticism that the Gauteng provincial government has slashed the city's housing top structures grant.

The city received R411m for housing in 2016-17, which was later reduced to R345m in the adjustment budget.

In the 2017-18 budget, R145m was allocated to housing, with which only about a thousand units can be built.

"I am not going to take this lying down. I will make sure that our residents are aware of this. If it means they can't listen and respond to us, we will take this matter to court," Mashaba said.

Jeffrey Wapnick, MD of Octodec, said it was encouraging to hear the council might be looking to partner with the private sector on this.

He said that in addressing the need for housing, "we must ensure that the minimum standards of living are upheld to protect residents".

Source: Business Day

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