

District Six redevelopment 'to start soon'

A "special purpose vehicle" or company is likely to be set up by April and will be crucial to the success of the redevelopment of Cape Town's District Six, District Six Redevelopment and Beneficiary Trust chief executive Nas Allie said on Tuesday (8 January).



The R7bn District Six redevelopment project, which will feature mixed housing and commercial and office space, has been beset by delays and next year's deadline for the construction of 950 houses is unlikely to be met.

Construction was meant to start last March. This phase of the project is expected to cost R700m but the Department of Land Reform and Rural Development has still not released the money.

Former residents have waited for a number of years to move back to the area after they were forcibly removed by the apartheid government between 1969 and 1980. Although more than 60,000 people were removed, there are only 1,060 registered claimants.

"I have to congratulate the community, they have been patient after a lot of promises had been made but nothing was delivered," Allie said.

"However, I have said before that next year's deadline will not be met. We are asking ourselves why government has still not released the R700m but we believe that they are waiting for the special purpose vehicle to be set up," Allie said.

The special purpose company will include most claimants as shareholders and the government will also be represented. The company will spearhead the development of District Six and will also be responsible for leasing extra residential and retail property.

The project is expected to be completed in seven years.

The City of Cape Town will provide the bulk infrastructure for free and the national government will contribute R1.3bn towards the project. Claimants will also be asked to contribute about R225,000 on average towards their homes, valued at R1m.

Some claimants have expressed frustration that they are expected to pay despite having been forcibly removed.

Land Reform and Rural Development spokesman Mthobeli Mxotwa said on Tuesday (7 January) that the money needed for the project was available and would be released shortly.

"The land claimants are driving this process themselves through the special purpose vehicle. I can assure

you that there are no problems with this project (and) those saying so are just probably disgruntled," Mxotv claimed.

Source: *Business Day* via I-Net Bridge

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