

PORTFOLIO COMMITTEE :

PLANNING & DEVELOPMENT

Chairperson :

Ald E Gillion

Committee Members :

**Ald K Brice, Cllrs C Resandt,
M Sihlahla and R Dees**

PLANNING & DEVELOPMENT PORTFOLIO COMMITTEE

17 February 2026

I N D E X

ITEM
NO

PAGE
NUMBER

OPENING AND WELCOME

APPLICATIONS FOR LEAVE OF ABSENCE

STATEMENTS AND COMMUNICATIONS BROUGHT FORWARD BY THE
CHAIRPERSON

- | | | |
|----|---|----|
| 1. | IN PRINCIPLE APPROVAL FOR THE DIRECT ALIENATION OF A PORTION OF REMAINDER ERF 384 HERMANUS (PORTION OF ROAD RESERVE), ADJACENT TO ERF 12308 HERMANUS, SITUATED IN FLOWER STREET, HERMANUS, TO MEDBUILD PROP (PTY) LTD | 1 |
| 2. | A PORTION OF ERF 830 HERMANUS, KNOWN AS "BIENTANG'S CAVE RESTAURANT": DEVIATION FROM PARAGRAPH 18 OF THE ADMINISTRATION OF IMMOVABLE PROPERTY POLICY OF 2015 ALLOWING THE MUNICIPALITY TO TEMPORARILY RENEW THE LEASE OF MUNICIPAL PROPERTY TO BIENTANG SE GROT (PTY) LTD | 12 |
| 3. | APPROVAL FOR THE ALIENATION AND TRANSFER OF SEVERAL PORTIONS OF LAND TO THE DEPARTMENT OF INFRASTRUCTURE (WESTERN CAPE) FOR THE UPGRADE OF TRUNK ROAD 28/1 BETWEEN VERMONT AND SANDBAAI | 33 |
| 4. | PORTIONS OF REMAINDER ERVEN 243 AND 1253 AS WELL AS A PORTION OF ERF 4935 HERMANUS: RENEWAL OF LEASE OF MUNICIPAL PROPERTIES TO JOSHGRO INVESTMENTS 9 (PTY) LTD | 51 |
| 5. | TRANSFER OF UNREGISTERED ERF 5643 (A PORTION OF REMAINDER ERF 3048) BETTY'S BAY (PORTION OF PUBLIC OPEN SPACE), ADJACENT TO ERF 3196 BETTY'S BAY, SITUATED ON THE CORNER OF ROCKWAY DRIVE AND PEARL DRIVE, TO LR MCCANN | 59 |
| 6. | A PORTION OF REMAINDER FARM NR 581 SITUATED IN ONRUSTRIVIER, KNOWN AS "MILK ON THE BEACH RESTAURANT" AT ONRUS BEACH: LEASE OF MUNICIPAL PROPERTY TO MILK AT THE BEACH (PTY) LTD | 71 |
| 7. | TOWN & SPATIAL PLANNING REPORT WITH REGARD TO APPLICATIONS CONSIDERED IN TERMS OF DELEGATED AUTHORITY: OCTOBER – DECEMBER 2025 | 79 |

**AGENDA of the
Portfolio Committee: Planning and Development
17 February 2026
(Also the agenda for the Mayoral Committee Meeting: 25 February 2026)**

1.

**IN PRINCIPLE APPROVAL FOR THE DIRECT ALIENATION OF A PORTION OF
REMAINDER ERF 384 HERMANUS (PORTION OF ROAD RESERVE), ADJACENT
TO ERF 12308 HERMANUS, SITUATED IN FLOWER STREET, HERMANUS, TO
MEDBUILD PROP (PTY) LTD**

**A Le Roux
15 January 2026**

Divisional Manager: Property Management

(028) 316 - 5623

1. Executive Summary

To obtain approval in principle for the direct alienation of a portion of Remainder Erf 384 Hermanus ($\pm 700\text{m}^2$ in extent) adjacent to Erf 12308 Hermanus, situated in Flower Street, Hermanus (hereinafter referred to as "the Property"), to the owner of Erf 12308 Hermanus, being Medbuild Prop (Pty) Ltd (hereinafter referred to as "the Applicant") for parking purposes. See the locality maps attached hereto marked "Annexure A1 & A2".

2. Service Delivery and Budget Implementation Plan - IGNITE

Planning and Development
Property Management

3. Compliance with Strategic Priorities

Provision of democratic, accountable and ethical governance
Creation and maintenance of safe and healthy environment

4. Delegated Authority

None

5. Legal Requirements

- Local Government: Municipal Finance Management Act (Act 56 of 2003) ("MFMA")
- Municipal Asset Transfer Regulations (R. 878 of 2008)
- Administration of Immovable Property Policy of the Overstrand Municipality, as amended

**AGENDA of the
Portfolio Committee: Planning and Development
17 February 2026
(Also the agenda for the Mayoral Committee Meeting: 25 February 2026)**

6. Background/Discussion/Evaluation/Conclusion

Background/Discussion

An application was received from the Applicant for the purchase of the Property adjacent to its own property, Erf 12308 Hermanus, situated in Flower Street, Hermanus.

The application entails allocating an area extending at least 5 (FIVE) metres inward from the boundary of Erf 12308 into the Property to accommodate parking. In addition, corner splays will be incorporated at the section adjoining Flower Street as part of the proposed consolidated erf layout. These splays are typically used to enhance traffic safety, improve visibility at intersections, and align with urban design requirements. The purpose of the Property will only be for parking and no structures except a boundary wall/fence will be allowed on the Property.

The Applicant undertakes to have a security guard at the entrance in Flower Street that will provide access to municipal officials should they require access to do maintenance on municipal services that might be located on the Property.

Please note that the final extent of the Property to be alienated will be determined by a Surveyor, and the abovementioned size is subject to slight change after the final survey is done.

Evaluation

A: Administration of Immovable Property Policy of the Overstrand Municipality:

The following conditions of the said Policy will apply:

Paragraph 4: “No application for the purchase, lease of or encroachment on immovable property (save for the instances mentioned in paragraphs 58 to 62 and 64.1 below) shall be processed unless the prescribed application fee as per tariff approved in the annual budget for the financial year has been paid, nor shall any proposed lease or encroachment (save for the instances mentioned in paragraphs 58 to 62 and 64.1 below) be advertised unless the applicant has confirmed, in writing, that he/she will bear all costs involved in such transaction including – but not limited to – legal, survey, re-zoning, sub-division, consolidation, advertisement, relocation or provision of services and, where applicable, a deposit as per prescribed rate to cover incidental costs has been paid.”

**AGENDA of the
Portfolio Committee: Planning and Development
17 February 2026
(Also the agenda for the Mayoral Committee Meeting: 25 February 2026)**

The Applicant completed the formal application form and made payment of the application fee.

Paragraph 5: “The Municipality may not transfer ownership as a result of a sale or other transaction or otherwise permanently dispose of a municipal immovable property needed to provide the minimum level of basic services, save where the transfer is to another organ of state, as provided for in section 14(6) of the MFMA read with Regulation 24 in Chapter 3 of the MATR.

The comments received from the relevant officials confirmed that the Property is not needed for the provision of the minimum level of basic municipal services.

Paragraph 7: “the transfer of ownership of immovable property must be fair, equitable, transparent, competitive (unless it is not applicable or unpractical e.g. non-viable immovable property) and consistent with the supply chain management policy of the Municipality in accordance with Section 14(5) of the MFMA.”

Non-viable immovable property is defined in the relevant Policy as “a property that, owing to urban planning, physical constraints or extent, cannot be developed on its own or function as a separate entity and can therefore only become functional if alienated or leased to an adjoining owner for usage in conjunction with the said owner’s property.” The Property can be classified as a non-viable immovable property due to the location, size and proposed use thereof. The Applicant is the only adjoining neighbouring property owner who expressed interest in purchasing the Property for parking purposes. The Property is smaller than the minimum developable size of property in the area and can therefore not be used for residential development.

Paragraph 9.2: “The Municipality may transfer ownership or otherwise dispose of a non-viable immovable property, as nonexempted immovable property which can be of no practical use to any other person, directly to adjoining property owner(s), only after the Municipal Council has, in terms of sections 14(2)(a) and (b) of the MFMA:

- (a) decided on reasonable grounds that the non-viable immovable property is not needed to provide the minimum level of basic municipal services;**
- (b) considered the fair market value of the immovable property and the economic and community value to be received in**

**AGENDA of the
Portfolio Committee: Planning and Development
17 February 2026
(Also the agenda for the Mayoral Committee Meeting: 25 February 2026)**

exchange for the immovable property in accordance with Section 14(2) of the MFMA, and

- (c) ***has as a consequence to 9.2(a) and (b) above approved in principle that the immovable property may be transferred or disposed, provided that, when giving the in principle approval, it is recorded in the minutes the full reasons for the Municipality preferring such direct transfer.”***
- (a) The comments received from the relevant officials confirmed that the Property is not needed for the provision of the minimum level of basic municipal services. There is however an electrical overhead line situated on the Property which must be removed and will be for the cost of the Applicant. The Electrical Department did a cost estimate with the help of a consultant and confirmed that the removal/replacement amounts to R255,785.10 (TWO HUNDRED AND FIFTY-FIVE THOUSAND, SEVEN HUNDRED AND EIGHTY-FIVE RAND AND TEN CENTS). The construction will include the removal of poles, lines and installation of new distribution kiosks, new streetlights, underground feeder cables, service, and streetlight cables.
- (b) HCB Property Valuations determined the fair market value on 1 December 2025 at an amount of R450.00/m² (FOUR HUNDRED AND FIFTY RAND PER SQUARE METRE) (VAT excluded). The valuation was done taking into consideration the size, locality, zoning and proposed use (restriction) of the Property.
- (c) The reasons for the preferred direct sale are discussed above and will subsequently be recorded in the minutes.

Paragraph 28: “All costs pertaining to a transaction shall be borne by the successful bidder/purchaser, e.g. survey, advertisements, valuation, rezoning, relocation or provision of services where necessary, etc. The Municipality may, however, waive its right to claim the costs should it be to its advantage to bear the costs.”

The Applicant will be liable for the costs of the transaction which will include, but not be limited to, the application fee, valuation costs, relocation of services, removal of restrictive conditions (if any), closure of portion of road, subdivision, rezoning and consolidation, the required public participation and transfer costs.

Paragraph 29: “Should existing services need to be relocated or secured by means of the registration of a servitude in favour of the Municipality as a result of the alienation of the immovable property,

**AGENDA of the
Portfolio Committee: Planning and Development
17 February 2026
(Also the agenda for the Mayoral Committee Meeting: 25 February 2026)**

all related costs shall be for the account of the successful bidder/purchaser.”

The Electrical overhead line must be removed and the service relocated as discussed above.

Paragraph 30: “Small areas of land such as closed roads or portions of public place sold to an adjacent owner must be consolidated with the existing property of the adjacent owner, unless circumstances exist which, in the opinion of the Municipality, make such consolidation undesirable.”

A condition to this effect will be included in the Deed of Sale.

Paragraph 32: “Save with prior approval, the immovable property alienated may only be used for the purpose for which it was originally sold and purposes permitted by town planning scheme regulations pertaining to such purposes.”

A condition to this effect will be included in the Deed of Sale.

Paragraph 33: “The agreement might contain a suspensive condition in respect of immovable property which is sold subject to approval in terms of land use planning legislation.”

A condition to this effect will be included in the Deed of Sale.

Paragraph 34: “A 10% deposit of the agreed/tendered purchase price will be due and payable by the purchaser/successful bidder within 10 days of date of request in writing thereof by the Municipality.”

A condition to this effect will be included in the Deed of Sale.

Paragraph 35: “Interest on the purchase price, as from date of signature of the deed of sale, must be charged by the Municipality should payment or transfer be delayed due to an action or failure on the part of the successful bidder/ purchaser.”

A condition to this effect will be included in the Deed of Sale.

B. Advertisement/Notification

The necessary advertisement will be published after obtaining this in principle decision. The Applicant will be liable for the costs of the public participation process.

**AGENDA of the
Portfolio Committee: Planning and Development
17 February 2026
(Also the agenda for the Mayoral Committee Meeting: 25 February 2026)**

Conclusion

Considering the comments of the internal departments, as well as the above discussion, it is recommended that the direct alienation of the Property to the Applicant be approved in principle.

7. Financial Implications

The Municipality stands to gain an income of R450.00/m² (FOUR HUNDRED AND FIFTY RAND PER SQUARE METRE) (VAT excluded) for the alienation of the Property.

8. Staff Implications

None

9. Comments from other Departments, Divisions and Administrations

Senior Superintendent: Technical Planning (Network Simulation/Optimization): Mr J Klem

“The Electrical department does not have any objections towards the sale of part of the property, however, there is an overhead line which must be removed which will be for the cost of the applicant. We did the cost estimate with the help of the consultant. This amounts to R255 785,10. The construction include the removal of poles, lines and installation of new distribution kiosks, new streetlights, underground feeder cables, service, and streetlight cables. If the client wants to go forward with the removal of the line, we can organise a meeting to discuss the way forward.”

Senior Superintendent: Traffic Operations: Mr P de Gruchy

“Traffic operations have no objection towards this direct sale for the usage of parking. It will actually elevate the current problem posed as there is not adequate amount of parking at the facility.”

Principal Technologist Civil: Mr T Marx

“We do not have any objection with regard to this application. No services will be negatively affected. There is no need for any servitudes to be registered. Access can be obtained from Albertyn Street, potable water will be available, but as they create parking, I do not think they will need water.”

Senior Building Control Officer: Building Control: Mr G Coetzee

“No objection from Building Control.”

**AGENDA of the
Portfolio Committee: Planning and Development
17 February 2026
(Also the agenda for the Mayoral Committee Meeting: 25 February 2026)**

Principal Technologist: Development Control: Mr R Andrew

“The Project Management Division has no comment.”

Environmental Officer: Environmental Management & Conservation: Ms H Fortune

“This office has no objection to this application.”

Fire, Safety and Disaster Management: Mr E Solomons

“The fire department has no objection to compliance with the provisions of SANS 10400-A, 10400-T:2024 and the By-Law relating to fire safety.”

Senior Town Planner: Town & Spatial Planning: Ms H van der Stoep & Mr B Minnaar

“No objection, subject to the planning legislation application. The proposed alienation of a Portion of Erf 384 Hermanus ($\pm 700\text{m}^2$ in extent) is supported by the Town & Spatial Planning Department. This support is subject to the Portion of Erf 384 Hermanus ($\pm 700\text{m}^2$) undergo a planning submission process. The application must therefore entail the subdivision, closure of a public place, rezoning and consolidation with Erf 12308 Hermanus.”

Divisional Manager: Expenditure, Fleet & Asset Management - Mr J Vorster

“The portion of Erf 384 ($\pm 700\text{m}^2$ in extent) Hermanus, adjacent to Erf 12308 Hermanus in Flower Street, Hermanus, is reflected in the fixed asset register for PPE: Land as part of the overall Erf 384 at a value of R10'527'755.24 as at 30 June 2025. As soon as the proposed alienation has been concluded the portion of the erf will have to be written out of the fixed asset register at the applicable selling price in order to account for the actual gain / (loss) on the disposal of the portion of an asset. There is no objection against the proposed alienation as the application complies with the Administration of Immovable Property Policy.”

10. Annexures

Annexures A1 & 2: Locality maps

**AGENDA of the
Portfolio Committee: Planning and Development
17 February 2026
(Also the agenda for the Mayoral Committee Meeting: 25 February 2026)**

RECOMMENDATION TO THE COUNCIL:

1. that the direct alienation of a portion of Remainder Erf 384 Hermanus ($\pm 700\text{m}^2$ in extent), situated in Flower Street, Hermanus, to the owner of the adjoining Erf 12308 Hermanus, Medbuild Prop (Pty) Ltd, at an amount of R450.00/m² (FOUR HUNDRED AND FIFTY RAND PER SQUARE METRE) (VAT excluded) for parking purposes, **be approved in principle**;
2. that it be noted that the direct alienation is possible as the portion of Remainder Erf 384 Hermanus can be classified as a non-viable property;
3. that, subject to the approval in 1 above, a public participation process be followed at the cost of the Applicant/purchaser;
4. that it be noted that a condition for the alienation will be that the portion of Remainder Erf 384 Hermanus must be consolidated with the adjoining property of Medbuild Prop (Pty) Ltd;
5. that the property may only be used for parking purposes and no structures of any kind (excluding a boundary wall or fence) may be erected on the portion of Remainder Erf 384 Hermanus, which conditions must be registered against the title deed of the consolidated property;
6. that the alienation of the portion of Remainder Erf 384 Hermanus be subject to a suspensive condition that the Applicant/purchaser obtain approval for all the required land use rights, which may include, subdivision, closure of public place, rezoning and consolidation with Erf 12308 Hermanus;
7. that all costs pertaining to the transaction, e.g. application costs, valuation costs, relocation of services, closure of a portion of road, subdivision, rezoning and consolidation, the required public participation, transfer and related costs, etc. be paid by the Applicant/purchaser, Medbuild Prop (Pty) Ltd, and
8. that it be noted that the municipal property herewith envisaged to be alienated is not required for the provision of further basic municipal services in terms of the provisions of paragraph 5 of Council's Administration of Immovable Property Policy and Section 14 of the Local Government: Municipal Finance Management Act (Act 56 of 2003).

**AGENDA of the
Portfolio Committee: Planning and Development
17 February 2026
(Also the agenda for the Mayoral Committee Meeting: 25 February 2026)**

RESPONSIBLE OFFICIAL: MAGDA BEKKER

TARGET DATE FOR IMPLEMENTATION : MARCH 2026

TARGET DATE TO INFORM APPLICANTS: MARCH 2026

**AGENDA of the
Portfolio Committee : Planning & Development
17 February 2026
(Also the Agenda for the Mayoral Committee Meeting : 25 February 2026)**

**1.
IN PRINCIPLE APPROVAL FOR THE DIRECT ALIENATION OF A PORTION OF
REMAINDER ERF 384 HERMANUS (PORTION OF ROAD RESERVE), ADJACENT
TO ERF 12308 HERMANUS, SITUATED IN FLOWER STREET, HERMANUS, TO
MEDBUILD PROP (PTY) LTD**

**A Le Roux
15 January 2026**

Divisional Manager: Property Management

(028) 316 - 5623

**THIS MATTER SERVED BEFORE THE JOINT PORTFOLIO COMMITTEE ON
17 FEBRUARY 2026, WHICH COMMITTEE RECOMMENDED AS FOLLOWS:**

RECOMMENDATION TO THE COUNCIL:

1. that the direct alienation of a portion of Remainder Erf 384 Hermanus ($\pm 700\text{m}^2$ in extent), situated in Flower Street, Hermanus, to the owner of the adjoining Erf 12308 Hermanus, Medbuild Prop (Pty) Ltd, at an amount of R450.00/m² (FOUR HUNDRED AND FIFTY RAND PER SQUARE METRE) (VAT excluded) for parking purposes, **be approved in principle;**
2. that it be noted that the direct alienation is possible as the portion of Remainder Erf 384 Hermanus can be classified as a non-viable property;
3. that, subject to the approval in 1 above, a public participation process be followed at the cost of the Applicant/purchaser;
4. that it be noted that a condition for the alienation will be that the portion of Remainder Erf 384 Hermanus must be consolidated with the adjoining property of Medbuild Prop (Pty) Ltd;
5. that the property may only be used for parking purposes and no structures of any kind (excluding a boundary wall or fence) may be erected on the portion of Remainder Erf 384 Hermanus, which conditions must be registered against the title deed of the consolidated property;
6. that the alienation of the portion of Remainder Erf 384 Hermanus be subject to a suspensive condition that the Applicant/purchaser obtain approval for all the required land use rights, which may include, subdivision, closure of public place, rezoning and consolidation with Erf 12308 Hermanus;
7. that all costs pertaining to the transaction, e.g. application costs, valuation costs, relocation of services, closure of a portion of road, subdivision, rezoning and consolidation, the required public participation, transfer and related costs, etc. be paid by the Applicant/purchaser, Medbuild Prop (Pty) Ltd; and

**AGENDA of the
Portfolio Committee : Planning & Development
17 February 2026
(Also the Agenda for the Mayoral Committee Meeting : 25 February 2026)**

8. that it be noted that the municipal property herewith envisaged to be alienated is not required for the provision of further basic municipal services in terms of the provisions of paragraph 5 of Council's Administration of Immovable Property Policy and Section 14 of the Local Government: Municipal Finance Management Act (Act 56 of 2003).

RESPONSIBLE OFFICIAL:

M BEKKER

TARGET DATE FOR IMPLEMENTATION :

MARCH 2026

TARGET DATE TO INFORM APPLICANTS:

MARCH 2026



ANNEXURE A2

