



MOTIVATIONAL MEMORANDUM: REZONING ERF 1616 SUNNINGHILL EXT 165



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**MOTIVATIONAL MEMORANDUM:
REZONING
ERF 1616 SUNNINGHILL EXT 165**

**On behalf of
RFC DEVELOPMENT (PTY) LTD**

KiPD

Compiled by:

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1. GENERAL INFORMATION

KiPD (Pty) Ltd, the authorised agent, has been appointed by RFC Development (Pty) Ltd to lodge an application to acquire additional land use rights for the existing shopping centre and office block on Erf 1616 Sunninghill Ext 165. The property will be referred to as “the site”, “the subject property” and/or “the proposed development” in this memorandum.

1.1. THE APPLICATION

Application is hereby made in terms of Section 21 of the City of Johannesburg Municipal Planning By-Law, 2016, hereinafter referred to as the “By-Law”, read together with the provisions of the Spatial Planning and Land Use Management Act, 2013 (Act 16 of 2013) (SPLUMA), for the rezoning of the property.

1.2. SITE LOCALITY

(Annexure A: Plan 1 and 2)

Sunninghill is located in the northern suburbs of Johannesburg, south of Midrand, and west and north of the N1 highway.

Erf 1616 Sunninghill Ext 165 is located within the Sunninghill Business District, east of the Jukskei River, north of Witkoppen Road and the N1 highway. The site is bordered to the north by Kikuyu Road and to the east by Leeuwkop Road.

1.3. AGENT AND CLIENT

1.3.1. Agent

The authorised town planning agent acting on behalf of the client is:

Name	KiPD (Pty) Ltd
Responsible Persons	Saskia Cole
Postal Address	P O Box 52287, Saxonwold, 2132
Contact Number	011 888 8685 / 082 574 9318
Email	saskia@kipd.co.za

1.3.2. Client

The client’s details are as follows:

Name	RFC Development (Pty) Ltd
Responsible Persons	Jacqui Meyer
Postal Address	P O Box 78530, Sandton
Contact Number	011 234 4796
Email	wandap@rfc-group.co.za

1.4. LEGAL ASPECTS

1.4.1. Ownership

(Annexure B: Title Deed)

The property is registered at the Deeds office under title deed T102420/2007 and ownership of RFC Development (Pty) Ltd.

1.4.2. Size

In terms of General Plan SG 11966/2006, the property measures 1,7491 ha.

1.4.3. Company Resolution

(Annexure C: Resolution and CIPC documents)

RFC Development (Pty) Ltd have confirmed that KiPD proceed with the rezoning application by way of a meeting of the directors and a resolution. One of the directors was appointed to sign documents pertaining to the rezoning.

1.4.4. Power of Attorney

(Annexure D: Power of attorney)

The power of attorney authorising KIPD to make application on the company's behalf, has been signed by the authorised director.

1.4.5. Registered Bonds

(Annexure E: Bond holders consent)

The property is subject to a mortgage bond with Nedbank. The bondholders consent letter is attached to this application.

1.4.6. Title Conditions

There are no title restrictions in the title deed which affect the proposed development of the property and land use rights.

1.5. THE BUILT ENVIRONMENT AND ZONING

1.5.1. Existing and Surrounding Land Use

(Annexure F : Land use plan)

The current development on the site is The Core shopping centre and high rise office block. Surrounding the property are a number of office parks and higher density residential developments as well as a self-storage facility.

1.5.2. Surrounding Zoning

(Annexure G : Surrounding zoning plan)

The zoning of the area matches the land use discussed above with a number of erven zoned Business 3 for offices, Residential 2 and 3 for high density residential dwelling units and Special mainly for non-residential land uses such as a self-storage facility or a mix of business and residential land uses.

1.5.3. Existing Zoning and Development Controls

(Annexure H: Zoning Certificate)

In terms of the City of Johannesburg Land Use Scheme, 2018, amendment scheme 02-10758, the property is zoned "Special" for a number of uses related to a retail shopping centre with office block.

2. THE APPLICATION

2.1. PROPOSED DEVELOPMENT CONTROLS

Application is hereby made for the addition of certain land use rights to the existing basket of rights as well as modernising the basket of rights in line with the City of Johannesburg Land Use Scheme, 2018, as follows :

Specifications	Existing Rights	Proposed Rights
Zoning	Special	Business 1
Primary Land Use Rights	Shops, offices, service industries, businesses, places of refreshment, places of instruction, social halls, exhibition of trade and industry and uses ancillary and subservient to the main use.	Shops, offices, service industries, business purposes, sit down and take away restaurants, places of instruction, social halls, exhibition of trade and industry as well as residential buildings, institutions, religious purposes, dwelling units and uses ancillary and subservient to the main use.
Secondary Land Use Rights	Only uses as stipulated in the applicable Annexure.	As per Scheme, uses not mentioned under primary rights.
Prohibited Land Use Rights	Uses not mentioned above.	Noxious Industries, scrap yards, panel beating, spray painting
Height	6 Storeys	6 Storeys

Coverage	40% covered areas, exclusively for parking 50%. Coverage at basement level, which must be below natural ground level may be increased with the consent of the Council by way of a site development plan.	40% covered areas, exclusively for parking 50%. Coverage at basement level, which must be below natural ground level may be increased with the consent of the Council by way of a site development plan.
Floor Area Ratio	As per Scheme- 0.85	As per Scheme- 0.85
Parking	As per Scheme	As per Scheme
Building Lines	5m from all boundaries; provided that all building lines may be relaxed by the local authority by way of the approval of a site development plan.	5m from all boundaries; provided that all building lines may be relaxed by the local authority by way of the approval of a site development plan.

2.2. DEVELOPMENT INTENT

The existing development, being a shopping centre and office block, currently hosts a variety of uses, as allowed in the primary rights of the zoning, however the centre is constantly faced with dilemmas in terms of their tenants, as the existing specialised zoning is restrictive in terms of the land uses and excludes a number of possible tenants. By rezoning the property to a "Business 1" zoning, a higher variety of compatible uses, which can be accommodated in the centre, will be included. The zoning does not include all "Business 1" land uses, however, as motor dealerships for example are not included. The zoning is a mix of existing land uses and those listed as standard under the "Business 1" zoning. Places of amusement have also been *excluded* from the proposed primary rights as to exclude any loud noise producing land uses.

The approval of the rezoning will enable the centre to diversify the tenant mix and provide the variety of services and goods for their shoppers. The development controls are not being amended, and the building footprint will remain as it currently exists, and the land uses will be the only material change.

2.3. ENGINEERING SERVICES

As the development has been in existence for a number of years and no amendments are being made to the floor area, no impact on engineering services is expected.

The proposed additional land uses are also not expected to generate any more traffic than already generated by the existing shopping centre and office development.

3. SPATIAL PLANNING ENVIRONMENT

In terms of Section 5(2) of the City of Johannesburg Municipal Planning By-Law, 2016 – “any land development application in terms of said By-Law shall be guided and informed by the City’s Integrated Development Plan and Municipal Spatial Development Framework as adopted and approved in terms of Section 20 of SPLUMA and Section 10 of said By-Law.”

This section therefore reviews all relevant spatial planning documents and plans, to determine the suitability and compliance to the spatial plans of the City.

The following spatial planning documents have been reviewed :

- City of Johannesburg Spatial Development Plan, 2040 (2016);
- City of Johannesburg Regional Spatial Development Framework (2010/2011); and
- Sunninghill Development Framework 2020 compiled in 2008.

3.1. CITY OF JOHANNESBURG SPATIAL DEVELOPMENT FRAMEWORK, 2040 (2016)

The subject property is located within the Sunninghill Regional Node. In terms of the SDF, regional nodes are “of significance within the metropolitan area. They serve a specific regional area. Equally important is that these nodes serve as economic hubs and focal points for employment opportunities. They satisfy the needs of a large primary and secondary catchment area and have a wider entertainment component while supporting comparative and destination shopping.”

The proposed rezoning to increase the basket of land use rights within the regional node is ideal as it is the primary aim of the node to accommodate intense development within the boundaries of the node and provide for as many services as possible for the wider catchment areas surrounding the node, thus satisfying the needs of the users and job creation.

The application conforms to the principals of the SDF in this regard.

3.2. REGIONAL SPATIAL DEVELOPMENT FRAMEWORK (RSDF) 2013

The property is located in Region A, sub area 7 in terms of the City of Johannesburg RSDF 2010/11.

One of the key objectives of the 2010/2011 RSDF is for the enhancement and growth of the local economy, which translates into places of business. This further reiterates the need for a variety of land uses generating income and growing the local economy within the sub area.

This site is located within the Sunninghill Regional node which is characterised by mixed use and higher density residential developments. The RSDF also advocates for the further development of mixed use development which range from retail, offices, residential and entertainment. The proposed rezoning to “Business 1” will enable “The Core” shopping centre and office block to operate at a much more efficient level as it will provide a wider variety of services and will therefore,

be completely adhering to the developmental policy affecting it. The proposed rezoning will aid the City in ensuring its vision for the area is realised.

Therefore, this development is coherent with the RSDF for Region A, Sub Area 7 and will aid in enhancing the regional node as a business hub and destination.

3.3. SUNNINGHILL DEVELOPMENT FRAMEWORK 2020

In terms of the Sunninghill Development Framework 2020 compiled in 2008, Erf 1616 Sunninghill Ext 165 is located in Zone 5A. This zone has been earmarked and is characterised by business development which includes large ground level shopping centres and multi storey office buildings. Additionally, high density residential uses are also encouraged in this zone. Below is an extract from the Sunninghill Development Framework.

“Mixed-use nodal core are Transit Orientated Developments or TODs and are zones centre on the proposed BRT stations. Consequently, these zones aim to provide the necessary land use densities and optimal land use mix to support the use of the BRT system. Business development will be the key focus of a Zone 4-6A and can include large ground-level shopping centres and multi-storey office buildings. Entertainment uses can also form an integral part of the land use mix of Zone 4-6A. Another land uses to be encouraged within this Zone 4-6A is high-density residential uses, which must include an inclusionary housing component.”

Based on the above it is clear that the development of this area advocated by the city is of a mixed use nature, therefore warranting a variety of uses within the Core Shopping Centre.

As the Shopping Centre already exists with approved land use rights, this rezoning is submitted to enable a slightly wider variety of tenants and as such is not only desirable but will result in only internal adjustments to the building and will thus have minimal impact on the surrounding environment and developments.

The land use and development controls applied for are well within the defined limits as set out in the Sunninghill Development Framework 2020, and aids in enhancing this regional node.

4. NEED AND DESIRABILITY

Officially a shopping mall is one or more buildings forming a complex of shops representing merchandisers, with interconnected walkways enabling visitors to walk from shop to shop. Unofficially, they are the heart and soul of communities, the foundation of retail economies, and a social sanctuary for teenagers everywhere. In recent decades, the concept of the shopping mall, which has its origins in the U.S. and became a full-blown modern retail trend there in the post-WWII years, has proliferated across the globe.

Despite its ubiquity, the mall as it's been conceived for the last half century is at a critical inflection point. A storm of global trends are coming together at the same time to cause malls to change the role they play in people's lives. No longer are they primarily about shopping. Now, when consumers visit malls, they are looking for experiences that go well beyond traditional shopping.

The trends helping to create this change include changing demographics, such as an aging population and increased urbanization, which means more people living in smaller spaces and a greater need for public spaces in which to socialize and congregate. In this environment, malls offer a welcome watering hole, especially in cities where other public spaces are not safe. Sustainability concerns are causing some consumers to prefer mixed use developments where they can live, shop and work all within walking distance – instead of having to get into a car and drive to a crowded suburban mall. The growing middle classes in Johannesburg maintain a strong association between consumption and pleasure, driving the need for more engaging shopping experiences. And finally, the e-commerce revolution and the rise of digital technologies are fundamentally reshaping consumer expectations and shifting the function of stores toward useful and entertaining customer experiences.

As these trends advance across the global stage, they are forcing mall operators to rethink how they conceive and operate their properties. Thanks to a continued economic slowdown and rapid advance of the digital revolution, the South African mall industry is retracting and facing high vacancy levels. In the face of these considerable challenges, malls are seeking to stay relevant, drive growth and boost efficiency. Differentiating the consumer offering, with a focus on experience and convenience is of importance to ensuring sustainability.

Online shopping provides consumers with ultimate levels of convenience. Malls will never be able to compete with the endless product selection, price comparisons and always-on nature of online. Nor should they try. Instead, malls need to move in a different direction, away from commoditised shopping experiences and toward a broadened value proposition for consumers.

Diversifying and increasing the basket of land use rights for the The Core shopping centre and office block is imperative for the survival of the centre.

5. SPLUMA DEVELOPMENT PRINCIPLES

In terms of the Spatial Planning and Land Use Management Act (Act 16 of 2013) (SPLUMA), the following principals apply to spatial planning, land development and land use management and are hereby applied to this application:

SPLUMA Referral		Proposed Development Compliance
7(a)	Spatial Justice	This rezoning is being submitted to increase the variation in land use on the site, in accordance with the development policy. In this process, the land will be used more efficiently, as the functionality of the node will be enhanced. As this is not a greenfield development but rather an amendment to an existing facility and is not a residential development, the underpinning principles of spatial justice cannot be applied.
7(b)	Spatial Sustainability	This rezoning will allow the best possible use in the more efficient and equitable manner. As no structural changes will be made to the development, it makes use of the existing infrastructure and will put little or no additional strain on the exiting service network. Furthermore, its proximity to major highways, through roads and mobility spines makes the site exceptionally accessible.
7(c)	Efficiency	Due to the fact that this rezoning ensures the current development is optimally functioned in terms of land use within the regional node, the principles of efficiency are completely applied and adhered to. The facility will make use of existing infrastructure and optimally use this infrastructure.
7(d)	Spatial Resilience	Not applicable to this development
7(e)	Good Administration	This property is not in contravention with the development policy of the City of Johannesburg. Therefore, this application is in line with the governmental policy affecting the spatial development of the area and does not deviate from it.

6. RECOMMENDATION

The application is in line with the City of Johannesburg Metropolitan Municipality's vision for this area and supports the policy. It will enable the provision of a wider variety of services for the surrounding developments and is suitably located for its function, within the Sunninghill Regional Node.

We therefore recommend that the application be approved.