

## ANNEXURE “A”

### INFORMATION STATEMENT

#### **The Reasons for the Proposal to Grant the Lease**

1. The Developer approached the Municipality with a proposal to acquire the lease of what is known as the Umsobomvu Industrial Development City, with a view of achieving a single, integrated development, which meets the needs of both the Developer and the Municipality.
2. A significant retail development of some 1 000 ha is then envisaged in Phases, spreading across the Municipality’s land.

#### **Any Expected Benefits to the Municipality Resulting from Granting of the Lease**

1. The development of the Umsobomvu Industrial City.
2. The Developer will construct and manage UIDC. The management of which shall be undertaken at its own cost and under terms to be agreed with the Municipality.
3. The Developer will construct ‘Umsobomvu Industrial City’, a significant land parcel which runs adjacent to the N1 to the south end of Colesberg and adjacent to the N9 to the south-eastern side of Colesberg.
4. The costs associated with this element are to be for the account of the Developer.
5. The Developer will construct access roads from the N1 and N9, providing access to the land parcels.

#### **Any Expected Proceeds to be Received by the Municipality from Granting of the Lease**

1. The payment of a once-off rental to be assessed as the fair market value of the rights proposed to be granted.
2. The Developer will construct Umsobomvu Industrial City consisting of:

**(i) The City**

The City concept consists of a commercial, retail, environmental initiative, residential, health and emergency component.

- (a) Commercial: Situated north-west of the UIDC is the City which has the purpose to house the UIDC’s corporate world which will include the public and private sectors. The area allocated for this development measures 200 ha in size.

- (b) Retail: This component will focus on the creation of employment opportunities by attracting large retailers and bulk wholesalers to invest in the area.
- (c) Environmental Initiatives: This component will focus on the improvement of the environment by working with communities to find solutions for current environmental challenges. Green motion will be the first initiative focussing on reducing toxic emissions of petroleum and will work closely with the petroleum and energy precinct.
- (d) Residential: This component will focus on high density residential development providing a variety of high rise, flats and court yard apartments.
- (e) Services: This component will focus on medical professionals, health services, emergency and response care.

(ii) **The Depot Precinct**

The Depot precinct will focus on logistics and manufacturing. The concept revolves around a central logistics hub servicing the country due to Colesberg's central locality. The N1 and N9 transport arterials are well situated to service the hub as trucks would use it as a central stop-over to exchange drivers and cargo. The areas allocated for this development would be 56 ha and would comprise of courier services, bulk storage and light manufacturing.

(iii) **The Cargo Terminal**

The area earmarked measures approximately 635 ha for aerodrome space to be used as a cargo terminal. The idea is a parking facility for aircraft during off-peak periods in secure hangars. An air-school will also form part of the development. The terminal will consist of a new landing strip, maintenance facilities and storage space.

(iv) **Petroleum Retail and Clean Energy Precinct**

The concept revolves around the provision of bulk petroleum which will be linked to the Coega pipeline system. The area needed for this is approximately 70 ha. Green energy will form part of the concept and would concentrate on wind, hydro and solar energy. Recycling would also form part of the development.

(v) **Agri Precinct**

The main development areas will be an agri-lab which will provide a wide range of testing programmes for water, soil, plants and other agricultural materials. The laboratories will help with highly effective research to improve products.

(vi) **e-Connect and Security**

This initiative will be focussing on fibre optic cabling and technology. The idea is to provide the local UIDC with high speed fibre optic network. An IT infrastructure would make telephone lines redundant and allows for a more superior band width which can handle more data.

**Any Expected Gain or Loss to Realised or Incurred by the Municipality from Granting of the Lease**

1. The payment of rental.
2. The construction of the Umsobomvu Industrial City, which will equate to an investment in public goods.
3. There are economic gains to the Municipality, the developer and the community at large by way of job opportunities, economic boost and associated spin-offs of the proposed retail and wholesale activities.
4. A community trust will be registered and all leases in terms of the granting of a lease over the property will be paid into the Trust Account to finance community projects.