

‘Capetonians must embrace change, give up land for housing’ – property experts



Building a new city is not the answer to Cape Town’s growing population. Picture: Sharaan Muruvan/Unsplash

Published Nov 1, 2022

Cape Town has become a magnet for semigrants throughout the country, so much so that its population is growing at a rate that housing supply will not be able to keep up with.

This resulted in Environmental Affairs and Development Planning MEC Anton Bredell last week warning that if the population of Cape Town continues growing at the current rate, the province will have to build a new city the size of Bloemfontein to accommodate 900 000 extra people in the next eight years.

But property experts do not believe this is the answer to the housing crisis in the city.

Deon van Zyl, chairperson of the Western Cape Property Development Forum (WCPDF) says that Bredell is stating “what the property development and construction industry has been predicting for some time”. The prediction is that urbanisation will “pick up speed very quickly due to a number of factors, not least of which on the one side is desperation for work and the perceived possibilities for such in urban areas, and on the other the implosion of service delivery in rural areas”.

“This is true for all metropolitan cities in South Africa. Brazil – a good comparison to our own country on many fronts – is 82% urbanised vs the current 67% in South Africa. We can expect a similar situation developing in South Africa.”

However, talking about building new cities to accommodate the growth in urbanisation is not the way to go, he says. Rather, the talk should be about increasing the capacity to deliver services in existing cities, not least of which is Cape Town.

“For a long time, the inevitable urbanisation has either been ignored or, at the very least, has not been understood by City management. The bulk infrastructure crisis in rapidly-growing areas like Milnerton/Parklands and the Helderberg is a practical illustration of the lack of planning for such growth over the last few decades.

“We are now faced with the reality that growing numbers of people are semigrating to Cape Town, and the pattern will continue into the foreseeable future. If Brazil is anything to go by, planning for a 15% growth in bulk infrastructure should already have been on the cards. We now have to play catch up.”

Van Zyl notes, however, that it is not only bulk infrastructure that will have to be addressed, but the fact that Capetonians “will have to get their heads around the concept of change”.

“Unless we actively embrace change, urbanisation will continue to lead to clashes and conflicts, not least of which is the battle around open spaces that are not optimally being used. We have already seen

debate around the future of golf courses and sports clubs, with society having to balance the need for land for housing and crucial economic activities on the one hand with its wish for recreational and conservation space on the other. The explosion of growth seen in the De Noon area is a case in point.”

Change and growth is inevitable, and he says it will often happen in the face of any alternative forward planning that had been on the cards.

“It is therefore crucial that such forward planning both acknowledges when the reality veers off course from what was planned and be able to adapt to it as it sees it.

“What MEC Bredell is effectively saying to Capetonians is that they need to start to get their heads around the concept of growth – growth in population, the increasing building of infrastructure and, as uncomfortable as it may be for the NIMBYs (‘not in my backyard’ers) out there, the increasing need to access land for the development of a multiplicity of residential and economic uses. We ignore this at our own peril.”

Erwin Rode of Rode & Associates says it is a “no-brainer” that the city is facing a huge housing and infrastructure problem. Currently, the City of Cape Town has a policy to encourage new housing developments along transport corridors and in the current core of the municipality with the aim of densification. However, while this is a laudable idea, in practice one cannot solve the growing housing crisis with ‘in-fill’ developments, he says.

“For this, you need mass-scale developments like Mitchells Plain in the 1970s and at the present, the City seems to be allergic to this idea. It is true that a decentralised mass development like Mitchells Plain or Khayelitsha goes against the grain of densification and sounds like apartheid but what is the alternative? In-fill developments are slow and expensive compared to mass developments, which means we are never going to solve the housing crisis with pure densification policies.”

But there is another practical problem to be solved, Rode states: how do you house households who earn less than R10 000 or even nil per month?

“The state simply cannot afford it anymore to subsidise these people with gratis housing. The answer, surely, lies in gratis mass site-and-service developments, allowing the residents to erect their structures themselves. This is also known as sweat equity.”

Cape Town’s special development plan (SDP)

A 2018 article written by Rode and Berchtwald Rode comparing the City’s 2012 and 2018 SDPs, states that the former spatial vision was to allow medium- and long-term growth within the urban edge and along two northern growth corridors, whereas the 2018 plan promotes inward growth.

“The 2018 SDF states that an annual delivery of 35 000 housing opportunities – including market-related units – over a 20-year period is required. This is on the back of a pitiful 5 000 state-assisted units that have historically on average been developed each year through the easy option of large-scale developments on municipal-owned land. In contrast, the document proposes a transition from the mass delivery of top structures (leading to sprawling) to the incremental (on-site) upgrading of informal settlements and backyard shacks.”

Although laudable by itself, the authors say the policy would reduce the annual delivery of state-assisted units even further, as the need for low-priced housing cannot be reduced without large-scale developments (think of the successful Mitchells Plain developments in the 1970s).

In summary, they write: “With respect to new infrastructure, the City of Cape Town will prioritise projects that would stimulate developments accessible to public transport...nobody can find fault with this. However, should the City run out of funds to also enable new infrastructure in the non-prioritised, automobile-dependent areas, then residential developers could in the long term run out of enough developable land for the middle classes. This would of course result in a deficit of supply to satisfy the growing demand, which

would artificially inflate the prices of the existing stock of houses – holding all other factors constant. This is a risk that should be carefully monitored by the City.

“Unless the City can come up with sufficient incentives to developers, the boosting of developments along public transport corridors could remain a ‘pipe dream’, as it is difficult to make brownfield high-rise but low-cost residential developments financially viable.”

Bredell’s comment was in response to a question from a committee member on how the department would mitigate population growth and the demands for resources across the province.

“I think that we don’t talk enough about the topic. Some 108 000 people moved to the Western Cape last year.

“On resources alone, we need 21.7 million litres of extra water a day. Now if you start to add up and you work towards 2030, if this curve continues, we will need to build a Bloemfontein for the City of Cape Town.”

Written by Bonny Fourie