

## 2010 Triggers Massive Growth for Cape Town

The 2010 World Cup Soccer Tournament is the single biggest catalyst that will help trigger major infrastructure investments in Cape Town. Addressing the Cape Town Press Club last week, City Manager, Achmat Ebrahim, said that the stadium at Green Point and supporting infrastructure for 2010 are the biggest capital projects Cape Town has ever undertaken.

"It is not just about the construction of the stadium. Nor is it just about soccer. It is an unprecedented opportunity for the City to overhaul its public transport system, upgrade major road networks and other facilities.

"Often and unfairly, Cape Town has been portrayed as being out of step with the rest of the country and lacking the will to pull it off in time. This is not so. We had to go through a host of statutory approval processes and major obstacles over many months. These included an environmental impact assessment, rezoning, consent use and building plan approval. We also had to overcome legal challenges and funding crises.

"In fact, I believe no single host city in South Africa has had to overcome more hurdles, contributed more to their stadiums, has been more determined to defend its position and done so successfully than Cape Town," said Ebrahim.

"Even after the decision to build it in Green Point, the City still commissioned an alternative site study looking at possible alternatives and measuring them all against set criteria. Green Point became the only viable alternative within the non-negotiable timeframes. It is pointless to still debate that. The Cape Environmental Protection Association has failed twice to interdict the demolition work on the existing stadium.

"It is also pointless to debate that we should use the 2010 money for housing or other infrastructure. We have a binding legal agreement with FIFA to host the World Cup. The R1,93 billion contribution for the stadium from national government is dedicated funding for the Green Point stadium. It cannot be used for anything else.

"The multi-purpose stadium which can be used for ball sport, major events and concerts will cost R2,85 billion. The City's contribution remains capped at R400 million plus R100 million for contingency funds. The City will not borrow money for its contribution. The money comes from its reserves. The stadium is therefore debt-free and stadium contributions will not affect other services provided by the City," he said.

According to Ebrahim, Cape Town has doubled in size during the past 20 years. With 3,2 million residents occupying an area of 2 500 sq km, and with 22 000 staff members and a R20 billion budget, the City of Cape Town is today the second largest metropolitan authority in South Africa.

"Cape Town also has the highest net migration rate in the country, with an estimated population growth of up to 80 000 people per year during the past decade.

"In this time, the transport infrastructure has become strained and traffic congestion is increasing. Like our counterparts in Johannesburg, Durban and Port Elizabeth, Cape Town faces rising challenges, such as inadequate shelter, overcrowding and indiscriminate development," he said.

Despite a 4% annual increase in Gross Geographic Product (GGP), poverty, unemployment, drug-related crime and HIV prevalence in Cape Town have increased – and public transport has deteriorated.

"The City of Cape Town's overall objective is to create a prosperous city which enjoys economic growth, where we get the basics right and promote growth through investment in infrastructure, and where we have efficient city government with less red tape, good governance and no corruption.

"Our first major milestone in meeting these goals is the five year Integrated Development Plan (IDP). This is the blueprint for local government's budget priorities as agreed with residents.

"In order to ensure effective service delivery, we need to be working very hard to retain, optimally utilise and expand the expertise, intellectual capital and experience of our staff. This is the bedrock of a successful local government. We are also regaining the institutional knowledge and expertise that was lost through restructuring processes and natural attrition.

"We have to catch up after four years of below inflation increases in rates and tariffs. The proposed increases in the current draft budget will help us to maintain and upgrade current infrastructure, as well as invest in new infrastructure.

"The instability in the City and Western Cape politics over many years leads to changes in City government. This kind of turbulence makes it very difficult for an administration of civil servants to maintain continuity. The city administration must be non-partisan, serving all residents equitably regardless of political affiliations and irrespective of who is at the helm," he said.

The IDP and draft budget are now the subject of public participation. Once approved at the end of May, these will take effect on 1 July 2007. The City of Cape Town is striving to achieve a GGP of between 6% and 8%.

Based on needs expressed by the public at workshops, the City has identified seven strategic focus areas, namely economic growth, infrastructure and services, public transport, housing, safety and security, social development and governance.

"Residents and local government are essential partners in making sure that we do three key things – address social needs and poverty, ensure that our natural beauty is maintained and sustained, and invest in the growth and prosperity of this unique and special City.

"I therefore urge all Capetonians to take part in the current consultation process on the draft IDP and budget," Ebrahim said.