

Nonceba Mahlanyana

From: Cindy-Joy Balie
Sent: Monday, October 16, 2017 5:24 PM
To: Richard Bryant
Subject: Re: Comments on Draft Political Party Funding Bill - submission 13

Dear Mr Bryant

This serves to confirm receipt of your submission. The details of the public hearings will be confirmed in due course.

Regards
Cindy Balie

From: Richard Bryant <richardb5911@gmail.com>
Sent: 16 October 2017 14:05
To: Cindy-Joy Balie
Subject: Comments on Draft Political Party Funding Bill

Dear Madam

My interest in this matter stems from my involvement in the Kommetjie Heritage Society and the Kommetjie Residents and Ratepayers Association.

In our involvement in making comments on numerous property developments in the Southern Peninsula, it became apparent that the City of Cape Town, the Western Cape Provincial Government as well as various institutions such as Heritage Western Cape were heavily biased towards densification and development even when this did not make sense. Major residential developments have been approved on the edges of the City boundary even in the face of significant community objection. This includes proposed development on the Phillippi Horticultural area, Clara Anna Fontein Farm in Durbanville as well as many farms in Stellenbosch, Somerset West and in the Southern Peninsula.

The question is why would the local government be so biased towards development on the edges of the City.

The answer lies in the way Political Parties are funded, and the massive profits that emerge from the relatively simple administrative process of rezoning a title deed.

It is apparent in the Western Cape that the approval structures to have a property rezoned have become captured by private property development interests. Organisations such as the Western Cape Property Developers Forum have infiltrated almost every approval body and committee in the City and Province.

The gearing caused by such a rezoning provides a means by which a property developer can afford to pay a cut to the political party in government, and in turn, the political party is very compliant in allowing the rezoning and development of such properties.

This is particularly lucrative in the outlying areas where agricultural and rural land may have very little value prior to a rezoning application, but when rezoned, the property suddenly becomes extremely valuable.

So to give an example, the Kommetjie property which I became involved in, falls within the buffer zone of the Cape Floral Region World Heritage Site. The property known as Protea Ridge was approved to be subdivided into 103 residential units, resulting in the undeveloped property value increasing from about R3m to an estimated R150m. Obviously, once the rezoning has been approved, this magnified profit can be potentially divided between the developer, landowner and persons involved in the approval process by means of generous donation to the Political Party involved. This may explain the spate of such development approvals in the Western Cape, and I am sure in many other areas as well.

In my view, to stop this form of Party Political Funding and the associated corruption that goes with it, I propose that the fruits of any such rezoning should not automatically become the property of the landowner. The decision to rezone a property should be based on need and desirability and be in line with a City's Spatial Development Framework.

However, once a decision has been made to rezone or subdivide a property, the owner who applies for such rezoning should be required to purchase the increased value from the State. So if I own a property whose value increases as a result of a rezoning or subdivision, I should have to pay the State for the increase in the value of the property.

This would prevent the potential for corruption in the process, and hopefully curtail the funding of Political Parties from this source.

The proceeds of such a purchase would be a type of tax, but the proceeds could be transferred to a dedicated property development fund managed by Treasury to assist the poor to purchase a property.

I trust you find my comments useful.

Yours faithfully

Richard Bryant
Kommetjie