

# Information Memorandum

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# **MUSGRAVE/ESSENWOOD UIP SPECIAL OPEN MEETING**

28 OCTOBER 2025

Initiated By: Clinton Landsberg, Ajith Heeralal, Bradley Hlubi, Lisa Thomson



Keyuran to insert video

# U i P

(Urban Improvement Precinct)

## MUSGRAVE | ESSENWOOD

Our Community in Motion. Safe, Clean & Green



# SPECIAL OPEN MEETING

For property owners and interested parties

For the formation of an Urban Improvement Precinct in the Musgrave/Essenwood Precinct

St Thomas Anglican Church  
190 Stephen Dlamini Rd, Musgrave  
17:30  
28 October 2025

## AGENDA

- 1. Registration 17.00 – 17.30
- 2.Welcome and Introductions
- 3.EXPLANATIONS**
  - a. Purpose of the meeting
  - b. About UIPs and SRAs
  - c. About Musgrave UIP
  - d. Governance – initiators, steering committee, NPC
- 4.Q&A
- 5.PRESENTATION OF PRELIMINARY BUSINESS PLAN**
  - a. Demarcation
  - b. Results of perception survey
  - c. Services and other activities to be provided
  - d. Management Structure
  - e. Estimated additional rate randage
- 6.Q&A
- 7.BALLOT**

**Proposal:** That the steering committee should process with preparations for an application to the eThekweni Municipality to declare the demarcated precinct as special rating are
- 8.ANNOUNCEMENT OF BALLOT**
- 9.ELECTION OF STEERING COMMITTEE**
- 10.CLOSING**

Chairperson Clinton Landsberg  
Video Voice Over

Initiators/  
Voice Over  
Ajith Heeralal  
Bradley Hlubi  
Lisa Thomson

Initiators

Chairperson

18.30

# **WELCOME AND INTRODUCTIONS**



# THE INITIATING COMMITTEE



CLINT



BRAD



LISA



AJITH

VIDEO

[Info.musessuip@gmail.com](mailto:Info.musessuip@gmail.com)

# EXPLANATIONS

# PURPOSE OF THIS MEETING

1. To seek support from the Musgrave/Essenwood community for the establishment of an Urban Improvement Precinct
2. To facilitate a discussion that lays the foundation for a Non Profit Company (NPC) to govern a set of UIP objectives
3. To present a preliminary business plan
4. To undertake a ballot for the establishment of the Musgrave UIP
5. To elect a Steering Committee



# WHAT IS A UIP?

An Urban Improvement Precinct (UIP) is a designated area where property owners pay an extra rate to fund supplementary services that enhance and maintain their neighborhood. Based on South African law, specifically the Municipal Property Rates Act of 2004, a UIP is also known as a Special Rating Area (SRA). The initiative is a public-private partnership designed to combat urban decay.

## KEY CHARACTERISTICS

- **Defined geographic area:** The UIP is established within clearly defined boundaries.
- **Property owner funding:** The precinct is primarily funded by an additional levy added to the municipal rates bill of all property owners within the designated area. The amount is calculated based on the property's municipal value.
- **Supplementary services:** UIPs provide services that supplement, not replace, the minimum services offered by the local municipality.
- **Private management:** An independent, not-for-profit company –governed by a board of dirECTORS REPRESENTING PROPERTY OWNERS—MANAGES THE UIP.
- **ACCOUNTABILITY:** The management company operates according to an approved business plan and budget, with regular financial reporting to the municipality and property owners.

# ESTABLISHING AN SRA/UIP

## PREAMBLE

In terms of Section 229 (1) on the Constitution of the Republic of South Africa the Municipality has the power to levy a rate on property in its area.

The levying of a special rate in relation to areas defined as Special Rating Areas (SRA) is provided for in terms of Section 22 of the Municipal Property Rates Act read in conjunction with Rates policy of the eThekweni Municipality and the eThekweni Municipality: Property Rates Bylaw of 2015.

## OBJECTIVE OF AN SRA POLICY

To regulate principles and procedures by which SRA in eThekweni are established, funded, managed and governed in a sustainable, fair and equitable way

# TYPICAL UIP SERVICES

UIPs address issues like crime, grime, and infrastructure decay through a range of services.

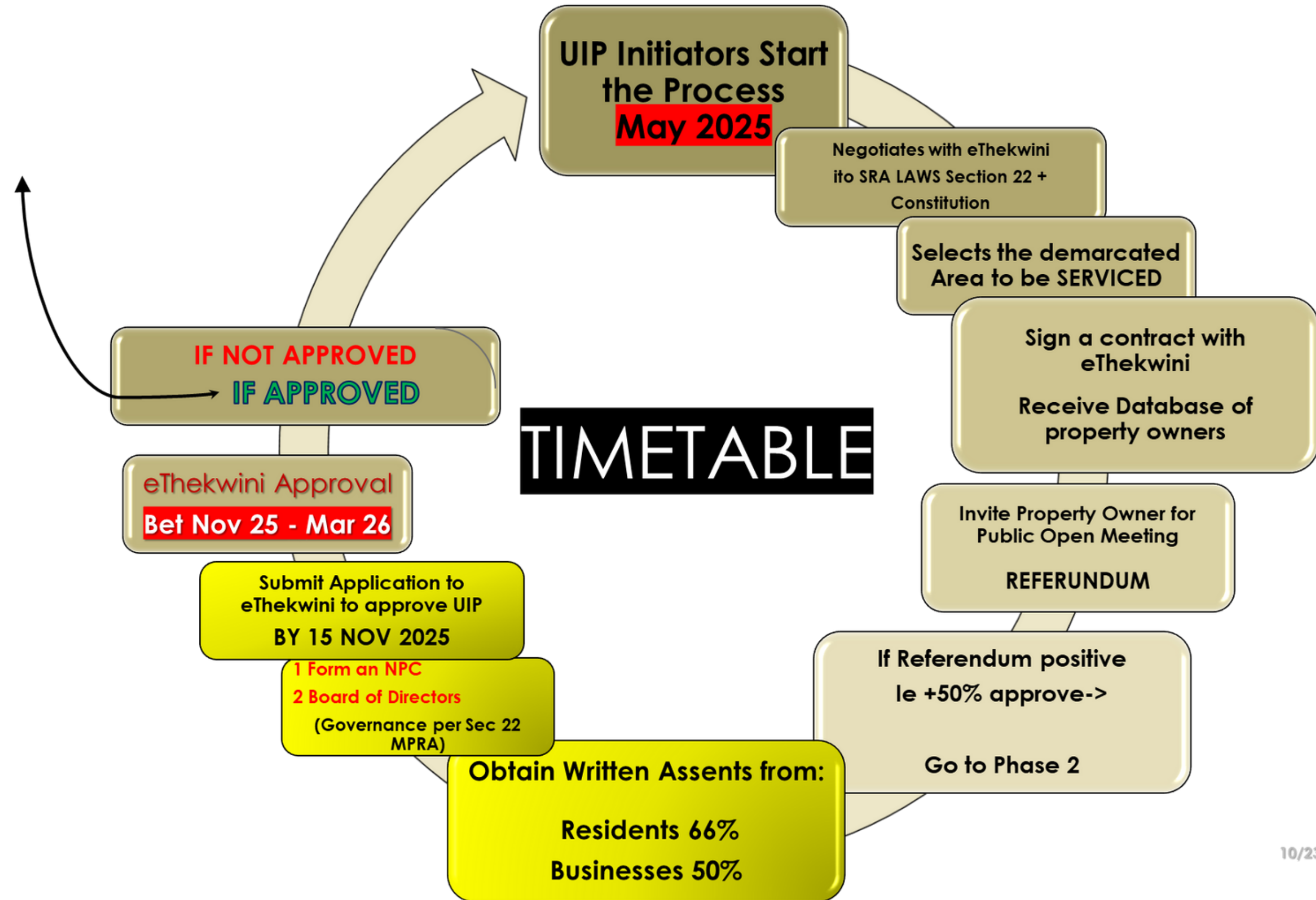
These often include:

- Enhanced security: Patrolling guards and surveillance systems.
- Cleaning and maintenance: Street sweeping, litter collection, and landscaping beyond standard municipal services.
- Infrastructure upkeep: The UIP may work with the municipality to ensure basic repairs are completed efficiently.
- Marketing and promotion: Measures to attract business and increase the area's desirability.

# Who are our successful UIP competitors

No	UIP Registered	Existence	Revenue/annum
1	Pigeon Valley	> 3 years	> R3 million
2	Manor Gardens	> 1 year	> R3 million
3	Florida	> 3 years	> R4 million
4	Umhlanga	> 7 years	> R8 million
5	Ballito	> 10 years	>R15million
6	Durban	> 5 years	>R7milloon
7	Glenwood UIP	>7 years	>R4million
8	<b>Musgrave</b>	<b>In Progress</b>	<b>Min R7 million</b>

# TIMELINES FOR UIP



Slide  
11  
10/23/2025

# **PRELIMINARY BUSINESS PLAN**





# THE MUSGRAVE UIP DEMARCATED AREA

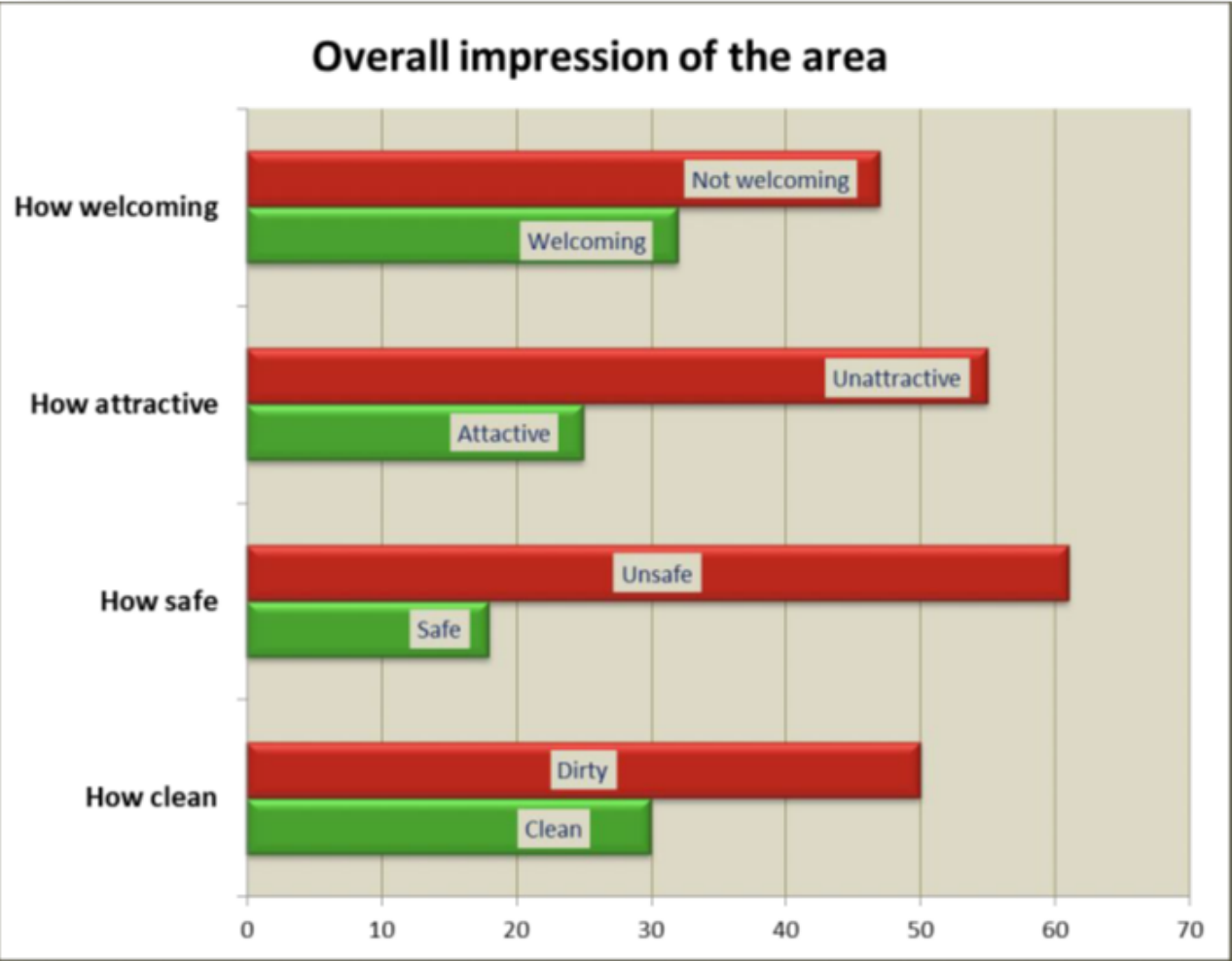
1. Peter Mokaba Road
2. King Dinuzulu/Berea Road
3. Problem Mkize Road
4. Springfield Road

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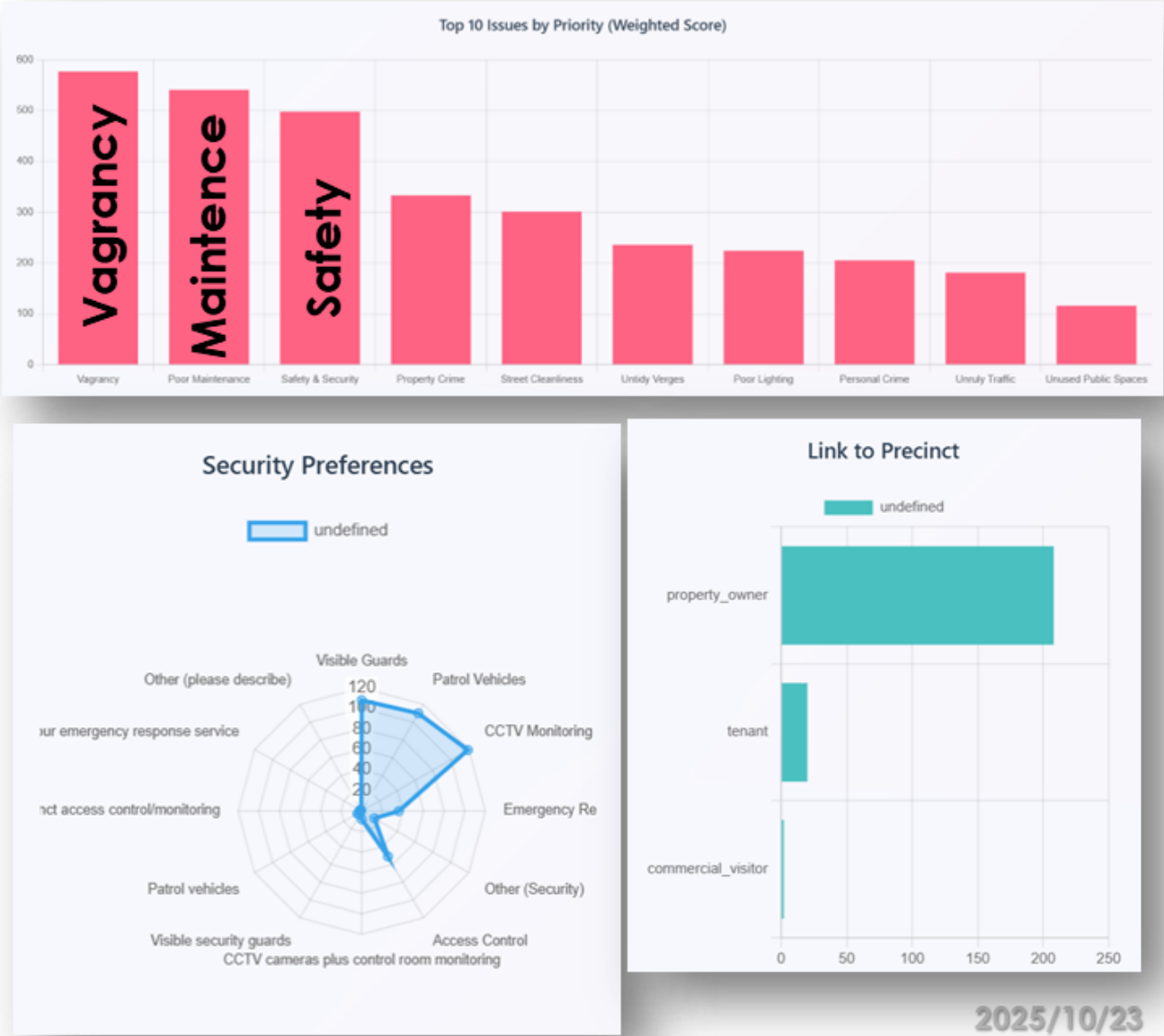
# RESULTS OF A PERCEPTION SURVEY

A PERCEPTION STUDY 2023



Slides for 1<sup>st</sup> Public Meeting

A perception study today



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# MUSGRAVE/ESSENWOOD UIP VISION & VALUES

To establish the Musgrave Precinct as a safe, clean,  
and attractive place for business and investment

**VISION**

**VALUES**

Accountability  
Service  
Collaboration  
Governance

Transparency  
Equity  
Justice

# MUSGRAVE/ESSENWOOD UIP GOALS



## GOAL 1

Implement  
a proactive  
security system



## GOAL 2

Maintain a  
clean and tidy  
environment



## GOAL 3

Enhance  
our green  
environment  
sustainably



## GOAL 4

Address  
vagrancy in a  
socially inclusive  
manner



## GOAL 5

To always hear  
and address our  
community  
challenges

# CALCULATING THE SPECIAL LEVY

RESIDENTS: TO CALCULATE YOUR ESTIMATED SRA LEVIES PER MONTH, SIMPLY MULTIPLY YOUR EXISTING NORMAL MONTHLY RATES BY 0,0007185 AND DIVIDE BY 12  
(BUSINESS... BY 0,0037467)

TOTAL RESIDENTIAL PROPERTY VALUE:	R4,2BILLION
TOTAL BUSINESS PROPERTY VALUE:	R2,5BILLION
TOTAL ANNUAL UIP BUDGET:	±R12,000,000 PER ANNUM

**EXAMPLE: RESIDENTIAL**

RATE RANDAGE RESIDENTIAL:	0.0007185 PER ANNUM
OWNER OF R2M PROPERTY	$0.0007185 \times 2\,000\,000 / 12$
MONTHLY SRA LEVIES	<u>R119,75</u> (+5% OF NORMAL MONTHLY RATES)

**EXAMPLE: BUSINESS**

RATE RANDAGE RESIDENTIAL:	0.0037467 PER ANNUM
OWNER OF R2M PROPERTY	$0.0037467 \times 2\,000\,000 / 12$
MONTHLY SRA LEVIES	<u>R624,45</u> (+10% OF NORMAL MONTHLY RATES)

We are proposing to cap SRA levies on properties with values of less than R2.5 million (should we be successful in negotiating with the municipality) as follows:

Residents <R2.5M = R30 pm  
Business <R2.5M = R300 pm

# SRA BUDGET

## Musgrave Essenwood SRA Budget

July 2025 - June 2026

### Income

SRA levies raised - anticipated SRA rate increase  
 SRA levies raised - voluntary contribution  
 Provision for under collections & prop value / usage changes  
 Voluntary residential and NGO

### Total Income

### Expenses

Admin and general  
 Utilities  
 Company costs  
 Operational management  
 Security  
 Cleaning  
 Greening  
 Repairs & maintenance  
 Social Economic Development  
 Communications, PR & mrkt. of the UIP  
 Project management and leverage fee  
 Special Projects

### Total Expenses

### Less Reserves

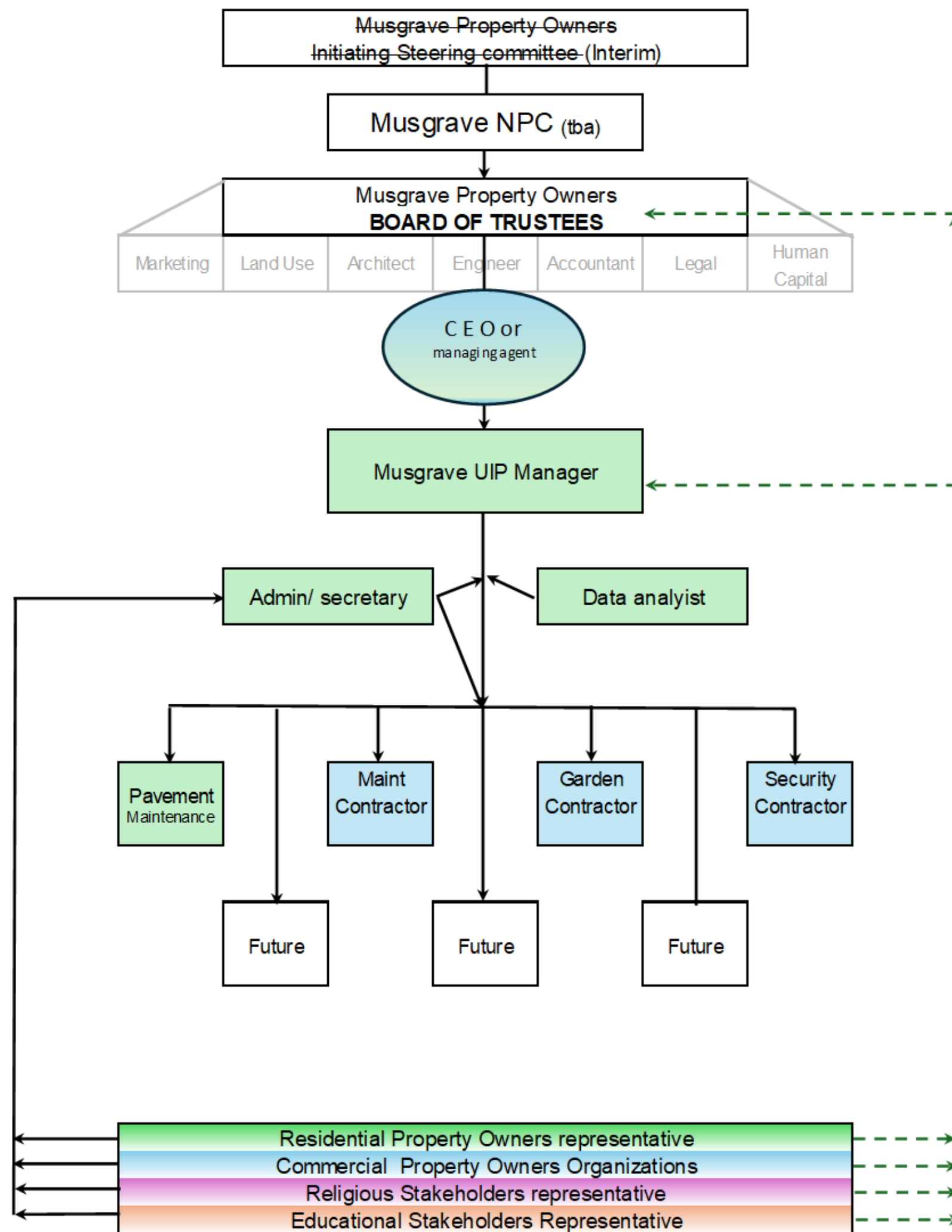
### Surplus/ ( Deficit)

		VAT Exclusive		
	Monthly	Budget 2026/2027	2027/2028	2026/2027
	1 257 091	15 085 092	15 839 347	16 631 314
			0	0
	-251 418	-3 017 018	-3 167 869	-3 326 263
			0	0
	<b>1 005 673</b>	<b>12 068 074</b>	<b>12 671 477</b>	<b>13 305 051</b>
			<b>0</b>	<b>0</b>
	<b>44 000</b>	528 000	554 400	582 120
	<b>2 000</b>	24 000	25 200	26 460
	<b>7 500</b>	90 000	94 500	99 225
	<b>150 000</b>	1 800 000	1 890 000	1 984 500
	<b>437 500</b>	5 250 000	5 512 500	5 788 125
	<b>27 000</b>	324 000	340 200	357 210
	<b>120 000</b>	1 440 000	1 512 000	1 587 600
	<b>12 000</b>	144 000	151 200	158 760
	<b>30 000</b>	360 000	378 000	396 900
	<b>10 000</b>	120 000	126 000	132 300
	<b>0</b>	0	0	0
	<b>10 000</b>	120 000	126 000	132 300
	<b>850 000</b>	10 200 000	10 710 000	11 245 500
	<b>10%</b>	1 206 807	1 267 148	1 330 505
		<b>661 266</b>	<b>694 330</b>	<b>729 046</b>



**Target revenue from SRA**  
**R12 MILLION**

# Proposed NPC Structure



**BALLOT**

# **BALLOT**

## **VOTE**

Should the steering committee proceed with preparations  
for an application to the eThekweni Municipality to declare  
the demarcated precinct as special rating area

# ANNOUNCEMENT OF BALLOT RESULTS

	Yes	No
Meeting		
Online		

# **ELECTION OF STEERING COMMITTEE**



# ASSENT FORM

## FORMAL ASSENT TO THE ESTABLISHMENT OF A SPECIAL RATING AREA

I, \_\_\_\_\_,  
(Full names)

registered owner/authorized representative of the registered owner of Erf Number

\_\_\_\_\_

being located at \_\_\_\_\_,  
(Street address of the owner's property)

hereby signify my assent to the establishment of a SRA bounded by

**Peter Mokaba Road  
King Dinuzulu/Berea Road  
Problem Mkize Road  
Springfield Road**

I confirm that I

- ☐ have been provided with all information required for me to have reached my decision.
- ☐ have had the opportunity of studying the business plan which sets out the services and activities to be provided in order to improve and upgrade the precinct;
- ☐ understand that, from 1 July 2026 I will be liable for the payment of an additional rate in the amount of approximately 5% to 10% of my monthly normal rates to be billed by, and paid to, the eThekweni Municipality each month;
- ☐ understand that the additional rate randage for each year will be determined by the Municipality in accordance with a budget to be presented by the NPC (to be formed).

\_\_\_\_\_  
(Signed)

\_\_\_\_\_  
(Date)

In order to secure the right to vote at Annual or Special General Meetings, I hereby apply for the above property's membership of the **NPC** with immediate effect.

\_\_\_\_\_  
(Signed)

\_\_\_\_\_  
(Date)

Info.musessuip@gmail.com

# OBJECTION FORM

## OBJECTION TO THE ESTABLISHMENT OF A SPECIAL RATING AREA

I, \_\_\_\_\_,  
(Full names of objector)

owner of Erf Number \_\_\_\_\_,

being located at \_\_\_\_\_,  
(Street address of the owner's property)

hereby lodge an objection to the establishment of a Special Rating Area in the area bounded by

**Peter Mokaba Road  
King Dinuzulu/Berea Road  
Problem Mkize Road  
Springfield Road**

(Boundaries; to be entered by the Steering Committee)

The grounds for my objection are


I confirm that I am the registered owner/nominated proxy representative of the owner of the property identified above.

\_\_\_\_\_  
(Signature of owner or representative)

\_\_\_\_\_  
Date

I may be contacted at +27 \_\_\_\_\_ and/or email \_\_\_\_\_  
(Cell phone/landline number/s) (Email address)

***This objection must be submitted to [NTOMBI.Maema@durban.gov.za](mailto:NTOMBI.Maema@durban.gov.za) and  
[info.musessuip@gmail.com](mailto:info.musessuip@gmail.com) on or before : 12 Nov 2025***

(Date; to be entered by Steering Committee. No less than 30 days after the date of the notice of intent to make application)

***All documentation related to the application, and the eThekweni Municipality Policy on  
Special Rating Areas may be accessed on enquiry from [info.musessuip@gmail.com](mailto:info.musessuip@gmail.com)***

Info.musessuip@gmail.com

# PROXY FORM

## PROXY FORM

I, \_\_\_\_\_,  
(Full names)

the registered owner/authorized representative of the registered owner of Erf Number \_\_\_\_\_,

being located at \_\_\_\_\_,  
(Street address of the owner's property)

hereby appoint

\_\_\_\_\_  
ID Number \_\_\_\_\_

to speak and vote on my behalf <sup>1</sup>

at the Special Open Meeting<sup>2</sup> on 28 October 2025

and at any Special or Annual General Meeting of the **Musgrave UIP to be formed (NPC)**,

and in any matter relating to establishment and operation of the intended SRA bounded by

Peter Mokaba Road  
King Dinuzulu/Berea Road  
Problem Mkize Road  
Springfield Road

\_\_\_\_\_  
(Signed)

\_\_\_\_\_  
(Date)

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