

ANALYSIS OF THE IMPLIMENTATION OF JOHANNESBURG INNER CITY RENEWAL STRATEGIES

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DECLARATION

I declare that this research report is my own unaided work. It is being submitted for the MSC Building Degree (Property Development and Management) in the School of Construction Economics and Management, University of Witwatersrand. It has not been submitted before for any Degree or examination in any other University.

Signature

_____ day of _____ year _____

ABSTRACT

This paper is a report on the research undertaken to evaluate the implementation of the Urban Renewal strategies that the City of Johannesburg adopted for the CBD renewal through the Blue IQ. The study was restricted to the views expressed by the general community, business community, Johannesburg Development Agency (JDA), Johannesburg Housing Company (JHC), Blue IQ, Gauteng Development Agency and Gauteng Economic Development Agency (GEDA), which are the main role players in the CBD renewal effort. There was administered questioner to the members of the Business and general communities that were randomly picked using the fish bowl method. Interviews were conducted with the senior executive staff of JDA, Blue IQ, JHC. Statistics derived from the above company's websites was used as well.

The results of the study show that the renewal strategy has been largely successful in so far as a number of factors, which have contributed to the CBD decay such as poor infrastructure and slumps. There have also been considerable efforts to address acute shortage of parking space by private partners such as financial institutions. Although crime has decreased it is still posing a serious challenge as most people still consider the CBD high risk. However there is still a room for improvement, which includes: the enhancement of safety and security, the infrastructure maintenance policy and the enforcement of the municipality by laws and town planning scheme. Overall the strategies have also improved the economic performance of the city significantly though unemployment still remain high with the ever increasing number of people coming to seek opportunities.

KEY WORDS

1. Urban Renewal
2. CBD Decay
3. Johannesburg City
4. CBD Renewal
5. Renewal Strategy

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CHAPTER 1

Introduction

1.1 Background

Johannesburg has grown from a roaring wide open mining camp when gold was discovered on the Witwatersrand in 1886, to a now "African economic power house"(Abramwitch, 1989) The township of Johannesburg was established under the instruction of Paul Kruger who at the time saw the city as developing into nothing more than just a mining camp. Ever since then over a period of seventy years the town center was reconstructed more than three times and each time being denser, higher and more expensive than the one replaced (Abramwitch, 1989.) According to South African Builder/ Bouer no.903 (1999) decay in Johannesburg's inner city and the drift of business to the suburbs probably started in the 1960's and no cognisance was taken of this till recently. The City of Johannesburg is putting substantial resources into effecting the urban renewal and turning around the troubled inner city, a victim in the 1990s of capital flight to the northern suburbs.

It is estimated that today the Johannesburg Central Business District (CBD) has about 217,000 residents in 37,000 dwelling units, 800,000 commuters enter the city daily and 300,000 to 400,000 migrant shoppers visit the city each year. The city generates about 16% of the South Africa's GDP and employs 12% of the national workforce. The CBD has 7 million m² of floor space, 3 million of office space with office buildings representing a 19 billion worth of investment, 102 billion capital investment in houses and 3, 75 billion investments in a 2, 5 km² radiuses of core area, (www.joburg.org.za cited 11 March 2004).

1.2 Johannesburg Inner City

The term inner city is used to refer to the areas of poverty, which often surround the city center, (Ally 1998). In some instances it may be used to refer to the older parts of the city including the city center. In the case of Johannesburg the inner city includes the city's retail, legal and financial precincts as well as the sky scrappers of Barea and Hillbrow, commercial areas of Doorenfontein and Braamfontein.

Franklin et al (1969) describe urban decay as a natural phenomenon that can be controlled to a certain degree. Its progress can be halted or even prevented completely by certain remedial fossilisation or major surgery. He further says that the very word decay conjures up a number of unpleasant images and implies undesirable change. He says that, many town writers have used it to describe various states of affairs, some implication of an undesirable change, which includes the "physical decay of buildings, the declining attractiveness of the environment, the disappearance of activity, and the growth of some undesirable activity or even the quality of its administration"

One of the conditions of urban decline according to M.Middleton (1991) is the declining service. Property decays because owners can no longer afford to undertake the needed repairs and the rent received is so insufficient that it is no longer worth a while for an investor to hold on to such property. This is the case with Joburg CBD. The upper floors usually for office rental are virtually empty; some shops had gone down and eventually out of business. In response to the decay that brings about economic and social pressure, cities embark on the process of "urban renewal".

The purpose of this research is to analytically review the effectiveness of the renewal strategy that the City of Johannesburg has adopted through Johannesburg Development Agency (JDA) to address the issue of the inner city decay.

Chris (1990) defines urban renewal as the “physical change or the change in the use or intensity of use of land and buildings, that is the inevitable outcome of the action of economic and social forces upon urban areas.” He also regards it to be a powerful force for urban change and is predominantly a market led process. Whipple (1971) describes it as a programme, which aims at transforming an area into its highest and best use. Although he views this explanation as lacking due to its generality, he never the less considers it as adequate as it emphasizes that objectives are to be interpreted as applying to the whole area but not just an individual site. A shorter definition is given by Muchnick (1970). He says that it is a short term used for a total approach to the problems of blighted and decayed urban areas, revival of the city’s economic structure, rationalization of its physical design and building and preservation of its physical design.

From an economist’s perspective decay can be viewed or explained as the deterioration of an asset in the value over time and a crucial question arises as to whether resources should be committed further in an attempt to maintain or redevelop the property or just leave it as it is in the state of deterioration. Jim Berg et al (1993) say that urban renewal is a lengthy and complex process requiring substantial funding to pump prime developments. Public capital or fiscal measures often act as the lever, which attracts such injections of private sector monies to targeted urban areas in need of regeneration.

1.3 Problem Statement

South African cities are currently experiencing a severe stress. Many of them are in physical and social decline, resulting in the loss of valuable resources and infrastructure. This deterioration, it can be said is a result of both world wide trends which has a major impact on most CBD's and local forces specific to the South African context, Ally (1998). The Joburg CBD presents some conflicting and very diverse sentiments both from the property investor's view and the user. Joburg CBD property market has been hard hit by the capital flight in the 1990's to the northern suburbs and hence contributing to the urban decay. Crime had also contributed in pushing the decay. Those who remained in the CBD due to poverty reside in the rundown buildings without proper sanitation and amenities such as water, electricity and municipal services. They are mostly unemployed and resort to vandalism and mugging. Small business which could not afford high rental costs in these suburbs remained behind. This migration had left larger areas of property empty and had also had negative effects on the revenue base of the Metro Council as rates and taxes plunged.

The results of decay are as much varied and complex as their causes. According to SAPOA (South African Property Owners Association) vacancy rate rose from 10% in 1990 to 24% in 2001 and this resulted in the fall in rental rates. To illustrate this problem Joburg is compared with other two major cities of Cape Town and Durban. The rates are as follows per individual CBD; In Joburg the rate is R40/m², Cape Town R50/m² and Durban R57/m². The capitalization rate for the CBD offices also increased from 10.1% in 1995 to 16.8% in 2002 (Viruly Consulting), which has resulted in fall in the value of properties hence disinvestments in property industry, SAPOA, 2003:32.

The decay of the Joburg CBD had resulted in the big businesses leaving thus leading to the high vacancy rate, which led to the fall in property values.

1.4 The Research Question

To what extent does effective urban renewal strategy redress the urban decay?

1.5 The Hypothesis

In pursuance of the statement problem, the hypothesis to be tested is as follows.

- That effective urban renewal strategy reverses urban decay and enhances city's socio economic conditions.
- That Institutional framework makes the urban renewal strategy effective or ineffective.

1.6 Objectives

The objectives of this study are to:

- Establish if there is any relationship between economic growth and renewal strategy.
- Determine to what extent does the renewal strategy impacts socially and economically on the inner city.
- Establish the shortcomings and the effectiveness of the JIC renewal strategy of housing and economic development.
- Determine to what extent the inclusion of all the relevant stakeholders important.

1.7 Methodology

The methodology employed in this research is outlined as follows:

(a) An elaborate review of the literature was done using both published and unpublished material on the subject stating the strategy in details. The countries that were covered for these purposes are: Australia, USA, UK, Mozambique and Zimbabwe.

(b) A study of the JIC renewal strategy was carried out to ascertain if projects adhere to time and an assessment of whether the expected out comes had been realized as of today. There were also visits to the projects site to observe the completed projects.

(c) Interviews questionnaire, and observation were carried out and the following corporations and government departments were interviewed: Blue IQ, JDA, Gauteng Housing Company (JHC), Johannesburg Property Company (JPC) Business community and general public. Workshops, presentations and conferences were also attended over and above these for gathering data.

(d) The findings from the foregoing were used to form the basis of conclusion and recommendations.

1.8 Scope and Limitations

Due to the scarcity of time and financial resources the study was limited, as not all of the sub- strategies were reviewed. Focus was on the Housing and the economic development strategies.

1.9 Relevance of the study

The findings of the study will be very helpful to the city council, as it will highlight the progress that has been made on the strategy implementation. Review of the objectives achieved will also be helpful. All these will be the views of parties at the grass roots, which are the intended beneficiaries. The city council can be able to act appropriately with the help of the study findings and take corrective measures where necessary.

CHAPTER 2

Literature Review

2.1 Overview

In this chapter a review of urban renewal will be done. Several countries that will be focused on are: Australia, United States, United Kingdom, Hong Kong, Mozambique and Zimbabwe. UK and US had been the for runners of the concept. Hong Kong as a growing economy is of interest as South Africa is also a growing economy as well. The institutional set up to drive the renewal process in Hong Kong will be a point of focus. The problems faced by these countries will be briefly looked at and the strategies that they engaged to solve these problems. Beside UK and US being forerunners of the urban renewal they also had an influence on the South African urban planning. Cities of Baltimore in the US and Manchester in the UK will be looked at as case studies. There will be emphasis also on the process of partnership in the renewal process in the UK. This will mostly highlight the formation and role of such partnership in the renewal of England and Scotland.

2.2 Partnerships

Partnerships had been described as the vehicles through which the public sector gets a chance to shake up the public sector, thus bringing about more streamlined thinking on decision making process or a more enterprising way of working. It is also viewed as a mechanism through which the public sector challenges the private sector to play a role in social development without being driven by short term gain, Mackintosh (1992).

2.2.1 UK Renewal Partnership Process

The UK renewal policy formulation was very much based on the consensus that a multi-sect oral partnership approach is crucial, Lawless (1991). Accessibility to renewal funding was limited to those organizations that were willing to form partnership with the private investors.

Edward (1994) argued that the reason for partnership was to promote the enterprise culture in urban renewal and to challenge the bureaucratic, non-entrepreneurial culture of the public sector dominated initiatives. This agenda seem to have been largely understood by many sectors. Bradford City Council claimed to have for instance, to instigate a revolution and go where no other local authority has gone before by removing the ever-present bureaucracy, (Sheffield City Polytechnic, 1999). Another is North Tyneside council, which adopted the management style that the central government preferred so as to access the renewal funds and other resources made available for renewal. It established a city challenge board with a management style to emulate that of the private sector and providing training to its staff members so as to capacitate them to feel comfortable in such an environment.

2.2.2 Thatcherism Urban Policy Privatization

The urban renewal privatisation policy was most apparent in the 1980's, Boyle (1993). The Thatcherism approach was to centralise government, shifting balance of power between the central government and local authority through diluting the powers of big local authorities that were labour-controlled Metropolitan Councils.

Bailey (1995) argued that the creation of Urban Development Corporations (UDC's) as vehicles for property led renewal was a direct exclusion of local authorities by increasing the central government role and forging partnership with private property investors. Through this process of privatization and centralization the participation of those who did not share the same views on privatisation was minimized.

2.2.3 Scottish Renewal Partnership Process

In Scotland as well this was the case as the government made funds for renewal available to those local councils that formed partnership with the private sector and community interest groups, Scottish Office, 1995. The Scottish government however lacked concrete reason as to why partnerships should be formed and their role in the renewal process. It was argued that it was only interested in the benefits arising out of the partnership process. Neither was it concerned with the organizational arrangement of such partnerships.

Four partnership estates were identified, (Scottish office, 1988). They were: Castlemilk in Glasgow, Wester Hailes in Edinburgh, and Whitefield in Dundee and Ferguslie Park. Even here the urban partnerships were conceived during the height of Thatcherism. In contrast to the renewal policy adopted in England and Wales, which exclude the local government, urban partnerships here included the local government as partners. Therefore the two tiers of governance: Central and Local that exist in Scotland were involved along side the Scottish office, Health Board and the Employment Service. There was a new housing agency formed, the Scottish Homes.

Its main concentration was on funding and facilitating housing changes, especially the tenure system in those urban areas identified as problematic. Local Enterprise Companies (LECs) focused on economic development. These were employer led agencies funded publicly although their boards were pre dominantly private sector dominated, Boyle (1993). The private sector was represented through the Business Support Groups that were voluntary groups of senior private sector managers that aimed at coordinating the private sector in put towards area based renewal.

2.3 The Manchester Urban Renewal Strategy

In the United Kingdom the development industry had been given a bigger role in the urban renewal strategy of 1950's both in the areas of construction and in property development, Healey (1992). Property development represented the thrust of the urban renewal policy within Manchester with the private investors taking a lead role. Local authorities of the areas, which were economically depressed, promoted industrial estates by giving subsidies to firms that created jobs. They experimented with industrial improvements area by encouraging industries to stay in the inner city. This concept had been promoted together with the small start up premises. The private developers came to join the initiative and their main focus was the larger units, which were not provided by the local authorities. The local authority was cautious of these developments and preferred industrial developments to retail and warehousing as they provided more employment to the locals. Running parallel to this initiative by the local government was the central government efforts to bring house builders back to the inner city.

They provided subsidies and land costs and infrastructure and buying some stock for the local council for its housing purposes. The government made urban renewal its major priority as stated in its 1988 policy statement, which mentioned the objectives as:

- ❖ To encourage enterprise and new businesses, and help existing business grow stronger
- ❖ To improve people's job prospects, their motivation and skills
- ❖ To make areas attractive to residents and business by tackling urban dereliction, bringing buildings back into use preparing sites; and encouraging development and
- ❖ To make inner city areas more safe and attractive to live and work

There were also financial incentives announced to facilitate the private sector property development: enterprise zone incentives, which allows for 100% capital allowance on commercial and industrial buildings and urban development grant which provided gap finance for projects to continue.

2.3.1 Aims and Objectives of Manchester Renewal

The aim was to grow the local economy by providing the physical structure that caters for the emerging economic activities which replaces the old manufacturing industries. The areas targeted were financial services, producer services, science based industries and high technology. The target was to change the urban environment to provide for the anticipated future activity mix for a future sustainable economic growth.

The strategy encouraged the private sector to provide/develop property for the speculated future developments as it could better read the risk involved than the public sector agencies. Although the private sector was expected to lead the process there were still some problems as the public sector still had control, the publication of opportunities had to be unblocked by it. Besides these public sector controls the ability of the market to deliver on these renewal policy depended also on the property market cycles as conditions vary between urban and within them.

An overview of property led urban renewal in inner city Manchester is given below:

2.3.2 Inner Manchester problems and Policy Environment

Manchester experienced a rapid population growth with the core reaching one million people at the time of the First World War. This was followed by a massive decentralization, which resulted in the reduction of the population to about 300,000 by 1981. Those who remained in the inner city were mostly poor with no jobs. The situation was also worsened by the slum clearance, which was replaced by social housing, which many could not afford due to unemployment. This decline in population affected retailing negatively as firms and warehouses closed down. The office space also saw an increase in vacancies, as it had to compete with the decentralized office nodes in the southern suburbs closer to the main higher socio economic class residential areas, Healey (1992).

The situation was of a major concern, as most of the buildings in the inner city remain vacant derelict and underused and about one third of the industrial estates remain unused. The modern high-rise housing stock failed to attract people to occupy and this coupled with no renovation resulted in the dwelling units remaining vacant. Poor economic conditions of 1980 have made it difficult for a clear formulation of the inner city Manchester renewal strategy. The urban renewal policy geared towards property development together with the office boom brought about a number of new proposals for construction in inner Manchester helping urban renewal substantially. However there had been problems experienced along the way.

Many developers feared that the boom would lead to the property market being oversupplied and send rental values tumbling down hence many put their schemes on hold. Secondly the office boom seemed to form the backbone for the developments, which were deemed necessary for Manchester urban renewal. These posed problems as the collapse of these office markets would lead to the collapse of these schemes. The office boom meant also that jobs being created were mostly white collar leaving out the majority of the low skilled inner city residents.

2.4 Urban Renewal in the United States (US)

The US has experienced a number of major phases in its urban renewal efforts and, since its inception there existed projects of the big magnitude funded by the State. The focus of these projects was mainly the clearance of slum areas. This was the replacement of the poor houses occupied by the low-income people with the new property developments for office, commercial and more luxurious houses.

The focus had shifted overtime from physical planning to economic planning, which involved three tiers of governance: the federal government, state government and local government.

The private sector also came in and was involved in a couple of projects. The legislation came into being which empowered the federal government to compel the private sector to participate in the renewal process. The Community Reinvestment Act of 1977 compelled the financial institutions to make finances available for the purchase/construction of property. This was in those areas that they had previously avoided as they considered them to be highly risky and the property market depressed, Allay (1983).

2.4.1 City of Baltimore Case Study

The city of Baltimore had successfully implemented the inner city renewal programme this is a reason it is being picked as a case study. Like Joburg Baltimore experienced migration of the middle class from the inner city to the urban periphery leaving the inner city to the low income and unemployed people. This had been deemed one of the reasons that led to the decay and decline of Baltimore. The situation was made worse by the retail trade leaving the inner city to the more affluent suburbs and leaving high vacancies in the commercial space. The city allocated substantial resources in an attempt to renew the inner city. The city took a unique strategy, instead of focusing on the entire city it however focused attention on the small decayed strips along the Charles Street where land was cleared and reallocated. The success of this approach encouraged the city to extend it to cover other areas of the Inner Harbor and downtown area.

According to Ally (1998), in the 1950's Baltimore Inner Harbor was run down, obsolete and characterised by decay and idle piers. After the success of the Charles Street the plans for the Harbor were drawn. The Harbor today is the thriving economic center boasting among others the: world trade center, luxurious hotel and science center. This served as stimulus for other renewal projects including the down town area which had the renovation of rundown retail space.

2.5 Urban Renewal in Hong Kong

In order to address the historical problems of urban renewal and to avoid the failure of earlier redevelopment initiatives, the Hong Kong Government established the Land Development Corporation (LDC) in 1988, Isaac (2002). The LDC was empowered to undertake, encourage or facilitate redevelopment schemes within areas identified for urban renewal, either on its own or in joint-venture partnerships with other developers or owners.

2.5.1 The structure and functions of the LDC

To achieve these objectives, the Corporation's task was to combine and orientate the efforts of both the public and private sectors, and the commercialisation of the urban renewal programme to achieve the best possible results in the transformation of Hong Kong. It was formed under the Land Development Corporation Ordinance, Laws of Hong Kong (1987). The Chief Executive was responsible for appointing key-governing members including the Chairman and the Board of Directors. In order to ensure that there was impartiality, the Ordinance stated that the Chairman and most of its directors must be non-official members. However, the Board also included no more than three high-level officials (civil servants) to enable efficient communication between the LDC and the government.

According to Section 4 of the Ordinance as stated by Isaac (2002), the mission of the LDC, as an agent of urban renewal in Hong Kong was to:

- ❖ Improve the standard of housing and the environment in Hong Kong by undertaking, encouraging, promoting and facilitating urban renewal.
- ❖ Engage in such activities and perform such functions as may be necessary for the undertaking, encouragement, promotion and facilitation of urban renewal.
- ❖ Engage in such other activities, and to perform such other functions, as the Governor (i.e. Chief Executive) May, after consultation with the Corporation, permit or assign to it by order published in the Gazette.

Basically, the LDC performed many similar functions to a real estate developer. However, as a statutory body, its powers had to be clearly specified. These were identified in Section 5 of the Ordinance. To summarise, the LDC is vested with planning, development and management authorities. It had powers to:

- ❖ Prepare urban redevelopment proposals.
- ❖ Conduct surveys and censuses for the purpose of preparing redevelopment plans and rehousing programmes.
- ❖ Lease, acquire and hold land and property.
- ❖ Construct or demolish buildings.

- ❖ Provide and maintain ancillary public facilities such as roads, footways and open spaces.
- ❖ Provide property management services for building premises.
- ❖ Establish subsidiary corporations for supportive functions.

2.5.2 LDC's operation Constraints

The LDC was established partly with a view to minimising Government's costs and had therefore had to focus on those areas which the renewal can be most efficiently and realistically achieved as opposed to those areas where it might be most obviously needed. The worst urban renewal problems and highest urban densities were in such areas as Mongkok, Yau Ma Tei, Tai Kok Tsui, and Shek Kip Mei. Most of residential development happened at Kong Island and areas at the close proximity to the Central Business District.

Urban renewal and rehousing projects proved to be a very costly activity ranging as high as HK\$50 billion, never the less this had no impact on the Government as the LDC stated. Private developers were invited to participate as joint venture partners and were required to make substantial up-front payments to the LDC. (For the First Phase's eight main redevelopment projects, partners altogether placed a total of HK\$1.2 billion of deposits, and provided all financing necessary to cover various project expenses.) Thus in return for putting in the necessary financial resources and absorbing the risks, developers adopted an almost totally market-led approach to urban renewal.

This process had a potential to conflict with the need to incorporate meaningful community benefits and the integration of elements that might bring about genuine revitalisation in the longer term.

Although public-private partnerships have their merits, perhaps what needs to be recognised at the very outset is that the "cost", both public and private, of land production is continually increasing. In urban areas, where scarcity was even more acute, private benefits and community interests always took precedence over economic considerations Isaac (2002).

2.5.3 Government Approach to Renewal

Urban renewal has a long history in Hong Kong. The Government's responses to the urban renewal problems had been mostly restricted by lack of funding. Bristow (1984) comments that "financial considerations determine town planning practice in Hong Kong is an undisputed fact and the recent history of urban improvement and the use of permissive legislation since 1974 to avoid high public costs are therefore but more recent examples of the long-standing principle of the Hong Kong Government in its approach to land-use planning, and many other matters". The establishment of the Land Development Corporation in 1988 was another example of this approach. The LDC Ordinance had forced the agency to resort to large private sector developers for financial resources, thereby giving a public image of "Government-private developers' collusion", "amalgamated bulldozer" and "Lame Duck Corporation" Isaac (2002). These had been happening at the expense of small flat/land owners and residents as their benefits were sacrificed and disregarded. These had therefore led to many questions being asked about the efficiency of the scheme in realising the objectives that it had been set up to do.

Although there were shortcomings in the present partnership approach in undertaking comprehensive redevelopment projects in Hong Kong, it had never the less provided some valuable lessons into the changing nature of urban governance in Hong Kong, the rise of partnership building, and in particular, private participation in urban redevelopment projects. This highlighted the nature of redevelopment partnerships between the public and private sectors, and their largely market-driven objectives, Isaac (2002).

2.6 Urban Renewal in Australia

In an effort to renew its cities, Australian Government assigned the Australian Institute of Urban Renewal to prepare a monograph that will help to induce the real estate private investors to come on board so as to drive the process. This was in realisation of the vital role that the private sector will play in the implementation of the schemes, Wheaton (1961).

The monograph first start by giving a preamble on renewal objectives, secondly the important features of real estate as an economic good and the market in which they operate are given. Thirdly the rationales whereby funds are committed to meet the private investors to commit their funds in the inner city redevelopment are looked at. Lastly are the policies drawn specifically to overcome these inhibiting factors and the conclusion drawn thereon.

2.6.1 The Strategy Objectives

The renewal strategy focused on major urban land uses, which these are: Commercial, Industrial, and Residential.

They are discussed in turns as follows:

2.6.1.1 Industrial Renewal

Slump clearance in the inner city entailed to some degree the removal of industrial zones. There were a couple of reasons that justified the location of industries in the inner city in the first instance. The decision to remove them impacted negatively on the land economies. The reason for removal of these industrial zones was to develop an integrated industrial use. "These could develop into a small to medium scale industrial park incorporating the usual buffer areas to ensure its compatibility with the surrounding land uses" Wheaton (1961). The industrialists were convinced of the more economies that will arise as the result of removal such as: downtown office parks use and showroom, Centralised typing pool, more favourable insurance rates, proximity to linked enterprises etc. It was imperative that plot sizes of different range shape and sizes be made available. Also the displaced industries were offered positive relocation proposals and the compensation costs for disturbances.

2.6.1.2 Residential Renewal

Society may be affluent, but there were always those who were unable to afford even the modest shelter. Therefore policies were put in place to the aid of such people so as to have access to housing and be able to compete on the equal footing. Therefore special housing had to be provided for them as the market forces excluded them from participating. Public participation in the form of public housing or housing provided by the charity organisations was the answer e.g. old age houses. Also affordable housing was made

available to older lower income groups. Therefore land was to be made available in the inner city to widen location choices.

2.6.1.3 Commercial Renewal

This referred to the central business district and commercial precincts beyond it. The objectives of renewal were to restore the central shopping area and movement facilities so as to put it on equal footing with the district centres. The renewal also underpinned its educational and cultural area needed to be selective in taking into account the distribution of the existing viable centres. Some centres were however in a total state of despair making any renewal effort useless, as no additional trade turn over was insufficient to justify the renewal.

2.6.2 Real Estate Investment and Investors

The aim here was to derive policies, which encouraged property investors to invest in those areas earmarked for renewal. For this to be achieved it was imperative that real estate investors better understood and the rationale for investors for choosing certain real estate surrounding real estate investment were cleared such as that, property investment yield endless steady benefits and that land improvements have long life.

The fact of the matter is that property investment is speculative in nature. The change in economic conditions can have a remarkable impact on the property yield. Sometimes the design of the structure may be obsolete as the change in the space demand is experienced. These may lead to reduction in the rental rates. Equity investors expect maximum returns on their investment in the shortest possible time.

As investment opportunities compete for money real estate investment should as well be competitive if it is to attract investors. It is on the basis of this fact that private investment in the inner city renewal is viewed.

If annual returns (after interest and tax) are satisfactory and equity part retired over a satisfactory period of time then such investment projects will begin to be competitive and attract private funds.

There are mainly three types of property investors: owner-occupier, investor and developer.

2.6.2.1: Owner-Occupier

Land is bought for the construction/improvement for the occupier's use. This may be either a user for profit or a non-profit institution e.g. school, hospital.

2.6.2.2: Investor

This is speculative investor who tries to maximise the returns while minimising the risk. The property is held and the income is used for re-investment. The intentions are to hold the property for a long term.

2.6.2.3: Developer

This is an investor who has no intentions of holding the property for longer term. He usually buys land, make improvements on it and sell it at profit to owner-occupier or an investor.

Whilst the foregoing should not be regarded as a full discussion of the principles of property investment the operation of the market and the principles of property investment, most of the salient points have been touched, Whipple (1971).

Hence therefore, full participation of the private investor in the inner city renewal, which took cognisance of the problems facing private investor and his investment rationale, was highly sorted.

2.6.3 Inhibiting Factors in the Inner Area land Use

Succession

Land use succession refers to the process by which old structure are demolished in place of the new ones. The result may be the intensified use of land for example, single-family dwellings making way for the block of flats. The change in use may also result (e.g. residential making way for the retail development).

In Australia there were mainly eight barriers identified to land use succession in the inner areas of the city classified under: market factors and political and institutional factors, Whipple (1971). They are summarised as follows:

2.6.3.1 The problem of site assembly

It was difficult to consolidate a number of sites owned by different parties by a normal market process. Some owners upon hearing about the development to adjoining properties turned to revalue their properties resulting in substantial values. This was because they deemed their properties as being most important to the development in terms of its size and location.

2.6.3.2 High acquisition Costs

Apart from the costs of compensation to tenants there were other contributing factors. Take for instance a landlord of a blighted property that is normally overcrowded and charging small amounts per head. The aggregated returns on such properties were high and such landlord was only willing to sell only if a high price was offered.

2.6.3.3 Demand Factor

The market feasibility has to be conducted first in order to establish the nature and extend of demand. This helped the investor to calculate with some degree of certainty the economies of the project.

2.6.3.4 Town planners and urban administrators

They seemed not to understand the importance of channelling efforts collectively in order to attain the urban renewal objective. There were market forces of demand and supply at play, which were not recognised and understood which were channelled to achieve the renewal objective.

2.6.3.5 Tenants Displacement

Displacement of the people especially the low income from redevelopment sites was a politically sensitive issue. This was despite the fact that those displaced were offered packages, which were substantial enough for them to buy or rent a superior accommodation elsewhere.

2.6.3.6 Legislative Conflict

There was a legislation, which related to rent control and zoning and also the valuation of land. Land valuation is a subjective exercise. This resulted in controversies as to the correct land value. The legislation was put in place to counteract this problem.

2.6.3.7 Property Tax

Municipal tax had an adverse effect of hindering the renewal process. This was due to some developers feeling penalised for their effort to redevelop. This was in the case where property taxes were based upon rental (or improved) values.

2.6.3.8 Lending Policies

Some financial institutions turned to redline the inner city on the grounds of risk hence making it difficult for willing property investors to contribute in the renewal process. The institutions lending terms and conditions were such that they encouraged the building of new houses in the outer areas.

2.7 Urban Renewal in Mozambique

An overview of renewal in Mozambique will perhaps be appropriate as it is one developing country, which is also very close to South Africa. Various renewal programmes that the country embarked upon in the cities of Maputo and Maxaquene forms the focus of this review. Firstly a brief overview of the country will be made followed by the strategies adopted in each city.

2.7.1 Urbanisation in Mozambique

Mozambique inherited a very in-balanced pattern of economic and spatial development from Portuguese, her colonial leader. The development was in such a way that serves the regional economies.

of Zimbabwe and South Africa. Still today the town development in Mozambique is highly dependent on this pattern. The connection between different towns in Mozambique is still underdeveloped and very poor.

2.7.2 Political Economic Background

According to Pinsky (1983), the Mozambican political economic situation was rooted in the Portuguese colonial development based on foreign investment and the exploitation of labour.

In an attempt to avoid exploitation a lot of people dispersed to avoid forced recruitment while health, education, and social services remain a far-fetched dream for many people. Any capital expenditure was mostly on a railway line link to Zimbabwe, Zambia and Malawi. The development of coal mines in Tete and Cahora Bassa hydroelectric project led to Beira emerging as a regional City. The smaller towns of Nampula emerged as administrative and commercial centres. Then Maputo and Beira expanded rapidly as the Military base on emergence of Liberation of Mozambique, FRELIMO that was formed in response to addressing the oppression experienced by the natives.

2.7.3 Maputo Renewal

The structural plan for Maputo anticipated that approximately around 6000 hectares of land would be required for the construction of about 77000 new homes between 1980 and 1990. The department of construction and urbanisation established thousands of plots in new housing areas.

The Maputo Programme was adopted as a national model, Pinsky (1983). It was made up of the following steps:

- ❖ The physical and socio-economic survey of proposed new housing areas

- ❖ The preparation and implementation of the neighbourhood plans
- ❖ Designation of reserves for economic and social equipment, parks, etc and opening up of new roads
- ❖ Definition of new housing areas and layout of plots
- ❖ Construction of water supply infrastructure such as well and stand pipes where ever possible
- ❖ Getting communities to work together in the production of blocks, latrine installation on each plot
- ❖ On site staff to monitor land use and allocation and assist self help builders.

Besides these there was also pilot projects undertaken to assist in the building communal facilities such as cultural centres, schools, workshops and development of housing cooperatives.

2.7.3.1 Maputo Housing Cooperatives

The poor had given much thought to the accessibility of housing. Therefore preliminary work was undertaken in order to set priorities with regard to the supply of material and transportation and also financial constraints faced by the people. Training was also provided in order to address the issue of skills shortage in financing and savings mechanisms, and ownership options that are either individual or collective. This was all in an effort to avoid what other developing countries have done, that is making it impossible for the poor to participate in the renewal process.

2.7.4 Maxaquene Renewal

The residents of the city of Maxaquene lived in poor houses constructed of burnt clay bricks or concrete blocks with no running water and no electricity. These houses were poor in standing neither could they stand the hot rainy days nor the cold days. The renewal concept adopted by Maxaquene comprised of a series of blocks that have been well defined. The blocks were three metres a part.

Each block housed between 60 and 80 families, which translated into net density of around 220 per hectare. According to Jens (1983), the future plot division plan equalised the size of all plots and creates five additional plots. The two concrete blocks houses are preserved and no family were allowed to move until they were ready to build new houses. There were standpipes and public lights located at the centre of each block. There was also an open space kept for construction of community facilities.

The community involvement in the renewal initiative played a very crucial role. There were regular discussions of the planning concept happening on a weekly basis. These meetings took place under the auspices of the planning commission, which was charged with the responsibility of monitoring and initiating the projects for renewal. There was also a civic administration in place, which was divided into two main bodies: The office of the president, which provided the executive support and direction, the director of support and control. The director acted as the city's manager and coordinated all the administrative functions. The departments also were responsible for specific program areas.

The renewal initiatives of Maxaquene were not without problems/difficulties. The problem of the strategy implementation was due to the inherited development pattern and to the changes in Personnel, Pinsky (1983). Also the shortage of qualified people exacerbated the problem of creating the state structures that respond positively to local renewal initiatives. Bureaucracy also hindered progress in the renewal initiatives.

The bureaucrats lead to a shift in self-reliant solutions towards technocratic responses, which often required substantial responses, which often required substantial expenditure of the limited hard currency. This behaviour of the bureaucrats has not gone unnoticed by the President Samora Machel who lashed out at them in both state and party levels.

2.7.5 City Executive Councils and Renewal (CED's)

Since 1979 the city Executive Councils (CED) had steadily increased their capacities. Despite this they have failed to respond to the concerns of the city neighbourhood and the ever-deteriorating conditions of the cities countrywide. In order to address this inefficiency and to build capacity to implement the renewal strategies ten major cities and towns established various departments in order to support the Director of Support and Control. The help in the definition of new city limits and supported other renewal projects initiated such as Government Departments offices and schools, markets upgrading, schools construction. Maputo was the only city well equipped with professional staff.

It was therefore able to implement the program of opening up housing sites and providing technical and material assistance to the city residents. This project together with others administered and implemented by the city proved very successful. These involved self-housing cooperatives and improved latrines, Pinsky (1983).

In the scope of these efforts the CEC have been hailed as a great success. There was never the less the limitations in so far as the results are concerned due to some problems encountered. These problems were two fold: There was firstly lack of capacity to implement the renewal projects. In ten cities there were only 35 draftsmen, surveyors and other medium level technicians in addition to the four expatriates in Maputo, Pinsky (1983). There were eight cities that had 30 vehicles working out of the fleet of 40 and only 6 heavy machines out of 20. Over and above these only 5 cities had the budget to implement the strategies in a period 1975-1981.

The second problem has been alluded to before. That is that one of the CEC's lacking sensitivity and sense of agency in addressing those pressing issues that are of concern to the neighbourhoods. In an attempt to fill this void City Assemblies were formed. They also failed to perform to the expectations. This was mainly due to the fact that the members were elected on a citywide basis and lacked understanding of neighbourhood or sectoral identities. Bureaucracy proved to be a major problem once more as well as the inexperience of Assembly members in so far as civic political life is concerned, together with their tendency to underemphasize the problem faced by the shantytowns.

Poor coordination between departments and “Empire building” by some directors also worsened the already desperate situation. The creation of administratively decentralised zones in Maputo in an effort to address these problems did not help, as some actors were always out to manipulate the very limited resources. These together with land tenure system did not help in the countries efforts to renew its cities and today most cities still remain in their poor deteriorating conditions and the situation does not seem to be improving.

2.8 Urban Renewal in Zimbabwe the Case of Makokoba Bulawayo

The renewal of Makokoba, which was a residential area for Africans in Bulawayo, was prompted by its close proximity to the industrial area and Central business District (CBD). The area is about one mile from the CBD and just adjacent to the industrial estate. The Housing Amenities Department (responsible for housing and accommodation of Africans) initiated a renewal project, which entailed the construction of high density housing for the “African Community” Darling, Johannesburg 1975. Double storey housing was to be constructed and the following were recommendations to that project:

- ❖ Construction of five to eight storey be explored and the cost there on be determined.
- ❖ This should be a proposal to the Central Government, which aims at increasing the density hence providing more space for recreational purposes such as public parks.
- ❖ Only married people are to be accommodated in such flats.

The director of housing approached the city engineer to look into increasing the density to between two hundred and two hundred and fifty per acre. The concern raised by the engineer and the town-planning officer was that one of the high costs associated with higher densities structures such as lifts and stairways and also the reconstruction of the existing reticulation network so as to increase the capacity to deal with the increased density. The engineer argued that the impracticality of high density on the grounds that technically the high rise flats were impractical and uneconomical.

The argument was backed by Calderwood (1953), that where land is valued at under R40, 000 per acre, double storeyed development should not be considered and also on an article from the journal of the town-planning institute (1961). "The initial cost of a dwelling rises with the number of storey housing with similar amenities. The accompanying savings in roads, sewers and public utilities are small. The costs of maintenance and management are about fifty percent higher in the multi-storey blocks."

The building Director argued that by building better houses while maintaining the current densities will not help the renewal objective of eliminating shanty towns and slum conditions. The assistant town planner conducted a research on densities and its implications, social and environmental aspects were considered in the study. He concluded that cost reductions are not the only considerations, which will determine suitable densities in housing layouts. He further emphasised that density will affect some of the following:

- ❖ The dwelling type, i.e. free standing unit semi-detached, terraced houses or flats.
- ❖ The number or occupancy of persons within the dwelling unit.
- ❖ The spacing allowed between the dwelling units so as to allow sufficient light, air, sunshine and open space directly adjacent to the dwelling.
- ❖ Shopping and recreational facilities such as schools, churches, shops, parks etc in order to create a conducive environment for people to live in.

All these affect the living conditions of people, which give rise to the most vital issue, which is maintaining a balance between economical and social requirements. The town planner concluded that the population of 10,000 be housed under the high-rise scheme and two-storey flats were developed together with the necessary amenities (roads, schools shops etc). This figure represented 50% per acre as compared to the existing one of 110 people per acre for estimated population of 19,000 people. The government on the other hand recommended the density of 30% per acre that is 5,000. In the mean time the construction of flats began on the available space. Many welcomed this move and it was also heralded as the first stage in a long-term scheme to replace the old houses with flats, African News (March 1963).

The second stage was that one of demolishing the old houses and replacing them with the flats that accommodated a much higher number of people than presently accommodated. The biggest challenge facing the scheme was the sustainability and expansion of the houses and also the affordability.

The building Director argued that the quality of flats designed as family units of two and three rooms each, with separate toilets and electricity through out was high, but so were the rentals, Dearling (1975). This was defeating the whole purpose of renewal, as residents would not afford the rentals. As a solution to this the housing and amenities department was contemplating having two families per flat so as to share the rental costs. It was argued by the housing director that this would only make the slum conditions even worse as that would lead to overcrowding. He was opposed to the wholesome demolition of building.

To this effect he advocated the housing/dwelling rehabilitation programme. This was based on the plan to retain as many houses as possible. Therefore the buildings found to be unfit for occupation were demolished and provision for separate toilets to each dwelling and the relocation of some eight hundred families and five thousand single males to accommodation elsewhere.

The building director strong sentiments against piecemeal planning led to the meeting of an ad hoc committee to discuss the Makokoba renewal strategy. This committee included a wide spectrum of governmental departments and council agencies (engineering services, town planning, building etc). The meeting concluded that a detailed survey be conducted of the area. A plan then should be drawn which aimed at retaining the services but much emphasis was on the provision of social amenities. A four phased development plan was drawn which should also the frame of implementation for different phases.

It however appeared that there was no detailed site layout for the various phases, showing the orientation of the services etc was produced which housing and amenities preserved in fragmented demolition and construction of flat units. In 1963 a final plan was produced for the renewal of Makokoba showing the proposed layout of roads and the overall layout of a block of flats in the area.

2.8.1 Evaluation of Makokoba Renewal Strategy

The basic planning renewal objectives of Makokoba were essentially:

- ❖ To take advantage of the convenient location of the area to the work places of residents and avoid expensive commuting expenses for the people.
- ❖ To make modern urban facilities accessible to the majority of urban blacks ranging from better services to improved utilisation of local space and better neighbourhood resources.

There has been however problems faced by these efforts such as a gap between the idea and the reality of the situation on the ground Bellush (1966). There has been much talking than the actual implementations of the strategies hence the inconsistency of the outcome with the thinking. On the other hand the planning aspects of the strategies have been largely fragmented both in its conception and implementation. With respect to the former, Makokoba has been considered as a distinct district that has become an end in itself, a circumscribed community.

The renewal maps designated future land use with the project area; there is no sense of the city outside the boundaries, no way of relating the plan to the rest of the city. Makokoba should have not only been considered in the context of the neighbouring areas but in the context of a broader structure plan for the African areas as a whole and in terms of the general policies and proposals for the city in general, Dearling (1973).

The allocation of responsibilities to different authorities also posed a problem of coordination, power, and authority. The ad hoc committee on the other hand was trying to harmonise relationships between different departments, there was friction between representatives of these departments, with various groups opting for a particular programme of action. The Director of housing on the other hand was only concerned with the mass delivery of high-density housing.

This was quite short sighted as it disregarded the social or economic costs resulting there on. The Building Director, Town Planning Officer and Technical Staff were more interested in the long-term strategy for improving the environment. Though within the social and economic constraints that they were faced with. The hostility between these parties has resulted in the failure to plan and implement the various layouts. Communication also posed a problem as early as the conception stage and this continued to be so right up to the implementation stage. The Director of Housing continued to be in charge of the finances and proceeded with his piecemeal flat development plan.

The red tape and wasted time from fragmented approach of separating planning from execution resulted in the situation of apathetic climate that alienated many from involvement in the redevelopment programme.

CHAPTER 3

RESEARCH METHODOLOGY

3.1 Research Strategy

As the nature of the research is qualitative the strategy used was very crucial in order to get the accurate results as far as possible. There is a lot of literature documented on this subject mostly from the developed world, with very little written on developing world especially Africa. For the purpose of drawing comparison with the South African experience these literature was used. The literature was very helpful in forming the conclusion on the strategy, comparing the approach the Johannesburg adopted with the experiences of other world cities, from the strategy formulation right down to its implementation.

3.2 Data gathering tools

In the case of this study two main information-gathering tools were used: questionnaires and interviews. The written materials such as newspapers, magazine articles and conference papers supplemented them. These were deemed to be relevant tools for this particular study. In order to ensure validity the instruments/questionnaire wording used was such that it did not appear demeaning to the respondents by using childish jargon or slang so as for him/her to treat the questionnaire with all the seriousness it deserves. This was especially a case with the questionnaire distributed. In order to supplement the data collected through the questionnaire the interviews were conducted with JHC and JDA officials responsible for Joburg CBD renewal.

3.2.1 Questionnaire

There was the structured questionnaire, which solicited categorized information that was not available through or from other sources. In order to ensure that only quality relevant data is gathered through this tool, a blue print was developed for each project and population strata e.g. business community, Blue IQ, JDA, JHC etc. Over and above this, the questionnaire was divided into sections with the relevant set of questions designed to answer a particular aspect. The reason for developing a different questionnaire for each project was mainly due to the fact that each project has its own set of objectives. Here is an example of the Blue print for the Housing project aimed at the JHC official.

It spelled out the objectives of the survey and specific information that is sought. Based on these objectives, there were questionnaire items developed to ensure or give information sought under each project/programme. The research evaluated two renewal sub-strategies: spatial economic development and Housing. The main strategy has been divided into two sub-strategies and there is specific project/programme under each sub-strategy. For economic development there are six projects and they each have different objectives they are: Braamfontein, Constitutional Hill, Newtown, Fashion District, Faraday and Jeppestown. Housing as well had its own programmes with different objective which is, increasing the number of social and transitional housing units and promoting middle income housing.

In order to fairly evaluate each strategy questionnaires were designed to assess the performance of each programme/project under each strategy. Due to the fact that some projects/programmes have similar objectives, there was a chance of duplicating the efforts. In order to get around this problem the programmes/projects with similar objectives were grouped together and the same questionnaire was used to gather the data. The two such projects under the economic development sub-strategy are: Faraday and Jeppe. The questionnaires were however labeled at the top in order to avoid the difficulty of identifying the responses for the individual project/programme.

3.2.2 Observation

This is the most basic tool for gathering information and it is usually used when one wishes to observe the subjects in a real life setting without any disturbances, George (1994). This is useful to deal with the issue of bias, which can compromise the validity of the study findings and conclusions. People can sometimes bias the information they give under certain circumstances for a number of reasons e.g. they sometimes give the information that they cannot remember accurately later on or how the event occurred. Sometimes they give the information that in their opinion is required. There are three types of observation: non-participant, participant and unobtrusive. For this study participant observation was adopted due to the nature of information sought. There was an interaction with the participants especially the general and business community to get their feelings on the projects. The projects were also inspected in order to verify their existence and the progress made in terms of construction.

The information sought here was basically to formulate opinion about the functioning of the projects, whether they have achieved their objectives in the view of the beneficiaries and to physically confirm their existence. However due to time and financial resources scarcity not all projects were observed. There was a visit paid to observe some of the projects, which were randomly chosen: Braamfontein, Fashion District, Jeppe, Newtown, Constitutional Hill, and Faraday. For the Housing sub-strategy the programme/project observed was Brickfields in Newtown.

3.2.3 Others

Over and above the mentioned tools, other information sources were used especially at the provision of information for analytical purposes. These were the annual reports from the JHC, Sapo website (www.sapo.co.za cited 05 April 2004) blue IQ, and JDA websites were used. This was not only limited to the reports but also the newspaper articles and publications related to the projects/programmes. The articles contained mostly the views and opinions of other stakeholders other than the ones mentioned above. This helped in getting the balanced opinion from all quarters of society affected by renewal and helped to achieve unbiased conclusion.

3.3 Planning and Sampling Technique

Since it was not feasible to conduct a full study only a limited number of the whole population size was selected for administered questionnaires, which was the business and general community. The study requires different information from various sources as earlier stated due to each project objectives, which needed to be evaluated.

Therefore there were different population sections interviewed seeking the information relevant to the evaluation of each strategy. For all the interviews administered questionnaires were used and these were complimented by interview conducted with JDA, JHC and Blue Iq.

3.3.1 Method of gathering Information

The formulation of the questionnaires was mainly guided by the research objectives and the research question as identified in chapter one and the objectives as set out for each project. The questionnaires had sufficient question items modeled to give the required information on each project. Three parties that formed the core of the evaluation were: The business community, general community and the custodians of the strategy (JDA, BLUE IQ, and JHC). There was a set of questions drawn for each category together with the blue print for each which basically is a guide to ensure that relevant questions are asked in order to give the required information. The population size of twenty people was selected for the housing sub-strategy project and it was composed of: the general community members and the JHC, JDA and Blue IQ.

3.3.2 Interview Strategy

In order to avoid any misunderstandings and to ensure that relevant data is collected, administered questionnaire was used. This was useful especially in ensuring that the respondents are clear in what is required from the study and to explain any questions that may arise. This ensured not only the integrity of the data collected but also that responses were collected within the shortest time as much as possible and cost as it would not be the case if self administered questionnaire were used.

It also enabled explanation to the respondents wherever they were not clear as to what the question wants. Lastly it helped to give the study the integrity and serious attention from the respondents.

3.3.3 Sampling Technique Adopted

For the purpose of collecting data a stratified random sampling technique was adopted. The reason for this is that the population consists of distinct groups' e.g. business, general community and the custodians of the strategy; this is true of the information that was required here. The evaluation of certain project objectives could only be made by interviewing a certain group example for Braamfontein, Constitution Hill only JDA could give the relevant information. Since there are various projects within each sub-strategy with different objectives it was appropriate therefore to classify the population in accordance with the projects so that the relevant information can be gathered for each project from the relevant source. The fish bowl method of sample selection was used; this is the method whereby a bucket or a bowl is used to contain all the members of the population, which can be represented by allocating the alphabets or numbers. The sample will then be picked at random from the bowl. For this study different bowls were used for selecting the sample for those projects that require the interview of the business people.

The projects/programmes were: Faraday, Jeppe and Newtown Housing. The numbers were allocated to represent each member of the population for each population strata. Example for selecting the sample of businesses to be interviewed for Braamfontein project, all businesses in the area were allocated numbers and then ten were picked out randomly from the bowl.

The businesses were identified after a tour was taken of the Braamfontein main block bounded by Bertha Street to the North Juta Street to the West and Elizabeth Street to the East. The fish bowl method was used for all the programmes/projects.

3.3.4 Sample Size

There are six projects for the economic strategy; therefore for a sample size of ten for each strategy that required the interviewing of the general public and business people was sufficient to give the picture. As only four programmes: Five projects under economic development require interviewing of JDA, Blue IQ, JHC or both. For the Housing strategy there was one programme: mixed income development and social and transitional housing, the population size was also twenty which was picked randomly at the vicinity of the projects. For projects such as Braamfontein, Constitution Hill, Jeppe and Faraday the targeted population was the business community and JDA.

3.3.5 Analysis Tools

The research is descriptive in nature and therefore requires some analysis which is not necessarily statistical. The data gathered through the questionnaire is discrete (categorical) data. Therefore the views of the business community and general members of the community were analysed in accordance with the set categories on the questionnaire for each (business and general community).

3.4 Limitations

The method is lacking in that the comprehensive renewal involves a lot of strategies, which can never be efficiently and effectively be evaluated under the current financial and material limitations that prevail. It was therefore deemed sufficient to concentrate only on the two strategies: Spatial Economic Development and Housing. Even with these strategies not every project/ programme was visited for observation. Looking at the second data gathering technique it was not every one who is affected who had been interviewed but only a sample of the whole population had been selected. The main reason as alluded to is basically lack of resources time and financial. As the study is qualitative in nature therefore were limitations, as there are no definite measurable results from which to compare the results. The outcome is mainly opinion based hence subject to biasness in accordance with individual's preferences. As stated above there has been some measures taken in order to mitigate these shortcomings.

CHAPTER4

Johannesburg Inner city Renewal Strategy

4.1 Renewal Background

The years 1996/97 provided the base for the Joburg inner city renewal. This evolved from the city's vision, which was formulated, and from there the development plan resulted with priorities set clearly. A vehicle to carry out the vision was established, the Joburg Inner City Development Forum (JICDF). It was made up of: Local Government, Provincial Government, Business forum and the Community. This body as an indicator of the process had a larger role to play. However it had limited resources to execute the duty, hence it brought on board the National Business Initiative (NBI) to provide the management skills required for this task. Both the JICDF and NBI worked together to convene the business sector's input.

The initiative and resources of business were highly sorted after for the start of the inner city renewal process, SA Builder/ Bour (1999:6). It also emerged that business had to be part of the cooperate governance and play its role. In the case of international experience business had taken the lead role in the urban regeneration process with various coalitions, which developed visions and action plans. The inner city section 59 committee was formulated which later replaced the JCIDF. The committee has a local authority legislation to equip it to bridge the metropolitan council and all four substructures. It also coordinated the local authority management and services within the inner city.

This committee also played a vital role in decision making prior to the year 2000, which saw local government influx. Over and above this initiative, the local authority appointed a senior officer to the position of the acting inner city manager. The section 59 committee in its meeting held in December 1998 approved the following: policy on social housing in the inner city, programme to deal with “bad” buildings, proposal for informal trade management and inner city waste restructuring. The synergy between PPP (Public, Private Partnership) for the success of Urban renewal cannot be underplayed as shown above. As a matter of fact the partnership forms the core of renewal. Coupled with this partnership are the four key components that are also fundamental: organizational structure, marketing, information and incentives.

4.2 Inner City Profile

Joburg Inner City falls within region 8, according to the Joburg Regional Spatial Development Framework (RSDF). The inner city consist of the city center/Central Business District (CBD) and the following: Yeoville, Bertrams, Troyvill, Braamfontein, Jeppestown, Observatory, Kensington Bezedenhout Valley, Higher density suburbs of Hillbrow and Berea, Newtown, Fordsburg and Pageview/Vrededorp to the west of Newtown and the suburbs of Houghton, Forrest-town and killarney to the north. Region 8 is very significant and this significance stems from the fact that it has the CBD within its boundaries. The significance relates to the following: It resembles the whole of Joburg in its image, vitality, success, and well being as it is the heart of the city.

It accommodates a wide range of people from the low, middle, and high-income people as some suburbs that previously fell under regions 3 and 4 have been incorporated (Forrest-town, Houghton, Parktown and Killarney). It is located strategically hence attracting a vast business/employment opportunities.

4.3 Overview of the city

The inner city is considered a region in transition, as it is located between the Southern suburbs and the more affluent Northern suburbs. Although it suffered capital flight to the North of the city e.g. Randburg, Fourways, Sandton etc it never the less remain the largest employer than any other region in the city. The area is quite diverse in quality, ranging from severely degrading residential areas such as Bertrams to the more stable commercial centre of Braamfontein. As it has been a trend globally experienced by other big cities of the world that suffered CBD degradation and renewal, the inner city is being given a major facelift in order to reinstate it as the thriving centre of opportunities. There are on average about 800,000 commuters passing through the city daily. It is a vibrant place with street life. Major arterial roads originate from the inner city and radiate out into the other parts of the city. Main bus and taxi terminals are found such as Noord and Bree taxi ranks and main railway station (Park station), Joburg RSDF (2003). Joubert Park, Hillbrow and Barea are residential suburbs close to the CBD, and have a large number of high-rise apartments providing accommodation to the low-income people. There is currently a higher demand for the accommodation in the inner city and the current supply is not sufficient to satisfy this demand. This has resulted in the conversion of under-utilised office buildings into residential accommodation.

Joubert Park is also a home of the city's art gallery and the park. There are also tertiary institutions such as Wits University and Johannesburg Technikon and they draw daily student commuter population from all over the city and beyond.

4.4 The Overall Approach of the Strategy

This is an outline of the overall approach taken by the city in implementing the renewal strategy. It states the strategic approach and the areas that are targeted.

4.4.1 Encouraging and Supporting the Growth of SMME

The inner city has seen the arrival of black-owned small-scale enterprises that have become a critical element in the economy of inner city. Their evolution was barred in the past by negative official policy towards black-owned business development in South Africa's central city areas.

Former home-based enterprises engaged in light manufacturing activities, and in particular in the garment industry, spearheaded the advance of new micro-enterprise development into the Johannesburg inner city. The inner city offers several important economic advantages for small enterprises, including a market, accessibility in terms of transport facilities and its advantages regarding access to suppliers of inputs for production and retail types of enterprises. As an incubator for SMME development, the inner city provides an appropriate business environment for the birth and development of small-scale enterprise.

An additional feature to the SMME environment is the increasing presence of immigrant entrepreneurs establishing their business in the inner city.

These entrepreneurs are relatively well educated, often multi-skilled and have access to necessary start up capital. The most important problem affecting their continuing operation in Johannesburg is xenophobia. Despite this, these entrepreneurs are optimistic about Johannesburg as a business location and encourage others to invest in the city. To develop and encourage the development of the inner city as a desirable location and incubator for SMMEs, the following activities are planned to be implemented: the development of the Fashion District as the home for a substantial number of micro and small garment manufacturing enterprises and the strengthening of the organic clustering occurring in the area:

- Encouraging the establishment of, and strengthening existing, Local Business Service Centres (LBSCs) in the inner city
- Developing programmes to counter xenophobia that address the myths surrounding migrants, create materially productive relationships between local and migrant entrepreneurs and by increasing the skills of South African entrepreneurs so that they are not at a disadvantage in respect of the particular skills possessed by migrant entrepreneurs.

4.4.2 Encouraging Growth and Support of Creative Industry and Cultural Tourism.

Cultural industries and tourism play a key part in urban revitalisation strategies.

The products of cultural industries include CDs, television programmes, books and magazines, videos, films, fashion, records and tapes.

They require both hardware (in the form of suitable premises, equipment, technology or studios) and software (in the form of creative people, image-makers, ideas or sounds). In addition, they link either directly or indirectly to other cultural forms, such as theatre, visual arts, dance, and live music, jazz and so forth.

Cultural tourism includes 'aspects which are of interest to the visitor and can be marketed as such, including the customs of the people, their heritage, history and way of life.' There are a number of elements in the inner city that contain the seeds of growth among cultural industries, including:

- Agglomeration of printing and publishing establishments that are conventionally perceived as part of the manufacturing sector of the inner city but are critical elements of the cultural economy of the inner city.
- A number of community radio stations, notably in the Bertrams area.
- The live music industry, which is well represented with several venues featuring jazz, classical, rock and kwaito.
- The performing arts. Which are well-served with four theatres in the inner city, one of which, the Market Theatre, has been classified as one of the top five live entertainment theatres in the world.

- The craft industry, which has been identified as a crucial SMME sector in Johannesburg.

In addition to the developmental potential of cultural industries, there is significant potential in the inner city in the cultural tourism industry, including:

- Ethnic tourism in the inner city which has a considerable potential, particularly in the area around the Mai-Mai bazaar.
- Heritage tourism potential is to be found in the numerous Art Deco buildings in the inner city.
- The Newtown area and Constitutional Hill precinct as core potential cultural tourism places.
- The inner city can build upon events such as the Annual Gay Pride March and the increasing trend towards gay clubs being located in the inner city.

To promote the creative industries and cultural tourism the following activities has been implemented:

- The development of the Newtown and Constitutional Hill Projects and the promotion within these projects of cultural activities.
- The development of the "Cultural Arc" by developing linkages from Constitutional Hill, through Braamfontein (including the Civic Theatre), operators and tourist related businesses.

4.4.3 Investment Attraction

The following key activities have been planned to secure investment in the inner city:

- (a) Business retention and recruitment through marketing the inner city to potential investors. In addition, a marketing programme has been developed.
- (b) Business retention and recruitment also seek to address the office and retail sectors, and seek to attract an appropriate mix of uses and business in the inner city to contribute to economic growth and vitality.
- (c) The development of appropriate incentives for different classes of investment.

Securing the development finance for the inner city through the establishment of a joint venture development fund to provide development finance for:

1. Housing developments, especially those that promote integrated development accommodating a range of income groups.
2. Development of SMMEs and Commercial activities. The University of Witwatersrand cultural centre project to Newtown.
3. The development of business opportunities for small to medium sized enterprises.

4.5 Guiding Principles

The following gives an outline of the principles that will guide the strategies. They were put in place in order to guide the main strategy and the formulation of the projects/programmes. These principles were: collaborative work, paying attention on the basics, creating a conducive environment for investment and maintenance of consistency and increasing of the momentum.

4.5.1 Focusing on the Basics

Creating a conducive environment for investment is very crucial in order to win the confidence of the potential investors. It is therefore very imperative for the city to go back to the basics and get them right so as to realise the economic growth and improve the quality of life of the dwellers by improving the living environment. The following are therefore aimed:

(a) Efficient service delivery, especially in regard to waste management. While perceptions of the state of cleanliness has improved over the past year in terms of the findings of a recent perception survey, www.jda.co.za cited 28 February 2005, Cleaning however remains an enormous problem in much of the inner city. This were addressed through the following programmes:

- Increased and more effective services delivery by Pikitup
- Increased by-law enforcement against illegal dumping
- Education programmes to address littering and dumping problems
- Co-ordination of service delivery by the various utilities
- The effective and efficient management and response to complaints.

- (b) Rapid and effective enforcement of municipal by-laws, especially regarding the building control, land use management, and street trading.
- (c) Effective policing and enhancement of security in the inner City.

Three major initiatives taken in this regard are:

- CIDs (Central Improvement Districts) Property owners assume the responsibility of cleaning and providing security. With the help of surveillance cameras installed in the CBD and areas such as Braamfontein and Newtown crime will be reduced substantially.
- CCTV (Closed Circuit Television)
It deals with among other things the environmental upgrading, informal trade Management, maintenance and SMME's establishment supplement city services.
- Metropolitan Police Department
The unit will be responsible for enforcing the by laws, preventing crime and traffic policing and it will be operational 24 hours a day. Its target is to reduce crime by 25% and the by law infringements by 45%.

4.5.2 Working collaboratively

Addressing the problems of the inner city and securing its revitalisation requires the combined effort of a range of role players. Inter-governmental collaboration, working with and securing the support of other key stakeholders in the implementation of the renewal programme will be key to its success and sustainability.

This will involve accessing and combining the financial, technical and innovative resources of other institutions and persons to promote inner city regeneration.

4.5.3 Creating an enabling and profitable investment environment

The inner city suffers from negative perceptions, particularly in regard to risk to investments. It is also in competition with other locations, both within and outside of Johannesburg, for investment. To attract investment it will be necessary to ensure that policies and procedures create an enabling environment for investment, find creative mechanisms and incentives that will act to reduce the cost of capital and/or reduce the risk, hence attracting an appropriate mix of uses and businesses into the inner city.

4.5.4 Maintaining and increasing momentum

The momentum that has already been created needs to be maintained and increased through projects that has a high likelihood of success and which are of high impact. It is essential that present and future successes are vigorously marketed in order to change perceptions and begin to attract additional investment.

4.6 The Strategy

The renewal strategy is composed of various sub-strategies, which in turn have projects and programmes designed to drive them. In this study the analysis of the strategy will be focused on the two sub strategies: economic development framework and Housing. Their respective projects/programmes will be discussed in turns.

4.6.1 Economic development Framework (EDF)

The aim of this sub-strategy is to improve on the work that has already been started in the inner city renewal endeavors and the successes there on, also to maintain and increase the speed at which the urban renewal is happening with regard to the Spatial and Economic Framework.

The Framework provides a comprehensive programme and management tool for the renewal process by setting up the economic and spatial strategies that go with the main strategy as the basis for detailed precinct/nodal and action planning in neighborhood areas within the inner city boundaries. As alluded to above there are projects/programmes formulated that go hand in hand or rather aimed at driving the sub-strategies. These will form the core of this study. To make a better analysis of each sub-strategy, the individual project/programme in each of the strategies will be focused on. An overview of the strategies will be done followed by the details of each project/programme and the objectives.

Numerous nodes have been developed around the city and are important structuring elements within the city. The aim has been to build a sustainable economy that realise the overall objectives of renewal. The Declining or stagnant nodes can have detrimental impact on the PPP investments. Therefore the management of the nodes development and growth is very important, RSDF (2003).

A couple of nodes together with the projects for each node have been identified for development in order to drive renewal; the concentration will be on six nodes, which are: Braamfontein, Newtown, Constitutional Hill, Jeppestown, Faraday and Fashion District. The development details of each project will be given together with their objectives.

4.6.1.1 Braamfontein

Over the past decade, the area has seen an exodus of institutions and businesses and it has become home to a less formal and unsustainable economy. This has led to high vacancy levels in office and retail space and a degradation of the public environment.

Situated north of the city centre, with more than 428 000m² of A- and B-grade office space, Braamfontein is the fourth-largest node for office space in the city of Johannesburg. It is home to four South African-based multinationals as well as South Africa's premier educational institution, the University of the Witwatersrand.

The Johannesburg Development Agency and the City Council have recognised the location of Braamfontein as vital to the local economy and have embarked on redeveloping the area with the aim of renewing its role as a centre of business, entertainment and education in Johannesburg. It is strategically linking the Newtown and Constitution Hill projects to form the Cultural Arc; the Braamfontein Precinct Regeneration Programme entails creating a Braamfontein Corporate Precinct, which will become more attractive to business and welcoming to regular patrons and visitors.

Public-sector investment in Newtown, the Braamfontein/Newtown Bridge and Constitution Hill has been R600-million over three years. The landmark Nelson Mandela Bridge is an important link between Constitution hill, Braamfontein Precinct and Newtown.

This project is a key factor in the drive for inner city growth and renewal in Johannesburg. The JDA has been an integral part of the process, partnering business, which is investing in projects ranging from the refurbishment of company headquarters to the building of parking garages. A public piazza and park, and a corporate precinct and public environment upgrade.

The objectives of the redevelopment project are to:

- Promote economic development by strengthening the area's role as an education hub
- Promote the integration of the University of the Witwatersrand into the life of the area and
- Promote the connection of Braamfontein to Newtown and Constitution Hill, www.jda.co.za cited 12 April 2004.

4.6.1.2 Constitution Hill

The development aims at turning the court into an anchor in the inner city, surrounded by a unique precinct with heritage and cultural assets that promise to make it the prime tourist destination in Gauteng. Situated between the high-density residential neighbourhood of Hillbrow to its east and the mixed-use predominantly commercial node of Braamfontein to its west, this development perfectly represents the ideals behind inner-city regeneration developments.

It will contribute to the city's economic, social and cultural upliftment. Constitution Hill will be a major national and international Heritage Site comprising an integrated and sustainable multipurpose and multidimensional space.

Location

The 95 000m² publicly-owned site hosts important heritage buildings, such as the Old Fort. It is located in Braamfontein close to the civic theatre, Wits University, arts school, commercial activity, Hillbrow and the CBD.

AN AERIAL VIEW OF CONSTITUTION HILL



Figure: 1

Source: www.blueiq.co.za cited 10 February 2004.

The site houses three notorious prisons:

- The Fort" or "Ekhulukhuthu" the "deep hole" or "isolation cell" where white inmates were kept.
- Section Four and Section Five or the so-called "Natives' Gaol" built in 1902.
- The "Women's Gaol", built in 1909.

The Fort is the only prison to have had confined within its walls both Mahatma Gandhi and Nelson Mandela, the world's major icons of liberation.

The new precinct will also be home to statutory bodies, such as the Commission on Gender Equality, Constitutional court as well as a thriving complex of heritage sites and museums, exhibition and performance spaces, offices, shops, restaurants and other tourist facilities. It will be a "lekgotla" - a place of gathering - where South Africans and international visitors alike will come together for stimulating dialogue and debate. The precinct will also be the home of one of South Africa's major public art collections.

Constitution Hill comprises of:

- The Constitutional Court
- Accommodation for the Constitutional Commissions.
- Commercial space (36 000m²) for related commercial, retail and hospitality activities.

Objectives of Redevelopment of the Hill:

- It will be an engine of growth and transformation for downtown Johannesburg and a place where visitors can feel safely, the beat of this vibrant but often inaccessible city.
- In addition, the development will create and sustain 1 860 super-basement parking bays, bus and taxi holding and drop-off facilities, upgraded peripheral roads and internal streets, a visitors' information and exhibition centre, new museums and related heritage and tourism activities, approximately 200 rental residential units, community facilities and public open spaces.
- The R460-million public sector spend on this development will leverage an estimated similar private sector investment amount to complete the initiative, www.jda.co.za cited 05 March 2005.

4.6.1.3 Newtown

Historical background

At the turn of the 20th century, the Newtown Precinct was known as the Brickfields. This area was rich in clay, and brick making became the most popular form of generating income. By 1896, about 7 000 people of all races lived in the area, later named Burghersdorp.

Due to the proximity of this land to the centre of Johannesburg and the railway line, many businesses and immigrants coming from overseas bought stands in Burghersdorp. Soon, trading companies, banks, brick companies, a brewery, and fisheries moved into the area. In April 1904, the fire brigade set the area alight destroying everything in the inferno - a measure allegedly to combat the bubonic plague that had broken out.

The area was surveyed, re-planned in unbecoming haste and renamed Newtown by October 1904, a commercial area where vast fortunes in milling, production of sugar and food merchandising would be made. Newtown has now become synonymous with the heritage and culture of South Africa and especially Johannesburg.

The energy, innovation and vitality that were integral to Johannesburg's past success, and which are still associated with the city today, do not only have a commercial dimension. They also find creative expression in the arts, the architecture, and the cultural activities of the city. These are richly represented in the theatres, studios, workshops, museums and buildings of Newtown - a historic area of Johannesburg's central business district that has long acted as a magnet for creative and cultural activities.

Location

Located in the western sector of the Johannesburg city centre, Newtown covers an area that stretches from the marshalling yards and railway lines to the north, the M2 motorway in the south, West Street in the east and Quinn Street in the west. This destination is now easier to reach with the construction of the Nelson Mandela Bridge and associated N1 / Carr Street interchange, co-funded by Blue IQ, the City of Johannesburg, National Roads Agency and the National Department of Transport. The project Newton is one of five tourism developments aimed at inner-city regeneration.

In partnership with Gauteng Agency Blue IQ, the Johannesburg City Council - through the Johannesburg Development Agency - is transforming Newtown into a safe and attractive place to work, live and visit refer to a Newtown Map below, picture2.

Newtown is being developed into a vibrant, mixed-use area with a unique character based on existing cultural facilities the indelible Kippies, the world renowned Market Theatre, Moyo Restaurant at the Market, the buzz of Nikki's Oasis, the numerous international artists who have graced the Newtown Music Centre and not forgetting the unique shopping experience of the Oriental Plaza just around the corner from Newtown.

Objective of Newtown Development: The project entails several improvements of the area, all aimed at making Newtown safe, accessible, and attractive. These include five housing developments catering for different income levels. Over 2 000 housing units will be built over the next three years among them Brickfields Housing Project. This destination has been made accessible through the construction of the Nelson Mandela Bridge and associated M1/Carr Street interchange.www.jda.co.za.

Key for Newtown Map

1. New Carr Street Interchange
2. Mandela Bridge
3. Old Railway Station
4. Metro Market
5. New Residential Development
6. Africa Cultural Centre & Children's Museum
7. Market Theatre Precinct
8. Museum Africa
9. Mary Fitzgerald Square
10. Dance Centre
11. Worker's Library & Museum
12. Multimedia Centre
13. Turbine Hall & Boiler House
14. Mega Music
15. Dance Factory
16. Electric Workshop
17. SAB Museum
18. Bus Factory
19. Reserve Bank

NEWTOWN MAP



Figure: 2

Source: www.blueiq.co.za cited 25 March 2004.

4.6.1.4 Fashion District

The Fashion District is in a colourful part of Johannesburg that has been specially earmarked for the development of the fashion industry. Situated in the inner city's eastern sector, in an area traditionally associated with the garment industry, the district is made up of 34 blocks, taking in eight streets including End, Market, Von Wielligh and Kerk streets. By formalising the area's designation as the Fashion District, hopes are that it will become the hub of South Africa's fashion industry where clothing will be designed, manufactured and displayed.

The development should also stimulate trading and facilitate cross-border trade and investment. It is hoped, too, that the development will generate public interest in locally manufactured garments and stimulate national and international tourism. The Fashion District is a hub of activity for the garment industry, with approximately 1 000 enterprises occupying this area. The district provides services, directly and indirectly, to associate fashion industry operators such as suppliers and service providers, manufacturers, designers, distributors and merchandisers.

To physically demarcate the area, three zigzag "sewing patterns" were cut out of all the footways throughout the district and filled with mosaics, providing a colourful and appropriate space branding. Banners in the shape of garment patterns will be erected to further emphasise the specialist nature of the area. Fashion shows will help to raise the profile of the district, allowing young designers to showcase their works. The area also offers training to fashion practitioners through institutions linked with the Department of Labour.

The goal of this development is to create a viable, distinctive and sustainable district that stimulates the growth of small- and medium-sized enterprises and the growth of value-added manufacturing in this sub-sector.

The main objectives behind the Fashion District are:

- To create a safe, secure, attractive and functional district.
- To afford access to social and economic activities.
- To maximise economic growth, www.jad.co.za cited 12 March 2004.

4.6.1.5. Faraday

Faraday station, in the southeastern part of Johannesburg, was formerly an area of significant decay but, with the completion of the Faraday Station Precinct, the area marks yet another milestone in the city's regeneration campaign. The area is home to Faraday Market, a major centre dedicated to the art of traditional healing and a viable transport hub. With trading space for more than 280 muti traders, the Faraday Market Precinct is a major attraction whose tourist potential has been largely untapped.

The Faraday precinct is bordered by Anderson Street in the north, Von Wielligh Street/Rosettenville Road in the east, Eloff Street in the west and Newton Street in the south. Anchored by Faraday Station - a railway terminal on the lines that link Soweto and other south-western townships to the city - the precinct has become a multimode transport interchange, with bus and taxi services extending connections into the central and near city zones.

Faraday functions as a threshold space offering access to various destinations both locally and in the broader city environment. The overall development concept proposes an interweaving of energies as a way of generating a richer and more diverse urban fabric.

Development Objective:

The intention of this project was to recycle and regenerate, to create a more inclusive and sustainable future for the precinct and the city, www.jda.co.za cited 20 March 2004.

4.6.1.6 Jeppestown

Located just east of the Johannesburg city centre is the Johannesburg Development Agency's R8-million Jeppe Station Precinct project. The objectives of the Development:

1. The aim is to use the existing Jeppe Rail Station to put in motion a chain of economic activities that would encourage and support the surrounding formal and informal traders and the existing taxi rank. Thus, people who commute by train pass through the market building, supporting informal traders. Taxi passengers walk in front of the train station building through the square and into the taxi rank, stimulating further trading in the area. With the completion of the project it is estimated that, about 80% of the formal street markets would be occupied. The markets stimulate economic development and contribute to the environmental upgrading of the precinct.
2. The atmosphere of regeneration it is envisaged that would spread to the surrounding businesses, with formal traders around the precinct would also take advantage of the changes happening around. The Jeppe Station Precinct development would achieve an aesthetically better urban environment. With the deployment of security guards at strategic areas within the precinct, a visibly safe and secure environment would be achieved. www.jda.co.za cited 20 April 2004.

4.6.2. Housing

Johannesburg is going the way of other major cities such as New York and other world class cities of Europe in the sense that high-density, multi-unit residential development is happening on an increasing scale in what used to be commercial and industrial vacant space. This emanates from the Government-Housing policy that has changed in favour of higher density for providing urban solutions within urban regeneration framework.

City of Johannesburg (COJ) came up with a policy to increase the residential component of the inner city dwellers threefold. For this it came up in support of two major projects: an urban regeneration programme in Newtown called Brickfield Housing Project and Better Buildings Programme aimed at higher density inner city suburbs. Johannesburg Housing Company (JHC) is one of the major role players in this partnership, JHC Corporate Finance 2002. These two programmes will form the focus of this study for this sub-Strategy.

From the investment perspective some of these residential conversions have prove to be worth a while as are expected to yield high-value rentals. The conversion features loft apartments, mezzanine levels and extensive use of skylights, SA Property Professional (March/April 2004. Residential development should be in such a way that it supports the urban structure, with the following implications:

- Densification happens in and around the nodes and along the movement network supporting viable and vibrant nodes.
- RSDF guide and direct various densities to complement the urban form and preferred city structure.
- Any new residential development should complement the urban structure by providing adequate social and economic land use.
- Layouts should aim at creating sustainable neighbourhoods with various housing options, which are robust enough to meet the ever changing demands, RSDF (2003).

Assistance policies would be adopted to assist those who cannot afford or compete in the housing market. There will be those who cannot afford even the modest shelter due to: age, ill health, or income or the victims of social change. As all these groups need to be housed, there is a danger that the market mechanisms of prices or rents exclude them from this right. Therefore some form of public participation is required. In the case of Joburg over and above the direct public provision of housing the Johannesburg Housing Company (JHC) will be working closely with other stakeholders in the renewal: JDA, Provincial Government and Financial institutions such as ABSA for delivery of this project. To elaborate on the work and collaboration of these stakeholders a sketch is shown below.

Brickfields Project Preparation Process and Stakeholders

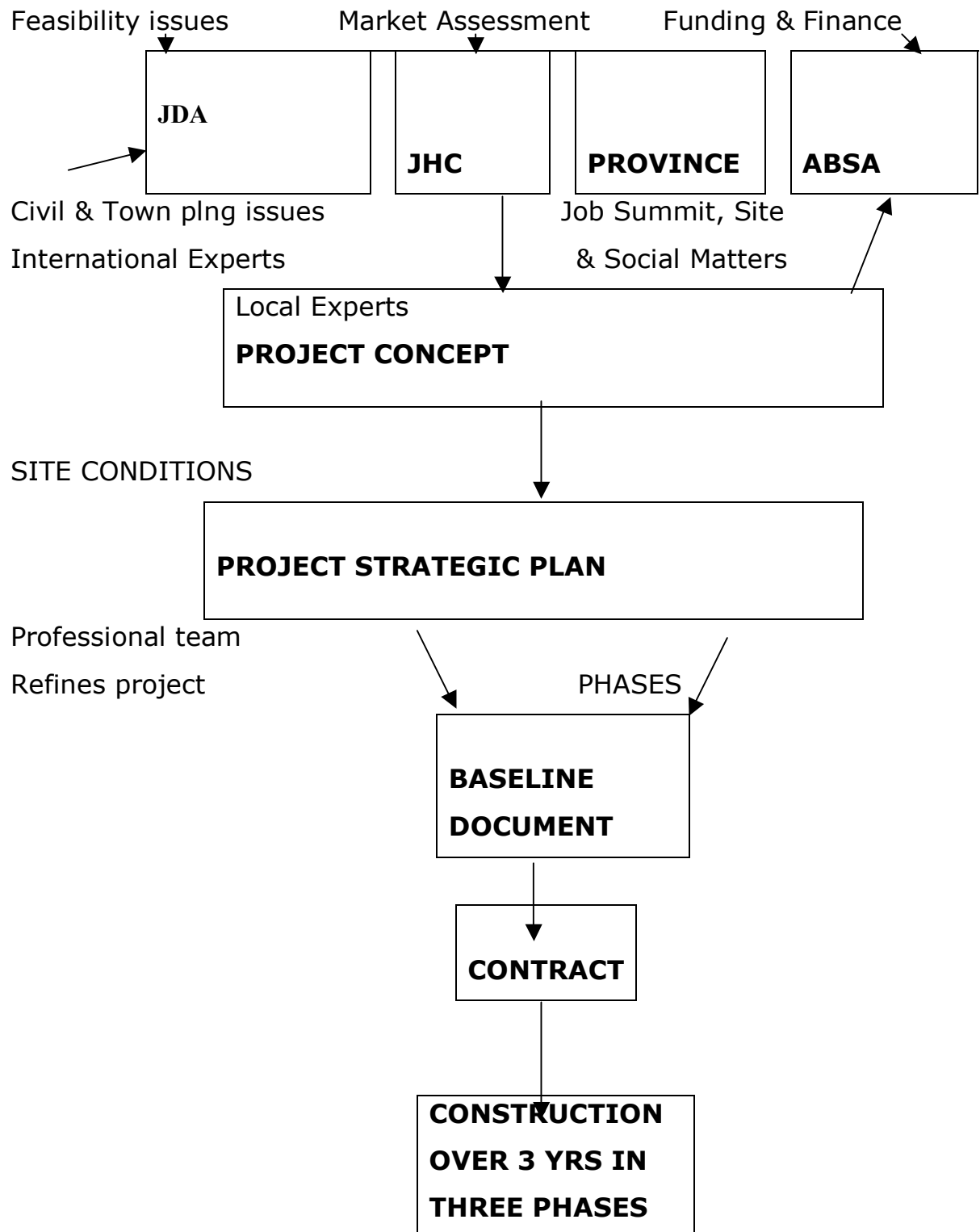


Figure: 3

Source: JHC

The aim

It aims at providing accommodation to the poor/low income earners in the inner city. By making sites available in the inner city to the private developer through its redevelopment activity, the range of location choice is widened. These policies all imply that there is a role the private sector play in the implementation of urban renewal and making it a success. The renewal process is a dynamic process, which calls for various strategies in accordance with the political, social, and economic circumstances of the city. In an effort to address the housing strategy the following programme will be undertaken:

(a) Increasing the number of social and transitional housing units

The Local Government Policy on Social Housing in the Inner City will help to increase the rate of social housing delivery in the inner city. 1000 units will be provided in Newtown as part of the Presidential Job Summit. Further investment in inner city social housing by Provincial Government, the private sector and NGOs needs to be encouraged as an effective means of meeting housing needs for the R1500 – R 3500 income group. Further investment in Transitional Housing by Provincial and National Housing Departments to meet the housing needs of the poorest sections of the inner city community needs to be encouraged.

(b) Promoting middle income Housing

The R100m Brickfield residential project in Newtown would see the first high-rise residential building erected in the inner city in about 30 years.

The first phase of the project a multicultural, mixed-income residential development comprising an estimated 650 homes, would be completed in just less than two years. Four buildings of between eight-and twelve storeys high would be developed, interspersed with low-rise buildings.

The project will be on vacant land at the foot of the new Nelson Mandela Bridge. The Brickfields development has been heralded as a key component of the Newtown Urban Design Framework, which forms part of Johannesburg's regeneration plan.

Project Objective

The developments are aimed at providing quality rental accommodation and services that are affordable for the low- and moderate-income market. The brickfield is being funded by a public-private partnership. Gauteng government will provide 30% of the initial capital on an equity basis and an additional R70m from other stakeholders, including private sector stakeholders Anglo American and Absa, the National Housing Finance Corporation and the Gauteng Partnership Fund followed that.www.jda.co.za

CHAPTER 5

5.1 ANALYSIS OF THE STRATEGIES

Firstly an overall strategy formulation and institutional set up evaluation will be done. In order to make a fair analysis, a comparison will be made with the countries in the literature review, which are both developed and developing worlds: North America, Australia, Europe, Asia and Africa. This will give a fair view as Johannesburg has characteristics of both developed and developing world city. A combined summary of the overall progress/performance of the strategy projects/programmes will be made so as to give an overall performance of the strategy. Lastly the analysis will shift to the six projects/programmes forming the core of the strategy. They will be divided into their two categories of economic and housing. The evaluation will be on their performance with regard to their set objectives so as to give a picture as to how they contributed to the poor/good performance of the entire strategy.

5.2 Strategy formulation and Institutional set up evaluation

In mid-1997 the then-Deputy President, Mr Mbeki, unveiled the first democratic vision for Johannesburg inner city known as 'The Golden Heartbeat of Africa', this vision has been the result of the negotiations on the city's vision over a period of 18 months between the first representative local and provincial governments and organisations representing community, labour and business. Over the next few years their joint effort focused on the development of the structures and strategies that facilitated the implementation and attainment of the vision.

To this effect an Inner City Spatial Framework was developed in 1999 together with an Inner City Economic Development Framework followed in 2000 by a City Centre Development Framework. All of these were essential building blocks for the foundation, from which the Johannesburg renewal process would be launched www.joburg.org cited 14 March 2004.

In 2000 the first executive mayor of the city Mr Amos Masondo announced that the renewal of the city was one of his top six priorities of his office tenure. A councillor on his Mayoral Committee was appointed with specific responsibility for the Inner City. All Council departments and agencies, a number of which had treated the inner city previously as a stepchild, now were required to focus on this mayoral priority.

The JDA was established as the City's renewal implementation authority. The Council's Region 8 (Inner City) office was also established. It went on to set up an Inner City Task Force to co-ordinate and drive Council's services management and by-law enforcement. The provincial government came to the party through their initiative to develop Gauteng as the 'Smart Province', channelling funds into strategic inner city projects via Blue IQ, their financial intermediary. Business, recognising the emergence of a strong political will backed by serious public-sector funding, became willing to invest in the renewal process, not just in their own enterprises, but in upgrading and maintaining public space and providing new amenities.

5.3 Comparison with other cities

Johannesburg renewal process followed very much into the footsteps of its predecessors in the developed world. In formulation and implementation of its strategy the city realised the importance of including all the stakeholders in order for the renewal process to be a success. This is evident from the institutional set and partnerships formed such as CJP alluded to earlier on. There was also consultation of all the stakeholders and as a result much enthusiasm had been shown by all involved especially the private sector. The government at a higher level has shown political will. Besides the then deputy president unveiling the version of democratic Johannesburg, the national government announced some tax breaks in the 2002/2003 financial year budget to encourage renewal of declining inner cities. 20% was to be allowed for any cost incurred in effecting refurbishments on inner city properties.

In the from In the UK all the stakeholders were brought on board especially the private sector and the government ensured that this is achieved by making funds available for renewal only to those councils that incorporated the sector in their strategy. This was based on the premise that the private sector will move the process quickly with competence that the public sector lacks, which is normally slow due to the laxity in approach and bureaucracy involved. These were also to ensure that the private sector buys into the process and win their confidence in order to ensure that they invest in those renewal areas.

These however has not been the case in some developing countries especially Africa. Looking at the case of Zimbabwe and Mozambique these governments have tried without success to renew their cities. There was not much consultation with the stakeholders especially community representatives, as there were no apparent community forums initiated or encouraged to take part in the formulation and implementation of their renewal strategies. In Zimbabwe the process have been very bureaucratic with government agencies and departments taking a centre stage. Despite the poor presence of viable private sector in these countries not much effort seemed to have been taken to lure the private sector into the process. The feeling seem to have been that the renewal is the sole responsibility of the government which has it own political will, that is fulfilling its social responsibility. Including the private sector that has the sole motive of profit maximisation will contrast with the government objectives. This can then explain the resistance or lack of investment and funding of the process by the private investors. In Zimbabwe the planning process was very much fragmented with poor coordination. As a result of this, the implementation has not been done accordingly. These governments also lack funding to implement the projects identified as the main drivers of the process. Hence the failure of these countries in implementing the strategy has been largely attributed to these aspects

5.4 Overall Strategy performance/progress

There are a whole lot of other stakeholders who have joined the party to benefit and contribute in some way or another in the cbd renewal. Few will be looked at just highlight the enthusiasm of business and public sector in making this a success. The story of one property developer George Zelinski, standard bank and the initiative by Gauteng Provincial Government are worth mentioning. On the business times (06-02-2004), Zelinski said that the partnership between public and private sectors has been amazing. He is a lawyer by profession and has been very instrumental in converting the derelict Van der Bijl Square between Eloff and Rissik streets into Gandhi Square, which now boasts cafes and restaurants and has a 24-hour security service. He bought his first property in the CBD in 1989 and approached the Johannesburg council in 1994 with his plans for Van der Bijl Square. He has a 45-year lease on the precinct and owns more than half the properties that surround the square. He has been quoted saying "I buy slum properties and convert them into A-grade office space".

He is also involved in a consortium that encourages owners of building on Main and Fox streets to convert them into pedestrian malls. Already, coffee shops and restaurants are being built. First National Bank (FNB) announced that it was going to spend R28 million into the CBD for the creation of a parking garage that will serve the bank's 6000 staffers at its Bank City complex. The parkade, which is situated on the corner of Pritchard and Sauer Streets, has since been completed. Its 800 bays are located in eight levels above ground and four underground levels.

Affirming Johannesburg as a vibrant, dynamic and well-managed city, Standard Bank group announced early in 2002 that it would spend R197-million on renovating its headquarters in the city centre, Simmonds street. A further R58-million would be spent on an uninterrupted power supply facility and R42-million on building a staff-parking garage next to 3 Simmonds Street. This was the bank's affirmation of Johannesburg as a dynamic city with endless opportunities. The bank's CEO when announcing this plan said that the bank has been an integral part of the city for the past 117 years and thus it remains committed to the city.

Renovations, which started in March 2003, took about eight months and were completed earlier this year 2004. The councillor responsible for Finance, Strategy and Economic Development in the city Parks, Tau welcomed Standard Bank announcement, describing it as a vote of confidence in the city by big business. He said this is yet another indication that crime and grime in the inner city are on a retreat and businesses are coming back. Maree the bank's CEO further stated that Johannesburg is an exciting, vibrant, dynamic and well-managed city that has weathered many storms and keeps going from strength to strength. He said the bank had been encouraged by JDA's commitment to renewal especially factors like improved security and transport and the general revitalisation of the CBD, www.standardbank.co.za cited 05 February 2004.

The premier Mbhazima Shilowa made the announcement of his government intention to develop a provincial government precinct in the CBD. The area of the proposed precinct is bounded by Fox Street and a portion of Main Street in the south, Pritchard Street to the north, Rissik Street to the east and Kort Street to the west.

This he said is in line with the efforts by the provincial government to entice business to return and rejuvenate Johannesburg city centre. Addressing the opening of the Blue IQ Smart Partnership conference at the Sandton Convention Centre, Shilowa said the provincial government, which occupied 120,000m² of space in Johannesburg, had recently bought the buildings after renting them since 1995. Private investors, sensing that the degradation of the city had been halted, started to join in to cash in on the up-turn in the inner city's fortunes. Sunday times City Metro (04-06-2003) carried an article on this. "C-Max investment said it would add 20 000m² of office, residential and retail space in Newtown. This move back to the inner city shows the company's commitment to and belief in Johannesburg renewal".

Over and above this the value of building plans approved in 2002 of R122 467 million was six times that of the previous year R19 441 million while the private sector component, R57 100 million, was nearly three times that of the previous year R18 900 million. Since 2002 an unofficial scorecard reflects R 3.5 billion of new investment, slightly less than half from the private sector, not including the value of existing property changing hands, which could be between R1 and R2 billion www.sapoa.co.za cited 06 February 2004.

5.5 Overall Progress

JDA developed performance indicators. They were developed for the convenience of all the stakeholders in the renewal process to evaluate the progress made in meeting the objectives of renewal. There were six-performance indicators formulated for this purpose which were: 24 hrs city, rentals, property market, business activity in impact area, confidence in the inner city and awareness of jda, www.jda.org.za cited 14 April 2004.

They are divided into economic indicators and perception indicators. They will be unbundled one at the time as follows:

5.5.1 Economic Indicators

5.5.1.1 24 Hours City

This indicator measures the attendance of the functions in the inner city venues for various social events such as theatre, movies, music concerts etc. The target set for increase in this regard was 5% per annum. Between 2002 and 2003 the actual increase recorded far exceeded this target as it was recorded as 11%.

5.5.1.2 Property Rentals

Building activity (plans approved and work completed) has escalated dramatically between 2001 and 2002 as alluded to above with an increase of 500% for the period. Vacancy rates of grade A and B office accommodation in the CBD and Braamfontein have been showing a rising trend since the mid 1990s when the strategy was implemented and now seem to have stabilized in the CBD around 24% and in Braamfontein around 12%, www.Sapoa.co.za. This is encouraging given the number of property nodes where vacancy rates for A and B property grades lies at 20% or above – Hyde Park/Dunkeld, Melrose/Waverly, Parktown and Rivonia. The latest JHI Property Report states that leasing activity in the Johannesburg CBD has been fairly strong over the past year with government and empowerment companies finally beginning to drive demand. Brokerage activities in the area report that at least 60% Of new leases are signed by emerging black businesses. Neil Fraser of JDA has hailed this as great success towards economic development and property values enhancement.

5.5.1.3 Property Market

The target here has been to stabilise A grade median rentals by December 2003 with the base year being set at December 2001. During the course of 2002, median rentals increased from R25 to R27 per m² in the CBD, but dropped in Braamfontein from R45 to R44 per m², indicating a stable trend. The city council treasury and finance office put the occupancy level in the inner city 78% in 2004 which it says is a steady increase from 75% in 2003. www.jda.co.za cited 08 April 2004.

5.5.1.4 Business Impact

Between 2002 and 2003, it is said that salary levies had been generally stable, showing a slight increase. Key business areas attributed to this are Selby, Johannesburg, Braamfontein and Marshalltown, with Selby and Marshalltown showing increases in salaries. An increase in salaries levied is also suggested for Doornfontein www.geda.co.za

5.5.2 Indicators Relating to Perception

5.5.2.1 Confidence in the Inner City

JDA developed a confidence index that provided a score based on the respondents' positions on certain questions. There were four confidence factors developed: (a) Business satisfaction with the inner city cleanliness, (b) general perception on crime, (c) city life impression. The overall inner city index score for the year 2003 was 46, 2 which is up from 44, 8 recorded in 2002, this is an increase of 3, 1%. Within the inner city, the Cultural Arc has been an important development area; this area stretches from Constitution Hill through Braamfontein to Newtown.

When isolating a confidence index for the Cultural Arc public response to JDA's development efforts show that in 2003, the overall confidence index for the Cultural Arc was 48,9. The public's confidence regarding the Cultural Arc is much higher than for the whole of the inner city. The Star newspaper (20-06-2004), stated that although crime has long been an issue but business against crime survey revealed that 92% of the people and businesses interviewed say they consider relocating or investing in the inner city. This survey also discovered that 82% of the people held a positive out look regarding the inner city. 72% said that the inner city could become a great world-class city. On the global survey on levels of crime Joburg was placed fifth behind Detroit, Washington, Miami and Cape Town.

(a) Business satisfaction with inner city cleanliness

Confidence that the inner city is becoming cleaner has risen by 20, 7% in the past year (2003). More than half of respondents said that the overall cleanliness of the inner city was better than across the rest of Johannesburg. Only 17, 6% said that it was worse. The main problem appears to be litter on pavements and kerbs, followed by illegal posters and graffiti. Just over a third believes that street and pavement lighting is inadequate. The majority believe that refuse removal has improved over the past year. Jda has attributed this success to the city's utility company formed for this purpose Pik It Up and the public private partnership establishment of the city's improvement districts (CID's)

(b) Perception on crime

Crime remains a problem in the inner city, with two-thirds of respondents saying they do not feel safe outdoors. Most respondents, however, said that crime was being better managed in the city's improvement districts, and 70% said they felt safer in these areas. Overall, 54% of respondents said they thought security was better in the inner city than in the rest of Johannesburg.

According to Jda the Installation of CCTV cameras in the city's improvement district and the establishment of metro police department to deal with crime in the inner city enforcement of the by laws have played a major role. Star newspaper (20-06-2004), attest to this as it stated that closed circuit cameras in the inner city have helped to improve the public perception and cut crime by 80%.

(c) City life Impressions

Impressions of the inner city and city life are improving. Only 17, 6% describes the street life in the inner city as dull or non-existent, this is compared with 40% in 2002. The city's image has improved substantially: while 80% characterized the inner city as dirty and unsafe in 2002, this figure dropped to 36% in 2003. Over half said that the city, while not yet satisfactory, was improving. Almost 90% said that it would be useful to have public events that attract people to the area.

5.6 Economic (projects/programmes performance)

5.6.1 Braamfontein

From an interview conducted with Yael Horowitz planning and strategy manager of JDA and from additional reading from JDA website the following transpired with regard to Braamfontein project.

The total sum of R200 million was committed for this project, which has been mainly from private sector and the city council. Sappi invested a massive amount in redevelopment of its headquarters that included among others the closure of Ameshoff and Simmonds Streets where they border the Sappi property thus creating a pedestrian zone and piazza which linked into the Civic Theatre.

Under the proposed piazza, a new parkade was also constructed which provided about 3 000 parking bays for Sappi staff. These bays are also to be used at night by patrons to the Civic Theatre. The public spaces, restaurants, etc of the Civic Theatre were also refurbished and upgraded during the year. Under Bernard Jay, the Civic theatre is reported to stage successful shows and its programmes play to capacity audiences. Over and above this Sappi has also funded an upgrading of the public park in front of the Theatre. This space has been turned around with new state of the art landscaping. Liberty Life Properties, the JD Group, Gensec and ApexHi together with Sappi also be funded the R6.5 million upgrade of the public environment in east-west Ameshoff and Stiemens Streets including the interlinking north-south streets. Liberty also constructed an above ground parkade for their staff on the corner of Melle and Ameshoff.

The Council, through the Johannesburg Development Agency (JDA), spend about R20 million in upgrading the public environment in the area to the south of Stiemens down to De Korte Street, the upgrading of Jan Smuts/Bertha to where it links into the Nelson Mandela Bridge and the connection to Constitution Hill. Wits University, on the other hand upgraded the area on its east boundary and open up its connection with Braamfontein. The Wits School of the Arts has also been developed from the old Dental School and it now provides links to both Newtown and Braamfontein cultural facilities and civic theatre forming the cultural arc envisaged in by the project, www.joburg.co.za cited 15 March 2004.

Property sector seem to have gained much in this project as business has started to show confidence inn the area and moved in. Mr Khotso Matsau, co-owner of commercial property brokerage Lalela Properties, which is mandated to work on most of the office buildings in Braamfontein, says that the urban-rejuvenation project is beginning to show results. In his words he said "the project is making Braamfontein very attractive, if you are looking at the office market, which is what keeps the central business district alive, there has been a good turnaround. We have seen most of the A-grade office space absorbed in recent months." Mr Matsau further says Braampark, the Libridge office block, Jorissen Place and the Braamfontein Centre are all 100% occupied.

5.6.2 Newtown

The Blue IQ Newtown project leader official Mrs Xoliswa Ngema said that for this renewal project they have committed an amount of R300 million.

Their main strategic partner for this project is JDA, which is responsible for implementing all the renewal projects by Blue IQ. The R80 million Nelson Mandela Bridge has been completed and was inaugurated in July 2003.

Nelson Mandela Bridge in construction Linking Newtown

With Braamfontein



Figure: 4

Source: www.blueiq.co.za cited 10 February 2004.

The R40 million worth of contracts for the elevated M1 motorway on-and-off ramps connecting the southern suburbs to Newtown is has also been completed in March 2003. The Mary Fitzgerald Square was basically transformed by the end of 2001 to the tune of R12.5 million.

The permanent busker stage has been erected to replace the temporary one erected at the eastern end for activities at the square were. There is still however another busker stage to be erected on the grassed portion of the square.

Work on the upgrading of the roads and footways from Mary Fitzgerald Square westwards to the Oriental Plaza also commenced early in 2001 and had been completed in 2002. About R6 million worth of contracts have been awarded for this work. To address the issue of crime 40 CCTV cameras were installed in the area and are linked to the Carlton Centre's CCTV control room. The R100 million Metro Market was also inaugurated in 2002. It is a multi use, taxi, bus, informal trading and retail. The occupants or regular users of this facility say they are very happy with this modern facility. These sentiments have been assured by about 80% of the people interviewed. They included the taxi operators, commuters and informal traders. What seem to be forming the basis for common content by these groups is the fact that they have a shelter from the hush winter colds and hot summer days. The traders especially those involved in food catering say that this has provided quality sanitary facility as they no longer have to cook in the open where its filthy and high possibility of food poisoning exists. Part of Turbine Hall has also been upgraded during the year and was used for filming and commercial shoots as well as the highly successful SA Fashion Week in 2002, the Mini Cooper launch and the Joy of Jazz International Festival.

Upgraded also is the electric workshop. It has proved to be a popular venue as the demand for corporate functions, dance and music events is very high. It is however to be converted into an interactive Science and Technology Centre and work had already stated on this.

The Newtown Music Centre that opened was opened during the year 2002 and is primarily a training and performance centre for musicians. The Dance Factory a 300-seat theatre and studio used mainly for dance performances is adjoining it.

Transport House has also been cleared of squatters; it has been a blight of the area for the long time. It is currently being developed as a sports arena for Dance Sports SA. A Visitor's Centre is also nearing completion together with the broadcasting facilities for KAYA FM, which is expected to move from rose bank some time in 2005. The radio station management say that their decision to relocate to Newtown stem from their believe in the inner city future prosperity and that's where they want to be as their motto goes "The Heart and soul of Jozi". The area has also experienced a sharp increase in the letting/investment.

In July 2004 Blue IQ together with JHC announced C-Max is as the preferred bidder for the development of the multi purpose complex. This project covers the Central Place which is a large area of buildings and space that abuts Mary Fitzgerald Square to the north, the Turbine Hall to the east and the Bus Factory Craft and Design Centre to the south - is to be transformed into a vibrant 24-hour shopping, entertainment, business, retail and residential hub.

Those already in the area include the Newtown Music Centre, the impressive Sci-Bono Discovery Centre, Blue IQ, the City of Johannesburg Heritage Services, Moving into Dance and several small film and media companies. Work has already begun on Number 1 Central Place; a Greenfield office and retail development whose first tenant is the Gauteng Tourism Authority - which is to move there from Rosebank on 1 May 2005.

Portion of Completed Newtown Precinct



Figure: 5

5.6.3 Constitution Hill

The construction of the new Constitutional Court continued as planned on programme. This construction contract is valued at R87.5million. The lateral support and bulk earthworks contract for the 1870-bay parking super-basement valued at R33.5million, was let in early November 2002 and the rest was completed in October 2003. Kotze Street has been upgraded to allow for improved pedestrian circulation between Hillbrow and Braamfontein, with a view to making future public connections with Constitution Hill.

5.6.4 Fashion District

2003 have seen the upgrade programme of this precinct begin in earnest with a R3 million injections into the public environment upgrading. This was after the city's Major Mr Amos Maseko's announcement of the project. It involved the demarcation of the area with 11-metre high gateways that look like colourful fabric threaded through the street poles that light up at night. These were complemented with signage consisting of 48 large steel garment

patterns erected on street poles. And on the pavements will be three different stitch patterns, cut into the paving tiles and filed with mosaic tiles. The pavements were further transformed with benches with inlaid mosaic stitch patterns, and trees in a part of town that is particularly bare of greenery.

In the last two years 2002/2003, the district it's found its feet again: factories have opened up again as smaller, more efficient operations, and most importantly, they have now found a more secure, niche market, and there's plenty of those: ethnic African designs, which are becoming more and more popular and can not be produced by Asian sweatshops because they are very individualistic in nature; small runs for burial societies, choirs or school uniforms are other examples. The area is certainly a buzz: there are around 500 tailors and seamstresses operating from this part of town, either as individual operators or as small factory productions. According to Yael Horowitz JDA official one businessman Rees Mann, who many believe can take a large measure of credit for the revival in the fashion district has said this.

He has been involved in the industry since 1981, following in his father's footsteps - fresh from completing his apprenticeship in Europe as a tailor; he arrived in Pritchard Street in 1948.

5.6.5 Faraday

A dedicated centre for traditional healers to operate in just has become a major tourist attraction. This is according to JDA. The R45-million Faraday Market has been completed recently in 2004. It is situated in the southeast of Johannesburg's inner city and has a room for some 280 muti traders, including sangomas and diviners. The nearby taxi rank accommodates about 250 taxis. Before they moved into their new, modern premises, the traditional healers of Faraday plied their trade and displayed their goods under a bridge, exposed to the harsh weather conditions in winter and summer for almost three decades.

The facility is an impressive, modern structure, with amenities to cater for taxis, traders, commuters, healers and their patients. A number of artists were commissioned to do mosaic work on pavements and buildings, according to Paul Arnott-Job, the project manager, who was seconded from the Johannesburg Development Agency. The buildings were recently handed over to the Metropolitan Trading Company (MTC), which manages markets on behalf of Johannesburg. The market has taxi and bus ranks, a specialised market for herb dealers, stalls for informal traders, consulting rooms for traditional healers and retail spaces for micro- and medium-sized enterprises. A compactor and a special skip have been provided for the disposal of medical waste. The idea behind the Faraday project was to develop a precinct, which responds to the shifting urban-rural boundaries, celebrates the transient commuter culture and captures the memory and historical significance of the Faraday station area by reinforcing the spirit of the place.

Block A of the building is for administration, block B and block E are used by muti traders and traditional healers, Block D is reserved for informal traders while block C houses more formal shops. The double-storey B block catches the eye; it boasts a muti trading area on the ground floor and consulting rooms on the top. Mr Mphethi Morojele, a spokesman for Faraday Traditional Healers, says specialist sangomas, inyangas and prophets use the rooms. The doorways to the consulting rooms are just 1,6m high, forcing a patient to stoop on entering. Morojele says this is an attempt to recreate a traditional way of entering a healer's hut, lending the consulting rooms an ambience of a ceremonial space. The walls of the consulting rooms are used not only as partitions, but also as storage spaces, with cubicles used by healers to store their medicines. The rooms have bathrooms, which are used not only as ablution facilities but also during healing procedures. The bath for instance is used for ceremonial cleansing.

JDA reckons this new facility will go a long way towards formalising traditional healing as an industry. It says the market is helping to accelerate the process of urbanising the healers, most of who retain strong ties with the countryside. She adds that not all the traders will survive the transition from informal to regulated trading, but the market offers enormous opportunity for those who are enterprising, www.jda.co.za cited 15 March 2004.

5.6.6 Jeppe

This project was completed in 2003; it has been hailed as a good example by JDA in demonstrating how projects can be used as community-building initiatives. The project included an upgrade of taxi ranks. The new taxi facility - allocated for commuters, taxi operators, ranking officials and taxi drivers - is situated on the northeast side of the precinct and is being managed by the

Metropolitan Trading Company. The eight-island, formalised linear taxi rank accommodates 32 minibus taxis. The rank is defined by destinations and is allocated to three taxi associations. There are 80 open vendor sites on Main, McIntyre, John Page, Madison and Gus streets, incorporating food, barber and general trading stalls. See The booths are designed to be easily manipulated for individual business needs.

Portion of completed Jeppe Precinct



Figure: 6

Source: own Picture

An open space on the east side of the precinct is used for public meetings, social gatherings, concerts or any other public-related functions. The storage facility was leased by the Metropolitan Trading Company from Intersite Property Management to store 60 steel-cage hawker lockers provided by the Jeppe Station Precinct Development.

Jeppe Store Facility



Figure: 7

Source: Own Picture

5.7 Housing

A key aspect of the recovery of the CBD is the increasing number of residents who have moved into the area, drawn by the efforts of the non-profit Johannesburg Housing Company (JHC). JHC operates on three fronts:

- Buying vacant land in the CBD and developing townhouse complexes.
- Buying existing blocks of flats and refurbishing units.
- Buying hotels or hostels and converting them into housing.

The company together with other private investors has provided accommodation for a variety of income groups ranging from low to medium income groups. These income groups have been the core business area of JHC; the project manager at JHC Mrs. Dombolo Masilela on an interview said this. Local and international groups support her work.

She stressed the importance of increasing the residential component of the CBD to create a 24-hour inner city and providing accommodation to the poorer sections of the community closer to their work places as envisaged by JDA, which they work closely with. She said that her company has provided 1 842 housing units (of which less than 5% are vacant) in Troyeville and Jeppestown in the east, in Joubert Park and Hillbrow, and in Newtown and Fordsburg in the west. At present, income from these units more than covers operating costs. The surplus is used to pay back debt raised on the commercial market.

Another milestone in the city's housing provision according to Yael of JDA, was the establishment of the Property Owners' and Managers' Association (POMA). POMA consists of about 20 major landlords and residential property managers controlling about 1500 buildings in the inner city. They seek to promote best practice in the inner city's residential market and have a Code of Conduct that seeks to create an investment friendly environment in the property market.

5.7.1 Mixed income and transitional housing

The R100-million Brickfields high- and low-rise housing project is currently under construction at the vacant site in Newtown. Although the project is a bit behind schedule it is anticipated to be complete in about 12 months time. The project will provide accommodation for between 2 500 and 3 000 people. Depending on the size of the units, rentals will range from about R500 a month for a single room, to R800 a month for a one-bedroom flat and R1500 a month for a townhouse unit. Each unit has 24-hour security and is cleaned daily. JHC owns 17 buildings and provides work for about 4 000 people, in addition to those who will work on the Brickfields project.

The partners for this project include among others the National Department of Housing, the City of Johannesburg, the Central Johannesburg Partnership, the National Housing Finance Corporation, the Gauteng Department of Housing and Land Affairs, Anglo American and Anglo Gold, Absa. International bodies such as the European Union, the Flemish Regional government, JP Morgan and the US Agency for International Development area among the foreign organisations that put up the original donor funding of about R70-million. Below is the picture of the project in construction.

Brickfields Project in Construction



Figure: 8

Source: Own Picture

CHAPTER 6

CONCLUSION

6.1 Success

The regeneration process of Joburg as outlined has already resulted in the major investments as previously quantified in the previous chapter. The commitment of the Government to the process can be deemed to have contributed a lot to the positive spin offs that are slowly emerging. The investors had bought into the renewal process and had put their money where their mouth is. All the six areas: Braanfontein, Constitution Hill, Newtown, Jeppe, Faraday, and Fashion District have seen major increase in investments. Financial and Insurance institutions such as ABSA, FNB and Liberty Group have played a major role. In this regard the strategy can be hailed as a success.

Unlike its African counter parts the Joburg renewal was backed to a large extend by the Government at all spheres: National and Local Government. This commitment by the Government together with the inclusion of the relevant stakeholders especially community representation have resulted in the acceptance of the strategy by the people. The community through their representation have been consulted in the formulation of the strategy hence its success. The star dated Wednesday (2004/06/30), run an article on this, "Revitalising the CBD." It says that Joburg is in the process of reinventing its self, and it has the massive political and financial commitment from local and provincial Government and community support.

This is not to say that there are still not areas of major concern. Crime has for a long time been an issue. There is however a positive signs of the rate going down. The statistics of the survey conducted by the business against crime bear evidence to this. In the survey conducted last year 92% of the people interviewed said they consider relocating or investing in the CBD. This survey also found that 82% of the interviewed were very positive about the future of the inner city, while 72% was positive that the inner city could be a great African World class city, Star 2004/06/30. The JDA has set it as its mission to turn Joburg into the typical African city. Walking down the streets of the city it is not easy to see this coming into being. The Johannesburg Central Partnership has defined the African city as the one that reflects the demographics of the country and Johannesburg certainly does. Unlike Cape Town CBD and Sandton CBD, which are populated mostly by white people, Joburg CBD is mostly 80% populated by the Black people. It has become a very vibrant city with a range of colourful places such as Faraday Market with a range of traditional medicine stalls and Metro Mall with the taxi rank.

The economic revival seems to have been achieved by all the six projects. The SMME'S and informal sector as indicated in analysis chapter had benefited to a great extend as the principal beneficiaries example of such is the fashion district, Faraday etc. This has contributed to the whole city's positive economic performance. The strategy has also achieved the better living conditions and much improved housing conditions.

The social housing programme headed by JHC has made these possible in the developments such as Carr Gardens in Fordsburg. The emerged interest in the housing investment in the inner city has also attracted different developers targeting different markets from low to high income. Urban oceans have been the leader in this area targeting young professionals such as Accountants, Lawyers, and Architects etc.

6.2 Shortfalls

Not yet at an acceptable level. Urban blight, with residential overcrowding and illegal occupations, pock-marks the Inner City fabric; unmanaged informal trading and taxis exacerbate a largely gritty public environment and serious social problems associated with poverty are still rampant. Government has yet to satisfactorily address the plight of the urban poor and the issue of meaningful, sustainable job creation.

Though the strategy can be hailed as success there is still a lot to be done. Billions of rands have been allocated to make the regeneration of Johannesburg's inner city a reality over the next three years from 2002. The City, in the first business plan developed for the inner city regeneration strategy, estimated that the cost of rejuvenating the area and bringing private investment back will be about R2, 8-billion from July 2004 to 2007. An amount of R1, 9-million has been allocated, although there is still a shortfall of R915-million. But - as the inner city regional director, Yakoob Makda, points out - these amounts are estimates only. Makda is confident that business commitment will lead to a chain reaction of investment in the area. It's barely days after the release of the plan and businesses are already coming on board, he says.

The business plan, which is spearheaded by the City of Johannesburg, aims to co-ordinate the efforts of all agencies involved in the regeneration of the inner city. These include several council departments, utilities such as City Power and Pikitup, the Johannesburg Development Agency, the Johannesburg Property Company, the Johannesburg Roads Agency and the Metro Trading Company - as well as Blue IQ and provincial departments.

Makda says that there are pockets of money all over the place that are going towards the inner city. The process is being co-ordinated by the Inner City Task Force. The task force is "unique to Johannesburg", he added, www.jda.org.za cited 14 February 2005. The strategic importance of the inner city to the development of Johannesburg as a world-class African city in the context of increasing global connectivity cannot be understated.

Overall the city has succeeded up to so far in its renewal objectives but as Makda said, the inner city has deteriorated over the past two decades. The regeneration process is going well. But it will take time. It won't happen overnight and the city is on the track. The City Regeneration Strategy of 2003 and its subsequent success are the result of nearly a decade of focused energy and partnership between the public and private sectors that recognised the economic and strategic significance of the Inner City of Johannesburg. It will never again be what its mining camp, colonial and apartheid history once dictated - but, through this energy and partnership, it is steadily moving towards its vision as it emerges as one of the great cities of this continent - an African World Class City.

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