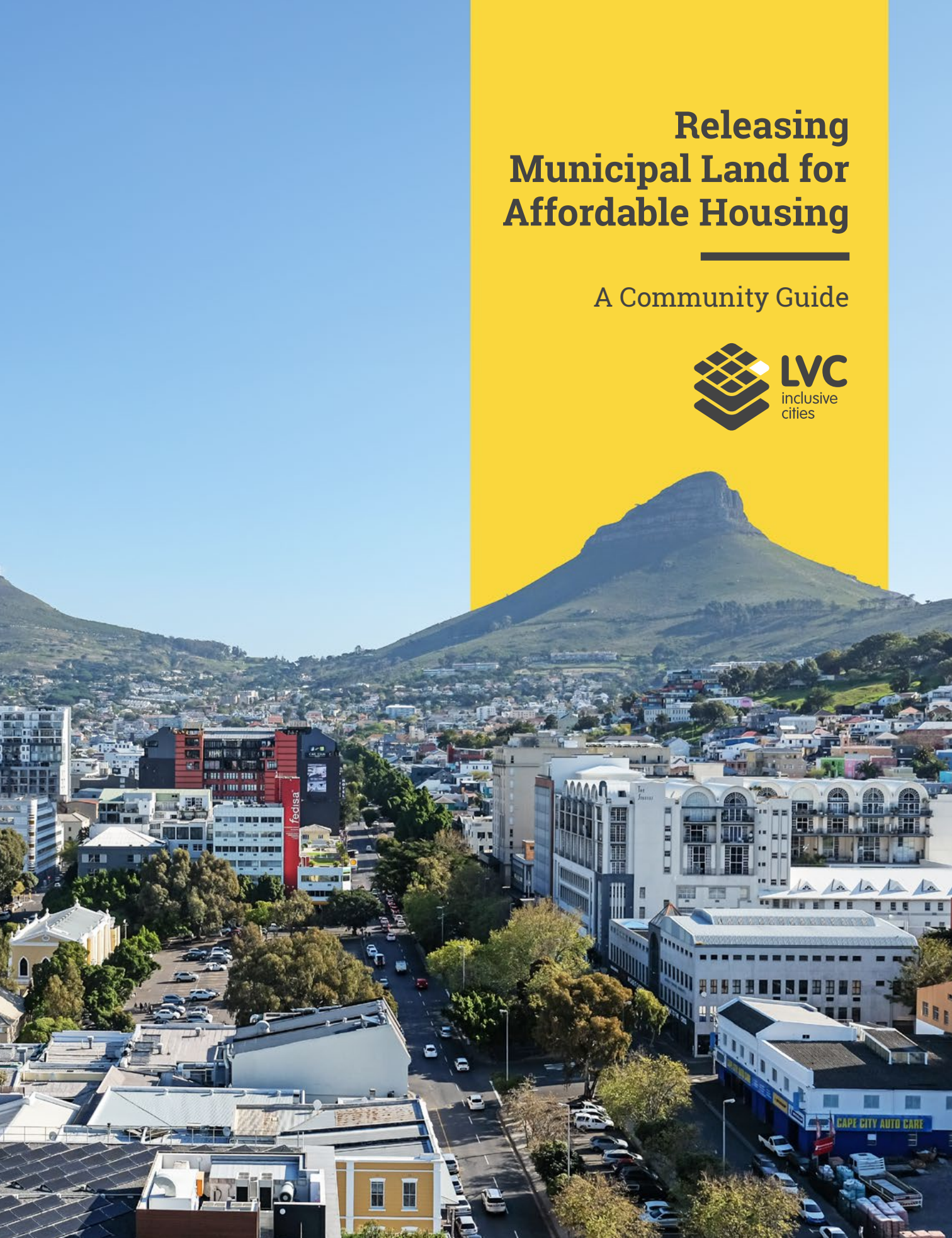


Releasing Municipal Land for Affordable Housing

A Community Guide



This guide is part of a collaborative research project aiming to improve understanding of the intricate process involved in releasing municipal property for social and affordable housing in well-located areas. To explain the complex process, the report **Releasing Municipal Land for Affordable Housing (RMLAH)**—which documented how that process unfolded in Cape Town, eThekweni, Johannesburg and Tshwane—was published in 2024.

This report was the result of a project undertaken by a group of practitioners, technical experts, and academics from different spheres of society, all with different knowledge and specialised expertise. Specifically, The Development Action Group (DAG), the Human Sciences Research Council (HSRC), The National Association of Social Housing Organisations (NASHO), and the Centre for Public Real Estate (CPRE).

Following on from the RMLAH, this guide is specifically intended for communities wishing to understand—and thus engage with and influence—the process of municipal land release for the development of affordable-housing in their areas. Translating the “official process” described in the RMLAH, this guide places particular emphasis on where and how CBOs can get involved.

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GLOSSARY

Look out for the Glossary icon in the guide, where some of these terms may be used without any additional explanation.



Affordable housing is a broad and all-encompassing term covering residential property for sale or rent that is accessible to individuals or families with low- to moderate-income levels. The cost is reasonable and manageable for households, and ensures they can obtain decent and safe shelter without excessive financial burden. The reports in this series employ a broad definition of affordable housing, which includes social housing, mixed-income housing, as well as private sector-led affordable housing.

Concept: refers in this guide to the vision or idea for property development on a piece of municipal land.

Due diligence: is the process of thoroughly investigating and verifying information before making a decision, especially in business, legal, or financial transactions. It helps assess risks, obligations, and potential benefits before committing to an investment, agreement, or purchase.

Feasibility: refers to whether a proposed development project is practical, financially viable, legally permissible, and environmentally sustainable. Assessing feasibility helps determine whether a development can proceed successfully.

Land Release (or Disposal) Process: refers to the entire process of making public land available for affordable housing. Guided by existing policies, laws and regulations, the process varies by municipality, but generally includes the following steps: identifying (and reserving) the land; developing a concept for and packaging the land; preparing the land by securing planning and other approvals; valuing the land and obtaining formal authorisation to sell; “disposing” or selling of the land by establishing bid criteria for developers; and building legal safeguards into the disposal (whether sale or lease) to ensure that development actually happens on site. Running through all of these steps is consultation—both internally (within administrative and political arms of municipalities) and externally with the local community and other interested parties. While the term “land release” often is assumed to include the final step of “land development”, in practice it encompasses the steps that lead to land being “shovel ready”—that is, in a state where development can proceed unencumbered, and thus lead to the delivery of affordable housing.

Mixed-income housing (Also mixed-market housing): refers to developments that mix affordable housing (which can be social, gap or private-market) with higher income or ‘market’ housing, where the market units cross-subsidise the affordable ones.

Municipal land refers to land owned by municipalities, municipal departments or other municipal entities (as opposed to land owned by provincial or national entities, or privately-owned land).

Property market (Also “market-rate”): Refers to the buying, selling, and renting of real estate (residential, commercial, and industrial). Property markets are called exclusionary when access to property ownership or rental opportunities are restricted for certain groups, often based on income, historical inequalities, zoning laws, and market-driven factors. This results in a city where low- and middle-income residents are pushed to the periphery, reinforcing spatial and economic segregation.

Social amenities (also social facilities): A public facility or infrastructure that serves the social and community needs of residents (e.g., education & healthcare facilities, social service centres, libraries, public parks, community halls, cultural & heritage sites, etc).

Social Housing: Housing produced under the provisions of the Social Housing Act (NDHS, 2008) and related policy frameworks such as the Social Housing Policy (NDHS, 2005) and the Housing Code (NDHS, 2007). Managed by social housing institutions or other delivery agents, in Cape Town it is for households with incomes between R1,501 and R15,000 per month (national & provincial income brackets differ). The purpose of social housing is to promote social transformation in order to tackle various structural, economic, social and spatial imbalances and distortions.

Social Housing Institutions (SHIs): Organisations accredited under the Social Housing Act, which carry on the business of providing rental or co-operative social housing options for low- to moderate-income households on an affordable basis, ensuring quality standards and maximum benefits for residents, and managing that housing stock over the long term (NDHS, 2008).

Social value: The broader benefits of development to the community beyond economic gain. Social value includes qualities like social cohesion, equitable access to resources, preservation of cultural heritage, and residents’ overall wellbeing, among others.

Statutory: Refers to “legally required”, as in the public participation process requirements built into the four “official” phases that make up the MLR process.

Well-located land: refers to land (or properties) close to economic opportunities and social amenities, transport networks, proximity to existing infrastructure.

01 INTRODUCTION

What is municipal land and why is it important for affordable housing?

You may have heard about the City “releasing” or “disposing of” municipal land. These terms refer to the act of making municipality-owned land available—whether through sale or lease—for development. While all municipal land has value, that which is “well-located”—or close to economic opportunities and social amenities—is particularly important when it comes to addressing the affordable housing crisis in South Africa’s cities.

Unlike private landowners, municipalities are bound by constitutional obligations to ensure access to adequate housing exists. This makes municipal land in desirable locations a key resource in addressing the chronic affordable housing shortage, especially in cities with exclusionary property markets like Cape Town.

By understanding the process known as “municipal land release”, citizens and organisations can better advocate for well-located public land to be used for affordable housing (or other social amenities) within their communities.

What is this guide?

While you may think that the City should be able to easily release its own land for its own stated priorities (like affordable housing), doing so is not so simple. Numerous legal, financial, administrative, and political processes intended to improve outcomes and prevent fraud must be followed. If done incorrectly—or too slowly—the land may never be released, or released but never actually developed.

To explain the complex process dictating the release of municipal land—and the associated minefield of regulatory, technical, and bureaucratic obstacles—the report *Releasing Municipal Land for Affordable Housing (RMLAH)* was published in 2024. The first resource of its kind, that report outlined all of the steps involved in releasing well-located municipal land for affordable housing. Intended for municipal officials and land-use advocates, the report’s positive reception clarified the need for a version speaking directly to community-based organisations (CBOs).



The terms “land release” and “land disposal” are used interchangeably, and refer to all the required steps—land identification, preparation, public ‘release’ (for sale or lease), and development—involved in making public land available.

Like national and provincial government, municipalities own a sizeable amount of vacant and underused land.

This guide is a tool for communities wishing to understand—and thus engage with and influence—the process of municipal land release for the development of affordable-housing in their areas.



As such, this guide is a tool for communities wishing to understand—and thus engage with and influence—the process of municipal land release for the development of affordable-housing (and other social amenities) in their areas. Using the municipal land release (MLR) process outlined in the *RMLAH* as its foundation, this community guide translates that “official process”—placing particular emphasis on where and how CBOs can get involved. Importantly, this guide recognises the challenges communities face when trying to meaningfully engage with existing processes. As such, this guide includes other paths citizens can take to proactively participate in and influence the land release process.

Importantly, most of these routes (e.g., input into the Local Spatial Development Framework or LSDF), precede the “official” MLR process. In other words, getting involved earlier in broader planning processes can be more effective than waiting for the statutory (legally required) public participation processes surrounding a specific development (as it can be the case that by the time the latter occurs, most of the important decisions have been made).

Why use this guide?

Examples of individuals who might use this guide:

- Neighbourhood association leaders who want to ensure more decent affordable housing becomes available in the community.
- Members of CBOs that have conducted land audits: you’ve identified available land parcels well-placed for affordable housing, but want more understanding of the MLR process.
- Citizens who notice a piece of municipal land that is up for release, i.e. to be sold, leased or put on auction in their area or elsewhere within the City: you want to track how that land is used, and/or ensure it’s used for something of real benefit.



Acronyms:

BEC	+	Bid Evaluation Committees
BNG	+	Breaking New Ground
CBOs	+	Community Based Organisations
CoCT	+	City of Cape Town
DMS	+	Disposal Management System
DSDF	+	District Spatial Development Framework
HSD	+	Human Settlements Department
IDP	+	Integrated Development Plan
IPAC	+	Immovable Property Adjudication Committee
LSDF	+	Local Spatial Development Framework
MATR	+	Municipal Asset Transfer Regulations

MCCOCTIPP	+	Management of Certain of the City of Cape Town’s Immovable Property Policy
MFMA	+	Municipal Financial Management Act, 56 of 2003
MLR	+	Municipal land release
MSDF	+	Municipal Spatial Development Framework
ODA	+	Other Delivery Agent
PM	+	Property Management Department
PPP	+	Public Participation Process
RMLAH	+	<i>Releasing Municipal Land for Affordable Housing</i> report
SCM	+	Municipal Supply Chain Management Regulations
SHI	+	Social Housing Institution
SHU	+	Social Housing Unit
SP	+	Spatial Planning and Environment Directorate
WC	+	Ward Councillor

This guide uses icons to flag information for easier reference:



Engagement:

opportunities to engage outside of the “official” process.



Public Participation

Process: statutory (legally required) PPPs within the official process



Resource: Useful information to understand MLR



Innovation: Solutions or pro-active approaches to the issues



Tip: Extra advice / suggestions!



Warning: Instances where CBOs could easily “miss” opportunities, or where information may not be readily accessible.



Glossary: Terms or concepts in the glossary, not explained in the text.

Equipping community partners and organisations with the information, knowledge and insights required to better participate in the City's housing and land-use processes, this guide:

- outlines all of the steps involved in the official municipal land release (MLR) process in Cape Town;
- highlights entry points for communities to engage—and barriers to that engagement—within that process;
- provides advice and tips on navigating that process to its end;
- discusses opportunities to engage in land-use decisions *outside of* (and often *preceding*) the existing MLR process; and
- provides easy-to-reference resources (e.g., key institutions, a glossary of important terms, legislative elements, etc.)

Who is this guide for?

Community-based organisations (CBOs), civic organisations and non-governmental organisations (NGOs), land activists and neighbourhood associations wishing to understand, participate in, and influence municipal land-use decisions for affordable housing development in their areas.

Advocating for action informed by knowledge, this guide hopes to help spark new forms of engagement and a positive feedback loop to shift dynamics in what can appear an unresponsive system. By feeding knowledge of local needs and conditions into local planning processes, communities can help the City improve the quality and ultimate value of its land disposal decisions. Such constructive community engagement could meanwhile erode municipal concerns that disclosing information about development plans for public land will lead to increased informality.

Part I provides the context for understanding MLR; that is, basic information about the laws, municipal institutions, and relevant categories of affordable housing.

Part II describes the official MLR process (broken into Phases and Steps) as it plays out in Cape Town, as well as routes outside this process that may (equally) influence land release.

Part III covers key challenges raised by CBOs that have tried to engage in land-use planning and MLR processes, and starting-point “solutions” to these.

Part IV summarises the tactics and recommendations from the entire guide.

Part V offers a starter list of additional resources.



02 The “backend” of Municipal Land Release for Affordable Housing



Importantly, this guide recognises the challenges communities face when trying to meaningfully engage with existing processes

This section introduces the categories of affordable housing relevant to this guide and the MLR process in the City of Cape Town (CoCT); the laws (legal framework) dictating how MLR occurs; and the players (key institutions) involved.

What is affordable housing?

Affordable housing programmes in South Africa are determined by the country’s National Housing Code of 2009,¹ which defines the principles, guidelines, and implementation strategies underpinning the various categories of affordable housing programmes (e.g., Breaking New Ground, Upgrading of Informal Settlements Programmes, etc). At the time of writing (early 2025), the country’s Housing Code was under review (as called for by the Department of Human Settlements Draft White Paper 2024).²

For the purposes of this guide, affordable housing refers to “pure” social housing and/or “mixed-income affordable housing”. Because land in Cape Town is so expensive, “pure” social housing projects are largely unfeasible (not financially possible). As a result, the City has increasingly prioritised mixed-income projects—built on higher-value, larger properties—to try and meet affordable housing goals. Thus, the land release process described in this guide focuses primarily on mixed-income projects on land worth more than R50 million. That said, the steps and principles are essentially the same for projects on less expensive land.

Affordable Housing Programmes & municipal land

Social Housing:

Affordable rental housing provided by government-accredited social housing institutions (SHIs) or other delivery agents (ODAs) in “well-located” urban areas to promote integration and access to opportunities for households earning between R1,850 and R22,000 per month (according to the provincial and national definition), or R1,501 and 15,000 in the City of Cape Town (CoCT).

Role of Municipal Land: Essential to feasibility in well-located areas.

Mixed-income developments:

Usually the result of partnerships between private developers and/or SHIs alongside the CoCT, these developments include both affordable (social or “gap market” housing) and “market-rate” units, where the latter partially subsidise the former. Gap market housing assists households earning too much to qualify for BNG housing, but too little for a bond (i.e., between R3,501 and R22,000 per month).³

Role of Municipal Land: Essential to feasibility in well-located areas.



What are the rules? The legal framework governing the release of municipal land

The laws: a quick guide

It is important to be familiar with the laws or “legal framework” that guide how municipal land release can happen. The main laws are:

- **Municipal Financial Management Act, 56 of 2003 (MFMA):** the foundational law governing land release regulations and policies.
 - The **MATR (Municipal Asset Transfer Regulations)** and **SCM (Municipal Supply Chain Management Regulations)** give effect to—or provide the specifics of how to implement—the MFMA’s broad framework.
 - While these national laws apply to every municipality, each City can interpret them differently.
- **Management of Certain of the City of Cape Town’s Immovable Property Policy (MCCOCTIPP):** A CoCT-specific policy, also based on provisions in the MFMA/MATR framework.

MFMA: Municipal Financial Management Act, 56 of 2003

The MFMA provides the foundational legal framework for all municipal land release in South Africa. Its primary purpose is ensuring sound and sustainable management of municipal financial affairs; that is, preventing assets or resources from being squandered.⁴ Key points specific to land release:

- Municipalities cannot sell land that they (may) need in future to provide the minimum level of basic service delivery.
- Before municipal land can be sold, Council must hold a meeting open to the public, in which it must determine:
 - If the land/property is needed to provide the minimum level of basic services;
 - If the sale will bring fair market or equivalent social value to the community.



MATR: Municipal Asset Transfer Regulations

Outlining how the MFMA is actually implemented, *the MATR serves as the primary guidance for the MLR process*. Dealing with the transfer (whether sale or lease) of all municipal land and property, the MATR establishes:

- how and when municipal land can be disposed of;
- the general process that should be followed;
- when land can be sold at a discount; (see pg31)
- the other factors a municipality must consider when disposing of capital assets like land (see Step 5, p31).

SCM: Municipal Supply Chain Management Regulations

Also guiding MFMA implementation, SCM regulations explain the rules for municipal supply chain management policies and practices, including the disposal of municipal land release.⁵

- Crucial to land release, SCM regulations state that every municipality must have a **disposal management system** (DMS) for its assets (see Phase 3, p29).
 - Cape Town's DMS is defined in the MCCOCTIPP.
- SCM regulations additionally describe the broad process for bid specification and adjudication, which are both important parts of the land release process (see Step 6, p32).

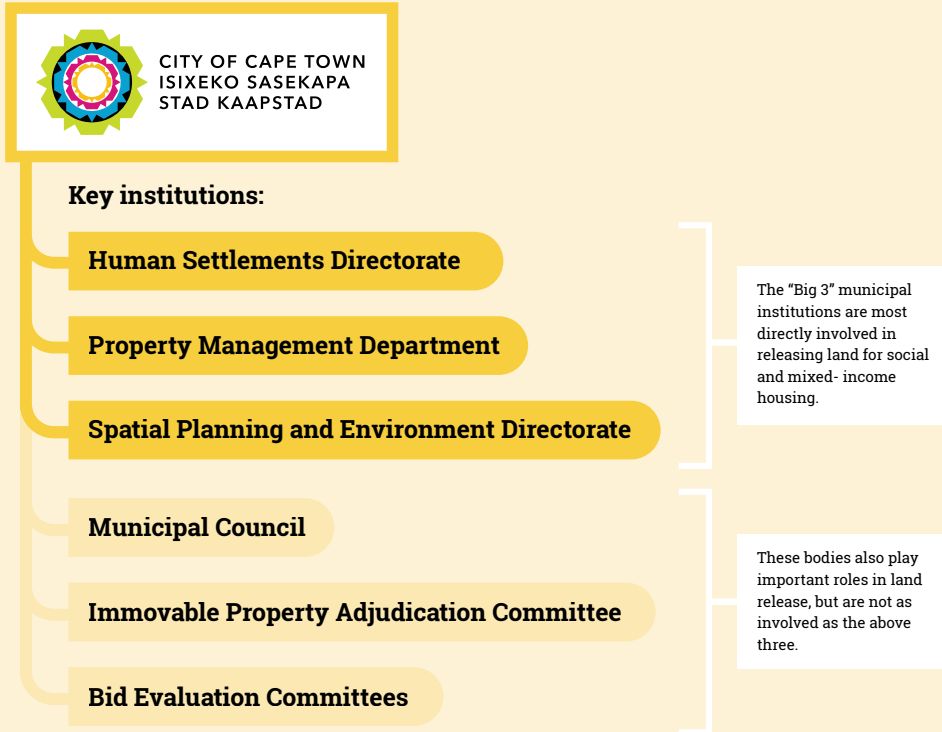
MCCOCTIPP: Management of Certain of the City of Cape Town's Immovable Property Policy

This CoCT-specific policy governs the City's management of municipal land. Key to releasing land for well-located social and mixed-income housing, it defines the rules and terms of the City's DMS (with which all property disposals must comply), and provides more detail on the land release processes outlined in the MATR. These include:

- defining the City's property management principles;
- explaining when and how the City can dispose of land;
- providing more detail on discounted land prices (see pg32); and
- allowing the City to use committees to prepare bid documents and evaluate and adjudicate bids for municipal land (see Step 6, p32).

Who is involved?

There are three key municipal institutions or bodies involved directly in releasing land for both social and mixed-income housing.



Human Settlements Directorate

The Human Settlements Directorate (HSD) *bears prime responsibility for managing land release for all housing* across the City, including social and mixed-income housing. Sitting under the HS Directorate, the **Social Housing Unit (SHU)** specifically drives social housing projects.

Key responsibilities of HSD:

- Building a pipeline of land for social and mixed-income housing. This involves identifying suitable municipal land and submitting requests to the Property Management Department to reserve that land. (See Step 1, p22)
- SHU undertakes due diligence and pre-feasibility studies of sites that HSD has identified for the pipeline. (See Step 2, p23)
- To reduce risks and costs to developers, the SHU has started doing the rezoning and securing of development rights for some sites, prior to disposal. (See Step 2, p23)



■ Property Management Department



The custodian or guardian of all municipal land, Property Management (PM) plays a key oversight role, meaning it must ensure all land release and any proposed discounts on that land are legal (compliant with the MFMA and MATR). Notably, one of PM's objectives is to maximise revenue or profit from municipal land disposals—a principle often at odds with making affordable housing development feasible.

With the City increasingly proposing mixed-income developments to address the affordable housing shortage, PM has become more involved in land release for affordable housing. This is because unlike “pure” social housing, mixed-income developments have a commercial or profit-driven element. That commercial aspect means more rules from the MATR apply, increasing PM's oversight role.

Key responsibilities of PM:

As custodian of and regulatory body for all municipal land, PM holds sole responsibility for:

- sharing information about surplus land and buildings to the City's line departments;
- accepting or rejecting reservation requests from City departments;
- ensuring land release is compliant with all legal regulations (MFMA, MATR, SCM);
- ensuring SCM regulations are adhered to when calling for and assessing bids. (See Step 6, p32)

PM also assists with and participates in:

- property valuations (Step 3, p29);
- bid specification and evaluation committees (Step 6, p32).



The PM Director also authorises the public participation process for the disposal of properties on land valued under R50 million. The same authority for properties on land valued over R50 million sits with Council.⁶

■ Spatial Planning and Environment Directorate

Responsible for land-use management across the City, the Spatial Planning and Environment Directorate (SP) plays a major role in rezoning, approving land-use applications, and granting development rights for all property developments.

SP is less involved in MLR than the other two departments, but assists in:

- scrutinising or reviewing building plans for social and mixed-income housing projects;
- identifying suitable land (finding well-located and easy to develop sites, roughly assessing those, and giving that information to the **Forward Planning Unit** in Human Settlements);
- developing **land assessment protocols** for HSD;
- packaging and preparing smaller sites for development. (See Phase 2, p23)

In addition to “the Big 3” above, the following bodies also play important roles in land release.

■ Municipal Council

Council plays an important role in land release, *holding final authority at key stages of the process*, including:



- authorising public participation on sites with a market value of over R50m;
- granting in-principle approval of land sales and leases; (See Step 5, p31)
- attaching conditions to land disposals; (Step 5)
- deciding whether to discount the price. (See pg31)



■ Immovable Property Adjudication Committee

Established in terms of MCCOCTIPP, the Immovable Property Adjudication Committee (IPAC) is the *final decision-making authority that approves or rejects a proposed municipal land sale*. It also recommends whether Council should grant in-principle approval for the disposal of a site. (See Step 5-8, pp31-33).

IPAC’s composition changes from time to time, but must always include at least one SCM representative. Cape Town’s IPAC is specific to the City, but other municipalities also have their own IPACs.

■ Bid Evaluation Committees

Bid Evaluation Committees (BECs) are temporary structures that receive bids, evaluate them, and make recommendations to IPAC. Established for certain tenders and disbanded thereafter, membership shifts depending on which departments are involved in a specific project. (See Step 7, p32.)

In social and mixed-income housing projects, BECs generally include representatives from Human Settlements, valuers, other specialists and, if the property is high-value, external auditors. Like IPAC, the BECs discussed here are specific to Cape Town, but other municipalities also have their own BECs.

Right: Cape Town’s CBD is rapidly developing—but the highly exclusionary nature of South Africa’s private land and property markets means that these spaces remain out of reach for the majority, reinforcing patterns of urban inequality. Credit: Zacharia Mashele





03 The Land Release Process: Phases & Steps

To best serve community organisations and citizens, this guide specifically highlights where communities can influence land release decisions

Left: Inclusive cities take shape from the ground up—when communities are involved in the decisions behind every brick and beam, they help build urban spaces that are truly just and equitable.

This section outlines the phases and steps of the “official” MLR process in Cape Town—a process detailed more fully in the report, *Releasing Municipal Land for Affordable Housing*. The first instance of the whole MLR process being captured in one place, that report unpacked how the process varies between cities.⁷ Importantly, that publication also **established a common language**, so that everyone—from municipal officials and developers to citizens and activists—can use the same terms when discussing this complex process.

To best serve community organisations and citizens, this guide specifically highlights where communities can influence land release decisions. That is:

1. Flagging the “statutory” (legally required) public participation process requirements built into the four “official” phases that make up the MLR process.
2. Highlighting ways communities can seek to influence the process, outside of or in addition to those mandatory public participation processes. Because most of these “additional” opportunities occur before the official process kicks-in, they are designated here as “Phase 0”.

“PHASE 0”: Getting land on the city’s radar before the MLR process kicks in



Municipal land considered for release for affordable housing development typically will already be in the City’s “pipeline” of land and property. So how does a piece of land get into that pipeline? And how can CBOs proactively get land considered?

Spatial planning processes

Although not part of the MLR process, the City’s existing development and spatial plans are the context within which land-use decisions—including which land will be released for affordable housing—are made. Understanding these processes and where you can engage within them is important!



The IDP and SDFs

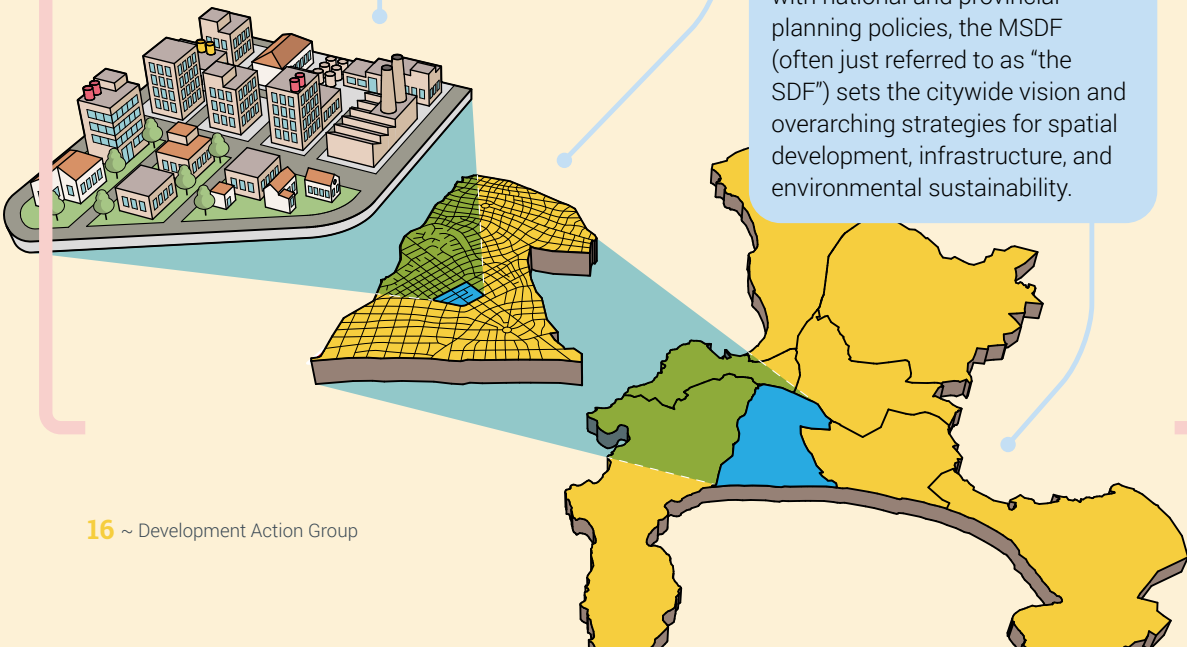
The **Spatial Development Frameworks (SDFs)** are the City’s strategic planning documents. Translating IDP goals into spatial terms at the municipal, district and local levels, the SDFs together outline the municipality’s long-term spatial vision and goals.

The **Integrated Development Plan (IDP)** is the City’s overarching five-year strategic plan. It sets strategic goals for the municipality (e.g., promoting economic development, providing housing, improving public services, etc.) the IDP can be thought of as a “wish list”.

Local SDF (LSDF): Providing the most detailed level of planning, LSDFs translate broad goals into specific projects and policies, and speak to the needs of neighbourhoods, precincts, or growth nodes. Guiding zoning and land use decisions, LSDFs shape how land is allocated and developed across the city, while also ensuring development is consistent with district and municipal guidelines.

District SDF (DSDF): Each of Cape Town’s eight districts has a **DSDF** that breaks the MSDF vision down into district-specific opportunities, challenges, and priorities.

Municipal SDF (MSDF): Aligning with national and provincial planning policies, the MSDF (often just referred to as “the SDF”) sets the citywide vision and overarching strategies for spatial development, infrastructure, and environmental sustainability.





Although in theory all of the following planning processes include multiple channels for community engagement (e.g., formal submissions during the IDP drafting phase, ward-based consultations related to the IDP review, etc.), in practice, the higher-level plans do not really incorporate community-level feedback. That said, the LSDF offers genuine opportunities for community input. In addition, land audits are a way for communities to get land on the municipal development radar at any time.



Get involved with your LSDF

LSDFs in Cape Town typically are reviewed as part of the broader SDF process. There is no fixed frequency for the review of LSDFs, but opportunities for engagement include:

- **Alignment with Citywide SDF Reviews:** LSDFs are updated alongside the main SDF, which is reviewed every five years. In many cases, changes at the municipal level (e.g., economic shifts, infrastructure development) prompt revisiting of LSDFs.
- **Ad Hoc Reviews:** There is no mandatory fixed timeframe for LSDF reviews, which are often driven by specific needs (e.g., new developments, zoning changes), especially if urban dynamics change significantly. Examples include:
 - **Major Urban Development:** Large-scale projects or significant land use changes in a district (e.g., new residential, commercial, or industrial zone development).
 - **Community Input or Policy Adjustments:** Changes to community priorities or policies around issues like affordable housing, land use, or environmental conservation change can trigger a review.
- **Legislative Changes:** Amendments to national or provincial policies, including changes in zoning laws or the introduction of new spatial planning regulations, may require a review of the LSDF/SDF.
- **Ongoing Engagement:** Beyond structured reviews, communities can continuously engage on their LSDF through participation in ward committees, public forums, or direct submissions to the City Planning Department to raise concerns or propose ideas related to spatial development.
 - Community members should coordinate to try and agree on issues they want to raise. The more organised you are, the more seriously you will be taken.



Conduct a land audit:

A land audit is a systematic assessment of land to determine its availability, suitability, and potential for development for affordable housing. Conducted in collaboration with potential beneficiaries, it ensures that community needs shape the development process. By identifying underutilised land parcels, CBOs can challenge municipal and private entities to release land for housing and community needs. That said, it is important to be aware that the land audit process can be extremely lengthy! It can take years to get from the initial decision to pursue action on a land parcel (identifying the land through the audit) to its actual release, let alone construction. Even after completing the land audit and submitting a proposal for the land, a significant amount of time may need to be invested in advocacy; that is, building relationships, locating government champions, and lobbying or convincing the government through different tactics to get and keep your issue on the agenda. Also, don't neglect to celebrate the quicker wins along the way: this can be key to maintaining morale and keeping people on the journey.





1 Define the Purpose and Scope with beneficiaries: A land audit must be collaborative!

- Engage potential beneficiaries through workshops or surveys.
- Gather community input on needs and priorities.
- Use local knowledge to identify vacant/underutilised land.
- Define audit goals, vision, and scope.

2 Capacitate Beneficiaries: Communities must be informed and empowered to shape land-use decisions.



- Explain affordable housing policies, subsidies, and legal frameworks.
- Explain spatial planning (IDP, SDF) and infrastructure context and constraints.
- Strengthen leadership skills for effective engagement.
- Provide technical training and policy interpretation.

3 Collaborate with Stakeholders:



- Work with CBOs, housing groups, and universities for technical support.
- Engage municipal authorities to access public land records.
- Contact professionals (planners, architects, legal experts) in your area for assistance.



4

Identify and collect data on all parcels of available, vacant, or surplus land: This is the bulk of the audit and can take many forms.

- On-the-Ground Surveys
- Mapping community assets
- Satellite and GIS Data
- Government Records

A land audit is a systematic assessment of land to determine its availability, suitability, and potential for development for affordable housing. Conducted in collaboration with potential beneficiaries, it ensures that community needs shape the process.



5

Determine Land Ownership & Legal Status:



6

7

Submit & Advocate for Approval:

Persistence is key to securing land for community needs.

- Confirm ownership and assess zoning laws, relevant municipal frameworks, and development feasibility.
- Classify land based on suitability for housing.



Create a Proposal for Development:

An organised, well-researched proposal increases chances of success.

- Develop a detailed plan with maps and recommendations (aligned with City priorities if possible).
- Quantify housing potential (e.g., Site A = 4,000 units).

Submit via:

- Political (Ward Councillor) or administrative (PMD, HSD) channels.
- LSDF review process: either an existing LSDF review, or advocate for the initiation of an LSDF process to consider your proposal—this has been done by residents associations in more affluent neighbourhoods.



Follow up & track progress!! The land audit process can be very lengthy, and persistence and advocacy are key. You can do this through:

- Policy advocacy: keep up to date on land release and policy changes, ensuring community needs are prioritised.
- Media, public events, advocacy.



The Ward Councillor

The Ward Councillor (WC) should be the **main conduit or link between communities and the municipality**. In terms of MLR, the WC should be your first port of call to reveal the status of land parcels being considered for release. Should the WC be unaware of the status of a piece of land, s/he should be able to get those details from the relevant City department, and/or know how to escalate the matter to the correct party. Although the WC has a direct line to HSD, PM, and other City departments, there is no **institutionalised framework allowing them to connect a CBO or residents association to those bodies**.

That said, a key part of getting “the system” to work for you is remembering it is made of people, and building and sustaining relationships is vital. This means checking in with your WC, officials, politicians, and implementing agents. It also means being in regular contact with the community and partners, providing them feedback and reaffirming your mandate as a CBO. Also, don’t forget to report on and celebrate successes (low hanging fruit) to ensure everyone remains on the journey.

In terms of **advancing community submissions or land-use proposals** (for example, a submission for a proposed development, following a land audit), the WC submits the proposal to the relevant department. However, the **WC has no legal authority** to advance the proposal post-submission. Given the often-lengthy submission review process, this can be extremely frustrating. That said, the WC **does have the power to advocate** generally (e.g., for land to be made available), and **must report back** to their communities (on Council resolutions, etc.) on a quarterly basis—a duty often neglected. Should your WC not respond to queries (re: status of parcels, etc.), try **approaching your district planning office**.



Getting involved earlier in broader planning processes can be more effective than waiting for the statutory (legally required) public participation processes surrounding a specific development.

Right: Figure 1: The generic (non-City-specific) MLR process, as captured in Releasing Municipal Land for Affordable Housing.

The “Official” MLR Process: Phases 1-4

Having considered the various ways you can engage development outcomes before the MLR process begins, we now arrive at the “official” process, which is separated into four distinct “Phases”, each of which is broken into various steps. Note that the graphic here depicts the ‘generic’ MLR process; the CoCT differs slightly in how it labels its steps.



AT ALL STEPS:

Consultation:

Internal (administrative/ political) and external (public) processes required for buy-in

Phase 1: Identification

Identify (and reserve) suitable sites for affordable housing



Step 1: Locate

Locate parcels of ‘raw’ land suitable for affordable housing



Step 2: Reserve

Formally set aside or reserve vacant land

Phase 2: De-risking

Due diligence to ensure that land earmarked for release can be developed



Step 3: Package

Develop a concept for the land and undertake key feasibility studies & analyses



Step 4: Preparation

Secure development rights (rezoning) and approvals (environment, heritage)

Phase 3: Disposal

Establish criteria for development, award the land, and ensure legal safeguards in place



Step 5: Valuation

Value the land



Step 6: Disposal method

Decide on best method of land disposal and solicit bids from developers



Step 7: Legal agreements

Build safeguards into the sale to protect objectives of public good and ensure development happens

Phase 4: Development

Transforming released land into affordable housing



Step 8: Construction

Physical construction process



Step 9: Hand-over

The actual provision of new affordable housing on municipal land

PHASE 1: Land Identification/Reserve land for social housing

Step 1: Locate & Reserve land for social or mixed-income housing

STEP 1 KEY POINTS

Locate & Reserve Land

HS identifies (land use assessment & due diligence) from Property Management List of surplus properties;

- SHU also proactively looks for municipal land (submit reservation requests to Property Management)
- Once PM approves requests, land is responsibility of HS

HS then earmarks/reserves the land (building 'portfolio' of properties for SH)

Actors: HS, SHU, Property Management, sub-councils, other depts



The first acts in releasing land for social and mixed-income housing are **location**—locating 'raw' parcels of land suitable for affordable housing; and **reservation**—formally setting that land aside to prevent its use for other purposes. The reservation process is the same for both social housing and mixed-income developments.

There are two main ways Human Settlements can obtain land and build its portfolio of properties for social housing:

- 1. Property Management circulates a list of surplus properties** that are not needed for other purposes to various departments before deciding whether to sell them on the open market.
 - a.** From this list, Human Settlements Department (HSD) will conduct land-use assessments and basic due diligence. Based on that, it will request specific sites, which are then categorised according to how suitable they are to develop, with strong consideration given to location.

Land assessments & basic due diligence



These actions seek to determine the suitability of sites for possible development, and should occur before a development concept is fully envisioned (in Phase 2).



- Due diligence means investigating a property to understand all the risks, responsibilities and costs involved in buying, selling, or developing it.
- Land assessment studies involve reviewing and understanding factors that can influence whether and how a piece of land is developed (e.g., studies on engineering/geotechnical factors, financial or market conditions, etc.)
- Community engagement in these initial technical assessments is very rare.



2. HSD's Social Housing Unit (SHU) pro-actively reviews municipal land, seeking to locate properties that may be suitable for social housing.

- a.** Upon locating suitable properties, SHU submits a reservation request to Property Management (PM) for those properties.
- b.** PM circulates this application to other City departments to see if any of them need the land in question, and whether it is encumbered by municipal services (i.e., insufficient infrastructure capacity).
- c.** If no other department needs it, and it is not encumbered, PM approves the application, making the land the responsibility of HSD, including its day-to-day management, maintenance, and security.

Although there is no "official" entry point for community involvement in Phase 1, the Phase 0 actions previously described can help bring land suitable for affordable housing to HSD's attention, thus increasing the possibility that it will be considered favourably in HSD's requests for reservation, and underscoring the importance of getting involved *before* Phase 1.



PHASE 2: De-Risking

One of the major findings of the *Releasing Municipal Land for Affordable Housing* report was the importance of the “de-risking” phase. The report concluded that many municipalities invest very little in the processes that make up this phase, which is where a clearer concept for development starts to be articulated. Failure to do one’s homework here has often caused failure down the line!



Step 2: Land is de-risked (packaged and prepared) for development

STEP 2 KEY POINTS

De-risk

Land is packaged, rezoned and prepared for development, including through feasibility studies. In the process the City learns what it can expect to be built on the land

- SHU keeps track of list of properties for feasibility

Actors: SHU, external consultants



In Cape Town, this Step is undertaken both for mixed-income projects and pure social housing schemes, and is comprised of:

- **Land Packaging** refers to the initial preparation of land before it is sold, and includes:
 - Developing a concept for the land (that is, what will be built; for example, a 40/60 mixed-income social housing and market-rental development).
 - Undertaking pre-feasibility studies relevant to that concept (including tasks such as engineering analyses, conveyancing, geotechnical investigations, and zoning assessments).⁸
- **Land Preparation:** Securing the development rights (applying for the rezoning and/or any other departures required) and necessary approvals (e.g., environmental impact assessments, heritage, etc.) required for the development concept in question.

The Social Housing Unit is responsible for ensuring pre-feasibility analyses are completed for the list of properties it controls (both pure and mixed-income developments). Where appropriate, it also must pursue the necessary rezoning applications and/or other land-use management processes before embarking on the disposal phase. The SHU may package and prepare the land in-house, use external consultants and/or officials in Spatial Planning, or pass this responsibility on to the developer.

Continued...



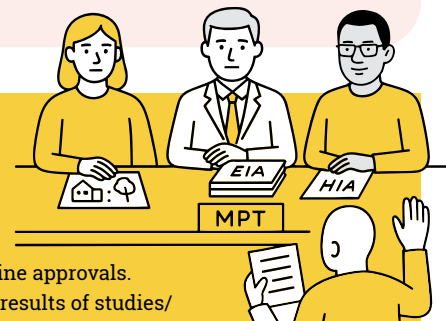
The Municipal Planning Tribunal (MPT) and Public Participation Processes

The detailed design (or “packaging”) of a development concept includes specific studies and assessments (e.g., transport impact, environmental impact, heritage, etc.), which can sometimes trigger statutory (legally required) public participation processes. These studies also determine whether the project must apply for any changes to the existing land-use (e.g., rezoning, subdivision, development departures, additional bulk, etc.), which is where the Municipal Planning Tribunal (MPT) comes in. Governed by the **Spatial Planning and Land Use Management Act (SPLUMA) of 2013**, as well as the City of Cape Town’s own municipal planning by-laws, the MPT is the legal body responsible for making

decisions on municipal land-use and development applications

that go beyond routine approvals.

Deliberating on the results of studies/assessments, as well as any objections or submissions made during PPPs triggered by those studies/assessments, the MPT considers development applications in the context of the SDF, infrastructure capacity, questions of need, etc. If the MPT approves a development over objections raised in PPPs, the Municipal Planning Bylaw and NEMA/Systems Act provides a final opportunity for community objection, via appeal authority that sits with the Executive Mayor (supported by a committee).



Key Public Participation Opportunities

The de-risking phase can include multiple public participation processes (PPPs), usually related either to Environmental and/or Heritage impact assessments, or to applications for rezoning and/or land-use departures (e.g., additional bulk rights, densities, etc.). The PPP in all cases is largely similar, as depicted in "Public Participation Steps" on pp26-27

Environmental Impact Assessments (EIA)

Regulated by the **National Environmental Management Act (NEMA)**, an EIA evaluates the potential environmental consequences of a development, and may propose measures to mitigate or reduce negative impacts. EIAs are usually required for developments involving the following:

Large-scale housing or commercial projects.

Ecologically sensitive areas (e.g., wetlands, coastal zones, nature reserves).

Infrastructure projects (e.g., roads, dams, industrial zones).

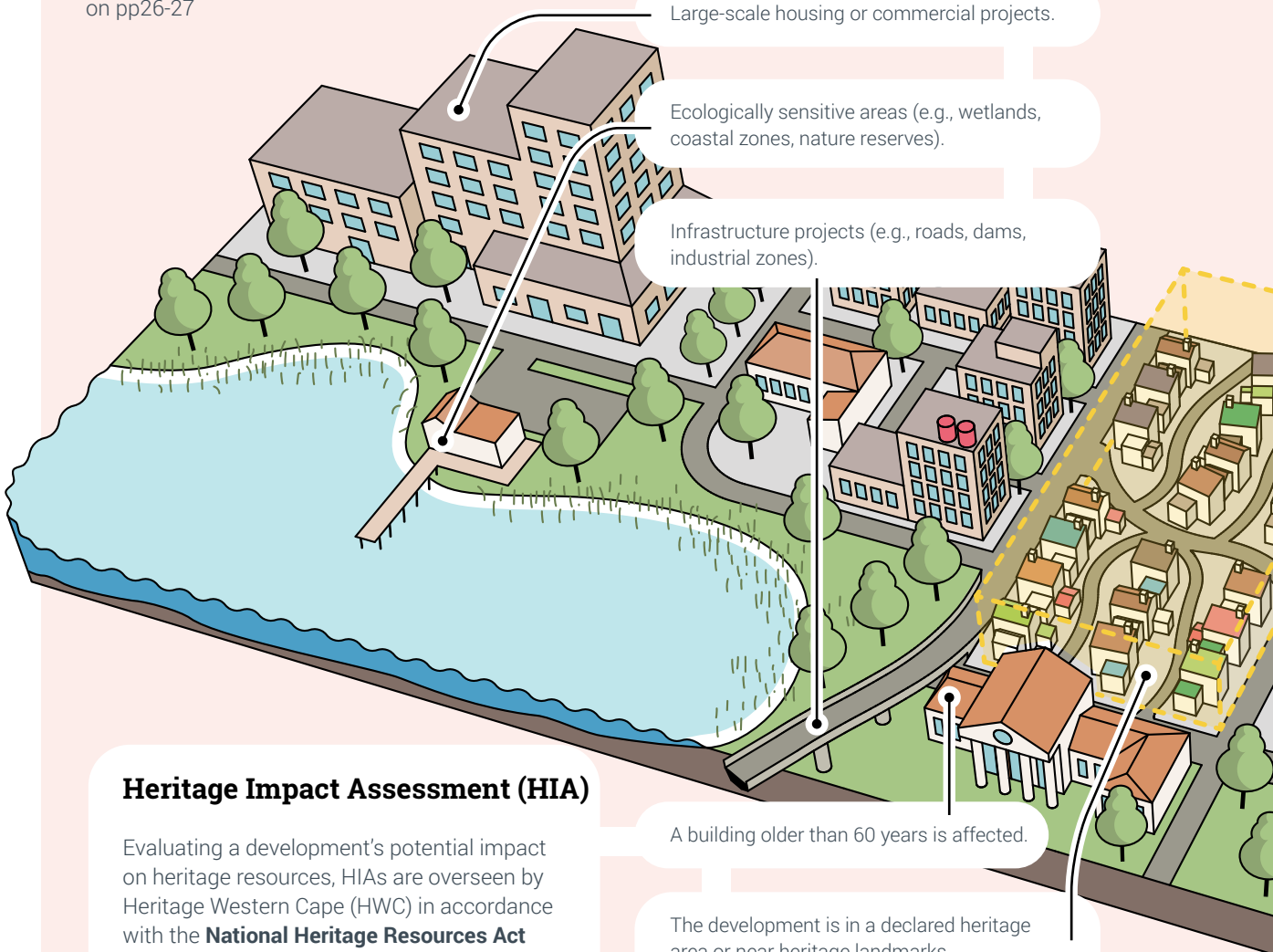
Heritage Impact Assessment (HIA)

Evaluating a development's potential impact on heritage resources, HIAs are overseen by Heritage Western Cape (HWC) in accordance with the **National Heritage Resources Act (NHRA) of 1999**. The CoCT also has local heritage protection mechanisms (e.g., Heritage Overlay Zones) in its planning regulations. HIAs may be required in the following cases:

A building older than 60 years is affected.

The development is in a declared heritage area or near heritage landmarks.

The site is of archaeological, paleontological, or cultural significance.



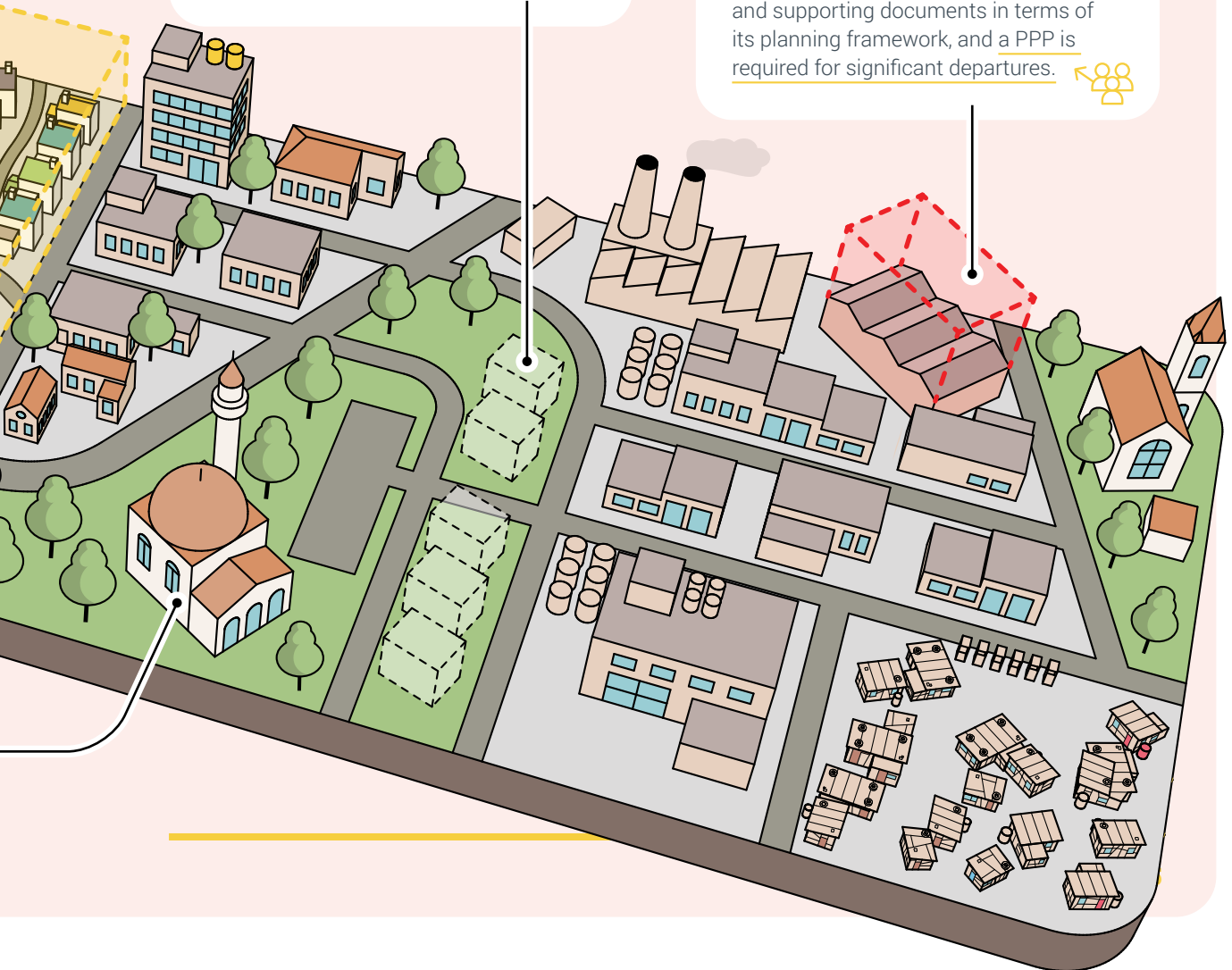
Rezoning or land-use departures

Rezoning and land-use departure applications are formal requests to change or relax existing land-use rules under the **Municipal Planning By-law (MPBL)** and the City's zoning scheme regulations.

A **rezoning application** is required to change the designated zoning category of a piece of land (e.g., converting a property's use from residential to commercial or mixed-use or increasing density from single dwellings to apartment blocks). The City's Development Management Department assesses applications in terms of the SDF and planning policies, and a PPP is required before approval.



A **land-use departure** allows a property owner to deviate from specific zoning rules without changing the underlying zoning designation. For example, "building height departures" (exceeding the maximum allowed height); "building line relaxations" (constructing closer to the property boundary); or "additional land uses" (e.g., running a small business from a home in a residential zone). The City evaluates the developer's motivation and supporting documents in terms of its planning framework, and a PPP is required for significant departures.

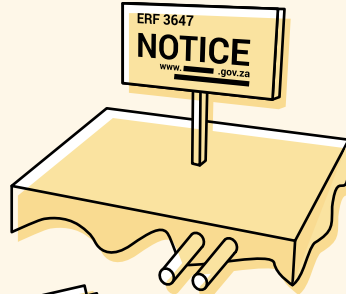


Public Participation Steps

While details can vary depending on a development's scale, location, and impact, the basic outline of the PPP remains fundamentally similar, and involves the following:

1 Public Notification

Notices published in local newspapers, on-site signage, and online platforms inform the public of the proposed project. Direct notifications should be sent to interested and affected parties (nearby property owners, residents, etc.)



3 Public Meetings & Engagements (if required)

For major developments and/or controversial applications, public meetings/hearings or stakeholder workshops may be organised; municipal officials and/or city planners, experts/consultants, and community representatives discuss concerns and possible mitigation measures.



2 Public Comment Period

- Affected residents, businesses, and organisations submit comments, objections, or concerns within a specified period (usually 30+ days).
- Feedback is compiled into a Public Participation Report (EIA & HIA) or in writing to the City's Development Management Department (rezoning & land-use departures).



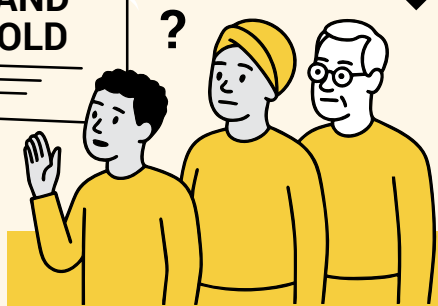


4 Consideration of Public Input & Decisions

- **EIA:** The City's environmental authorities review both the technical assessment and public feedback before the City (or the Provincial Department of Environmental Affairs) approves or rejects the EIA application.
- **HIA:** HWC and/or City heritage authorities review the HIA along with public feedback to approve, reject, or require modifications to the proposed development.
- **Rezoning/land-use departures:** The City's Development Management Department reviews all public feedback and approves or denies the application. If objections are raised, the applicant may need to revise the proposal.

5 Appeals

- **EIA & HIA:** Stakeholders can submit an appeal within the legal timeframe.
- **Rezoning/Land-use:** Stakeholders can appeal to the Municipal Planning Tribunal (see p23) or the Mayor's office.



These PPPs will often be the first place where the community gets wind of plans for land development. However, if the development concept in question does not trigger a PPP, the community will likely only learn about the project in Phase 3, when the City advertises the sale of land.





Getting the most from Public Participation Processes



Public participation is a constitutionally mandated cornerstone of municipal governance, intended as an opportunity for community members to meaningfully engage with and/or influence decisions that affect them. However, in practice, public participation is often a “tick box” exercise—merely giving notice of or refining decisions that have largely been made. That said, there are ways to get more (or less) from public participation processes.

1 Be vigilant: Keep track of public participation process (PPP) notices or advertisements. If there is a piece of land under consideration for release or development, it will trigger statutory (legally required) PPPs, notice for which usually must be published 30-60 days in advance of the meetings. These adverts are published in:



- a. CoCT Website “have your say” <https://www.capetown.gov.za/>
- b. Government/Provincial Gazettes, major newspapers (*Cape Argus, Cape Times, Die Burger*) and community newspapers.
- c. Social Media & Newsletters:
 - i. Facebook: @CityofCT
 - ii. Twitter/X: @CityofCT
 - iii. Email newsletters (subscribe via the CoCT website)
- d. Sub-council Offices, Libraries, and civic centres (physical copies are posted)
- e. For localised projects (e.g., rezoning or SDF reviews), notices may be displayed on-site.

2 Do your homework: before the meeting, think through what might be discussed, what issues you want to raise, and how you can present your concerns most effectively. For example:



- a. What information will be required for a site to be developed, and how might your organisation contribute to that process?

- b. If you have conducted a land audit, bring the resulting maps or even a proposal to the meeting (see Land Audits pp18-19)
- c. In the case of a statutory PPP related to a development proposal, consult with the case officer assigned to the proposal (if you are not sure who this is, check at your District Office). You can request that the case officer present to your group upfront (before the PPP). This can also provide a way to directly engage with the developer, who may appreciate the community flagging issues of which they might not be aware.



3 Strength in numbers: Come to the meeting having discussed your issues as a community and present a unified voice.

- a. Submit objections (including development opportunities or counter-ideas) as a collective (vs. individual)
- b. Engage directly with the developer to influence project outcomes
- c. While there may be competing interests that divide your community, try to agree on the common factors—risks and/or opportunities—to address together.
- d. Agree on a range of solutions or ways to address previously identified challenges.



4 Speak the municipality’s language: The City has mandates and obligations that it will have already prioritised in its planning frameworks (IDP and SDFs). Familiarise yourself with those priorities so that you can present your own ideas, objections, or submissions in the context of the City’s priorities.



5 Troubleshooting

- a. If you can’t attend, try to get someone else from your CBO to go and share your questions with them
- b. If you notice a land release process advancing and you believe the required PPP has not occurred, you can check this with your WC, the Public Participation Office, or the sub-council.

PHASE 3: Disposal

Phase 3 is the where the legal requirements and statutory processes surrounding land release come into play. Often it is only somewhere in Phase 3—either via an advert about one of the several statutory PPPs required in this phase, or the publication of the actual advertisement to sell the land—that communities first hear that a development is being planned.

In the CoCT, Phase 3 includes Steps 3-9, all of which are related to the actual sale of the land:



Step 3:

Authority to advertise & valuation



Step 4:

Consult interested parties



Step 5:

In-principle approval to sell the property



Step 6:

Calling for bids



Step 7:

Choosing the winning bid



Step 8:

Final approval to sell property



Step 9:

Carry out sale & legal procedures (actual transfer)

Taken together, the above steps form the bulk of what municipalities have traditionally considered the “land release” process.

From a community engagement perspective, the disposal phase should be extremely important, in that it includes numerous statutory public participation events. As such, communities should prepare in advance of the calls for public participation (see pp26-28). However, the reality is, by the time Phase 3 arrives, most key decisions will already have been made. In other words, keep track of Phase 3 and be ready to attend to the PPPs that are coming down the pike, but also recognise that much of what will happen may be a ‘done deal’.

Step 3: Getting the authority to advertise the property & valuation

STEP 3 KEY POINTS

Getting authority to advertise & valuation

Establish market value, baseline financial feasibility study, technical investigation of property

- Human Settlements requests and obtains the valuation report from Market Valuations.
- For high value properties: request is submitted to council for authority to advertise the land and conduct public participation
- For lower value properties: request is submitted to Director of Property Management for authority to advertise the land and conduct public participation
- Human Settlements sends an information statement

Actors: HS, Property Management

Step 3 actions will most likely remain invisible to communities. This step starts with Human Settlements obtaining:

- a **technical investigation** of the property
- a **land valuation** (establish the land’s market value)
- a **baseline financial feasibility assessment** (of the proposed development project)

After the above has occurred, and before receiving “authority to proceed”,⁹ Human Settlements must submit an **information statement** that explains:

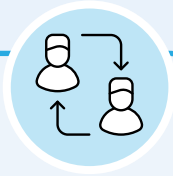
- The property’s value and how it was determined
- The reasons for the proposed sale
- Any expected benefits that the City will get from the sale
- How much money the City can expect to get for the land
- Any expected loss or gain that the City will experience as a result of the sale.

With these in hand, HSD can move to the next step.

Continued...

Step 4: Consult interested parties about the sale

STEP 4 KEY POINTS



Consult interested parties

- Public participation must include residents, National Treasury and Provincial Treasury
- For high value properties: public participation advert must be published 30 days before a decision is made
- Public participation advert must be accompanied by an information statement about the property
- Public participation must focus on whether the City needs the land for basic services, the land's value and what the City will get in exchange

Actors: Various



Step 4 is the most significant moment within the official MLR in terms of scope for community influence within the statutory public participation process. It thus represents a key moment in the MLR process, especially for strategic sites.

Having received authority to proceed in Step 3 above, the City now must consult the public before it can release the land in question. This means:

- Advising the public of intention to sell the property via public participation adverts.
- For properties valued above R50m, the public participation advert must be posted at least 30 days before a decision is made about the sale (for lower value properties, the City has more discretion to decide how it conducts public participation).
- The adverts must be accompanied by Step 3's information statement, which is necessary for the public to make informed comments and submissions.
- **These adverts are often the first moment a community will learn that the land is being considered for sale/development.**

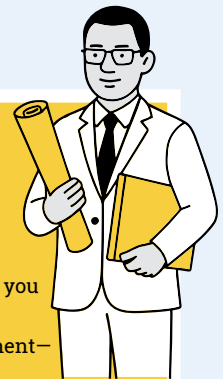
- Inviting comments from the local community, interested parties, and both the National and Provincial Treasuries.

Evaluating the decision to sell a piece of land, the PPPs that make up the bulk of Step 4 must take into account:

- whether the property is needed to provide basic services,
- how much it is worth (fair market value), and
- what financial and community value the City will get in exchange for it.

The PPPs are meant to focus on the above issues alone (vs. matters such as traffic and density, which nonetheless often do come up).

While different communities and organisations will use different tactics, advocacy—in the form of public/media pressure and writing submissions concerning the property—and being “boardroom ready” are key.



Being Boardroom Ready!

When opposing a proposed sale, the more prepared and organised you are, the more likely you will meet success. A clear, organised argument—ideally framed in reference to the City's own spatial planning priorities—is the best way to influence the MLR process. This is called being “boardroom ready”:



- **Come prepared:** have a decent understanding of technical elements, including City policies, plans, and priorities.
- **Know your mandate:** know how City and community priorities align, and think through your “deal breakers”.
- **Be solutions-oriented:** Bring innovative ideas, but be receptive to alternate ideas, and willing to negotiate.
- **Engage robustly:** but do so with facts, a mandate, and mutual respect.

The key objective is to co-create development solutions!



Step 5: Getting in-principle approval to sell the property



This important step requires a Council meeting that is open to the public, where Council:

- determines that the land is not needed for the City to provide the minimum levels of basic services.
- considers the fair market value of the land, and what economic and community value will be received in exchange for it.
- considers additional factors before deciding on the sale of the property.



This step's required Council meeting provides communities an opportunity to weigh in on whether the land under consideration is needed for providing basic services; whether its valuation truly reflects the social value gained or lost; and any other gains or losses that will result from the sale. As such, this meeting represents a last chance for meaningful community input on the sale of the land, and should be utilised as such.



STEP 5 KEY POINTS

In-principle approval to sell property

- Council must decide in an open meeting that the land is not needed for basic services and consider what its market value is and what it will get in exchange
- Council must consider various other issues before approving the sale
- Council can attach conditions to the approval
- Council decides whether to sell the land at a discount during this step

Actors: IPAC, Council, public



Following Council's considerations of the above, IPAC will recommend whether or not to grant in-principle approval of the sale. IPAC's recommendations are then considered by the Mayoral Committee and the Council.

If the City grants in-principle approval, it can also attach various conditions to the sale; these include how the sale will be conducted, how negotiations will take place, what the minimum price will be for the property, and **whether the land will be sold for less than its fair market value.**



Land Discounting

Because social housing and mixed-income projects often need a discount on the land price for financial viability, land discounts are a tremendously important tool to help ensure the development of affordable housing in well-located areas. The MATR explicitly allows for public land to be sold at a discount, as long as various factors are taken into account. These include:

- the interests of the state and the local community;
- the strategic and economic interests of the City;
- the plight of the poor;
- the constitutional rights of everyone affected by the sale; and
- whether selling land at a discount will yield benefits/the local community is better served by the land being sold at a discount.

See CoCT guidelines on discounting Municipal Land for more information¹⁰

Step 6: Calling for bids for the property

STEP 6 KEY POINTS



Calling for bids

- The city must call for bids in an open, competitive manner and explain how bids will be assessed
- The City can sell land using a public tender, public auction, closed tender or call for alternative proposals
- Bid evaluation criteria are written down and used to assess the quality of bids
- Emphasis on capabilities of SHIs and ODAs to manage SH project once complete

Actors: SHU



The city must now call for bids for the land in an open, competitive manner. Although this step does not include public participation as such, it can (again) be the moment communities first learn about the proposed sale/development of a piece of land in their area.

When selling land for social and mixed-income housing, the City can use either a **public tender, a public auction, a closed tender, or a call for alternative proposals** to elicit bids. It must also draft "**bid evaluation criteria**", which explain how bids will be assessed.

The Social Housing Unit shapes the bid specification to extend beyond price considerations, and to also stress the functionality of the proposed project, as well as the developer's ability to undertake it. Emphasis is also placed on the developers' (SHIs and ODAs) ability to manage the social housing project, post-construction. Only bids that meet the above functionality criteria will move to the next steps.

Steps 7-9: Choosing the winning bid; Final approval to sell property; Carry out sale & legal procedures (i.e., actual transfer)

The final steps in Phase 3 are internal processes within the City, and do not have any public participation aspect or requirement. They are summarised below:

Step 7: Choosing the Winning Bid

STEP 7 KEY POINTS



Choosing the winning bid

- Bids are assessed and land is awarded to winning SHI or ODA
- Bid evaluation committee makes a recommendation to IPAC
- IPAC makes the award and approves the transfer
- City enters into a Deed of Sale with the winning SHI or ODA
- Winning bidder prepares detailed project proposal for incorporation in transfer agreement
- City negotiates the detailed terms of the sale

Actors: Bid Evaluation Committee; IPAC



- The Bid Evaluation Committee carefully assesses bids, giving its recommendation to IPAC, which is the decision-making authority that awards the tender and approves the sale.
- The City enters into a **Deed of Sale** with the developer (SHI or ODA) as an assurance that the land will be sold to them if everything else goes to plan.
- The winning bidder must then prepare a **detailed project/development plan** at their own cost. This is good practice, reducing risk for both the municipality and the bidder.

Step 8: Getting final approval to sell the property

STEP 8 KEY POINTS



Final approval to sell property

- Council considers various factors and grants final approval
- Examples of factors council must consider are whether the City needs the land, its value, risks and rewards, potential losses or gains, comments from the public and treasury, compliance with relevant laws and conditions attached to the sale

Actors: IPAC, Council



- Reconsidering the various factors discussed in Step 5, Council or IPAC makes a final decision to confirm (or reject) the in-principle approval of sale.
- IPAC grants final approval of sale.

Step 9: Carrying out the sale and relevant legal procedures

STEP 9 KEY POINTS



Carry out sale & legal procedures (actual transfer)

Actual transfer of the land which includes:

- Legal conveyancing
- Registration of transfer
- Suspensive conditions

Actors: Council



- The final step is the actual transfer of the land ('release moment'). This includes legal conveyancing, registration of transfer, and any suspensive conditions (criteria the developer must meet for a contract to come into effect).
- Formal transfer is generally linked to breaking ground/actual construction (to mitigate risk of the developer failing to implement the project).

PHASE 4: Development

Phase 4, or "Development", refers to the actual construction and hand-over of affordable housing units, which is the end-goal of the MLR process for affordable housing. In the past, references to land release and land disposal assumed that development was an automatic outcome of land release.

This guide distinguishes Development as its own phase so as to underscore the reality that numerous pieces of land have been released/disposed without development of affordable housing materialising.



The construction and hand-over of affordable housing on municipal land is the end goal of the land release process. We include Phase 4—defined in the conceptual framework espoused by this research—to make the point that the steps leading up to land disposal and the hand-over of housing are by no means synonymous.



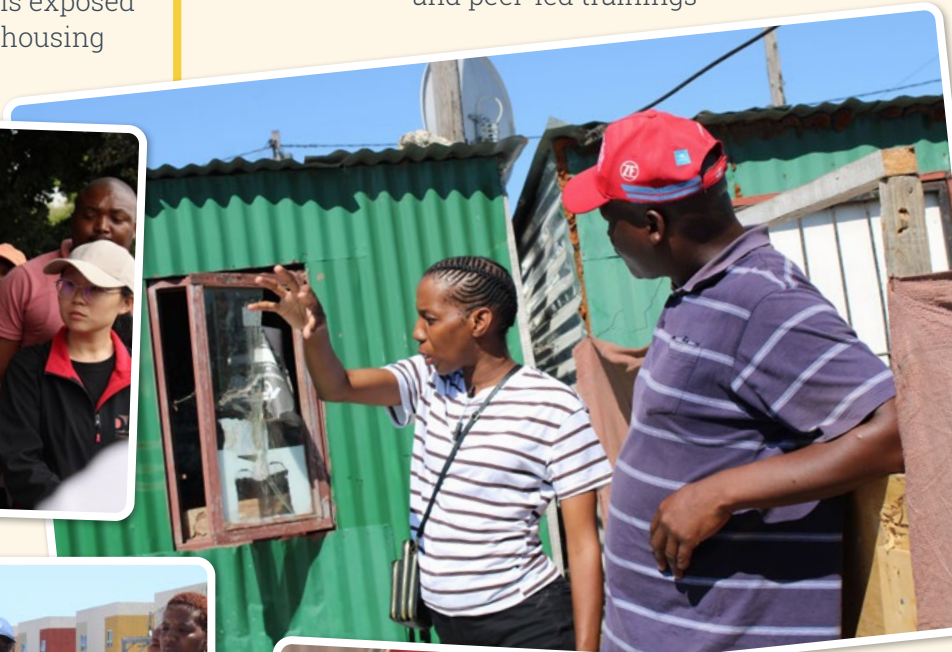
Over the past forty years, DAG has worked alongside communities to strengthen the fight for spatial justice. Through training, partnership, and advocacy, we've helped equip hundreds of civil society leaders, community organisations, and urban professionals with the tools to influence land and housing decisions across South Africa.

244 Activists and civil society leaders trained through DAG's Active Citizenship course

503 Young urban professionals exposed to land and housing strategies

59 Community-based organisations and networks supported

702 Stakeholders supported through urban dialogues and peer-led trainings







04 The Process in Practice

A tremendous knowledge gap prevents CBOs from engaging meaningfully with the MLR process. While this guide aims to start filling that gap, the information needed is not just around the MLR process itself, but includes foundational knowledge

Challenges flagged by communities

Few people understand the whole MLR process for affordable housing. Unsurprisingly, this knowledge is nearly non-existent among ordinary citizens. That said, this section outlines core challenges raised by CBOs¹¹ that have ventured into the space. Alongside these, we include potential “solutions” that multiple people interviewed for this report suggested would be of great value if the City could take them on.

Lack of knowledge & technical understanding

A tremendous knowledge gap prevents CBOs from engaging meaningfully with the MLR process. While this guide aims to start filling that gap, the information needed is not just around the MLR process itself, but includes foundational knowledge around things like how local government works (e.g., municipal planning bylaws), affordable housing types (what subsidies exist, what are the eligibility criteria to access opportunities, etc.), and land-use planning processes.



Solutions: City-organised learning opportunities to educate active citizens about these issues—via roadshows, information hubs, and other mechanisms.

Lack of functional frameworks for engagement

While established structures exist to connect communities to municipal processes and decision-making—Ward Councillors, Ward Committees, and statutory public participation processes—the functionality of those mechanisms is often questionable. Although no one is advocating to “remake the wheel”, alternative or additional opportunities for CBOs to effectively engage with the municipality and access information around the MLR process are needed.

Left: Through strong partnerships between communities and DAG, this learning tour showcased how collective action and community leadership can drive meaningful change. By engaging directly in the development process, residents are not just participants but leaders in shaping inclusive, just urban spaces.

Specifically, how to simply keep abreast of the process—that is, which steps are happening when for a given piece of land (especially those with PPP events)—is a mystery. Issues around the languages used both to publish PPP adverts and conduct the processes were also flagged.

CBOs also expressed a desire to better understand the HSD’s pipeline of properties considered for affordable housing. That is, can CBOs find out what is in the City’s pipeline; how can they get a property into consideration; and how can they track progress of potential submissions?

Solutions: Functional formal opportunities or platforms for communities to access information, get support in submitting proposals for municipal land release, and directly engage with municipal urban design and planning departments (HSD, SP, etc.) were highlighted.



A more collaborative, inclusive approach to the MLR process

CBOs can feel sidelined by the lack of meaningful engagement processes, especially in light of their possession of valuable local knowledge that can improve development results. Much as cities have realised that a more robust Phase 2 (De-risking) leads to better outcomes, the inclusion of a community engagement assessment could add value to de-risking activities.

Solutions: Like environmental and heritage assessments, a community assessment step could prove valuable to pre-feasibility requirements. Using the occasion to inform the community about the possible development concept, such a step would also allow for local input on topics such as:



- The recent history/use of the land under consideration (e.g., a vacant lot might be a dangerous location that a community would be happy to see change, but could equally be a place where young people gather to play sports, etc.).
- Community ideas for the land (from the development concept itself, to specific suggestions for things like street names, etc.).

Ensure that social value is adequately considered in land valuation

Land typically is valued based on traditional valuation principles, such as comparable market sales and the “highest and best use” of the property. However, the use of these commercial principles is at odds with the broader objectives of affordable housing, where some measure of social value should be incorporated.

Solutions: creating a transparent metric around how social value is measured and valued.





Top: In Khayelitsha, activists shared grassroots advocacy strategies that are driving community-led responses to overcrowding, insecure tenure, and poor infrastructure—highlighting the power of organised, informed action.

Bottom: During DAG's Active Citizens Training Course, participants visited Mitchell's Plain to engage with local leaders tackling the legacy of apartheid spatial planning and ongoing struggles for dignified housing and basic services.



05

Tactics & Recommendations

This section consolidates tactics suggested throughout the guide, and adds some additional ideas and resources for proactive community engagement with the land release process.

■ Knowledge is Power

Education & iteration

CBOs need strengthening. This process precedes understanding the MLR, and requires leaders of civics to educate themselves in numerous foundational areas like:

- The councillors code of conduct / holding Ward Councillors and Committees accountable.
- The IDP and SDFs (especially the LSDF)
- Budgets: from the overall system and allocations, to the necessity of advanced planning.
- The affordable housing landscape and options:
 - Constraints of sites
 - Financing and funding development
 - Zoning, environmental issues, etc.
 - The use and value of municipal land vis-a-vis community needs/priorities so that communities can see where they should make trade-offs.

With such foundational knowledge in hand, civil society is better-placed to engage effectively within the MLR process, bearing in mind that:

- The concept of the MLR process is itself relatively new, and spaces for community advocacy remain limited.
 - While the process is outlined here, that doesn't mean it cannot be challenged!
 - Very few ordinary citizens have engaged with the land release process.
- Resources like this guide represent a jumping-off point, but learning will come by "doing".
 - Continuous engagement and documentation of successes and failures will help evolve the process and communities' ability to interact with and influence it.



Local is Lekker:



Using local contacts and resources will greatly benefit any submission you make re: land-use decisions in your area. Interventions here include:

- Conducting land audits
- Calling on professionals within the community (lawyers, architects, university lecturers, researchers, etc.) to advise
 - Make a database of contacts and keep it updated

Left: In a city of hope, communities are empowered to take the lead in driving their own development, fostering neighbourhoods that are equal, inclusive, and sustainable for all. Credit: Zacharia Mashele



■ Early Action vs. Reaction

The system is geared toward handling reactive inputs. It is past time to turn this around. Communities must focus on getting involved earlier to proactively shape the process (e.g., providing input to the LSDF process), and create opportunities for constructive engagement. Protests are not the only tools in the box.

Learn to speak the City's love language

All municipality decisions are made in terms of existing legal frameworks, which set out spatial planning priorities. Effective community engagement means aligning proposals and objections to address the City's stated priorities and obligations when possible. Make it easier for the City to say yes.



- Familiarise yourself and get involved with IDP and SDF annual processes and yearly budgeting exercises to demonstrate interest and learn how they work.
 - The LSDF is especially useful!!
- Proactively develop proposals (vs. letting ideas be imposed) & understand where your submission fits into the larger planning frameworks, which should consider needs around:
 - affordable housing
 - a diversity of land use within the community
 - fostering integration of different income groups
 - more economic activity
 - shorter travel distances to economic opportunity & social amenities



Create opportunities

- Host block meetings or a family event day in your neighbourhood or (with the required permissions) on the site in question. Use these to:
 - Invite (and meet) your Ward Councillor, departmental officials, and the Mayor
 - Raise awareness within the community about intentions for the site
 - Prepare alternate proposals with sample images of ideas for the land to generate dialogue
 - Use social media to spread the word and the results of conversations
- Collaborate to make the tools you need:
 - Realising the need for a tool to support proactive identification of land suitable for housing, Ndifuna Ukwazi developed the "People's Land Map", which shows the amount of vacant land that exists in Cape Town, and helps visualise the land's location and use
 - The development of an App to help track the progress of submissions could be hugely useful.
- Grab chances when you can:
 - Attend meetings (Ward, Council, etc.)
 - > Did you know: if you can't attend Council meetings, they are available to stream on YouTube for free!
- Communicate & keep records!!
 - Document all communications by using email and maintaining a paper trail
 - > Take screenshots from WhatsApp communications



- Use Social Media to keep community informed:
 - WhatsApp broadcasts: separate your 'public chats' that disseminate information across the community into those that allow comments, versus those that are purely for information (only admins can comment)
- Make use of external media when necessary (traditional and social)



■ Coalitions: allies & accountability

- Organisations often need to unite to be heard.
- Create alliances and coalitions across your ward & use them to educate members more widely
 - Map networks and potential partners for your cause.
 - Share all tools and information among collaborators, and ensure they trickle down within the structures.
 - > Use coalitions to educate people on basics of processes (budget, IDP, etc)
 - Align goals on spatial justice and planning
- Look beyond the usual suspects for allies with resources:
 - While organisations like DAG are known for assisting with things like land audits, access to City Council, technical support, and training, think creatively about other potential collaborators:
 - Academics in relevant “built environment” departments at universities (architecture, planning, surveyors, etc.)
 - Other NGOs with common interests: organisations from other countries or whose main area is not necessarily land rights can be great allies.
 - > Legal resources
 - > Anti-gentrification movements
 - > Tech companies that support sustainable development and open-source principles

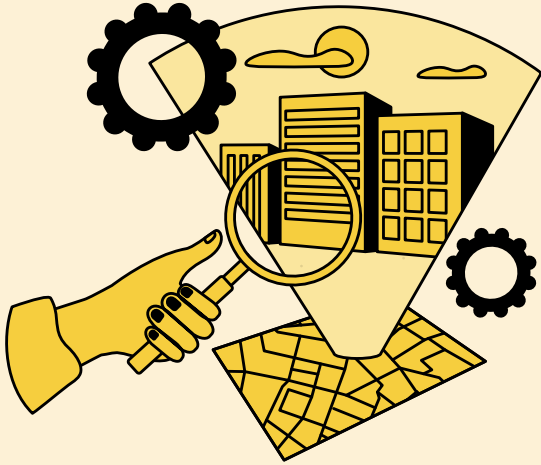


06

Additional Resources




- **Potential allies:** NGOs, legal resources, built environment researchers & academics from UCT & CPUT who may offer pro-bono assistance, etc.:
 - NASHO, Ndifuna Ukwazi, Young Urbanists, Legal Resources Centre, Community Organisation Resource Centre (CORC), Tshisimani Centre for Activist Education, Isandla Institute, Reclaim the City (RTC), Afesis-Corplan, Land & Accountability Research Centre (LARC), ARC, Institute for Poverty, Land & Agrarian Studies (PLAAS), Socio-Economic Rights Institute of South Africa (SERI), PlanAct, PPT
- **Online/additional resources:**
 - CoCT “Have your say”: <https://www.capetown.gov.za/City-Connect/have-your-say>
 - Ndifuna Ukwazi land map: <https://peopleslandmap.nu.org.za/>
 - Applying to Buy or Lease Municipal Land (CoCT, July 2024): https://resource.capetown.gov.za/documentcentre/Documents/Procedures,%20guidelines%20and%20regulations/PropertyManagement_Applying%20to%20buy%20or%20lease%20land.pdf
 - City Map Viewer: <https://citymaps.capetown.gov.za/EGISViewer/>
 - > This tool can be used to find the zoning or ERF of a property, but is highly technical. The CoCT offers this guide for assistance: https://citymaps.capetown.gov.za/EGISViewer/Widgets/CCT_ExtAbout/documents/help.pdf
 - CoCT website: there is a lot of useful basic information on the City’s website; for example, see this page explaining “housing opportunities” <https://www.capetown.gov.za/Family%20and%20home/residential-property-and-houses/city-housing-opportunities/housing-opportunities#Heading2>
 - Google Street View: www.google.com/maps
 - > A great tool for demonstrating what has been happening on a piece of land over time. Go to “Street View” for any location, click the “see more dates” and you can scroll back in time to see what a site has looked like over years

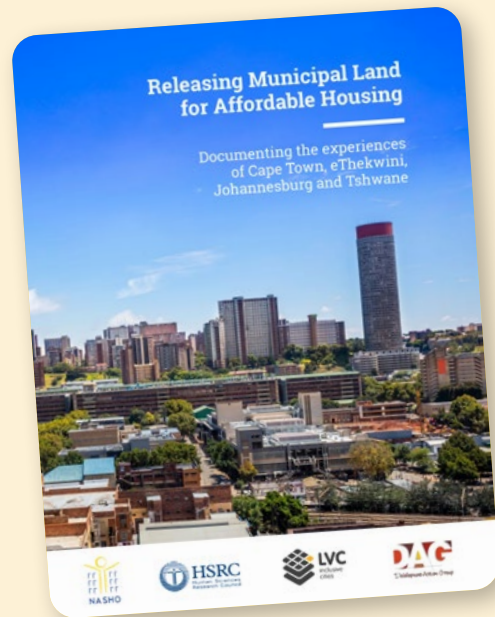


Take a deep dive into the world of municipal land release and its power to reshape our cities.

If you're interested in how well-located public land can be used as a tool to drive inclusion, affordability, and transformation in South Africa's urban centres, **Releasing Municipal Land for Affordable Housing** is essential reading. Drawing on detailed case studies from Cape Town, eThekweni, Johannesburg and Tshwane, the publication breaks down both the legal frameworks and lived municipal realities of land release for affordable housing. With practical insights, hard-won lessons, and an honest look at the bureaucratic, political, and social barriers involved, this report offers valuable guidance for activists, planners, officials, and developers alike.

The book is available for purchase or as a **free download** here:

www.dag.org.za/wp-content/uploads/2024/03/DAG-LandRelease-Publication.pdf 



Notes

- 1 <https://www.dhs.gov.za/National-Housing-Code>
- 2 <https://static.pmg.org.za/231218HSpolicy-2-2.pdf>; also see: <https://cibworld.org/wp-content/uploads/2024/04/CCSHDC-Workshop-2-N-Mathonsi.pdf>
- 3 <https://www.westerncape.gov.za/departement-of-infrastructure/do-you-earn-between-r-3-501-r-22-000-month>
- 4 Republic of South Africa, 2003
- 5 <https://resource.capetown.gov.za/documentcentre/Documents/Bylaws%20and%20policies/Supply%20Chain%20Management%20Policy.pdf>
- 6 Republic of South Africa, 2008.
- 7 Johannesburg, Tshwane, eThekweni, and CoCT
- 8 If the initial assessments and “basic due diligence” described in Phase 1 are very thorough, there is less to do here (and vice versa).
- 9 This authority comes from Council, in the case of land valued over R50m, and from the Director of Property Management for land under R50m.
- 10 <https://web1.capetown.gov.za/web1/councilhubonline/committeemeetingdetail?ecsmeetingid=1324> (search for Item 33)
- 11 To inform this guide, DAG facilitated a reference group working session with five CBOs in late 2024.

