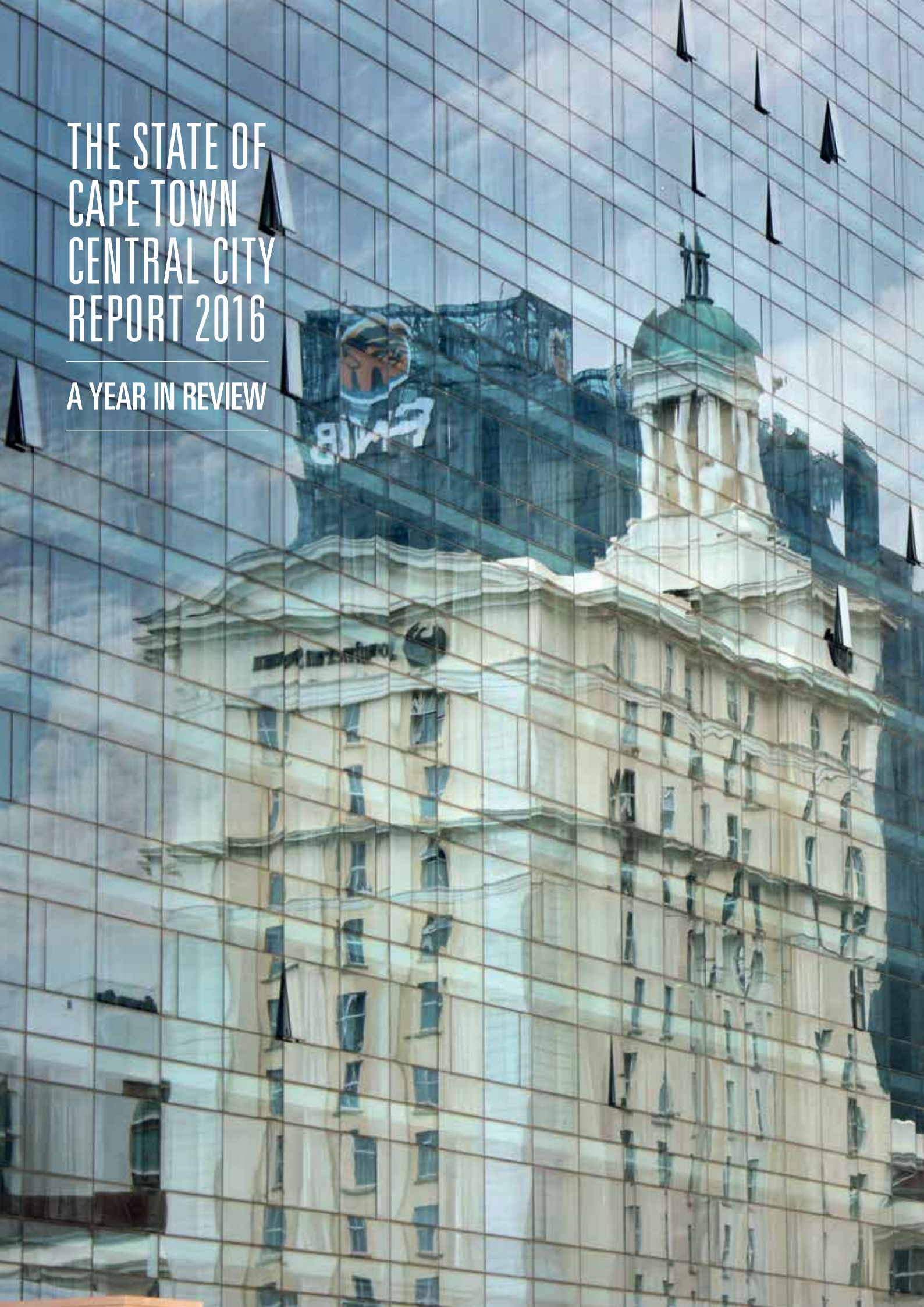


THE STATE OF CAPE TOWN CENTRAL CITY REPORT 2016

A YEAR IN REVIEW



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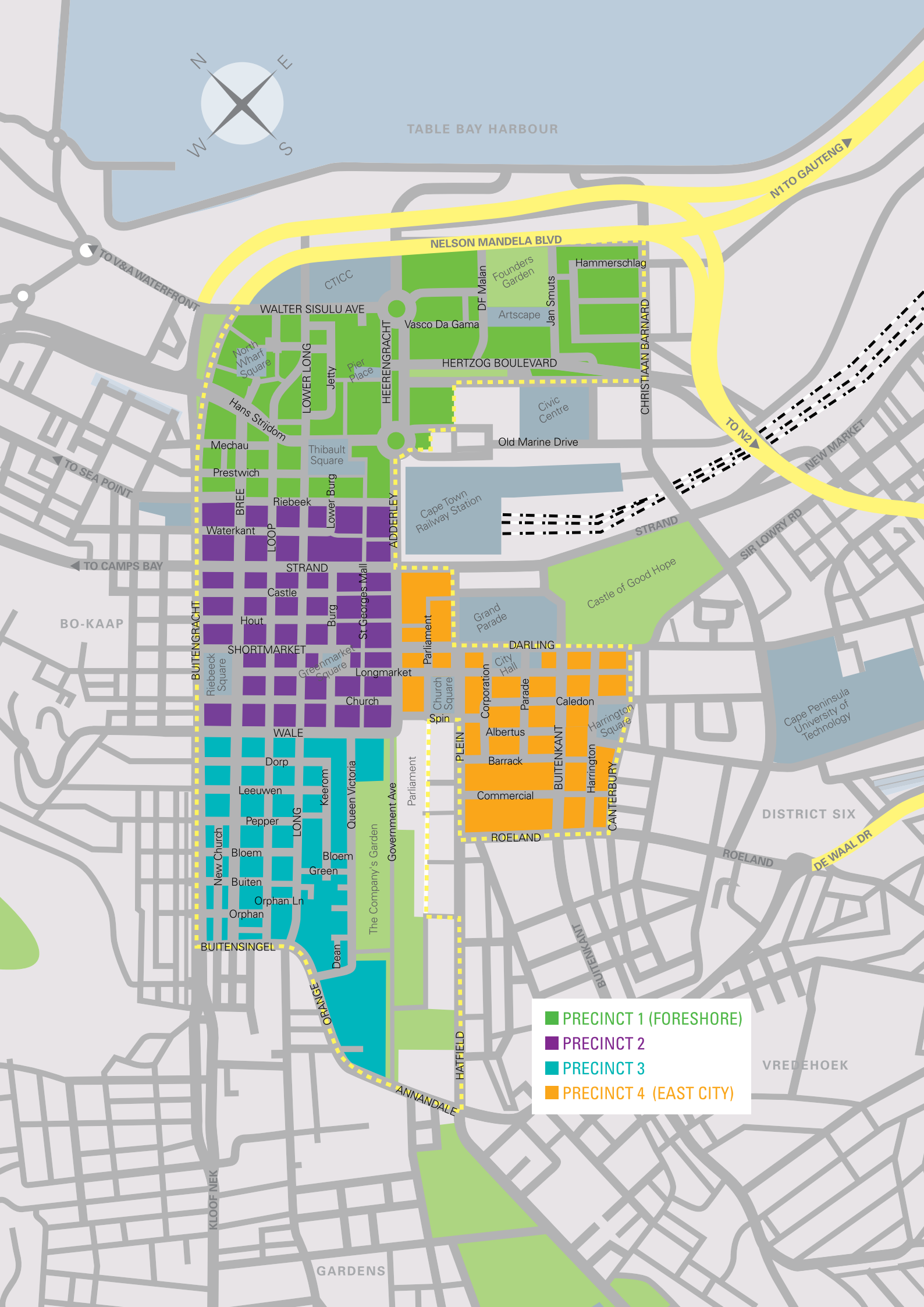


TABLE BAY HARBOUR

N1 TO GAUTENG

NELSON MANDELA BLVD

WALTER SISULU AVE

Vasco Da Gama

DF Malan

Founders Garden

Artscape

Jan Smuts

Hammerslag

HERTZOG BOULEVARD

Old Marine Drive

Cape Town Railway Station

STRAND

NEW MARKET

SIR LOWRY RD

Castle of Good Hope

Cape Peninsula University of Technology

DISTRICT SIX

DE WAAL DR

VREDEHOEK

GARDENS

- PRECINCT 1 (FORESHORE)
- PRECINCT 2
- PRECINCT 3
- PRECINCT 4 (EAST CITY)

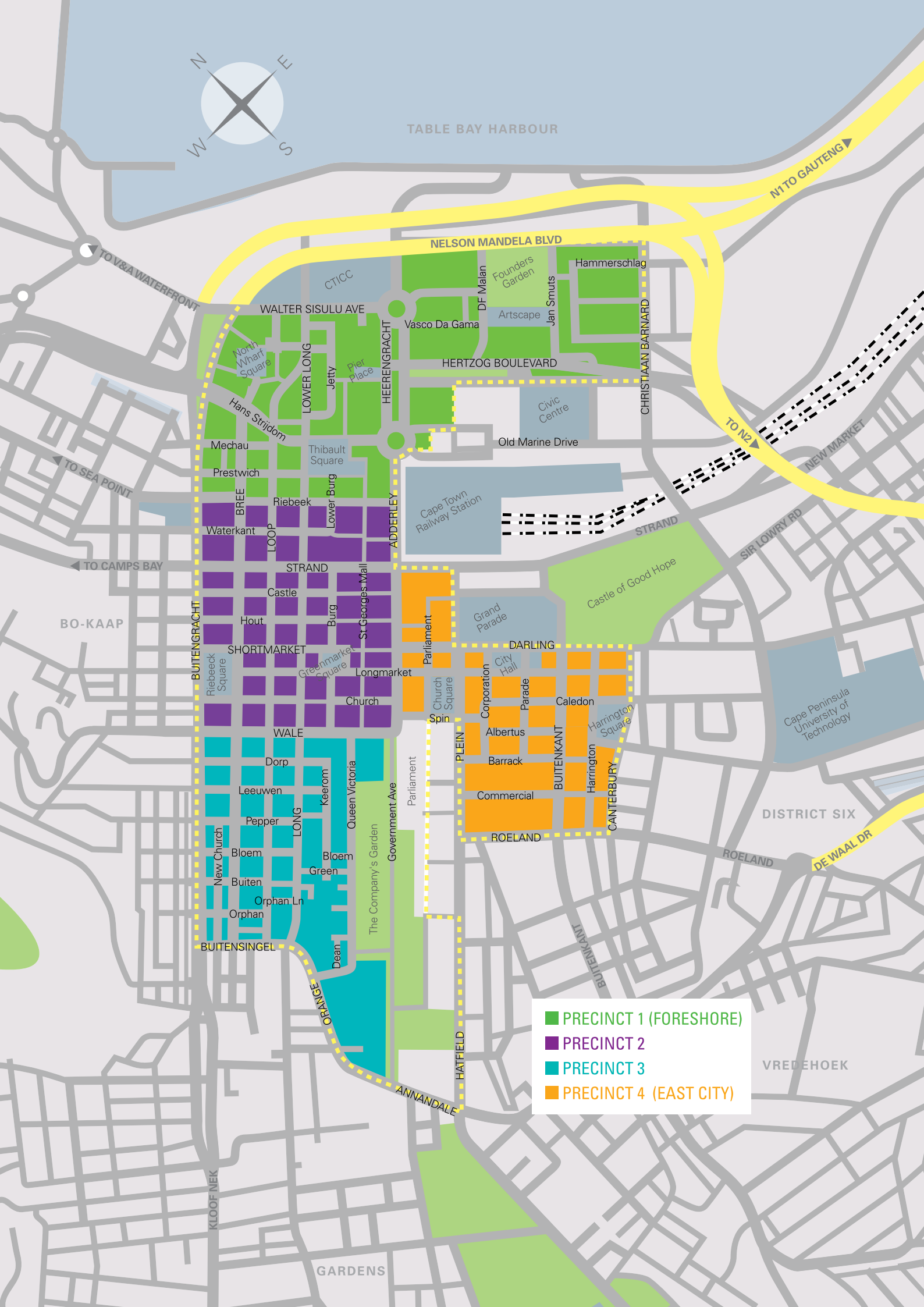


TABLE BAY HARBOUR

N1 TO GAUTENG

NELSON MANDELA BLVD

WALTER SISULU AVE

CTICC

Vasco Da Gama

DF Malan

Founders Garden

Artscape

Jan Smuts

Hammerslag

HERTZOG BOULEVARD

Civic Centre

Old Marine Drive

Cape Town Railway Station

STRAND

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ABOUT THE CAPE TOWN CENTRAL CITY

The Cape Town Central City is the traditional CBD or “downtown” of the Cape Town metropole, and lies within a 1.62km² area managed and promoted by the Cape Town Central City Improvement District (CCID), also the publishers of this report.

The Central City’s geographical boundaries for the purposes of this report are, therefore, identical to those of the CCID, and are indicated by the dotted yellow line on the map that appears to the left. All facts, figures and information contained in this report refer strictly to this footprint.

This area is bordered to the northeast by Table Bay harbour (the Port of Cape Town) including the V&A Waterfront and by the largely residential suburbs around the rest of its perimeter known as the Atlantic Seaboard (to the northwest), the City Bowl (to the west and south), and District Six and Woodstock (to the southeast). It is further divided into four precincts – Precinct 1 (also known as the Foreshore), Precinct 2, Precinct 3 and Precinct 4 (also known as East City). In this year’s publication, the economic activity and character of each of these precincts is broken down in detail, and the inside front cover map has been designed as a fold-out to assist the reader in an exploration of this investment guide, and for orientation purposes.

The Cape Town CBD is where all the main road and rail transportation links begin in the Western Cape province, including the N1 highway to Gauteng and the N2 that travels along the southern coast of South Africa to KwaZulu-Natal and beyond. Cape Town International Airport lies just 19km from the Central City on the N2.



As part of our Organisational Development and Transformation Plan (ODTP), the City is committed to dealing with the legacy of apartheid spatial planning. In leveraging City assets, we will be the catalyst investor in these projects to create a “crowding in” effect by the private sector.

One catalytic example is how we approached the private sector to find solutions to the unfinished Foreshore Freeway in a manner that would alleviate congestion and provide affordable housing in the Central City.

The Foreshore Freeway Precinct Project is one of the five transit-oriented development (TOD) projects we have identified in the city that will see economic and residential development located closer to transport corridors.

This TOD strategic framework will reverse the legacy of apartheid spatial planning and redress the injustices of the past by stopping long travelling distances and urban sprawl as we bring people closer to residential and work opportunities.

PATRICIA DE LILLE

Executive Mayor, City of Cape Town



It’s been an exciting year for our region. International arrivals have increased by 30%, and major tourism attractions reported record visitor numbers. These increases were boosted by the addition of over 600 000 new two-way airline seats flying directly into Cape Town, through our Cape Town Air Access initiative. The brand of Cape Town is on the rise.

We can see this in the numbers, and growing business confidence in the city. Several global firms have committed significant investment into our region in the past year. Partners such as the Cape Town Central City Improvement District play a key role in strengthening our downtown, making it a vibrant, world-class hub.

This publication once again provides insights into new developments in the Central Business District (CBD) and I trust you will find them useful.

MINISTER ALAN WINDE

Ministry of Economic Opportunities
Western Cape Government



Irrespective of whether one is promoting a city – or indeed an entire region – for investment or to encourage leisure and business tourism, the economic viability of the area’s traditional CBD is crucial to the success of the whole. Cape Town is proud to have a clean, safe and functioning Central City, and for this we thank the Cape Town Central City Improvement District (CCID) and all its partners for the work they do not only on these levels but to promote investor confidence. Wesgro, as the official tourism, trade and investment promotion agency for Cape Town, is pleased to once again be associated with the CCID’s annual investment guide, recognising its value as a tool for decision makers across all economic sectors. In terms of the data it contains, collected from various sources and including Wesgro, this report demonstrates the importance of economic partnerships that work to the common good – well beyond the geographical boundaries of a CBD, city or province.

TIM HARRIS

CEO, Wesgro

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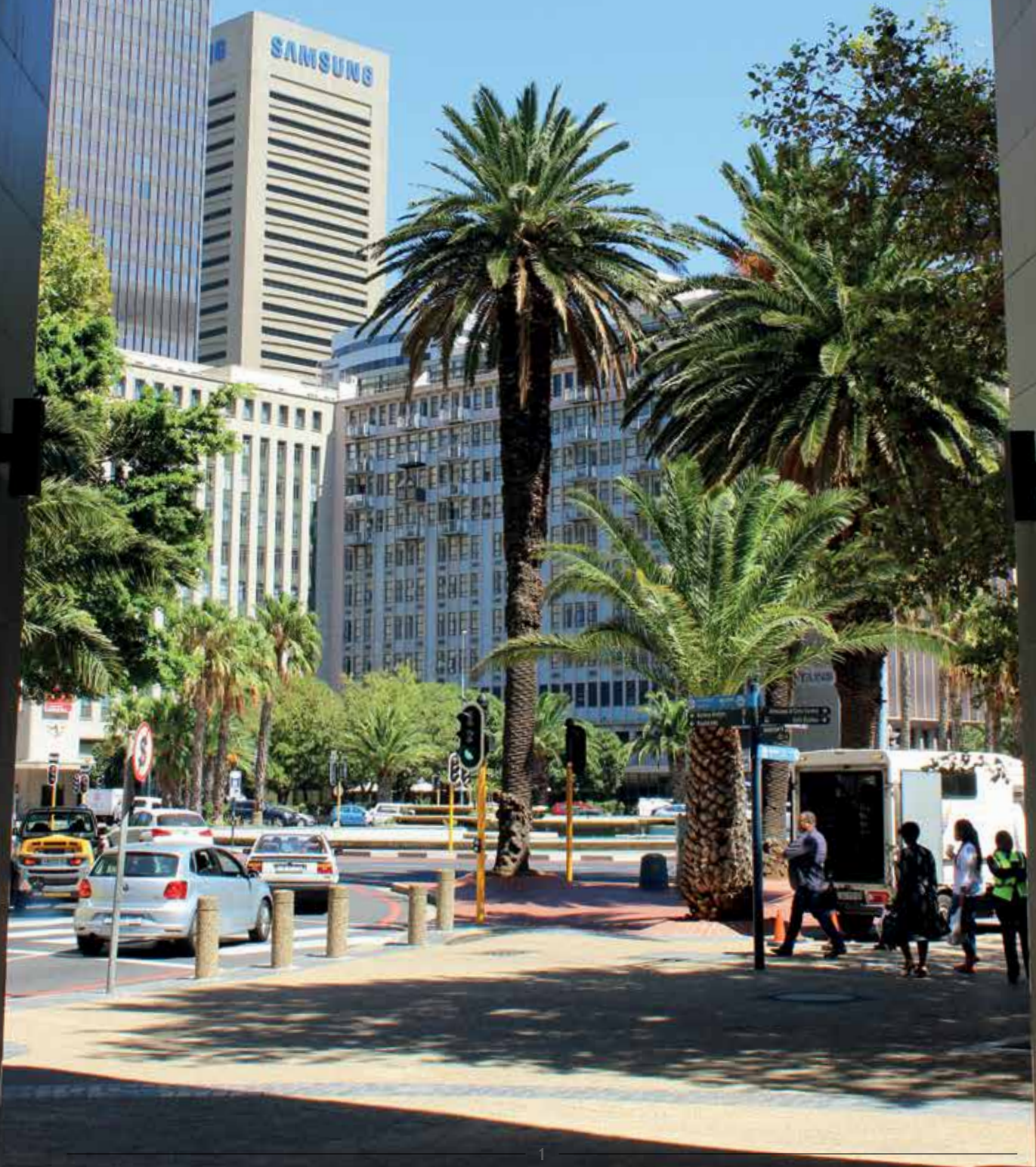


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TIM HARRIS

CEO, Wesgro

TOWERS NORTH





01 INTRODUCING THE 2016 REPORT AND CAPE TOWN IN GENERAL

EXECUTIVE SUMMARY

Welcome to the Cape Town Central City, and to the fifth edition of our annual investment guide, this time looking at 2016 in review.

This publication is compiled and brought to you by the Cape Town Central City Improvement District (CCID), an organisation that has been the custodian of the city's traditional CBD since 2000. The economic growth and prosperity our downtown has witnessed in the past 17 years has been extremely gratifying, but the rise in investor confidence we have witnessed in just the past five years, since the first report (looking back at 2012), has been nothing short of breathtaking.

We owe huge thanks to each and every stakeholder who has placed their confidence in the Central City, whether they be property owners, members of public or private enterprises, or parents who have brought their children into the CBD to attend an event.

We would also like to thank the many entities and organisations that have contributed their own valuable data and insights into this report, from the City of Cape Town and Western Cape Government to private enterprise.

This edition takes the data we have accumulated over many years and uses it to intensively dissect the Central City into the four precincts that exist

within the CCID's boundaries. These "neighbourhoods", in many ways, have now evolved into their own personalities and the business done within each of them has evolved as well.

The usual synopses still exist among this publication's pages, but as it has always been an investment guide to assist investors to make well-informed decisions, we hope it will now assist those decision makers, across the broadest economic spectrum, to drill down to discover even more about the CBD. In this way, they can make even better investments that also meet the need and desires of other stakeholders who live, work, place, visit or stay here.

"This edition takes the data we have accumulated and uses it to intensively dissect the Central City into the four precincts that exist within the CCID's boundaries."

Like many other global downtowns, ours is seeing the rise of the millennials. Likewise, we are starting to see much-needed densification take root, as we give rise to the vertical city, on both a commercial and residential front.

A major catalyst for this is expected to be the City of Cape Town's Foreshore Freeway Precinct project, which has generated much discussion and interest both in how to incorporate affordable housing into the CBD to ensure that it can provide homes for all tiers of its economy, and as a model to relieve traffic congestion.

At the end of the day, a downtown's success can only be measured in terms of how it meets the demands of the people who use it. To this end, we believe many opportunities still exist, whether they lie in creating the type of commercial space that both corporates and coworking entrepreneurs seek, or the type of retail that will bring office workers and residents into the streets to satisfy the expectations of their purchasing power. All of these work together to continually invigorate the Central City to be a high potential, high opportunity economic node.



TASSO EVANGELINOS
CHIEF EXECUTIVE OFFICER:
CAPE TOWN CENTRAL CITY
IMPROVEMENT DISTRICT



ROB KANE
CHAIRPERSON: CAPE
TOWN CENTRAL CITY
IMPROVEMENT DISTRICT



CAPE TOWN'S WEATHER | AVERAGES



		Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
AVERAGE TEMPERATURE (°C)	HIGH	25	25	24	22	19	17	16	17	18	20	22	23
	LOW	17	17	15	13	11	8	8	8	10	12	14	16
AVERAGE PRECIPITATION (MM)		20	20	30	50	70	90	100	70	50	40	20	20

CAPE TOWN IN CONTEXT

The Cape Town Central City (an area covering 1.62km²) is the traditional downtown of the metropole of Cape Town, which itself is situated in the Western Cape province of South Africa. The following gives some background to the context in which each of these destinations find themselves, and provides a deeper understanding towards the Central City.

R3 069.817 billion
South Africa's GDP

R424.377 billion
Western Cape's GDP

9.9%
Cape Town's gross geographic product (GGP) as a percentage of the National GDP (the second-highest metro in the country, with Johannesburg 15.39% and eThekweni 9.2%)

CAPE TOWN'S HIGHEST GROSS VALUE-ADDED (GVA) SECTORS IN ITS ECONOMY

35.5%
Finance

17.2%
Community services

16.9%
Trade

13.3%
Manufacturing

11.1%
Transport

POPULATION (AS AT 2015)

54 956 920
South Africa

6 200 098
Western Cape

3 957 798
Cape Town



UNEMPLOYMENT

462 442 Expanded unemployment: of the 8 879 779 unemployed people in South Africa during the second quarter of 2016, 462 442 lived in Cape Town. While the official unemployment rate for South Africa during 2016 averaged around 26- to 27%, in Cape Town this figure stood at an average of around 21%.

LITERACY

83.3%
National literacy rate

92.5%
Cape Town's literacy rate

2016 ACCOLADES FOR CAPE TOWN

100 RESILIENT CITIES NETWORK:

Cape Town was one of the 37 newly selected cities that joined the 63 existing cities that form the 100 Resilient Cities (100RC) Challenge. The programme is aimed at helping cities build resilience to social, economic and physical challenges in urban environments.

Best metro for financial management

by Ratings Afrika. This award was based on a survey of all South African metros.

"Best value long-haul destination in the world"

(2016 UK Post Office Travel Money Report)

NUMBER ONE IN THE CATEGORY "TOP CITIES IN AFRICA AND THE MIDDLE EAST" (Travel and Leisure 2016 World's Best Awards)

"Luxury travel destination of the year in Africa and the Middle East" (Luxury Travel Guide)

"Best city in the world"

(Telegraph Travel Awards – Vancouver and Venice took second and third place) as well as "Cheapest long haul destination"

Among *Lonely Planet's Best Travel Guide's* "Top 10 cities to visit in the world"

"Best city for restaurants and bars"

(Condé Nast Reader's Choice Awards)



Number one for the "Best winter vacations of 2016" (Condé Nast *Traveler*). Cape Town was selected as the number one favourite destination to visit in the northern hemisphere's winter. Condé Nast *Traveler* noted that Cape Town, as a cosmopolitan city, has prime weather conditions during this time (December to March), with the restaurant, hotel and nightlife scene at its best, rivalling major European and American metropolises.

THE CENTRAL CITY IN NUMBERS

The following figures give an overall viewpoint of private and public enterprise across the entire Central City as these stood in December 2016 when research undertaken¹ for this publication was analysed. These numbers are broken down further in Section 2 of this publication (containing high-level overviews of various sectors), as well as precinct-by-precinct in Section 3 in order to reflect the specific nature and characteristics of the four different "neighbourhoods" in the Central City.

R30 628 149 724

THE VALUE OF CENTRAL CITY PROPERTY

The City of Cape Town's most recent official property valuations report (as at 2016-17) shows the overall nominal value of all property in the CBD to be R30 628 149 724.

In addition, to this, there is currently (conservatively) R12.086 billion of property currently under construction, planned or proposed for the Central City, to be completed by 2020 (and including those that were completed late in 2016).

¹ The external and independent resources that have been used throughout this publication are cited in Sections 2 and 3, as well as in the acknowledgements at the end.

BUSINESSES IN THE CBD

The following indicate in which categories and subcategories the 3 061 entities doing business in the Central City operate. These exclude government facilities, which are listed elsewhere on these pages.

40 EMPLOYMENT & RECRUITMENT AGENCIES



97

EDUCATIONAL INSTITUTES & RESOURCES

82

Education

3

Libraries

12

Museums



92 ARCHITECTURE, ENGINEERING & SURVEYING

53

Architecture

32

Engineering

7

Surveying

217 FINANCE, INVESTMENT, INSURANCE & BANKING



30

Accountants

25

Business development

103

Financial services & banking

36

Insurance brokers

23

Investment companies

297

ENTERTAINMENT (INCLUDING CLUBS, THEATRES, BARS & EATERIES)

11

Adult entertainment

69

Bars & clubs

4

Conference venues inside complexes

209

Eateries (see more below)

4

Theatres or places of performance

54 FREIGHT, CUSTOMS BROKERING, SHIPPING & IMPORT/EXPORT

12

Freight forwarding & customs brokering

12

Import & export

30

Shipping companies

172 ACCOMMODATION & TRAVEL

65

Accommodation venues (including student hostels)

21

Embassies

86

Travel services

37

ART & DESIGN STUDIOS

EATERIES

There are 209 eateries whose primary function is to serve food.

OF THESE:

131

or 62% are RESTAURANTS, of which 11 (8%) also function as bars/clubs

45

or 22% are FAST FOOD/TAKEAWAY OUTLETS

33

or 16% are COFFEE SHOPS

OF THESE:

69

or 33% are open after 18h00

16

or 8% are open seven days a week



GOVERNMENT FACILITIES

THERE IS A TOTAL OF 182 GOVERNMENT FACILITIES, BROKEN UP INTO:

NATIONAL	PROVINCIAL	LOCAL
109	38	35
60%	21%	19%

Total number of government employees:
22 638

Total number of general public using these facilities daily:
29 317

58

PROPERTY & REAL ESTATE

678

LEGAL SERVICES (FROM ADVOCATE OFFICES TO LAW FIRMS)

79 COMMUNICATIONS, MEDIA & ADVERTISING

32	29	18
Communications & advertising	Film & TV companies	Media companies



28 GENERAL CORPORATE OFFICES (INCLUDING HEAD OFFICES)

7	10	8	3
Corporate head offices	Energy companies	Food companies	Mining companies

40

HEALTH & BEAUTY (INCLUDING SPAS & GYMNASIUMS)

96 MEDICAL PRACTICES



189 SPECIALIST SERVICES

5	184
Courier services	Other specialist services companies

102 NPOS, INDUSTRIAL COUNCILS & PARASTATALS

22	39	6	10	25
Industrial councils	Non-profit organisations	Parastatals	Political parties	Religious services/places of worship

654 RETAIL SALES, ADMINISTRATION, MANUFACTURING & DISTRIBUTION

19	627	8
Clothing manufacturers & distributors	Retail (see top right)	Retail administration



131 ICT & TELECOMMUNICATIONS (INCLUDING CALL CENTRES)

37	71	23
Call centres	ICT	Telecommunications

RETAIL

Of the 627 retail outlets, the top 20 retail types are (by numbers of venues):

Clothing	137
Jewellery	75
Furniture, lighting & decor	56
Motor & related	49
Hair salons	47
Galleries	31
Cellphones & accessories	27
Specialty	26
Superettes (independent)	22
Electronic, photography & music	20
Health & beauty	19
Curios	17
Sports & outdoors	16
Books, cards & stationery	12
Liquor	12
Hardware & locksmiths	11
Department stores (national chains)	10
Printing, copying & lamination	10
Tailors	7
Eyewear/opticians	6

The balance of 17 outlets include those dealing in adult entertainment, plumbing & bathroom fittings, postage & courier, fabrics & haberdashery, auctioneers, DVD rentals, floristry, and educational toys.

COMMERCIAL & RETAIL SPACE

1 042 605m² total rentable commercial space available in the CBD, of which 105 319 was available at December 2016

91% the average occupancy rate across all grades of commercial property in Q4 2016 (up from 90% Q4 2015)

279 579m² total rentable retail space available in the CBD, of which it was estimated 95% was occupied as at Dec 2016

LIVING IN THE CENTRAL CITY

There is currently a total of 57 RESIDENTIAL COMPLEXES, including those under construction as of 31 December 2016.

During 2016, a total number of 228 units were sold against a total value of R533m.

Average price per unit
R2.337m

Average size per unit
71m²

Average price per m²
R33 921

In December 2016, there were 116 units available to rent, against the following average rentals per month:

STUDIO/BACHELOR	ONE BEDROOM	TWO BEDROOM	THREE BEDROOM
R10 608	R15 081	R22 290	R27 500

02 | DOING BUSINESS IN THE CENTRAL CITY



WORKING IN THE CAPE TOWN CBD

With the Central City being a services-driven centre, it is no surprise that hospitality, finance and business services¹ drive its economy. It is also in the CBD that the highest concentration of government services (municipal, regional and national) exist in the Cape Town metropole.

In addition, investment in real estate in the area has seen a dramatic increase over the past few years (see Residential Development on pg 14 and Commercial Property on pg 15) and, in support, the architecture and engineering sectors play a large role in the CBD in terms of their office presence. Likewise, several educational institutions are located throughout the CBD, while one of the country's largest – the Cape Peninsula University of Technology – lies right on its boundary.

Of the main sources of growth recorded for Cape Town in the second quarter of 2016, improvements were noted (among others²) in the transport and communication, financial and

business services and retail sectors – again, all strongly represented in the Central City.

The legal sectors continue to retain a strong presence as well, from the hundreds of offices of advocates that service the Western Cape division of the High Court of South Africa (situated in the heart of the CBD in Precinct 3) to the numerous head offices of some of South Africa's largest law firms (predominately situated in Precinct 1).

The call centre industry is growing steadily year-on-year in the Central City, which is proving to be particularly popular as an offshoring destination. Meanwhile, the sectors that have been particularly targeted for growth are those servicing the medical industry, due in no small part to the opening in 2016 of the state-of-the-art new Netcare Christiaan Barnard Memorial Hospital in the Foreshore (Precinct 1). The opening of this facility is the first phase of development in this area that will culminate in the establishment of a world-class medical precinct.

¹ These are three of the seven industries in which the City of Cape Town has the biggest comparative advantage compared to South Africa as a whole. The other five industries are fishing, clothing & textile, wood product manufacturing, electronics and furniture.

² The other areas of growth in the city being manufacturing and wholesale.

ENTREPRENEURSHIP AND BUSINESS START-UPS

According to Wesgro CEO Tim Harris, Cape Town has become Africa's largest startups scene. Homegrown companies from Cape Town are moving into Africa and going global. These include online retailers such as **Takealot*** and Zando, as well as mobile payment solution company **Yoco***, online education provider GetSmarter and nutrient recycling business **AgriProtein***. Giving Cape Town the edge was its infrastructure base and strong skill set drawn from the city's four universities, which collectively produced about 12 000 graduates each year in science, technology, engineering and mathematics.

*The head offices of Takealot, Yoco and AgriProtein are all three based in the Cape Town Central City.

GOVERNMENT SERVICES IN THE CBD

There are an estimated 182 government services in the CBD across local, provincial and national government, of which 113 are accessible to the public. There are an estimated 22 638 employees, and an estimated 29 317 users are serviced each day on average.



The Cape Town Central City accounts for 25% of the metropole's entire economy and over 30% of its workforce. Together with the approximately 3 061 private businesses, 182 government service offices, there are an estimated 900 informal traders.

BREAKDOWN OF BUSINESSES IN THE CENTRAL CITY

The following is the breakdown overall of the primary formal business sectors in the Central City, and includes all sectors other than government services.

 172 Accommodation & travel	 92 Architecture, engineering & surveying	 37 Art & design	 79 Communications, media & advertising
 97 Educational institutes & resources	 40 Employment & recruitment agencies	 217 Finance (incl investment, insurance, business development & banking)	 54 Freight, customs brokering, shipping and import/export
 28 General corporate offices (incl head offices)	 40 Health & beauty (incl gymnasiums)	 131 ICT (incl telecoms and call centres)	 678 Legal (incl advocate offices and law firms)
 96 Medical practices	 102 NPOs, industrial councils & parastatals	 58 Property & real estate	 189 Specialist services
 654 Retail – general (incl sales, administration offices, manufacturing & distribution)		 297 Retail ¹ – entertainment (incl clubs, theatres, bars & eateries)	

¹ As the after-hours/leisure market is a large component of business in the CBD, we have distinguished between venues that can be classified as "Retail – entertainment" (ie, clubs, bars and restaurants) as opposed to "Retail – general" (all other retail outlets as well as administrative offices, distribution or manufacturing). Retail outlets are deemed to be any business that carries inventory and sells this on to a customer.

CALL CENTRES AND E-COMMERCE



According to figures released by BPeSA, there are 37 call centres in the Cape Town Central City. This is a sector poised for future investment, particularly as e-commerce grows from strength to strength.

The City of Cape Town's most recent *Economic Performance Indicators (EPIC)* report, for Q3 of 2016, has revealed that Cape Town is doing exceptionally well in establishing itself as a "seedbed" for emerging e-commerce companies and is widely considered to be a tech and e-commerce hub within South Africa. Cape Town, therefore, accounts for the lion's share of the headquarters of the most well-known e-commerce companies in South Africa, many of which are situated in the Central City.

Factors that have underpinned the area's attractiveness to e-commerce companies include the city's appealing lifestyle, an extensive network of supporting companies and institutions (including payment gateways), software developers and tech incubators, a strong supply of ICT skills, and better venture capital than in other parts of the country. In terms of the latter, 75% of all venture capital deals in 2015 were in the Western Cape, according to the Southern African Venture Capital and Private Equity Association.

Due to these call centres often servicing areas in other time zones, CBD-based employees make up a significant portion of the Central City's nighttime economy. With many staff currently relying on private transportation (including taxis) after hours, this sector of the CBD economy could increase substantially once safe and affordable public transportation increases in terms of both volume and daily operating hours. Along a similar vein, further development for housing that is affordable and close to places of work may also have an impact on the development of residential and lifestyle retail in and around the CBD, as investors turn their sights towards accommodating the millennial generation that now drives many downtown economies.

Further, according to *EPIC*, while estimates of the size of the local e-commerce industry may vary, forecasts for its future growth are quite similar. In 2016, Worldwide Worx predicted a doubling of online purchasing between 2016 and 2020. Deloitte shared the same sentiment, with estimates that the industry will more than double its share of retail sales by 2020.

CENTRAL CITY CONNECTIVITY

WORKING IN PARTNERSHIP

With the global emphasis on "smart cities", it is internationally recognised that a city is deemed to be smart in terms of the emphasis it places on human capital, social cohesion, economic development, public management, good governance, environmental performance, mobility and transportation, urban planning, international outreach, and technology.

The Cape Town Central City is making huge strides towards these goals through a number of successful partnerships that exist between various organisations and the projects that are being piloted in the CBD by those entities – all of which collectively connect the area's stakeholders to crucial local, regional, national and international economic influencers and role players. The following highlight key partnerships and projects.

THE CAPE TOWN CENTRAL CITY IMPROVEMENT DISTRICT (CCID) AND THE CITY OF CAPE TOWN

In its day-to-day mandate to ensure the Cape Town Central City is "safe, clean, caring and open for business" via the provision of top-up services to CBD property owners, the CCID and its four departments liaise extensively with the primary service providers at the City of Cape Town, namely the municipal departments of Law Enforcement, Metro Police, Traffic, City Parks, Electricity Services, Environmental Health, Facilities Management, Outdoor Advertising, Public Lighting, Roads & Stormwater, Solid Waste, Cleaning, Traffic Signals, Water & Sanitation, Social & Early Childhood Development and Communications, as well as with the national South African Police Service (SAPS).

In terms of *The State of Cape Town Central City Report*, the CCID research team behind this publication has also collaborated extensively over the years with the City's departments of Spatial



Planning and Urban Design, Geomatics & Geographic Information Systems (GIS), the Corporate Service Directorate and the Transport and Urban Development Authority (TDA).

However, to strengthen the value proposition of the CBD, the CCID has during the course of the past two years also developed relationships with other City departments across a number of pilot projects, including the following.

The Department of Economic Development's Pilot Project on Public Space Management

With the Department of Economic Development having begun a process to enable the best-practice management and revitalisation of public spaces across the metropole, an initiative has been set up to use two nodes of great economic importance to the CBD, namely Greenmarket Square and St Georges Mall, as a pilot study towards the incubation of ideas. To this end, the City approached the CCID in

2016 to assist with the initial phases of this project, which involve: pedestrian counts; stabilisation of the area in terms of safety and the rendering of cleaning and beautification services; documenting the current physical state and challenges of the space, and presenting ideas for improvement based on local and international best practice examples; and various surveys conducted with formal businesses, kiosk owners and users of the space to complement a survey with informal traders the City has already conducted via the CSIR. It is the City's vision that the results of these initial studies will steer the development of a long-term plan for the management not only of these two crucial CBD nodes but of public spaces across the metro.

Department of Telecommunications Broadband Pilot Project

With the City having invested over R1.7 billion in the creation of its Municipal Broadband Network, (primarily to connect over 700 of its own buildings



and facilities throughout the metro), by 2015 this network had become robust and extensive enough for leveraging by the private sector. A “last kilometre” pilot project has therefore commenced within a four-block radius in the CBD, which will see the installation of cables into every private building in the area. This will result in faster fibre allocation and will encourage competition between operators to give tenants choice, improving services and driving down prices. During 2016, the CCID

played a facilitation role in this project between City Telecommunications and private property owners in the pilot area.

THE WESTERN CAPE GOVERNMENT (WCG), CITY OF CAPE TOWN AND THE CCID

The WCG's Department of Community Safety (DoCS) commenced a pilot project in 2016 in collaboration with the City of Cape Town and the CCID in which graduates from the WCG's youth leadership development organisation, Chrysalis Academy, are trained as ambassadors for the iconic The Company's Garden in the CBD, a public facility that falls under the City of Cape Town's Parks Department. The students, who receive stipends from WCG, are deployed on nine months' rotation at a time. They are upskilled and managed during their deployment by CCID Safety & Security, and are trained to assist visitors, report damage to infrastructure, and be the eyes and ears on the ground with regard to public safety, illegal dumping and anti-social behaviour.

WORLD ENERGY CITIES PARTNERSHIP (WECP)
In 2016, Cape Town hosted the World Energy Cities Partnership (WECP) annual general meeting in which 13 cities took part. This event brings together cities recognised as international energy capitals to share experiences in the development of the energy sectors. Cape Town was welcomed as the newest member in recognition of it being the leading city in this sector in South Africa, in terms of contributing to the growth of the green economy, building resilience and combatting climate change.

WORKING TOWARDS THE GREEN ECONOMY



THE CITY OF CAPE TOWN'S ENERGY2040 STRATEGY

Energy2040 informs the sustainable energy action plan that is guiding Cape Town towards becoming a more resilient, lower-carbon, resource-efficient and equitable city. Part of the City's Energy2040 strategy is Action Plan 2020, which includes clear targets for increasing renewable energy usage and reducing carbon emissions within the residential, commercial and transport sectors, and includes:

- 1 The Energy Game Changer programme** pushes rapid diversification of the energy supply mix, including and encouraging the use of renewable and cleaner energy.
- 2 The Electricity Savings campaign** is a communication campaign targeting the commercial and residential sectors.
- 3 Small-scale embedded generation** promotes a feed-in tariff system for alternative energy producers.
- 4 Energy efficiency and renewable energy in municipal operations**, where the City is leading by example by retrofitting street and traffic lights as well as its buildings with energy-efficient lighting and rooftop photovoltaic systems, accompanied by energy management training for facilities and fleet staff as well as behaviour change programmes for building users.
- 5 The Smart Living and Working programme** targets the general public in resource efficiency across energy, water and waste.

CONNECTING THE CBD VIA PUBLIC TRANSPORT

Along with the MyCiTi system (see Section 3 for passenger numbers per precinct) and the Golden Arrow bus service, public transport commuters also make their way via rail and along minibus taxi routes. In terms of Metrorail, 4 004 296 passenger trips (singles and returns) were undertaken via the Central City in 2016. In terms of minibus taxis, there are 32 routes operating from Cape Town's main railway station in the CBD, with each route servicing a different suburb. In 2016, a comprehensive map of these routes was compiled for the first time and can be found online.



(<https://whereismytransport.com/wp-content/uploads/2017/02/WhereIsMyTransport-Vertical-Minibus-Taxi-Routes-Map-Digital.pdf>)



MYCITI ELECTRIC BUSES

Affirming a commitment made by the City of Cape Town at COP21 in Paris in 2015, its Transport and Urban Development Authority¹ (TDA) has proceeded with a pilot project to expand its current fleet of diesel buses with 10 electric vehicles. The purpose of the pilot is to evaluate the benefits of battery-powered electric buses as an alternative fuel option for the MyCiTi fleet, which is to grow significantly over the next decade.

The City will also be offsetting the electricity requirements of the electric buses with solar photovoltaic technology. In addition to the approximately 1 080 tonnes of CO₂ per annum that will be avoided as a result of this project, and as the carbon footprint is reduced, TDA will earn carbon credits, which the City will be able to sell on the international market through mechanisms provided to signatories of the Kyoto Protocol, as well as on local emerging markets as a result of the current SA Carbon Tax Act and the carbon offset regulations.

The MyCiTi service aims to start taking delivery of the buses in June 2017, making Cape Town the first municipality in the country to benefit from the use of electricity as an alternative fuel technology for its bus fleet.

CYCLING

The City of Cape Town aims to have at least 8% of its workforce going to work on bicycles by 2032. To make this a reality, TDA is developing a strategy to cultivate a cycling culture in Cape Town. This will include business case studies for how such a culture can contribute to the local economy through opportunities such as bicycle manufacturing plants and bike-share systems. Currently only 1% of commuter trips in the city are made by bike.

¹ Formerly known as Transport for Cape Town (TCT).



RETAIL AND VISITOR ECONOMIES

IN THE CAPE TOWN CENTRAL CITY

There are a number of opportunities still available in the CBD for the retail community, particularly to service the growing after-hours residential and diversifying daytime customer bases.

RETAIL IN THE CBD

The bar and club scene in the Central City's nighttime economy has been thriving for some time, but over the past few years, recognition has also been given to the potential of a growing market looking for after-work drinks or dinner and even theatre venues.

In terms of shopping, the CBD is gradually starting to see retailers embracing extended hours as well as diversification of products on offer, albeit perhaps not as quickly as the markets – both the growing residential and daytime business communities – would like.



The flipside of this coin is that there are still opportunities for astute retailers to service existing potential customers who are currently taking their day-to-day business and service needs elsewhere; ie outside the CBD to other shopping areas and, in particular, malls.

A full breakdown of the type and numbers of retail outlets that exist throughout the CBD can be found in the precinct-by-precinct analyses further on in this publication, and may be useful to those looking to find geographical and sector gaps in the CBD marketplace.



RETAIL OCCUPANCY RATES

While the estimate of all available retail space in the Central City has increased slightly from the 269 293m² available at the end of 2015 to 279 579m² by the end of 2016, this is due in a large part to the fact that property and business owners are becoming increasingly willing to share information with our research team, rather

than an actual increase in space available. Of the space available currently in the CBD for retail, there has been a marginal decline in occupancy from 95% at the end of 2015 to 94% in 2016 (back to the same level of 2014). Again, this can be attributed in part to the fact that the publisher of this report now has more accurate figures

available, rather than an actual increase in vacancies.

The following indicates the total space in each precinct plus retail occupancy rates as of December 2016, compared year-on-year to 2015 and 2014. Where shopping centres exist, these are indicated.



PRECINCT 1

51 378m²
December 2016: 91%
December 2015: 93%
December 2014: 90%



PRECINCT 2

92 340m²*
December 2016: 97%
December 2015: 97%
December 2014: 94%
*Includes 12 610m² inside Picbel Parkade (Strand Street)



PRECINCT 3

30 088m²
December 2016: 89%
December 2015: 89%
December 2014: 92%



PRECINCT 4

105 773m²**
December 2016: 95%
December 2015: 97%
December 2014: 97%
**Includes 43 840m² inside Golden Acre and 9 478m² inside Grand Parade Centre (both in Adderley Street), and 12 388m² inside Grand Central (cnr Plein & Darling streets)

FORMAL RETAIL OPINION SURVEY

Since 2009, regular surveys have been conducted with a sample group of around 240 retailers in the Cape Town CBD to determine the economic climate of this sector in terms of whether they have seen a growth or decline of retail, as well as to gauge their overall satisfaction with being in the area. The following indicate some of the results from the latest (May 2016) survey, comparing them to those of a year before.

EXTENDED OPENING HOURS

A question around extended opening hours was first posed to retailers in November 2015, and again in May 2016, to gauge whether they were a) starting to pay heed to the growing residential community who were calling for extended shopping hours and b) servicing CBD workers who choose to do their shopping in the CBD after work rather than in their own neighbourhoods (in some cases, to avoid rush-hour traffic).



31%
"I already stay open beyond 17h00."
25% in 2015



30%
"I already stay open over weekends."
22% in 2015



27%
"Yes, I would be prepared to stay open beyond 17h00 and/or on weekends."
28% in 2015



12%
"No, there is no value in this for me."
25% in 2015

YEAR-ON-YEAR COMPARISON OF CURRENT BUSINESS STATUS

There has been a 12% increase (from 21% to 33%) in retailers who have seen a growth in their businesses.



CHANGE IN CUSTOMERS

In 2016, a question was introduced to gauge whether retailers had seen their customers change over the years (and, if so, what they were doing about it). Responses were as follows:

37% "Yes, my customers have changed but I am still selling the same products."

21% "Yes, my customers have changed and I've adjusted the products I sell."

18% "I am noticing more tourists/visitors visiting my store."

10% "I am noticing more locals (CBD residents or people working in town) visiting my store."

14% "No, my customers have not changed at all and I am still selling the same products."

THE VISITOR ECONOMY

The strength of investment into the Cape Town Central City across numerous platforms is resulting in an ever-increasing visitor economy (made up of both local visitors from other parts of the city as well as those from outside), which in turn helps market the area towards further development of new business and job opportunities.

Close to 400 000 people attended 114 official, permitted events¹ in public spaces in the Central City during 2016, while an additional 504 events with total visitor days of 875 297 were held at the Cape Town International Convention Centre (CTICC).

Add to these the hundreds of thousands who flock to the numerous “happenings” in the CBD such as the highly popular monthly First Thursdays and other “regulars” such as Tuning the Vine, not to mention the vibrant nighttime economy that has evolved as well as the high volumes of leisure and business tourists who spend time in the area, and it is clear the visitor economy has become a significant role player in the success of the Central City.



CAPE TOWN INTERNATIONAL CONVENTION CENTRE (CTICC)

In 2017, the CTICC will add 31 148m² to its existing 109 707m² space when it opens its East wing expansion, increasing the popular venue's potential for hosting conferences and exhibitions by 28%. Situated in the Foreshore (Precinct 1) area of the Central City, year on year it continues to contribute enormously to the local, regional and national economy, particularly with its after-tax profit in 2015-16 of R47m – R30m over target.

	2013-14	2014-15	2015-16
Generated towards Western Cape GGP	R2.8bn	R3.1bn	R3bn
Contributed to national GDP	R3.1bn	R3.4bn	R3.5bn
Total revenue generated	R172m	R197m	R209m
Direct and indirect jobs sustained throughout South Africa	7 649	8 058	7 758

THE 504 EVENTS HOSTED AT THE CTICC DURING THE 2015-16 YEAR INCLUDED

39 international conferences	28 national conferences	15 exhibitions	19 trade fairs	28 banquets	37 special events	338 film shoots and other meetings
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TOP FOUR EVENTS (PER CATEGORY, BY ATTENDANCE)

7 834 AfricaCom 2015 (top international conference)	38 106 Cape Homemakers Expo 2015 (top exhibition)	37 000 Cape Town International Jazz Festival 2016 (top special event)	6 445 African Utility Week 2016 (top trade fair)
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HOTEL OCCUPANCY

There are currently 58 establishments in the CBD ranging from hotels (40) to backpackers (18), with an estimated 4 600 beds. The following occupancy and revenue per available room (RevPAR²) figures are courtesy of Cape Town Tourism via the monthly Accommodation Performance Review and Forecast Report³. They compare the past two years and track occupancy trends in the CBD versus the rest of the metro.

OCCUPANCY

Cape Town lowest three occupancy months				Central City lowest three occupancy months			
2016		2015		2016		2015	
June	48%	June	46%	June	44%	June	45%
July	56%	July	50%	July	51%	July	47%
May	56%	May	53%	May	57%	May	54%
Cape Town highest three occupancy months				Central City highest three occupancy months			
2016		2015		2016		2015	
Nov	87%	Feb	84%	Nov	89%	Nov	86%
Feb	85%	Nov	83%	Feb	84%	Feb	85%
March	83%	March	81%	March	81%	March	83%

REVENUE PER AVAILABLE ROOM (RevPAR)

2016	OCCUPANCY RATE	ROOM RATE	RevPAR
Overall average Cape Town	72%	R1 596	R1 145
Overall average Central City	71%	R1 784	R1 260
2015	OCCUPANCY RATE	ROOM RATE	RevPAR
Overall average Cape Town	67%	R1 423	R957
Overall average Central City	66%	R1 549	R1 026

¹ According to the City of Cape Town Events Office.

² RevPAR is a performance metric in the hotel industry, calculated by dividing a hotel's total guestroom revenue by the room count and the number of days in the period being measured.

³ This report is conducted by Horwath HTL South Africa, an independent member firm of Crowe Horwath International's Hotel, Tourism and Leisure Group, consultants for potential investors, financiers and operators. www.horwathhtl.co.za



COMMERCIAL PROPERTY TRENDS

Commercial property in the Cape Town CBD continues to grow overall from strength-to-strength against the previous year under review.

The Cape Town CBD is the only major inner-city area in South Africa bucking the trend of office vacancies remaining high. While national inner-city office vacancies year on year were up 40bps to 15.5%, the Cape Town CBD's vacancies have continued to drop, the latest year on year from 10% to 9.4%.

Although slightly higher than at the end of 2015, the City of Cape Town overall continues to have the lowest office vacancy rate¹ of all South African municipalities (as at Q3 2016), at 7.6%.

Focusing on the Cape Town Central City, the fourth quarter of 2016 saw vacancies sit at 9.4% overall, down from 10% in December 2015.

The most significant drop in vacancy rates in the CBD has been in premium (P) grade, which has declined significantly year on year from 25% in 2015 to 13.8% in 2016. There have also been notable drops in A grade (from 9.1% to 6.7%) and C grade (from 16.4% to 11.9%), the latter due in no small part to the conversion of C grade space into residential and hotel accommodation over the course of the last 18 months – a trend set to continue into 2017. The only category in which vacancies rose was B grade, which showed year-on-year movement from 7.3% to 10.3%.

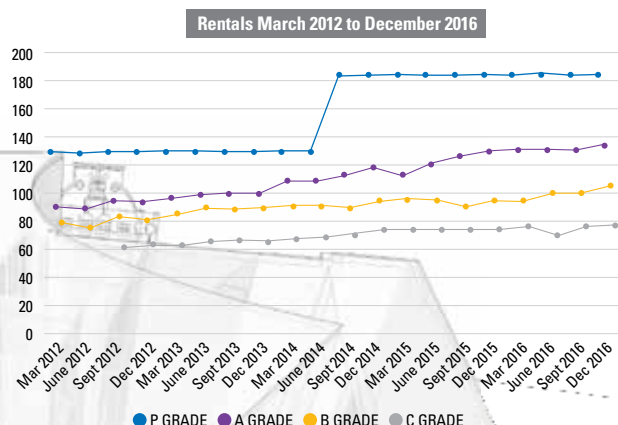
"It would appear that much of the world's economy, including South Africa, has taken on a holding pattern and this is further portrayed in the country's GDP growth figures. However, Cape Town seems to have escaped the downturn and construction activity here continues to boost the local economy. We continue to see high levels of activity in and around the **Cape Town CBD**, the V&A Waterfront as well as the Atlantic Seaboard. These activities certainly indicate the level of confidence that investors still have in the future of our city."

JOHN MATTHEWS, president of the Master Builders Association of the Western Cape (MBAWC), www.network24.com, 11 October 2016

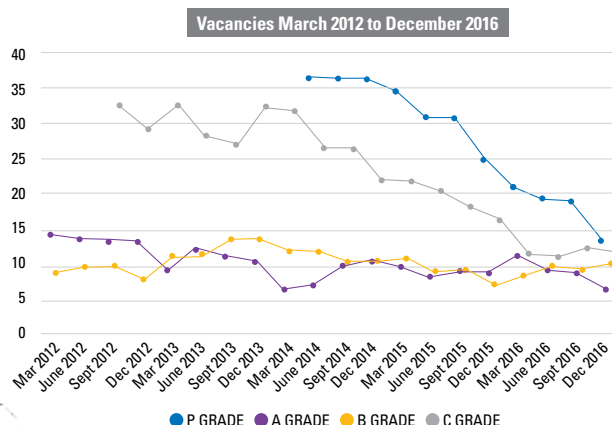
SUMMARY OF RENTAL OFFICE SPACE IN THE CBD (as at Q4 2016)

GRADE	Total rentable area (m ²)		Available for leasing		Vacancy rate (%)		Average gross asking rentals (R/m ²)	
	2015	2016	2015	2016	2015	2016	2015	2016
Premium	52 000	52 000	13 000	7 200	25%	13.8%	185	185
A grade	349 883	361 883	31 819	24 310	9.1%	6.7%	130	133
B grade	501 612	509 362	36 865	52 555	7.3%	10.3%	95	105
C grade	133 317	106 363	21 808	12 679	16.4%	11.9%	75	75
TOTALS	1 036 812	1 029 608	103 492	96 744	10.0%	9.4%		

COMPARATIVE OFFICE RENTAL RATES 2012 TO 2016



COMPARATIVE OFFICE VACANCY RATES 2012 TO 2016



RESIDENTIAL PROPERTY TRENDS

Year-on-year comparative sales in the Cape Town Central City¹ continue to show a steady rise in residential interest and a downtown lifestyle.

DOWNTOWN ON THE UP

While the R/m² value continues to climb steadily overall against the demand for Central City units, and well above the average growth rates seen in South Africa as a whole, the year-on-year increases of average sales prices have slowed somewhat as the CBD market stabilises, particularly when comparing these to the low base of the market back in 2013, and in particular the significant escalation in averages from 2014 to 2015.

Prior to 2013, values in the Central City had stagnated for many years, following a developers' boom in the mid-2000s and rapid uptake by leveraging investors hoping for short-term and highly profitable turnarounds, many of whom were then struck by the same burst

of the property bubble felt across the globe. It has, therefore, only really been since 2014 that erstwhile downtown "pioneers" looking for an urban lifestyle have begun to see the CBD as a true live/work/play destination and, most importantly, a long-term investment.

What is significant, however, is that the average unit size is becoming significantly smaller² than those built in the mid-2000s, following the international trend towards smaller units in popular urban areas – and again showing stabilisation against global standards.

The comparative selling price of units against what they originally listed for is also decreasing (-2.5% in 2016 versus -4.8% in 2015), although the average number of days that units spent on the market

has risen marginally (47 days in 2016 versus 45 in 2015).

The year also saw a significant increase in the numbers of units sold (228 in 2016 against 185 in 2015) due to the

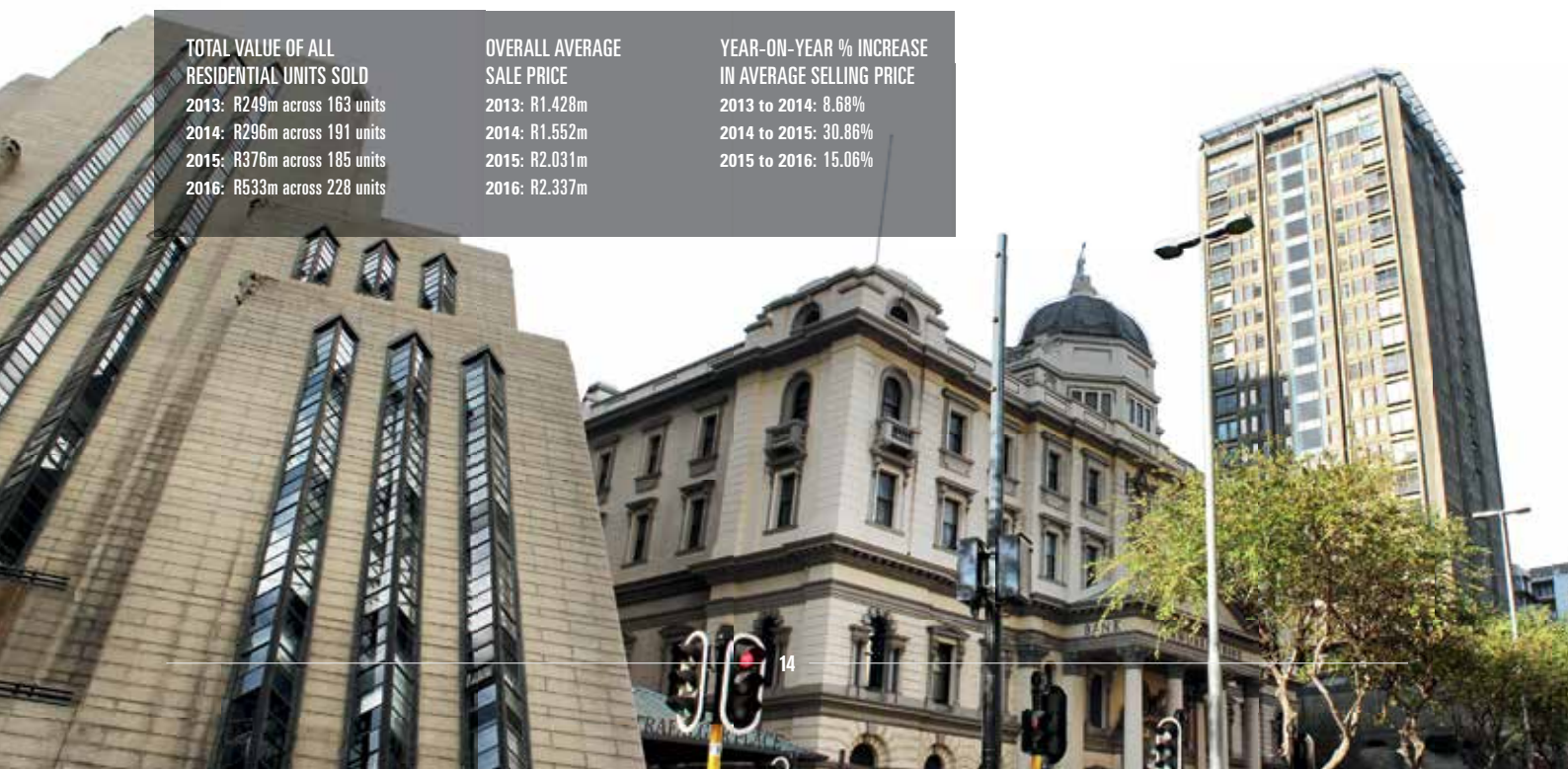
transfer of many of the 169 residential units that make up the commercial property-to-residential conversion, by Signatura, of the old Triangle House in Riebeeck Street into the Radisson Blu Hotel & Residence complex.

The placement of residential complexes across the CBD can be found in the breakdowns of each individual precinct – see Section 3.

**TOTAL VALUE OF ALL
RESIDENTIAL UNITS SOLD**
2013: R249m across 163 units
2014: R296m across 191 units
2015: R376m across 185 units
2016: R533m across 228 units

**OVERALL AVERAGE
SALE PRICE**
2013: R1.428m
2014: R1.552m
2015: R2.031m
2016: R2.337m

**YEAR-ON-YEAR % INCREASE
IN AVERAGE SELLING PRICE**
2013 to 2014: 8.68%
2014 to 2015: 30.86%
2015 to 2016: 15.06%





2016 AVERAGES AND RANGES ACROSS THE SPECTRUM

Average size across all units sold: 71m² (versus 82.97m² in 2015)

Average R/m²: R33 921 (versus R24 483 in 2015)

Average price sold against listed price: -2.5% (versus -4.8% in 2015)

1

LARGEST

421m² three-bedroom, two-bathroom unit with four parking bays sold in Mutual Heights (July 2016), 14 Darling St (Precinct 4). Sold at listing price of R10.7m (R25 416/m²).

2

SMALLEST

31m² one-bathroom studio units, no parking, sold in Hyde Park (Jan 2016), 14 Jetty St (Precinct 1) and Four Seasons (April 2016), 43 Buitenkant (Precinct 4). Both sold at R1.2m (R38 710/m²), respectively for 11.1% and 0% below list price.

3

HIGHEST PRICE PAID

The highest price paid for an apartment in the CBD was also the largest (see first column); ie the 421m² unit sold in Mutual Heights for R10.7m.

4

LOWEST PRICE PAID

47m² one-bedroom, one-bathroom unit (no parking) at Trafalgar Centre, Anton Anreith Arcade (Precinct 1). Sold at listing price of R815 000 (R17 340/m²).

NUMBER OF DAYS IN WHICH THE 228 UNITS SOLD IN 2016 STAYED ON THE MARKET

Average: 47 days **0 to 7 days:** 109 units **8 to 21 days:** 45 units **22 to 59 days:** 35 units

60 to 89 days: 8 units **90 to 179 days:** 22 units **180 to 299:** 6 units **More than 300 days:** 3 units



1 All values pertaining to sold residential properties on this page have been sourced via the Institute of Estate Agents of South Africa's PropStats site (www.propstats.co.za) and WinDeed (www.windeed.co.za) and reflect properties listed as transferred at the Deeds Office on or before 31 December 2016.

2 This is in terms both of new units being built in new developments having smaller footprints, as well as the subsequent subdivision of a number of the very large units that hit the CBD market during the mid-2000s.

3 According to www.property24.com

4 While there were actually four three-bedroom units for rental at the time of writing this report, three of these were exclusive penthouses renting between R80 000 and R130 000 per month. As these were the exception and not the norm, they were excluded from the calculations in order to achieve reliable averages for rentals in the CBD.

RENTAL PROPERTIES

At the time of writing this report, there were 116 residential units to rent in the Cape Town Central City. This is a significant increase over the 63 units available at the time of writing the 2015 (previous) report, but was due to the large release of rental units from the newly opened 169-apartment block in Riebeeck Street, the Radisson Blu Hotel & Residence.

The highest – and highly exceptional – rentals in the CBD at the time of writing this 2016 report were a three-bedroom, 309m² ultra-luxury penthouse with its own extensive pool terrace (R130 000/month), followed by two three-bedroom penthouses (respectively 156m² and 168m²) each for R80 000/month. Taking these rentals out of the equation (to calculate more standardised averages for monthly rentals) delivered the following results across a large selection (36) of CBD blocks, and included both furnished (65) as well as unfurnished (51) units.³

STUDIO/BACHELOR

(excluding dedicated student accommodation – see below):

Number of units for rent: 6

(4 unfurnished, 2 furnished)

Average: R10 608 p/m (2015: R10 375 p/m)

Highest: R15 600 p/m

Lowest: R7 950 p/m

ONE BEDROOM:

Number of units for rent: 67

(29 unfurnished, 38 furnished)

Average: R15 081 p/m (2015: R15 860 p/m)

Highest: R35 000 p/m

Lowest: R8 000 p/m

TWO BEDROOM:

Number of units for rent: 38

(16 unfurnished, 22 furnished)

Average: R22 290 p/m (2015: R20 120 p/m)

Highest: R40 000 p/m

Lowest: R12 500 p/m

THREE BEDROOM:

Number of units for rent: 1⁴ (unfurnished)

Average: R27 500p/m (2015: R36 000p/m)

Highest: R27 500 p/m

Lowest: R27 500 p/m

STUDENT ACCOMMODATION

There are seven buildings in the Cape Town CBD dedicated to providing student accommodation, and with 82 educational establishments in and around the CBD, the demand for additional, affordable accommodation of this nature is still extremely high. Current monthly rentals, when units are available, range from R2 850 (double room, sharing) to R6 000 (studio apartment).

PROPERTY INVESTMENT UPDATE 2016

The developments listed here reflect the status of investments completed in the Central City during 2016, as well as those under construction, undergoing refurbishment or either in planning or proposed as of December 2016. They indicate, conservatively¹, an investment value into the CBD between 2016 and 2020 of R12.086 billion. For more detailed information on each development in terms of developers, status and timeframe, refer to the relevant precinct (P1 to 4 as indicated below) in Section 3 of this publication.

- COMPLETED
- UNDERWAY
- PLANNED
- PROPOSED



1 NETCARE CHRISTIAAN BARNARD MEMORIAL HOSPITAL (P1)
PRIVATE HOSPITAL, R330m
DEVELOPER Netcare

2 WESBANK HOUSE (P2)
COMMERCIAL & RETAIL, R10m
DEVELOPER Emira Property Fund

3 PIER PLACE (P1)
COMMERCIAL, R200m
DEVELOPER Aria Property Group

4 4 LOOP STREET (P1)
COMMERCIAL, RETAIL & RESIDENTIAL, R20m
DEVELOPER FWJK on behalf of Berk Property Holding

5 ARTSCAPE LIVE 20/20 (P1)
ENTERTAINMENT R86m (R1.5bn overall value)
DEVELOPER Western Cape Government

6 CAPE TOWN INTERNATIONAL CONVENTION CENTRE EAST WING (P1)
CONVENTION CENTRE, R832m
DEVELOPER City of Cape Town

7 KPMG PLACE (P1)
COMMERCIAL & RETAIL, R400m
DEVELOPER FWJK

8 RADISSON BLU HOTEL & RESIDENCE (P1)
RESIDENTIAL & HOTEL, R1bn
DEVELOPER Signatura

9 BEAUFORT HOUSE (P2)
GOVERNMENT, R120m
DEVELOPER City of Cape Town

10 SOUTHERN SUN CAPE SUN REFURBISHMENT (P2)
HOTEL, R250m
DEVELOPER Tsogo Sun

11 SUNSQUARE AND STAYEASY HOTELS (P2)
HOTEL, R680m
DEVELOPER Tsogo Sun

12 TWINELL BUILDING (P2)
COMMERCIAL & RETAIL, R120m
DEVELOPER Kings Cross Properties

13 IZIKO PLANETARIUM (P3)
NATIONAL MUSEUM, R27m
DEVELOPER Iziko Museums

14 IZIKO SOUTH AFRICAN MUSEUM (P3)
NATIONAL MUSEUM, R187m
DEVELOPER Iziko Museums

15 THE SENTINEL (P3)
RESIDENTIAL & RETAIL, R200m
DEVELOPER Nova Group in association with Dogon

16 URBAN ON BREE (P3)
RESIDENTIAL, TBC
DEVELOPER Urban On

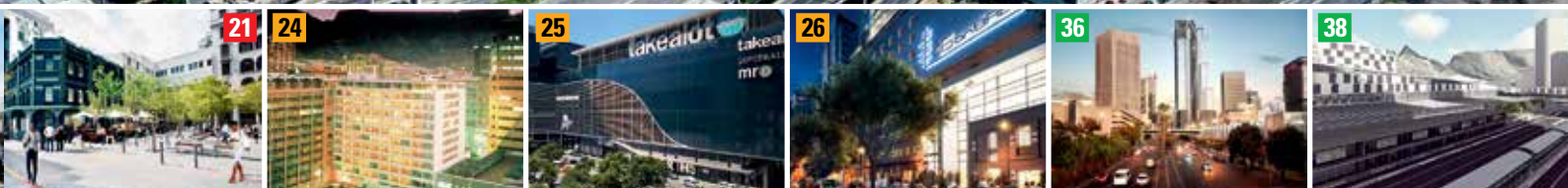
17 CAPE TOWN CITY HALL (P4)
GOVERNMENT, R27m
DEVELOPER City of Cape Town

18 CAPE TOWN STATION REDEVELOPMENT PHASE 2 (P4)
GOVERNMENT, R210m
DEVELOPER Prasa/Intersite

19 COLLEGE OF CAPE TOWN (P4)
EDUCATION, R19m
DEVELOPER College of Cape Town

20 MASTER OF THE HIGH COURT BUILDING (P4)
FAMILY & REGIONAL COURT, R70m
DEVELOPER Department of Public Works

21 SPEAKERS CORNER (P4)
COMMERCIAL & RETAIL, TBC
DEVELOPER Urban Lime



22 STRAND CONCOURSE (P4)

GOVERNMENT, R40m
DEVELOPER City of Cape Town

23 THE OLD GRANARY (P4)

NGO, R42m
DEVELOPER Desmond Tutu Peace Foundation/
City of Cape Town

24 THE CAPETONIAN (P1)

HOTEL, R200m
DEVELOPER Raya Hotels

25 TELKOM EXCHANGE FORESHORE (P1)

PARASTATAL, TBC
DEVELOPER Telkom

26 THE MODERN (P1)

COMMERCIAL & HOTEL, R1.5bn
DEVELOPER Ingenuity Property Investments Ltd

27 THE LINK (P1)

COMMERCIAL & RETAIL, TBC
DEVELOPER TBC

28 16 ON BREE (P1)

RESIDENTIAL & RETAIL, R860m
DEVELOPER FWJK

29 19A LOOP STREET (P2)

COMMERCIAL & RETAIL, TBC
DEVELOPER Kings Cross Properties

30 MIKE'S SPORTS (P2)

COMMERCIAL & RETAIL, TBC
DEVELOPER Gera Investment Trust

31 1 HARRINGTON (P4)

NGO & RESIDENTIAL, R130m
DEVELOPER Nicro

32 THE HARRINGTON (P4)

COMMERCIAL & RETAIL, TBC
DEVELOPER Blend

33 27 LOWER LONG STREET (P1)

COMMERCIAL, R476m
DEVELOPER Ingenuity Property Investments Ltd

34 GOLDIES (P1)

RESIDENTIAL & RETAIL, R1.1bn
DEVELOPER FWJK

35 REEDS HOUSE (P1)

COMMERCIAL, R350m
DEVELOPER Ingenuity Property Investments Ltd

36 ZERO-2-ONE TOWER (P2)

RETAIL, PARKING, HOTEL & RESIDENTIAL, R1.5bn
DEVELOPER FWJK

37 60 QUEEN VICTORIA STREET (P3)

HOTEL, TBC
DEVELOPER RDC Properties South Africa

38 CAPE TOWN STATION MIXED-USE DEVELOPMENT (P4)

MIXED USE TBC, R1.1bn
DEVELOPER Eris Property Group

39 SPINDLE (P4)

COMMERCIAL, RETAIL & RESIDENTIAL, TBC
DEVELOPER TBC

1 The word "conservatively" is used as a number of property investment values have yet to be confirmed by developers. Those for which the values are unknown appear above as TBC.

03 | THE CENTRAL CITY PRECINCT BY PRECINCT

P1 PRECINCT 1 The Foreshore financial district



This map shows the clustering of the following types of activities in this precinct.

- Education
- Call centres
- Developments
- Hotels and accommodation
- Residential complexes
- MyCiti Bus stations and stops
- Student accommodation

Bordered by Buitengracht, Nelson Mandela Boulevard, Christiaan Barnard Street, Hertzog Boulevard, and Adderley and Riebeeck streets, Precinct 1 (P1) lies largely outside of the Heritage Protection Overlay Zone that covers most of the Central City to the southwest of Hertzog Boulevard. It is thus in this precinct that most of the CBD's greenfields development has been able to take place, on land reclaimed from the sea in the 1930s.

For decades, however, the Foreshore was cut off both from the harbour by large freeways to the northeast, as well as from the centre of the CBD due to the vast dusty parking lots that dominated the area.

While sporadic development had taken place, it is largely due to the opening in 2003 of the Cape Town International Convention Centre (CTICC), adjoining Convention Towers commercial space and 19-floor luxury hotel (today the Westin Cape Town) that this area owes its turnaround. Early in 2017, an expansion to the CTICC will open its doors (see pg 12).

Since then, the Foreshore has become known as the Central City's "financial and investment district." While P3 holds the highest number of legal professionals (in terms of advocates with offices close to the High Court), P1 is home to many large legal firms, as well as to 42% of the

CBD's financial and banking services. It is also currently home to large ground-floor retailers such as car showrooms and, lying near the harbour, has the largest number of shipping companies in the CBD. It is fast becoming home to a high concentration of skyscrapers including both office and residential blocks – in the case of the latter, 50% of all residential units sold in 2016 were in P1. In 2016, the Foreshore also saw the opening of the new state-of-the-art Netcare Christiaan Barnard Memorial Hospital, which is already seeing a shift of the medical profession from P2 (where the old Christiaan Barnard Memorial Hospital was) to P1 (see box on pg 23).



THE CBD'S GREENFIELDS AND RISE OF THE VERTICAL CITY

The Foreshore's most unique feature lies in the fact that the bulk of the land on which it sits was reclaimed from the sea in the 1930s, and has, to a large part, remained undeveloped until recently. As the area in which the majority of Cape Town's tallest office and residential developments currently lie (and are being developed – see pg 22), it is where the largest portion of the City of Cape Town's proposed Foreshore Freeway Precinct project will be situated (see bottom left).



Lying as it does at the edge of the CBD, it is also the precinct best connected to all the major incoming and outgoing routes, including the N1 and N2, and lies closest to other fast-growing economic nodes, such as the V&A Waterfront, in which the Silo District is currently under development to the northwest, and the new Harbour Arch development by Amdec, soon to begin in adjoining Culemborg to the southeast.



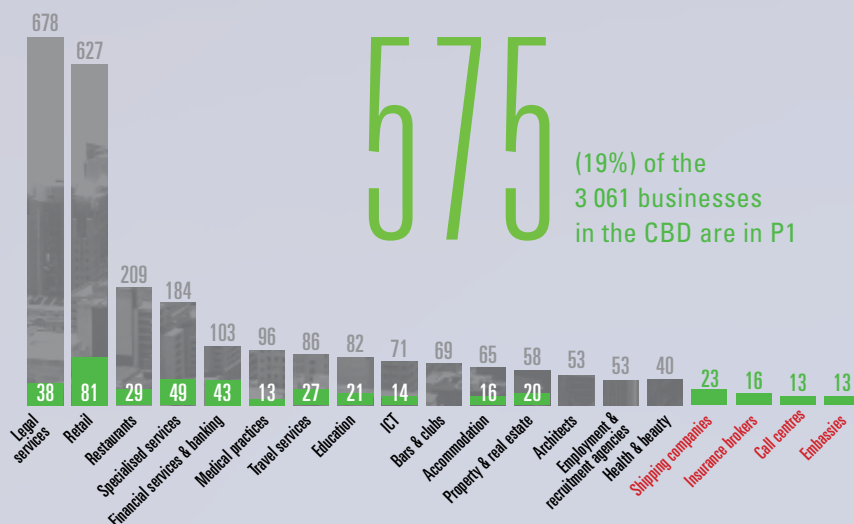
THE FORESHORE FREEWAY PRECINCT project looks to develop six hectares of City land that lie between unfinished elevated freeways that have been a highly debated part of the CBD since the 1970s. In 2016, the City's Transport and Urban Development Authority (TDA) invited developers, investors and property consortia to propose viable solutions in particular to address congestion and related accessibility issues as well as the incorporation of much needed affordable housing. At the time of going to print, six potential projects had been chosen and were awaiting public comment.



BUSINESS & RETAIL

THE BREAKDOWN OF TOP BUSINESS CATEGORIES IN P1 VS THE CENTRAL CITY OVERALL

The following shows the top 15 categories of business in P1 versus the top 15 overall in the Central City, and indicates both the mix and focus in this precinct. Those in red also indicate those sectors in which P1 boasts the highest numbers overall in the CBD.



¹ As per pg 18, by the time the 2017 report is published, there will have been a significant shift in the number of medical practices located in P1 with the opening late in 2016 of the new Netcare Christiaan Barnard Hospital.

SNAPSHOTS OF P1'S BUSINESS & RETAIL ENVIRONMENT

42% or 43 of 103 financial services & banking in the CBD are in P1. These include large corporate offices belonging to bankers Absa, Bidvest, FirstRand (FNB), Nedbank, Standard Bank and Investec, and accounting firm KPMG.



P1 also has the highest numbers of venues/offices in the CBD in the following categories:

83% or 10 of the 12 customs brokering & freight forwarding firms

48% or 11 of the 23 investment companies

52% or 12 of the 23 telecommunications companies

EDUCATION

21 (or 26%) of the 82 educational institutions in the CBD (including departments and branches of major institutions) are in P1.

There are 10 tertiary institutions and 3 language schools. Of the tertiary institutions, it is estimated there are:

1 130

full-time students who are registered at these institutions

550

part-time and correspondence students who are also registered

600

staff employed by these institutions

GOVERNMENT FACILITIES

44 (or 24%) of the 182 government facilities in the CBD are in P1, broken up into:

50% national

9% provincial

41% local (municipal)

7 746 Total number of employees

6 325 Total number of daily users

CALL CENTRES

13 (or 35%) of the 37 call centres in the CBD are in P1.





While only **38 (or 6%) of the 678 legal entities** in the CBD are in P1, these include a number of the CBD's – and South Africa's – largest legal firms. P1 is home to, among others, Edward Nathan Sonnenbergs Inc (ENS), Cliffe Dekker Hofmeyr Inc, Bowman Gilfillan Inc, Webber Wentzel, Adams and Adams, Fairbridges Wertheim Becker and Norton Rose.

23 (or 77%) of the 30 shipping companies in the CBD are in P1. In addition, **10 (or 83%) of the 12 freight forwarding and customs brokering firms** in the CBD are in P1.

81 (or 13%) of the 627 retail outlets in the CBD are in P1. Of these 81 outlets, 66% are made up of:

23%
motor and related
(including large car and motorcycle dealerships)

13% jewellery design
& manufacturing
(including diamond and precious gems wholesalers)

6%
CLOTHING STORES

9%
HAIR
SALONS

6%
furniture &
decor stores

9%
hardware
stores

Medium to large retailers include Food Lovers Market (two outlets in P1) and a Clicks. There are also two bottle stores and three superettes, among a number of other assorted retailers and service suppliers.

ENTERTAINMENT

7 (or 10%) of the 69 dedicated bars and clubs in the CBD are in P1. These employ an estimated:

37 full-time employees

36 part-time employees

29 (or 14%) of the 209 eateries in the CBD are found in P1. Of these:

40%
are classified
as restaurants

30%
are classified
as fast-food/
takeaway outlets

30%
are classified as
coffee shops

OPERATING HOURS

It is estimated only **26%** are open after 18h00.
7% are open 7 days a week.

MYCITI

P1 has seven MyCiTi bus stops including the BRT's main station for the city, situated at the Civic Centre. Other stations include Adderley and Thibault. The bus stops in the precinct are Convention Centre, Foreshore, Lower Long and Lower Loop.

**IN 2016, A TOTAL OF 3 184 432 PEOPLE
BOARDED BUSES AND 2 915 653
ALIGHTED IN P1.**

INDIVIDUAL
BUS STOP
AND STATION
FIGURES ARE AS
FOLLOWS.

CIVIC CENTRE
1 659 236
boarded and
1 789 988
alighted

ADDERLEY
1 128 358
boarded
and 799 861
alighted

THIBAUT
373 028
boarded
and 289 058
alighted

**CONVENTION
CENTRE** 9 812
boarded and
12 498 alighted

FORESHORE
1 526 boarded
and 2 523
alighted

LOWER LONG
10 015 boarded
and 3 463
alighted

LOWER LOOP
2 457 boarded
and 18 262
alighted

DEVELOPMENTS

The following investments, conservatively valued at just over R11.152 billion, have been recorded in P1 since the publication of the first edition of *The State of Cape Town Central City Report* (which reflected on 2012) and currently take the precinct up until 2020. They include developments completed since 2012, currently under construction, in planning or proposed, and list redevelopments, refurbishments, upgrades and new developments. See pg 16 for an overall perspective on current CBD developments.

COMPLETED SINCE 2012

CIVIC CENTRE UPGRADE
YEAR 2013
LOCATION Hertzog Boulevard
TYPE City of Cape Town
VALUE R32.8m

22 BREE
YEAR 2013
LOCATION 22 Bree St
TYPE Commercial, retail
VALUE R360m

33 HEERENGRACHT (GRAND PARADE INVESTMENTS)
YEAR 2013
LOCATION Pier Place, Heerengracht
TYPE Commercial, retail
VALUE R160m

ARTSCAPE (PHASE 1)
YEAR 2013
LOCATION DF Malan Street
TYPE Entertainment
VALUE R40m

ATLANTIC CENTRE
YEAR 2013
LOCATION Christiaan Barnard Street
TYPE Commercial, retail
VALUE R160m

ARTSCAPE (PHASE 2)
YEAR 2014
LOCATION DF Malan Street
TYPE Entertainment
VALUE R59.985m

ROGGEBAAI PLACE
YEAR 2014
LOCATION Jetty Street
TYPE Commercial, retail
VALUE R285m

SOUTHERN SUN WATERFRONT UPGRADE
YEAR 2014
LOCATION 1 Lower Buitengracht
TYPE Hotel
VALUE R100m

PORTSIDE
YEAR 2014
LOCATION City block of Buitengracht, Bree and Mechau streets, and Hans Strijdom Avenue
TYPE Commercial, retail
VALUE R1.6bn

MEDIA24 UPGRADE
YEAR 2015
LOCATION Rua Vasco Da Gama
TYPE Commercial, retail
VALUE R66m

PARKALOT (ADDITION TO ATLANTIC CENTRE)
YEAR 2015
LOCATION Jack Craig Street
TYPE Parking
VALUE R69.4m

THE TOWERS (STANDARD BANK)
YEAR 2015
LOCATION Hertzog Boulevard
TYPE Commercial, retail
VALUE R533m

TOUCHSTONE HOUSE
YEAR 2015
LOCATION Cnr Bree & Mechau streets
TYPE Commercial, retail
VALUE R250m

THOMAS PATULLO REDEVELOPMENT
YEAR 2015
LOCATION Jan Smuts Street
TYPE Commercial, retail, parking
VALUE R81.466m

NETCARE CHRISTIAAN BARNARD MEMORIAL HOSPITAL
YEAR 2016
LOCATION DF Malan Street
TYPE Hospital
VALUE R330m



CURRENTLY UNDER CONSTRUCTION

4 LOOP ST UPGRADE
YEAR 2017
LOCATION 4 Loop St
TYPE Commercial, retail, residential
VALUE R20m

KPMG PLACE
YEAR 2017
LOCATION Cnr Christiaan Barnard Street, Martin Hammerslag Way & FW de Klerk Boulevard
TYPE Commercial, retail
VALUE R400m

RADISSON BLU HOTEL & RESIDENCE
YEAR 2017
LOCATION 22 Riebeeck St
TYPE Hotel, retail, residential
VALUE R1bn



CTICC EAST WING (EXPANSION)
YEAR 2017
LOCATION Block between FW De Klerk Boulevard and Coen Steytler Circle
TYPE City of Cape Town (convention centre, commercial, retail)
VALUE R832



ARTSCAPE (PHASE 3)
YEAR 2017
LOCATION DF Malan Street
TYPE Entertainment
VALUE R86

PIER PLACE UPGRADE
YEAR 2017
LOCATION Pier Place, Heerengracht
TYPE Commercial, retail
VALUE R200m

IN PLANNING/ PROPOSED

16 ON BREE
YEAR 2019
LOCATION 16 Bree St
TYPE Residential, retail
VALUE R860m

27 LOWER LONG ST
YEAR TBC
LOCATION 27 Lower Long St
TYPE Commercial
VALUE R476m

GOLDIES
YEAR TBC
LOCATION City block of Buitengracht, and Mechau, Bree & Prestwich streets
TYPE Residential, retail, commercial
VALUE R1.1bn

REEDS HOUSE
YEAR TBC
LOCATION 6 Jack Craig St
TYPE Commercial
VALUE R350m

TELKOM EXCHANGE FORESHORE
YEAR TBC
LOCATION Lower Long Street
TYPE Parastatal
VALUE TBC

THE LINK
YEAR TBC
LOCATION DF Malan Street
TYPE Commercial, retail
VALUE TBC

THE MODERN
YEAR TBC
LOCATION City block of Bree, Mechau & Loop streets, and Hans Strijdom Avenue
TYPE Commercial, hotel
VALUE R1.5bn

THE CAPETONIAN UPGRADE
YEAR TBC
LOCATION Pier Place, Heerengracht
TYPE Hotel
VALUE R200m



ACCOMMODATION

RESIDENTIAL

1	Radisson Blu Hotel & Residence	22 Riebeeck St
2	Fountain Suites	1 Hans Strijdom Ave
3	Icon	24 Hans Strijdom Ave
4	4 Loop Street	4 Loop St
5	Protea North Wharf	1 Lower Bree St
6	Hyde Park	Anton Anreith Arcade
7	The Diplomat	Anton Anreith Arcade
8	Trafalgar Centre	Hans Strijdom Ave



R18 079¹
Average rental
per month in P1

RAISING THE TEMPERATURE OF THE FORESHORE

The new 16-storey Netcare Christiaan Barnard Memorial Hospital is set to expand the horizons of the Foreshore from being known as a financial district to one also known for superior healthcare. The new facility incorporates:

A total floor space of around 30 000m².

248 beds, 61 of which are intensive care and high care. Expansion pockets within the current structure will enable this to expand to a total of 375 to cater for future growth.

11 theatres (with three more envisaged to be commissioned in 2017), two cardiac catheterisation laboratories (with space for a third), medical, surgical and paediatric wards, a maternity unit with delivery rooms, a dedicated caesarean theatre and neonatal ICU.

Over 500 permanent staff are employed at the hospital.

Approximately 120 resident specialists can be accommodated.

Emergency services include a three-bed resuscitation facility, nine examination rooms including a dedicated paediatric room, sexual assault centre and doctors' rooms; a Netcare 911 operations base; and a rooftop helistop. The facility is working towards achieving level 1 trauma accreditation by August 2017.



14%
or 8 of the
57 residential
complexes
in the CBD
are in P1



50%
or 114 of 228
residential
units sold
in the CBD
during 2016
were in P1



65m²
Average size
of unit sold
in P1 during
2016



R37 214
Average cost
per m² of unit
sold in P1
during 2016



R2.377m
Average sale
price in P1
in 2016



13
Average days
on the market
during 2016



-1.3%
Average price
sold against
listed price in
2016: -1.3%



29%
or 34 of the
116 apartments
to rent in the
CBD* were
in P1

¹ Of the 34 apartments to rent in P1, two were luxury penthouses each being rented out at R80 000 per month. The next most expensive was R30 000pm. It is the opinion of the publisher that the top two most expensive rentals skewed the overall averages in this precinct, so these two apartments at R80 000pm have been excluded from the average rental calculations for P1, and the average rental of R18 079pm has therefore been based on the remaining 32 apartments for rent.

*As at the end of 2016, according to www.property24.com

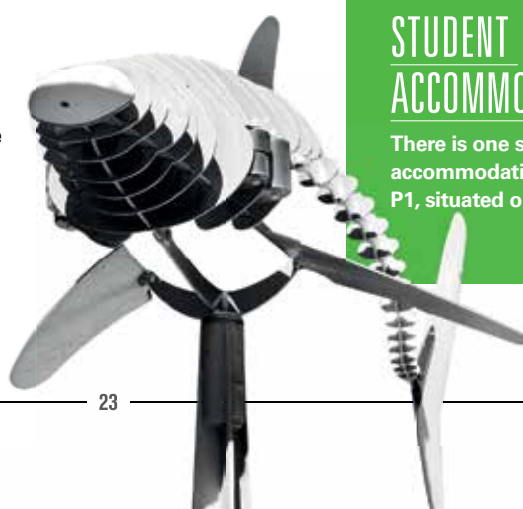
HOTELS & BACKPACKERS

38% or 15 of the 40 hotels in the CBD lie in P1 – many of which make up the largest hotel complexes in the Central City, lying in close proximity to the Cape Town International Convention Centre and the entrance to the V&A Waterfront. These large complexes include – among others – the Westin, two Radisson hotels (Park Inn and Radisson Blu), three Tsogo Sun hotels (The Cullinan, Southern Sun Waterfront and Sun1 Foreshore) and the Protea North Wharf.

None of the CBD's 18 backpacker establishments are to be found in P1.

STUDENT ACCOMMODATION

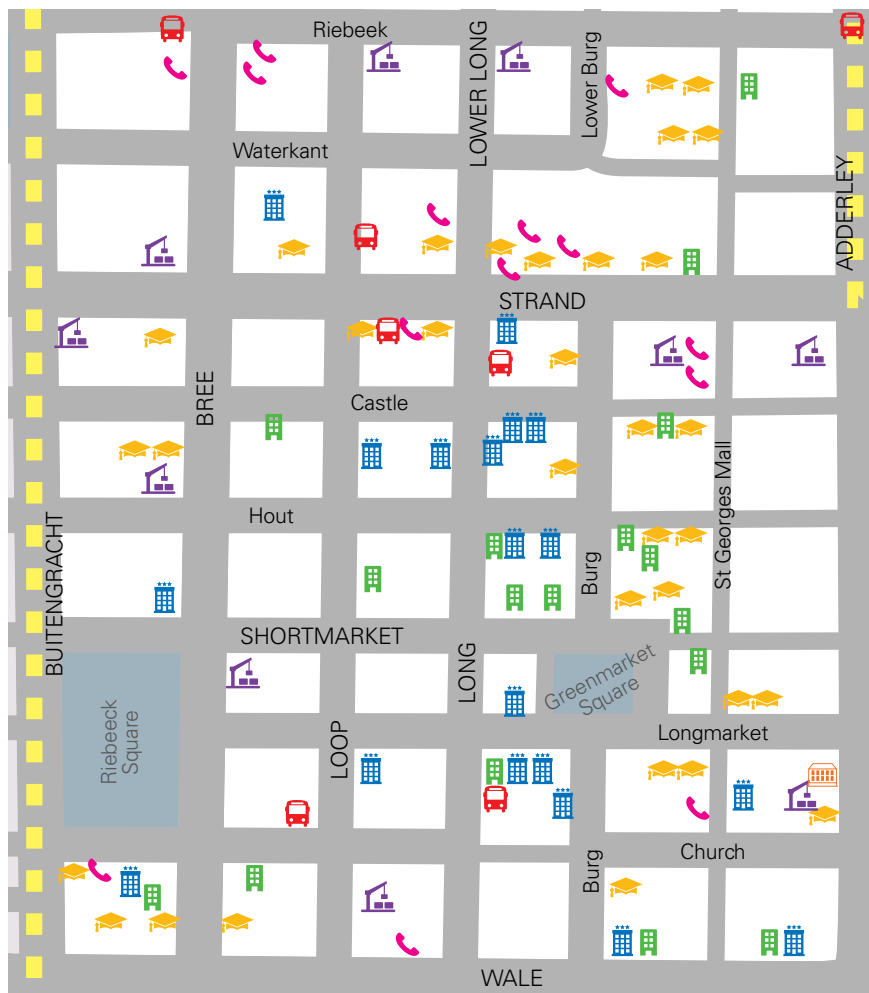
There is one student accommodation complex in P1, situated on Pier Place.



P2

PRECINCT 2

The Central City's downtown in a downtown



Bordered by Buitengracht and Adderley, Riebeeck and Wale streets, in many ways Precinct 2 (P2) is the true “downtown” heart of the Cape Town Central City, with the greatest mix of commercial, retail, leisure, educational and residential venues in the greater CBD. It has a strong and highly varied daytime economy, with 40% of all businesses in the CBD based here, as well as 51% of its retail and 50% of its educational institutions. It also has a strong, developing nighttime economy, which has in particular seen the growth of Bree Street as a popular entertainment strip over the past few years, and houses 30.5% (equal to P3) of the CBD’s residential complexes.

While its footprint lies in the Table Bay District Heritage Protection Overlay Zone (as does most of the Central City), numerous development projects over the years have combined (and continue to combine) the highly successful preservation of heritage with contemporary architecture – among these Mandela Rhodes Place and Taj Cape Town in St Georges Mall and, more recently, the Twinell Building between Loop and Long streets.



This map shows the clustering of the following types of activities in this precinct.

Education
 Call centres
 Developments
 Hotels and accommodation
 Residential complexes
 MyCiTi Bus stations and stops
 Student accommodation

OPEN STREETS CAPE TOWN (OSCT)

A global movement inspired by Colombian capital Bogotá’s Civlovía recreational programme that turns 120km of street in that city into car-free space every Sunday, the “Open Streets” movement, founded in 2012, saw the first held in the CBD take place in P2 along Bree Street. Hosting around 15 000 participants, this is now an annual event that takes place largely still in P2 in January.





PUBLIC SPACE MANAGEMENT PILOT

In a motion tabled to the City of Cape Town council in 2013, it was noted that two important high footfall P2 public spaces – namely, Greenmarket Square and St Georges Mall – would greatly benefit from improved urban maintenance, appropriate live entertainment, and formal retail and informal trading nodes with a diverse offering of goods. The Department of Economic Development undertook to establish a plan that would ensure stabilisation and optimisation of not only this public space, but that would work as a model for best practice that would ultimately be available for utilisation in public spaces across the metropole. In 2016, the City began the process of assessment, information gathering and stabilisation of the spaces, collaborating with the CSIR and the Cape Town CCID to undertake a number of independent reviews that will lead to the development of two world-class public spaces of important economic significance to the CBD. With the pilot project hoping to bear fruition within three to five years, 2016 saw the following undertaken:

1

CSIR informal trader survey

2

A stakeholder survey targeting formal businesses in, and users of, both spaces

3

Pedestrian counts (these will be ongoing in 2017)

4

A design development project to document the current state and challenges, and present possible opportunities for improvement

5

Stabilisation of the urban environment including general cleaning, graffiti removal and beautification of the area (ongoing)

BUSINESS & RETAIL

P2 ALSO HAS THE HIGHEST NUMBERS OF VENUES/OFFICES IN THE CBD IN THE FOLLOWING CATEGORIES

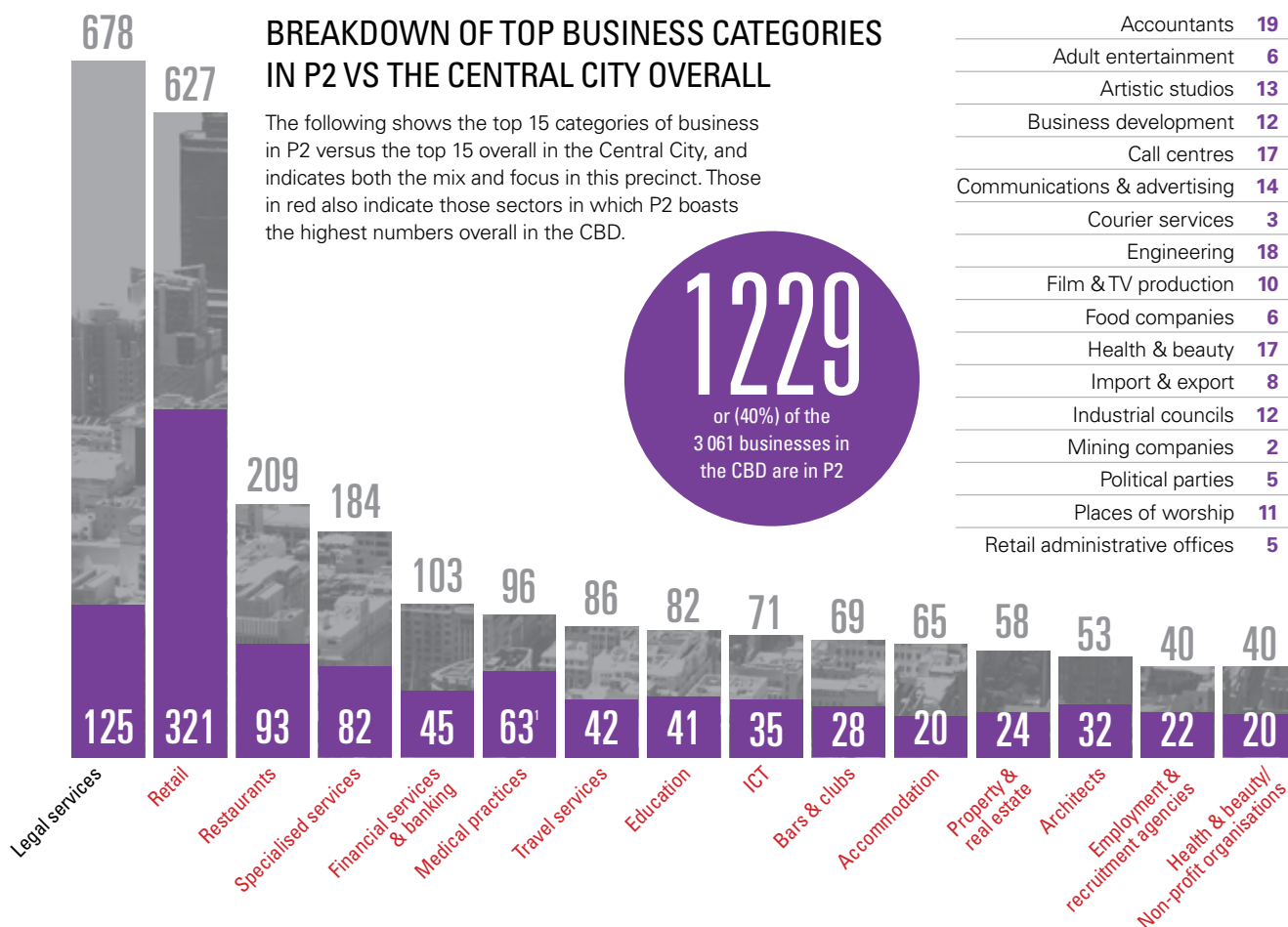
Accountants	19
Adult entertainment	6
Artistic studios	13
Business development	12
Call centres	17
Communications & advertising	14
Courier services	3
Engineering	18
Film & TV production	10
Food companies	6
Health & beauty	17
Import & export	8
Industrial councils	12
Mining companies	2
Political parties	5
Places of worship	11
Retail administrative offices	5

BREAKDOWN OF TOP BUSINESS CATEGORIES IN P2 VS THE CENTRAL CITY OVERALL

The following shows the top 15 categories of business in P2 versus the top 15 overall in the Central City, and indicates both the mix and focus in this precinct. Those in red also indicate those sectors in which P2 boasts the highest numbers overall in the CBD.

1229

or (40%) of the 3 061 businesses in the CBD are in P2



51%

or 321 of 627 retail outlets in the CBD are in P2.

Of these 321 outlets, 58% are made up of:

22% clothing stores
13% jewellery stores
8% art galleries
8% furniture & decor stores
7% hair salons

Medium to large retailers include Pick n Pay, Woolworths, Edgars, Mr Price, Food Lovers Market, Pep Stores, Jet Mart and Clicks. There are also four bottle stores, four superettes and three hardware stores, among other assorted retailers.

SNAPSHOTS OF P2'S BUSINESS & RETAIL ENVIRONMENT



42 (or 49%) of the 86 travel-related companies in the CBD are located in P2, including Cape Town Tourism and the main Cape Town depot of the CitySightseeing South Africa red bus service.



14 (or 44%) of the 32 communication and advertising firms in the CBD are located in P2. Companies include 140 BBDO, Matt Advertising and the Cape Town offices of the Daily Maverick.



13 (or 35%) of 37 artistic studios are in P2. These include art galleries as well as studios involved in production, manufacturing and sound recording.



32 (or 60%) of 53 architecture firms in the CBD are in P2, while 18 (56%) of 32 engineering firms are also to be found here.

¹ In 2016, the majority of CBD medical practices were housed in the old Netcare Christiaan Barnard Memorial Hospital in P2. However, the 2017 report will reflect that many of these practices will have moved across to the new P1 facility.



ENTERTAINMENT

41% or 28 of the 69 dedicated bars and clubs in the CBD are in P2

THESE EMPLOY AN ESTIMATED:



138
full-time employees



51
part-time employees

44% or 93 of the 209 eateries in the CBD are found in P2. **OF THESE:**



69%
are classified as restaurants



20%
are classified as fast-food/
takeaway outlets



11%
are classified as coffee shops

A NUMBER OF THESE ALSO HAVE BAR FACILITIES.
32% ARE OPEN AFTER 6PM.
9% ARE OPEN 7 DAYS A WEEK.

CALL CENTRES **46%** or 17 of 37 call centres situated in the CBD are found in P2.

MYCITI

In 2016, a total of 93 901 people boarded buses and 175 424 alighted in P2. Individual bus stop & station figures are as follows:

P2 has six MyCiTi bus stops:

Castle, Church, Longmarket, Mid Long, Mid Loop, Riebeeck and Strand.

CHURCH	LONGMARKET	MID LONG	MID LOOP	RIEBEEK	STRAND
4 658 boarded and 10 397 alighted	10 052 boarded and 15 113 alighted	11 910 boarded and 7 093 alighted	1 410 boarded and 14 096 alighted	36 152 boarded and 95 799 alighted	29 719 boarded and 32 926 alighted

EDUCATION

41 (or 50%) of the 82 educational institutions in the CBD are in P2

These include departments and branches of major institutions, among them the AAA School of Advertising, Boston City Campus and Business College, Damelin, the International Hotel School, the Rainbow Academy, Fedisa and Intec College.

THERE ARE:
14 tertiary institutions
13 language schools

1 933
Total of full-time students registered at these institutions

58 898
Total of part-time and correspondence students also registered, the majority being from Intec Correspondence College and Lyceum College

417
Total of full-time staff employed by these institutions



DEVELOPMENTS

The following investments, conservatively valued at R2.85 billion, have been recorded in P2 since the publication of the first edition of *The State of Cape Town Central City Report*, which reflected back on 2012, and currently take the precinct up until 2020. They include developments completed since 2012, currently under construction, in planning or proposed, and list redevelopments, refurbishments, upgrades and new developments. For more information on current developments, see pg 16.

COMPLETED SINCE 2012

NEWSPAPER HOUSE

YEAR 2012
LOCATION 122 St Georges Mall
TYPE Commercial, retail
VALUE R150m

107 BREE STREET

YEAR 2013
LOCATION 107 Bree St
TYPE Commercial, retail
VALUE R20m



WESBANK HOUSE UPGRADE

YEAR 2016
LOCATION 9 Long St
TYPE Commercial, retail
VALUE R10m



IN PLANNING/ PROPOSED

MIKE'S SPORTS

YEAR TBC
LOCATION Cnr Strand, Bree & Waterkant streets
TYPE Commercial, retail
VALUE TBC



19A LOOP STREET

YEAR TBC
LOCATION 19A Loop St
TYPE Commercial
VALUE TBC

ZERO-2-ONE TOWER

YEAR TBC
LOCATION Cnr Adderley & Strand streets
TYPE Residential, retail, hotel, parking
VALUE R1.5bn



CURRENTLY UNDER CONSTRUCTION

TWINELL BUILDING

YEAR 2017
LOCATION 113 Loop St
TYPE Commercial, retail
VALUE R120m

SOUTHERN SUN CAPE SUN

YEAR 2017
LOCATION 23 Strand St
TYPE Hotel
VALUE R250m



SUNSQUARE & STAYEASY HOTELS

YEAR 2017
LOCATION Buitengracht, Strand, Bree & Castle streets
TYPE Hotel
VALUE R680m

BEAUFORT HOUSE

YEAR 2017
LOCATION 78 Bree St
TYPE City of Cape Town
VALUE R120m

GOVERNMENT FACILITIES

30% or 54 of the 182 government facilities in the CBD are found in P2, broken up into:

60%
national

20%
provincial

20%
local (municipal)

Total number of employees
2 282

Total number of daily users
2 042



ACCOMMODATION

RESIDENTIAL

AVERAGE RENTAL
PER MONTH IN P2

R17 587



- | | |
|---|--|
| 1 DE OUDE SCHUUR 120 Bree St | 10 71 LOOP 71 Loop St |
| 2 GLASTON HOUSE 63 Church St | 11 THE DECKS 67 Long St |
| 3 MANDELA RHODES PLACE Cnr Wale & Burg streets | 12 MURRAY HOUSE 25 Hout St |
| 4 TAJ CAPE TOWN Cnr St Georges Mall & Wale St | 13 GUARANTEE HOUSE 35 Burg St |
| 5 HUYS HEEREN XVII 157 Longmarket St | 14 IMPALA HOUSE 27 Castle St |
| 6 MARKET HOUSE 17 Shortmarket St | 15 CASTLE GATE 83 Castle St |
| 7 GREENMARKET PLACE 54 Shortmarket St | 16 34 ST GEORGES 34 St Georges Mall |
| 8 NAMAQUA HOUSE Cnr Shortmarket & Burg streets | 17 THE COLOSSEUM 3 St Georges Mall |
| 9 KIMBERLEY HOUSE 34 Shortmarket St | |



30%

or 17 of the
57 residential
complexes in the
CBD are in P2



18%

or 42 of 228
residential units
sold in the CBD
during 2016 were
in P2



84m²

Average size sold
in P2 in 2016



R30 457

Average cost/m²
sold in P2 in 2016



R2.497m

Average sale
price in P2 in
2016



-4.1%

Average price
sold against
listed price in P2



76

Average days on
the market in P2
in 2016



27%

or 31 of the 116
apartments to rent
in the
CBD were in P2*

HOTELS & BACKPACKERS



**13 (or 33%) of the 40 hotels
and 7 (or 39%) of the
18 backpacker establishments**
in the CBD lie in P2.

STUDENT ACCOMMODATION

There is one student
accommodation
establishment in P2 (Student
at Home in Adderley Street).

BROADBAND ROLLOUT PILOT PROJECT

Following the City of Cape Town's rollout of its fibre-optic Municipal Broadband Network across the metropole to its own facilities, by 2015 this network had become extensive enough to begin to be leveraged by the private sector. With the vision that the City would provide the "last kilometre" of cabling from its own network to private buildings in business areas across Cape Town, the City selected the Cape Town CBD for a four-block pilot project in P2, during which it would install a cable to every building so that requests for

a fibre-pair allocation could immediately be provided and the fulfilment times for new services be reduced, giving building tenants and owners a choice of service providers and access to the City's connection speed of 1Gbps. In 2016, the Cape Town CCID assisted by facilitating between the City's Telecommunications branch and private property owners in the pilot area. It was envisaged that, if successful, the pilot would be rolled out across the entire CBD and to other business areas throughout the metropole.

*As at December 2016.

P3

PRECINCT 3

The cultural, legal and leisure heart of the Central City



This map shows the clustering of the following types of activities in this precinct.

- Education
- Call centres
- Developments
- Hotels and accommodation
- Residential complexes
- MyCiti Bus stations and stops
- Student accommodation

When one thinks of Precinct 3 (P3), three defining features spring to mind: it is the home of The Company's Garden (the Central City's answer to Central Park), the Western Cape High Court with its hundreds of members of the bar, and the CBD's longest standing entertainment strip – Long Street, which has the highest concentration of late-night venues in the Central City.

In terms of the first of these, seven of Cape Town's major cultural assets are in P3, clustered in and around The Company's Garden, namely: Iziko South African National Gallery, Cape Town Holocaust Centre, South African Jewish Museum, Iziko South African Museum, Iziko Planetarium, Iziko Bertram House and Michaelis Gallery. It is also here that the University of Cape Town houses most of its fine arts department on its Hiddingh Campus, together with the main performance venues of its drama department.

Running the length of the garden is Queen Victoria Street, the first true residential node in the Central City with three of its oldest residential blocks and its largest, St Martini Gardens. Together with Long Street, the two streets also house five of P3's seven hotels and five of its six backpacker establishments, making this the precinct closest to becoming a true 24/7 node.

Numerous offerings exist in terms of restaurants and takeaway outlets alongside the late-night venues, while retail speaks largely to independently owned outlets ranging from edgy boutiques and second-hand stores catering to the student scene to high-end designers. A significant number of design studios (eight in total, from photography to furniture design) and architectural firms (14) are also to be found in this precinct.

MYCITI

P3 has six MyCiti bus stops:

Dorp, Government Avenue, Leeuwen, Michaelis, Upper Long and Upper Loop.

In 2016, a total of 87 150 people boarded buses and 170 551 alighted in P3. Individual bus stop and station figures are as follows:

DORP	LEEUVEN	MICHAELIS	UPPER LONG	UPPER LOOP	GOVERNMENT AVENUE
18 514 boarded and 55 607 alighted	14 036 boarded and 14 645 alighted	16 820 boarded and 31 279 alighted	10 878 boarded and 50 602 alighted	18 096 boarded and 6 884 alighted	8 806 boarded and 11 534 alighted



BUSINESS & RETAIL

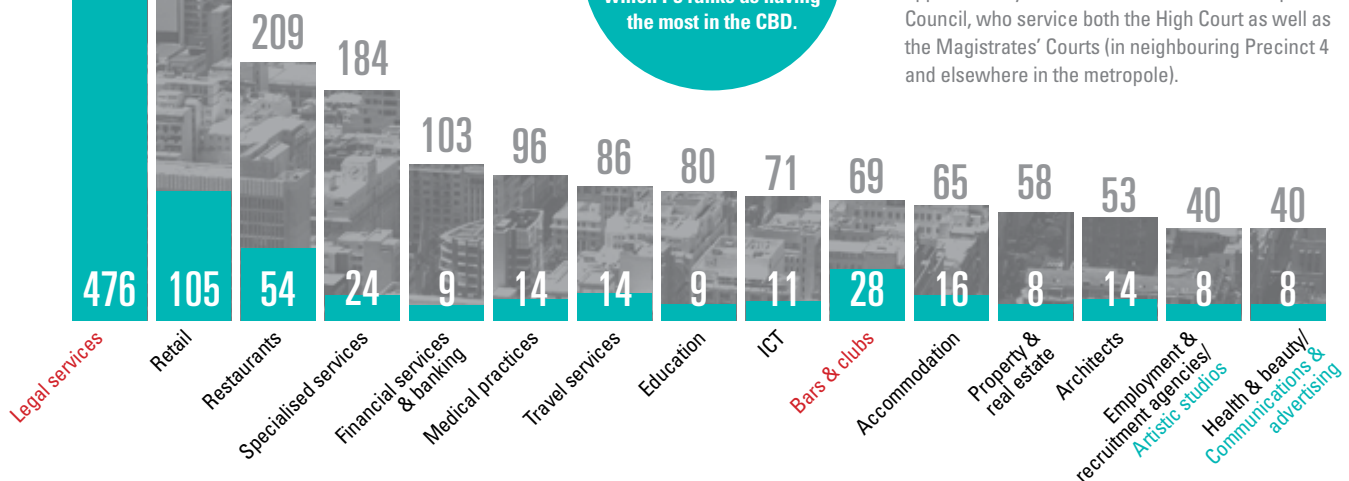
678

627

BREAKDOWN OF TOP BUSINESS CATEGORIES IN P3 VS THE CENTRAL CITY OVERALL

The following shows the top 15 categories of business in P3 versus the top 15 overall in the Central City, and indicates both the mix and focus in this precinct. Those in red also indicate those sectors in which P3 boasts the highest numbers overall in the CBD.

Apart from legal services, and bars and clubs, there are no other categories of business in which P3 ranks as having the most in the CBD.



476 (or 70%) of 678 legal entities in the CBD are in P3. This is not surprising as this is the precinct where the Western Cape High Court is situated (in Keerom Street) and where a number of the buildings in its immediate vicinity house the individual and small partnership offices of the approximately 450 advocates listed on the Cape Bar Council, who service both the High Court as well as the Magistrates' Courts (in neighbouring Precinct 4 and elsewhere in the metropole).

IN CHAMBER

Advocates offices in P3 are generally located in chambers in and around Keerom Street and include the following buildings:

- 42 Keerom St Chambers
- 50 Keerom St Chambers
- 56 Keerom St Chambers
- 68 Keerom St Chambers
- Bank Chambers (cnr Bloem & Keerom streets)
- Cape Law Chambers (70 Keerom St)
- Huguenot Chambers (40 Queen Victoria St)
- Leeuwen Chambers (20 Keerom St)
- Velocity Building (cnr Leeuwen & Keerom streets)
- Venken Lane Chambers (Venken Lane between Long & Keerom streets).



SNAPSHOTS OF P3'S

BUSINESS & RETAIL ENVIRONMENT

105 (or 17%) of the 627 retail outlets in the CBD are in P3.

Of these 105 outlets, 65% are made up of:



There are also three galleries, three sports & outdoors venues, two hardware-related and two bottle stores, as well as seven privately owned, small superettes in P3. There are no medium to large retailers, nor any outlets of national retail chain stores. Apart from the national and international brands in the motor & related industries, all other outlets speak to the cultural and artistic character of the precinct, being owned and operated by individual owners.

P3 IS THE ONLY PRECINCT IN THE CBD THAT HAS NO CALL CENTRES OPERATIONAL IN ITS FOOTPRINT.



EDUCATION

9 (or 11%) of the 82 educational institutions in the CBD (including departments and branches of major institutions) are in P3, including the UCT Hiddingh Campus – the “home” of the university’s Michaelis School of Fine Arts, a large portion of its Drama department, and the Gordon Institute for Performing and Creative Arts (GIPCA). See more about this campus on pg 35.

OF THE 9 EDUCATIONAL INSTITUTIONS IN PRECINCT 3:

2 are high schools	6 are tertiary institutions	1 is a language school
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IT IS ESTIMATED THAT THESE INSTITUTIONS HAVE:

2 371 full-time students	599 part-time and correspondence students	207 full-time staff
------------------------------------	--	----------------------------

ENTERTAINMENT

41% or 28 of the 69 bars & clubs in the CBD are in P3. With this precinct being the longest standing in terms of venues catering for late-night entertainment, it is understandable that it is also the most prolific – particularly as P3’s Long Street stretch of seven city blocks has been world renowned for decades as one of Cape Town’s primary party nodes.

IT IS ESTIMATED THAT THESE 28 CLUBS EMPLOY A TOTAL OF:

207 full-time employees	95 part-time employees
--------------------------------	-------------------------------

54 (26%) of the 209 restaurants in the CBD are located Precinct 3. Of these:



70%
are classified as restaurants



13%
are classified as takeaways



11%
are classified as coffee shops



4%
are classified as bakeries



2%
are classified as butcheries

OPERATING HOURS:

It is estimated that as many as 43% are open after 18h00 (the highest number out of all four precincts).



7% are open 7 days a week.

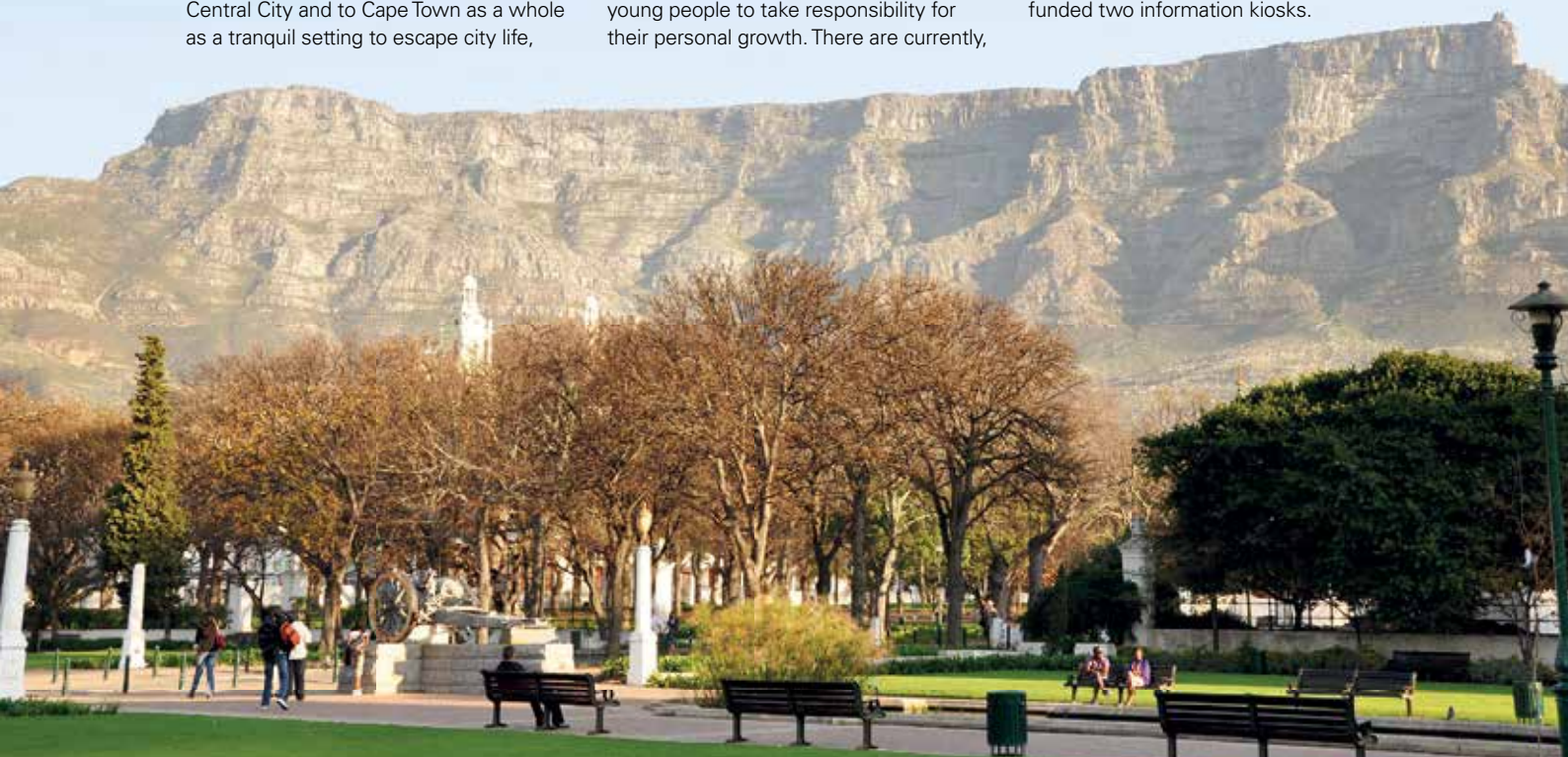
THE COMPANY’S GARDEN & CHRYSALIS ACADEMY AMBASSADORIAL PROGRAMME

The CCID has established a four-way partnership with the Western Cape Government’s Department of Community Safety, its Chrysalis Academy and The Company’s Garden (managed by the City of Cape Town) to upskill and utilise students from the academy to provide an ambassadorial role in the garden. This is to ensure it retains its value both to the Central City and to Cape Town as a whole as a tranquil setting to escape city life,

as well as to the hundreds of thousands of visitors who seek it out on an annual basis as a horticultural experience in its own right or to visit the numerous cultural venues dotted in and around its boundaries.

Chrysalis Academy is a youth leadership development organisation and social crime prevention initiative that empowers young people to take responsibility for their personal growth. There are currently,

on average, around 20 students across an annual cycle being trained and supervised by the CCID, to act as ambassadors in the garden on a day-to-day basis. Duties range from assisting visitors and reporting damage to infrastructure to being the eyes and ears on illegal dumping and antisocial behaviour. Stipends for the students are paid by Community Safety, which also funded two information kiosks.



DEVELOPMENTS

The following investments, conservatively valued at around R592 million, have been recorded in P3 since the publication of the first edition of *The State of Cape Town Central City Report* (which reflected on 2012) and currently take the precinct up until 2020. They include developments completed since 2012, as well as those currently under construction, in planning or proposed and include redevelopments, refurbishments, upgrades and new developments. For more information, see pg 16.

COMPLETED SINCE 2012

CENTRE FOR THE BOOK UPGRADE

YEAR 2013
LOCATION 62 Queen Victoria St
TYPE National Library of South Africa
VALUE R10m



177 BREE ST

YEAR 2015
LOCATION 177 Bree St
TYPE Commercial, retail
VALUE R30m

WESTERN CAPE GOVERNMENT BUILDINGS UPGRADE

YEAR 2015
LOCATION 4 Dorp St, 7 & 15 Wale St
TYPE Provincial government
VALUE R138m



IN PLANNING/ PROPOSED

60 QUEEN VICTORIA ST

YEAR 2019
LOCATION 60 Queen Victoria St
TYPE Hotel
VALUE TBC



CURRENTLY UNDER CONSTRUCTION

IZIKO SOUTH AFRICAN MUSEUM

YEAR 2017
LOCATION Queen Victoria Street
TYPE National museum
VALUE R187m

IZIKO PLANETARIUM UPGRADE

YEAR 2017
LOCATION Queen Victoria Street
TYPE National museum
VALUE R27m



URBAN ON BREE

YEAR 2017
LOCATION 220 Loop St
TYPE Residential, retail
VALUE TBC

THE SENTINEL

YEAR 2017
LOCATION 27 Leeuwen St
TYPE Residential, retail
VALUE R200m

GOVERNMENT FACILITIES

13% or 23 of the 182 government facilities in the CBD are in P3, broken up into:

22%
national

72%
provincial

6%
local (municipal)

Total number of employees
4 717

Total number of daily users
2 402



ACCOMMODATION

HOTELS & BACKPACKERS

7 (18%) of the 40 hotels in the CBD lie in P3, and range from the 5-star Marriott African Pride 15 on Orange Hotel and Pepperclub Hotel & Spa, to 4-star hotels such as Cape Town Lodge and boutique hotels such as Cape Town Hollow Hotel, Daddy Long Legs and Urban Chic.

33%

or 6 of the 18 backpacker establishments in the CBD are in P3

STUDENT ACCOMMODATION

There are currently two student accommodation complexes in P3. These are Eurocentre (14 Dorp St) and Student & Life (210 Loop St). The building which housed a third in 2016 (Get a Room, 179 Loop St), is currently being renovated and its use is still to be confirmed.

RESIDENTIAL



- 1 MONTREAU FLATS** 90 Queen Victoria St
- 2 220 LOOP (previously CPI House)** 220 Loop St
- 3 ARTIOS COURT** 4 Dean St
- 4 HOLYROOD** 80 Queen Victoria St
- 5 VICTORIA COURT** 301 Long St
- 6 ST MARTINI GARDENS** 74 Queen Victoria St
- 7 WEST SIDE STUDIOS** Cnr Buitengracht & Bloem streets
- 8 FLATROCK** 8 Buiten St
- 9 SENATOR PARK** 66 Keerom St
- 10 THE PEPPER CLUB** Cnr Loop & Pepper streets
- 11 6 ON PEPPER** 6 Pepper St
- 12 168 LONG ST** 168 Long St
- 13 155 LOOP ST** 155 Loop St
- 14 186 LOOP ST** 186 Loop St
- 15 THE SENTINEL** 27 Leeuwen St (under construction)
- 16 LUTOMBURG** 18 Keerom St
- 17 MANHATTAN PLACE** 130 Bree St
- 18 15 ON ORANGE** 15 Orange St

32% or 18 of the 57 residential complexes in the CBD are in P3; the highest of all four precincts	12% or 27 of 228 residential units sold during 2016 were in complexes in P3	69m² Average size sold during 2016 in P3	R30 233 Average cost per m ² during 2016 in P3	R1 986 368 Average sale price during 2016 in P3	-4,6% Average price sold against listed price during 2016 in P3	47 Average days on the market during 2016 in P3	24% or 28 of the 116 apartments to rent in the CBD at the time of going to print were in P3	R15 385¹ Average rental per month in P3 as at December 2016
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1 Of the 28 apartments to rent in P3 as at December 2016, one (a 309m² penthouse in Loop Street) was listed as the most expensive rental in the CBD, at R100 000 per month. It is the opinion of the publishers that this skewed the overall averages in this precinct, so this rental has been excluded from the average rental calculations for P3, and the figure of R15 385pm has therefore been based on the remaining 27 apartments.

UCT'S HIDDINGH CAMPUS AND ITS VALUE TO THE P3 ECONOMY

The University of Cape Town's Hiddingh Campus plays a major role in stimulating the creative economy of this area as well as its student life. Made up of 13 buildings, it includes:

- The Arena Theatre, Little Theatre and Little Theatre Workshop
- The Hiddingh Hall Library

- The Rosedale Building, housing the Department of Drama and the English Language Centre
- Michaelis School of Fine Art, founded in 1925, which teaches new media, print media, photography, sculpture, painting and discourse of art. The Michaelis

Gallery hosts many events and annual exhibitions. ■ Old Medical School, housing the Centre for Curating the Archive (CCA) and which develops curatorship as a creative site of knowledge

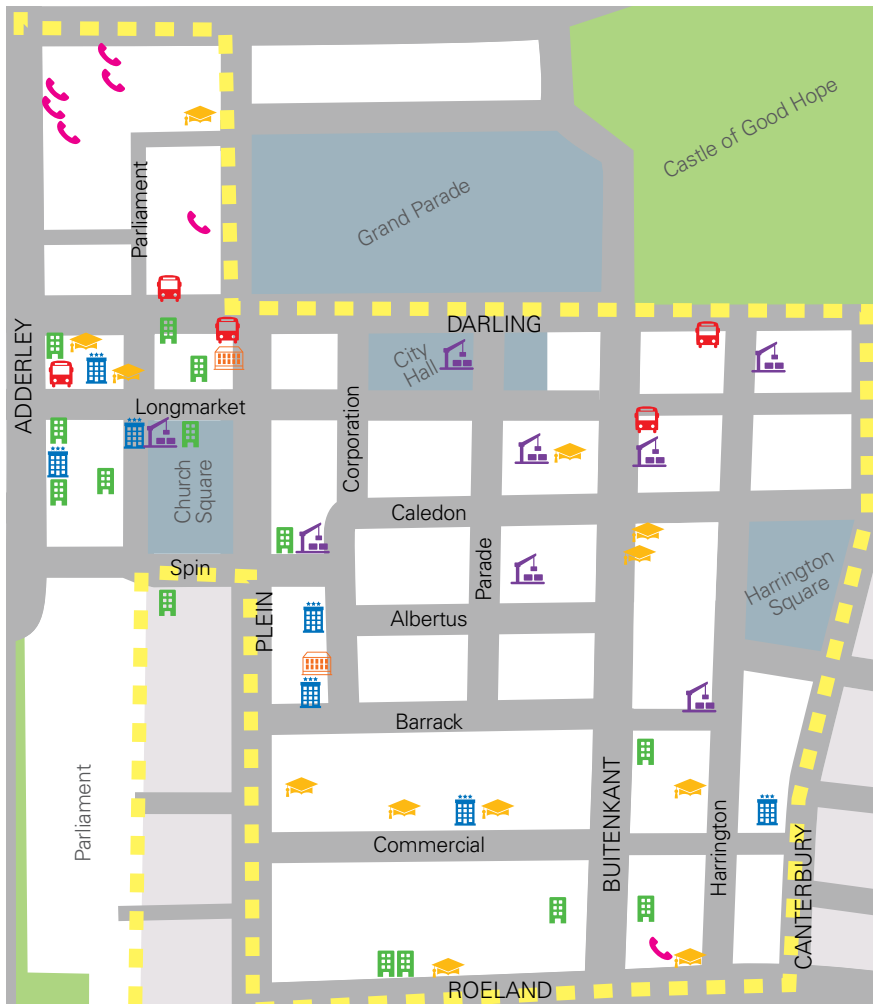
- Gordon Institute for Performing and Creative Arts (GIPCA), which

facilitates new collaborative research projects, particularly in the creative and performing arts

- Bertram House Museum, a late Georgian townhouse dating back to 1794
- The Egyptian Building, a national monument which houses sculpture workshops and studios.

P4

PRECINCT 4 The East City



This map shows the clustering of the following types of activities in this precinct.

- Education
- Call centres
- Developments
- Hotels and accommodation
- Residential complexes
- MyCiti Bus stations and stops
- Student accommodation

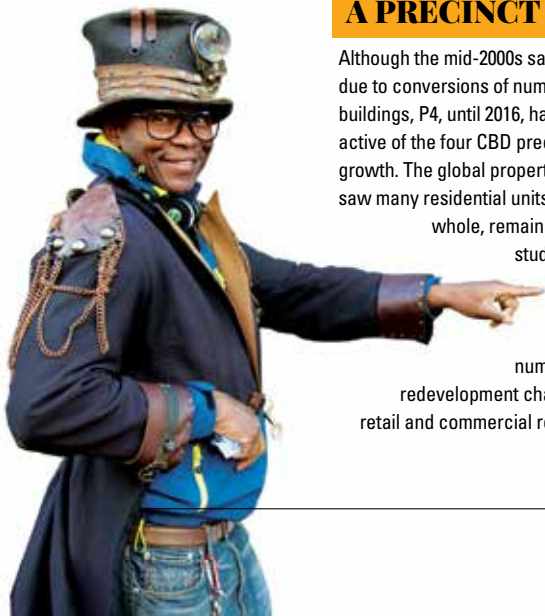
If the Central City had an original SoHo district, this would be Precinct 4 (P4). It has for many years been the heart of the design and craft economies in the CBD with many entrepreneurs making their mark in the area's coworking communities. It also has history and heritage: the District Six museum is one of six museums in P4, which forms the boundary between the traditional CBD and the vast portion of land that was expropriated by the forced removals of the 1970s. It is characterised by big spaces – from the Grand Parade to its wide streets and large government properties, including Parliament. It is the home of the world-renowned The Fugard Theatre, and its City Hall houses the Cape Philharmonic Orchestra. It has a renowned bakery (Charly's Bakery on Harrington Square), one of the CBD's oldest family businesses (Woodheads leathercraft), and Truth Coffee in Buitenkant Street was chosen by the *Daily Telegraph* as the world's best coffee shop. It has a large student population who live here, many of whom attend the Cape Peninsula University of Technology on the old District Six border. The Cape Craft & Design Institute is found here, as is the Cape Town Central Police Station and the magistrates' courts. However, it is also home to four large-scale corporate offices and a large portion of the CBD's residential population, due to the conversion of disused office space during the property boom in the mid-2000s.

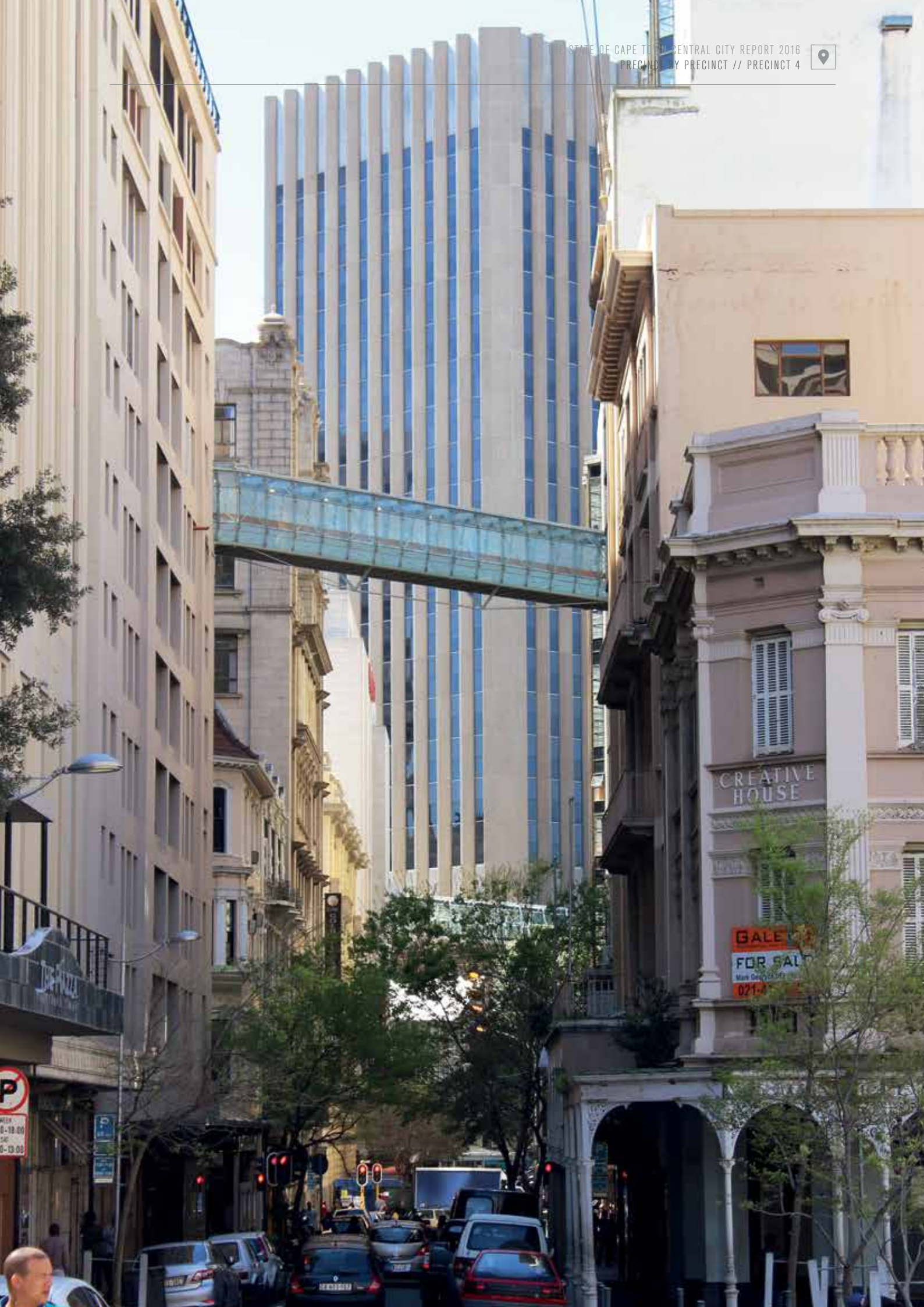
A PRECINCT OF POSSIBILITIES

Although the mid-2000s saw a flurry of residential development due to conversions of numerous underutilised commercial buildings, P4, until 2016, had to a large extent been the least active of the four CBD precincts in terms of rejuvenation and growth. The global property bubble bursting around 2008 saw many residential units return to the market and, on the whole, remain either empty or occupied largely by students looking for reasonable rentals.

Large government departments in the area have traditionally taken up a fair amount of space, while numerous heritage buildings have made redevelopment challenging. This is also the area in which retail and commercial rentals over a number of years have

been at the lower scale of the CBD, and thus there has been a proliferation of space being used by wholesales, larger low-end clothing distributors, and the types of businesses that need big floor space at competitive rentals, such as casting studios, flooring showrooms and light industrial operations. However, the investment value and potential of P4 is now changing. Residential blocks are seeing increasing numbers of owner-occupiers, including many young professionals, seeking the downtown lifestyle; the nighttime and afterhours economy is starting to pick up; and there is an increasing demand for the commercial and retail space, which is still the most economical in the CBD. Following in the footsteps of the Foreshore with its greenfields possibilities, it is anticipated that this is the next Central City precinct that will now fast see its potential being realised.



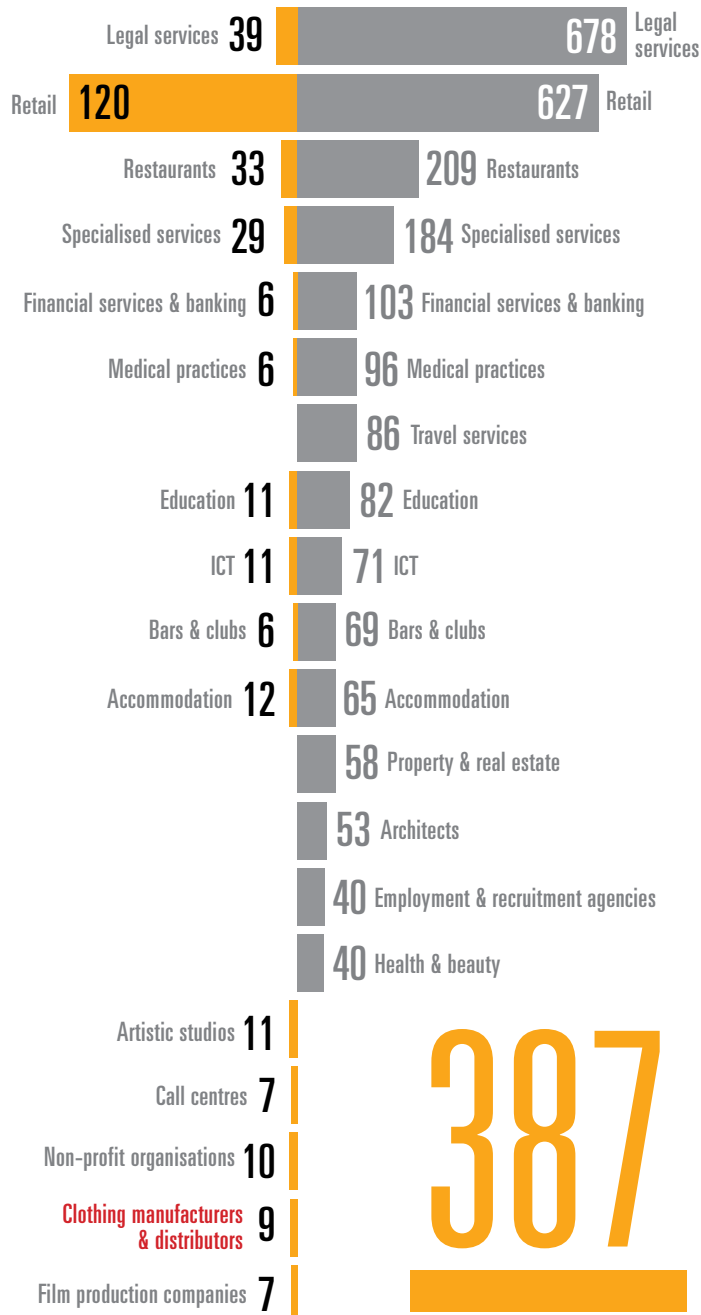


BUSINESS & RETAIL

BREAKDOWN OF TOP BUSINESS CATEGORIES IN P4 VS THE CENTRAL CITY OVERALL

The following shows the top 15 categories of business in P4 versus the top 15 overall in the Central City, and indicates both the mix and focus in this precinct. Those in red also indicate those sectors in which P3 boasts the highest numbers overall in the CBD.

TOP 15 IN P4 TOP 15 IN THE CENTRAL CITY



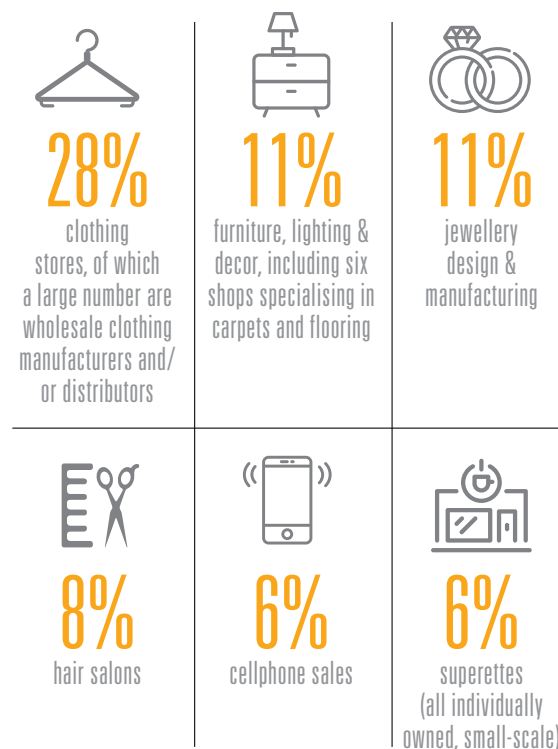
387

or 13% of the
3 061 businesses
in the CBD are in P3



SNAPSHOTS OF P4'S BUSINESS & RETAIL ENVIRONMENT

120 (19%) of the 627 retail outlets in the CBD are in P4, making it the second-largest retail node in the Central City after P2 (with 321 outlets). Of these 120 outlets, 70% are made up of:



There are also three shopping centres catering to middle-to-lower income groups during normal work days. These include two large-scale department stores (Game and Shoprite). The remainder of retailers represent a wide cross section of book shops (including the independent and popular The Book Lounge), opticians, health & beauty and other specialist services, many of which are increasingly being situated around and in close proximity to Harrington Square.

39 (6%) of
678 legal
entities in the
CBD are in P4

11 (30%) of the
37 artistic
studios in the
CBD are in P4

7 (19%) of
the 37 call
centres in the
CBD are in P4



EDUCATION

11 (or 13%) of the 82 educational institutions in the CBD are in P1, and students accounted for in this area make it the precinct with the largest full-time and part-time student numbers and staff in the Central City. P4 borders onto the Cape Peninsula University of Technology's Zonnebloem campus as well as the City Varsity campus in Roeland Street. Student and staff numbers for these two institutions are, therefore, included in the averages below as the vast majority of them pass through the CBD daily, and many live in the Central City footprint, particularly in P4.

THERE ARE 11 EDUCATIONAL INSTITUTIONS
IN PRECINCT 4. OF THESE:



1

offers National
Certificates to
Grade 9 students
and upwards



8

are tertiary
institutions



1

is a creche

It is estimated that these institutes have:

14 461
full-time
students

30 720
part-time and
correspondence
students

525
full-time staff

GOVERNMENT FACILITIES

61 or 34% of the 182 government
facilities in the CBD are in P4,
broken up into:

80%
national

11%
provincial

9%
local

TOTAL
NUMBER OF
EMPLOYEES:

7 893

18 548

Total number
of daily users

OF THESE DAILY USERS:

1 500 are for SAPS (Cape Town Central Police Station)

1 500 are for the Department of Home Affairs (Barrack Street)

3 000 are for Parliament (Plein Street)

3 500 are for Cape Town Central Library (Darling Street)

4 964 are for the Department of Labour (Plein & Parade streets)

ENTERTAINMENT

6 (9%) of the 69 bars & clubs

in the CBD are in Precinct 4. While the numbers are low compared to other precincts, it is anticipated that the nighttime economy of this precinct will now grow steadily as the CBD all round gains in popularity.

IT IS ESTIMATED
THAT THESE 6 CLUBS
EMPLOY A TOTAL OF:

40 full-time
employees

83 part-time
employees

33 or 16% of the 209 restaurants in the CBD
are located Precinct 4

OF THESE:

41%
are classified
as restaurants

31%
are classified
as takeaways

22%
are classified
as coffee
shops

3%
are classified
as butcheries

3%
are also
operating as
both a laundry
and a wine bar



OPERATING HOURS

It is estimated that 23% are open after 18h00.
5% are open 7 days a week.



DEVELOPMENTS

Unlike the three other precincts in the CBD, development in P4 has been relatively slow since 2012 (the first year under review in this series of publications), with new projects only really having come on line over the past year. These currently amount to a conservative investment value of R1.638 billion, and take the precinct up until 2020. They include developments currently under construction, in planning or proposed and include redevelopments, refurbishments, upgrades and new developments. See also pg 16 for more information.

CURRENTLY UNDER CONSTRUCTION

COLLEGE OF CAPE TOWN

YEAR 2017
LOCATION Cnr Longmarket & Buitenkant streets
TYPE Educational
VALUE R19m

MASTER OF THE HIGH COURT

YEAR 2017
LOCATION Cnr Parade & Albertus streets
TYPE Provincial government
VALUE R70m

SPEAKERS CORNER

YEAR 2017
LOCATION Church Square, Parliament Street
TYPE Retail & commercial
VALUE TBC



STRAND CONCOURSE

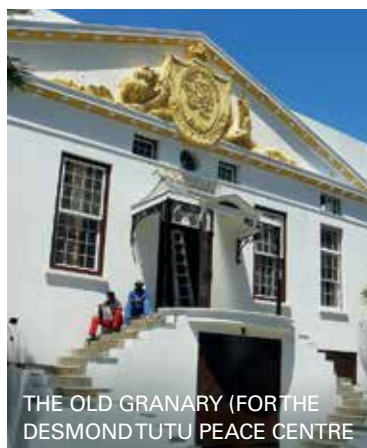
YEAR 2017
LOCATION Underneath Strand Street
TYPE City of Cape Town
VALUE R40m

THE OLD GRANARY (FOR THE DESMOND TUTU PEACE CENTRE)

YEAR 2017
LOCATION Cnr Longmarket & Buitenkant streets
TYPE NPO
VALUE R42m

CAPE TOWN CITY HALL

YEAR 2017
LOCATION Darling Street
TYPE City of Cape Town
VALUE R27m



IN PLANNING/ PROPOSED

CAPE TOWN STATION REDEVELOPMENT PHASE 2

YEAR TBC
LOCATION Bordered by Adderley & Strand streets, and Old Marine Drive
TYPE National government
VALUE R210m



1 HARRINGTON ST

YEAR 2018
LOCATION 1 Harrington St
TYPE Residential, NGO (Nicro)
VALUE R130m

CAPE TOWN STATION DEVELOPMENT

YEAR 2019
LOCATION Bordered by Adderley & Strand streets, and Old Marine Drive
TYPE Commercial, retail
VALUE R1.1bn

THE HARRINGTON

YEAR TBC
LOCATION Cnr Barrack & Harrington streets
TYPE Commercial, retail
VALUE TBC

SPINDLE

YEAR TBC
LOCATION Cnr Spin & Plein streets
TYPE Residential, retail, commercial
VALUE TBC



ACCOMMODATION

RESIDENTIAL



- | | |
|---|--|
| 1 CARTWRIGHTS CORNER 19 Adderley St | 8 4 CHURCH SQUARE 4 Spin St |
| 2 MUTUAL HEIGHTS 14 Darling St | 9 WOLROY HOUSE 37 Buitenkant St |
| 3 THE WELLINGTON 96 Longmarket St | 10 PERSPECTIVES 37 Roeland St |
| 4 RED LION 111 Longmarket St | 11 HIP HOP PLAZA 39 Roeland St |
| 5 THE ADDERLEY 25 Adderley St | 12 THE SQUARE 50 Buitenkant St |
| 6 THE PIAZZA ON CHURCH SQUARE 32 Parliament St | 13 FOUR SEASONS 43-47 Buitenkant St |
| 7 CHURCH SQUARE HOUSE 5 Spin St | 14 THE BIJOUX APARTHOTEL 31 Adderley St |

14 (24%) of the 57 residential complexes in the CBD are in P4

45 or 20% of 228 residential units sold during 2016 were in complexes in P4 – the second highest after P1, with the following averages achieved:

75m² Average size sold	R31 028 Average cost per m ²
R2.297m Average sale price	-3.1% Average price sold against listed price

28 Average days on the market (second-lowest after P1)	R15 228 Average rental per month in P4
---	--

23 (20%) of the 116 apartments to rent in the CBD at the time of going to print were in P4¹

¹ The lowest number of available rentals across all precincts (as at December 2016)

HOTELS & BACKPACKERS

5 (13%) of the 40 hotels in the CBD lie in P4. All independently owned, they range from the 4-star Townhouse Hotel to boutique-style hotels.

5

or 27% of the 18 backpacker establishments in the CBD are in P4

STUDENT ACCOMMODATION

A total of two student accommodation complexes are in P4, namely two South Point Student Accommodation venues, in Plein and Barrack streets. A high portion of the full-time tertiary education students in the CBD also live in rental accommodation in the large residential complexes in P4.

MYCITI

Precinct 4 has four MyCiTi bus stops only. These bus stops are Darling, Groote Kerk, Lower Buitenkant and Castle.

332 627

the total of people who boarded buses in P4, while 484 446 alighted.

INDIVIDUAL BUS STOP AND STATION FIGURES ARE AS FOLLOWS:

DARLING 128 287 boarded and 159 177 alighted	GROOTE KERK 132 058 boarded and 226 512 alighted	LOWER BUITENKANT 47 645 boarded and 53 634 alighted	CASTLE 24 637 boarded and 45 123 alighted
--	--	---	---

04 | IN CONCLUSION

STATE OF THE CENTRAL CITY REPORT 2016

HIGHLIGHTS FROM THE CCID ANNUAL RESIDENTIAL DIPSTICK¹ SURVEY 2016 — A PRECINCT-BY-PRECINCT COMPARISON

PRECINCT 1

4% WHO'S LIVING IN P1? OF ALL RESPONDENTS

This is clearly a new residential node: It had the **highest number of people who had lived in the CBD for only 0 – 6 months (30%) and 1 – 2 years (30%).**

50% WERE OWNER-OCCUPIERS (joint with P4) rather than renting out their property to someone else (10%) or renting an apartment themselves (40%).

60% WERE MALE — THE HIGHEST PERCENTAGE OF MALES IN THE CBD.

80% The highest percentage working full-time for a company. 30% lived 0 – 0.5km from their place of work/study, while 20% lived 0.5 – 1km from their place of work/study. However, in spite of their proximity to work, 60% said they drove to work.

50% were between 25 and 34 years old (the highest percentage in this range across all precincts). The second biggest groups in P1 (each with 20%) were aged 35 – 44 and 55 – 64, the latter being the highest percentage in this older age range.

10% HAD CHILDREN, MOST OF WHOM WERE OVER THE AGE OF 18.

40% had pets (dogs and cats) – the highest percentage in the CBD.

WHAT DID THEY DO?

P1 respondents came from only 7 professional fields, the top two being:

20%
The financial sector

20%
Creative industries

THE REMAINDER WERE SPREAD EVENLY BETWEEN:

- Architecture & engineering
- Media, marketing, advertising & publishing
- Healthcare
- Formal retail & sales
- Education, training & libraries

50% The largest percentage of coffee drinkers, who enjoyed coffee shops 3 – 5 times per week.

People in P1 like to eat out, with the highest percentage (10%) eating out 6 – 10 times per week, and 60% eating out 1 – 5 times per week.

SHOPPING/LEISURE HABITS

The top three retail venues:

Large chain retailers

Grocery stores

Takeaway outlets

THEY WANTED TO SEE MORE:

- Movie theatres
- Extended shopping hours
- Vets/pet shops/public toilets with changing facilities for children

PRECINCT 2

21% WHO'S LIVING IN P2? OF ALL RESPONDENTS

38% had lived in the CBD for more than 5 years, coming second only to P4. Of these, 17% had lived here for 10 or more years.

48% were owner-occupiers, 42% rented, and 10% owned but rented out to tenants.

33% were between 25 and 34 years old. The second biggest group in P2 (25%) were aged 45 – 54.

SHOPPING/LEISURE HABITS

THE TOP THREE RETAIL VENUES:

Grocery stores
Large chain retailers
Small boutiques & takeaway outlets

THEY WANTED TO SEE MORE:

EXTENDED SHOPPING HOURS

MOVIE THEATRES

PUBLIC TOILETS WITH CHANGING FACILITIES FOR CHILDREN

P2 respondents were the happiest living in the Central City, with 50% indicating they were very happy and 35% indicating they were pretty happy.

23% had children (tying with P3), most of whom had 2 kids (13%) of which 15% were over the age of 18.

38% had pets (dogs, cats and rabbits)

38% ate out at least 1 – 2 times per week, the highest of all precincts, while 27% ate out 3 – 5 times per week.

33% visited coffee shops at least 1 – 2 times per week, while 25% did so 3 – 5 times per week.

What do they do?

P2 respondents came from a very diverse range of professional fields (18 in total), the top three being:

The financial sector (13%)
Computer and ICT (10%)
Creative industries (8%)

40% Highest percentage of respondents indicating they were self-employed/working freelance. Likewise, it had the joint highest percentage of respondents (33%, with P4) indicating they live 0 – 0.5km from their place of work/study.

17% Highest percentage of bicyclists across all precincts

6% were retired or semi-retired – the highest of all precincts and the only one worth noting.

¹ 232 respondents participated in the 2016 survey, which was conducted online. Please note that not all respondents answered all questions.



PRECINCT 3

39% WHO'S LIVING IN P3? OF ALL RESPONDENTS

36% had lived in the CBD either 2 – 3 years or 5 – 10 years (split exactly 50/50).

60% rented the property they lived in – the highest across all four precincts. 31% were owner-occupiers and 9% owned but rented out to others.

48% were between 25 and 34 years old, second only to P1. The second biggest group was 34 – 44 (18%). Vying with P4, P3 also had the highest number of respondents aged 18 – 24 (7%).

39% WERE FEMALE – THE HIGHEST PERCENTAGE OF ALL PRECINCTS.



31% ate out 1 – 2 times per week, while 27% 3 – 5 times per week



16% had children, most of which were over the age of 18.

P3 vied with P1 for having the highest number of respondents who visited coffee shops in the CBD 3 – 5 times per week.



20% had pets, mostly cats.

SHOPPING/LEISURE HABITS

Top three retail venues:

1 Grocery stores 2 Large chain retailers 3 Takeaway outlets

What they wanted more of:

1 Extended shopping hours
2 Public toilets with changing facilities for children
3 Movie theatres

What did they do?

Those who worked indicated they came from as many as 19 professional fields, the top two being:



14%

Computer & ICT



12%

Media, marketing, advertising & publishing

The next three highest were:

Creative industries (9%)

Architecture & engineering (6%)

Formal retail (6%)

54% worked full-time for a company. 29% were self-employed/freelance. 3% were students. 26% lived 0 – 0.5km from their place of work/study, 20% lived 1 – 3 km away. 41% drove to their place of work/study, 29% walked.

PRECINCT 4

36% WHO'S LIVING IN P4? OF ALL RESPONDENTS

39% had lived in the CBD either 5 – 10 years (21%) or more than 10 years (18%) – making P4 the area where respondents had lived the longest.



50% were owner occupiers (vying with P1). 34% rented and 16% owned but rented out to others.

28% were between 25 and 34 years old, while 27% were 34 – 44 (18%). Vying with P3, P4 also had the highest number of respondents aged 18 – 24 (7%) and was the only precinct where respondents indicated they were between 65 – 74 years of age (5%).

57% were male

32% had pets, including dogs, cats and rabbits.

23% HAD CHILDREN, MOST OF WHOM WERE OVER THE AGE OF 18 (BOTH FIGURES VYING WITH P2).

41% VISITED COFFEE SHOPS IN THE CBD 1 – 2 TIMES PER WEEK, WHILE 27% DID SO 3 – 5 TIMES A WEEK.



33% ATE OUT 1 – 2 TIMES PER WEEK, AND 23% 3 – 5 TIMES PER WEEK.

WHAT DID THEY DO?

Those who worked indicated they came from as many as 22 professional fields (the most diverse of all precincts), the top five being:

1 Media, marketing, advertising & publishing (11%)

2 Creative industries (10%)

3 Medical practitioners & technicians (7%)

4 Architecture & engineering (6%)

5 Computer & ICT (5%)

49% worked full-time for a company. 29% were self-employed/freelance (vying with P3). 6% were students (the highest of all precincts). 33% lived 0 – 0.5km from their place of work/study (vying with P2). 41% walked to work (the highest of all precincts).

SHOPPING/LEISURE HABITS

TOP THREE RETAIL VENUES:

Grocery stores
Large chain retailers
Takeaway outlets

WHAT THEY WANTED MORE OF:

Extended shopping hours
Public toilets with changing facilities for children
Movie theatres

IN CONCLUSION

FUTURE REPORTS, PROJECTS AND BLUE-SKY THINKING

Since the publication of *The State of Cape Town Central City Report: 2012 – A year in review*, the first edition in this series, the landscape of the Central City has been fast evolving, both in terms of its changing horizon and human activity on the ground.

Likewise, the wealth of data that now presents itself on an annual basis allows not only for extensive year-on-year comparatives to be tracked, but for new insights to continually present themselves. During 2017, for example, we will be researching the exact numbers of residential units that currently exist in the CBD, along with those planned for the next few years until 2020, to begin to determine more accurately the residential population of the Central City.

The publisher of this annual investment guide looks forward to tracking the progress of certain projects mentioned in this report with which the Cape Town Central City Improvement District is involved (such as the public space management pilot mentioned on pg 9).

We also look forward to a number of new developments in the CBD that are expected to be revealed to the public in 2017, and that will in turn be contained in our next report. Among these are the results of the City of Cape Town's Foreshore Freeway Precinct project and, with it, the incorporation of affordable housing (some of the proposals submitted envisage up to 4 000 units) that this will bring to the Central City. The proposals also had to incorporate innovative solutions to alleviate traffic

congestion, and hopefully also achieve the reconnection of the CBD to the sea, as the freeways that have for many years divided the city from the harbour are redesigned and possibly taken either to ground level or even below. This would transform the Foreshore in the same way that the demolishing of San Francisco's Embarcadero Freeway or the removal of the Cheonggye Freeway in Seoul had on those two downtowns.

In the words of the American architectural critic and educator Paul Goldberger, "urbanism works when it creates a journey as desirable as the destination." The ongoing development of and investment in the Cape Town CBD is certainly a journey we look forward to travelling with all those who have an interest in this area, in whatever way they may touch the Central City.

ACKNOWLEDGEMENTS & CREDITS

Business Process Enabling South Africa (BPESA)
Cape Town International Convention Centre
2016 Integrated Annual Report
Cape Town International Jazz Festival
Cape Town Tourism
Climate Information Platform (hosted by the University of Cape Town)
Corporate Service Directorate, City of Cape Town
Creamer Media (for *Engineering News*, August 2016)
Department of Community Safety, Western Cape Government
Department of Economic Development, City of Cape Town

Department of Rural Development and Land Reform, National Government
Events Office, City of Cape Town
Geomatics & Geographical Information Systems (GIS), City of Cape Town
Geocentric Information Services
Horwath HTL South Africa
Metrorail
Ministry of Economic Opportunities, Western Cape Government
New Media Publishing (for 2016 *Best of Cape Town Central City Guide*)
Planning & Building Development Management Department, City of Cape Town
Property24
PropStats (Institute of Estate Agents of SA)

South African Property Owners Association (SAPOA)
South African Property Transfer Guide (SAPTG)
Spatial Planning and Urban Design, City of Cape Town
The Cape Bar
The Mayor's Office, City of Cape Town
Transport and Urban Development Authority (TDA), City of Cape Town
Trade & Investment Department, City of Cape Town (for *Economic Performance Indicators for Cape Town*, Quarter 2 April-June 2016)
Wesgro
WinDeed

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Scott Arendse, Truth Coffee, Mother's Ruin, Haas, CTICC, Infrastructure Photos, The Company's Garden, Nardus Engelbrecht, House of Machines, Claire Gunn, Jade Maxwell-Newton

PRINTER Tandym Print South Africa
WITH THANKS ALSO TO THE CCID PRECINCT & NIGHT MANAGERS: Carlisle Maranky, Mmiselo Ntsime, Paul Lotter (Urban Management department), Martinus "TJ" Jenkins, Gary Dyssel

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"Ideal cities are very much the product of their own ages. Designed as complete urban statements, they bear the unmistakable imprint of their own culture and world view in every street and building. And yet to be successful, a city has to be open to continuous development, free to evolve and grow with the demands of new times."

PD SMITH *CITY: A GUIDEBOOK FOR THE URBAN AGE*



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