



PROPOSED GRANTING OF RIGHTS TO USE, CONTROL OR MANAGE CITY-OWNED LAND BEING PORTIONS OF REMAINDER ERF 38295 AND ERF 38296 MILNERTON, SITUATED AT POTSDAM ROAD, KILLARNEY GARDENS, MILNERTON: WESTERN PROVINCE MOTOR CLUB (T/A KILLARNEY INTERNATIONAL RACEWAY)

Information statement by the City of Cape Town Municipality as required in terms of **Regulation 34(3)(b)** of the Municipal Asset Transfer Regulations Act, No R.878 dated 22 August 2008, that the municipality is considering leasing portions of Remainder Erf 38295 and Erf 38296 Milnerton to the Western Province Motor Club (t/a Killarney International Raceway).

Details are as follows:

- **Applicant:** Western Province Motor Club T/A Killarney International Raceway
- **Extent of lease area:** ±513 130m²
- **Rental:** Market related rental per month
- **Purpose:** Motor vehicle race track and sport & recreation
- **Lease term:** 15 years

Information Statement:

a) The reason for the proposal to grant a long-term right to use, control or manage the relevant asset is:

The property is not required for the provision of a minimum level of basic municipal service. A long term lease will ensure the continued use of the property as a motor vehicle race track, which will be a benefit to the City of Cape Town and its citizens.

b) The expected benefit to the municipality that may result from the granting of the right is:

The City will benefit from this proposed lease as the City's premises will be secured and maintained. The continued use of the facility as a motor vehicle race track will contribute to training, development and road safety in motorsport. A further benefit is the role the facility plays in boosting the local economy. This will lead to expected job creation.

c) The expected proceeds to be received by the Municipality resulting from the granting of the right are:

Council will receive a financial benefit in the form of a market related rental income and will receive future rates and service charges.

d) The expected gain or loss that will be realised or incurred by the Municipality arising from the granting of right is:

- No loss will be incurred by the City arising from the granting of the right.
- The City will receive a rental income and control how the revenue stream is optimally utilised in support of the City's objectives.
- The lessee will be responsible for the upkeep and maintenance of the property to the satisfaction of the municipality.

- It is expected that the security of tenure will lead to an upgrade of the property.

For further details of the transaction please contact Gerda du Plessis on 021 4444 4985, Goodwood Municipal Office, between the hours 08h30 and 15h00 on weekdays.

Any comments/objections must be submitted in **writing**, together with reasons therefore, to Gerda du Plessis, Tygerberg Region, P.O. Box 100, Goodwood, 7460 or e-mailed to Susarah.DuPlessis@capetown.gov.za on or before 23 May 2022.

Lungelo Mbandazayo
CITY MANAGER

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Gerda du Plessis

NAME OF OFFICIAL

SIGNATURE

DATE