



WINNIE MADIKIZELA-MANDELA LOCAL MUNICIPALITY

BID BUMBER: WMM LM 22/08/22/01 BTE

**TERMS OF REFERENCE
FOR
DISPOSAL OF 4 MUNICIPAL SITES SITUATED IN BIZANA TOWN EXTENSION 1**

ISSUED BY:

Issued and Prepared by:

Winnie Madikizela Mandela Local Municipality

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TABLE OF CONTENTS

PAGE

1.0	INTRODUCTION	
2.0	BACKGROUND	
3.0	MUNICIPAL DEVELOPMENT OBJECTIVES RELEVANT TO THE ENVISAGED DEVELOPMENT	
4.0	PROPERTIES IN QUESTION	
4.1	Locality	
4.2	Property description	
4.3	Land Ownership	
4.4	Availability of Services	
4.5.	Roads and Storm Water	
4.6.	Electricity	
5.0	SPECIFICATIONS OF BID	
6.0	CONFORMITY OF DEVELOPMENT PROPOSAL	
7.0	COMPULSORY BID DOCUMENTS	
8.0	FORMAT FOR SUBMITTING DEVELOPMENT PROPOSALS	
9.0	GENERAL TERMS AND CONDITIONS OF BID	
10.0	ASSESSMENT OF BIDS	
11.0	CONTACT PERSONS	

1. INTRODUCTION

The Winnie Madikizela Mandela Local Municipality (the Municipality) has identified various portions of municipal land which it intends making available on a long-term lease basis (not longer than 25 years, excluding any period of renewal) to suitable and qualified persons for the purposes of development which will lead to economic and social development within the Bizana area and which will respond to the needs of the community.

This serves as an invitation to interested individuals for the submission of proposals to lease and develop the various portions of land listed under section 4.0 below. Bidders must submit separate bid documents for each portion of land it intends to bid for.

The subject properties are located on the South East and North East of the CBD and extension 1 and falls within the municipal urban area. Provided hereunder is contextual background information, pertinent site characteristics, planning underpinnings, broad development guidelines, the nature of development expected by the Municipality on the sites and some basic requirements from the prospective leases.

2. BACKGROUND

The Municipality conducted a land audit in 2014 with the purpose of obtaining up to date information on all properties within the Winnie Madikizela-Mandela Local Municipality. Part of the findings that were reflected on the Land Audit Report identified sites that are owned by the Municipality with the potential to generate revenue, but cannot due to land that is underutilised and therefore not contributing to the revenue base of the Municipality but instead may pose a threat of land invasion. The portions of land identified herein are not required to render a minimum level of basic municipal services in accordance with Section 14(1) of the Municipal Finance Management Act.

The disposal of these properties are in line with the set of principles and values, which underpin the Municipality's policy on land disposal.

3. MUNICIPAL DEVELOPMENT OBJECTIVES RELEVANT TO THE ENVISAGED DISPOSALS

Bidders must ensure that their bids address how their proposed development will achieve the following objectives:

- The objective is to integrate land uses and promote access to urban amenities and economic benefits that the towns offer, and to ensure development of functional and environmentally sustainable areas.
- Enhancing spatial planning, through sustainable development of properties that are aligned to the broader municipal spatial planning framework,
- Supporting urban renewal and inner town regeneration, this is an attempt to resuscitate declining urban areas, renewal and interventions focused on urban renewal centres through implementation of affordable inner-town services,
- Enhancing the look and feel of the towns through the development of much more appropriate designs.
- The objective of developing the property is to create a framework in which the municipality can develop its own strategy for meeting local needs and promoting the social and economic development of communities.

4.0. THE PROPERTIES IN QUESTION

The following properties are the subject of this bid:

No.	ERF	TOWN	SIZE (sqm)	USE
1	2267	Bizana, Ext 1	900	Business 1
2	2268	Bizana, Ext 1	900	Business 1
3	2309	Bizana, Ext 1	1672	Business 1
4	2915	Bizana, Ext 1	8844	Business 1

4.1 Locality

The subject properties are located on the South East and North East of the CBD in Extension 1 (refer to plans and annexures attached)

4.2 Property description

The property descriptions are as indicated in the table above

4.3 Land Ownership

The properties are owned by the Winnie Madikizela-Mandela Local Municipality.

4.4 Availability of Services

The sites are currently vacant with no services; however, services such as electricity, telecommunications and water are available in the neighbourhood. There is also a tar road in a good standard serves as the access to some of the properties. Should the bidder require specific information with respect to each property they are advised to contact the Municipality.

A service level agreement will be signed between the municipality and the prospective developers with regards to the provision of bulk infrastructure services internal and external.

4.5. Roads and Storm Water

The subject sites have existing road network however road construction will require construction for vehicular access into the property.

4.6. Electricity

Electrical reticulation will need to be provided within the subject property, electrification will be according to the municipal specification.

5.0. SPECIFICATIONS OF BIDS

The envisaged bid proposals are expected to conform to the following:

5.1. description of the legal entity submitting the proposal, including a 2-page CV of each member, director, owner or shareholder or partner.

5.2. In the case of a partnership or joint venture, a valid partnership agreement or joint venture agreement must be included. In the case of a joint venture the bidder must nominate the principal member.

5.3. applicable town planning scheme, municipal standards for infrastructure development be adhered to.

5.4. proposals must have clear infrastructure designs and architectural impressions of the proposed development.

5.5. proposals must clearly indicate how and to what extent the proposed development will achieve the objectives set out in section 3 above.

5.6. proposals must include a preliminary costing.

5.7. proposals must include a business plan with respect to the financial ability of the bidder to undertake the proposed development successfully.

5.8. proposals must include a project management gantt chart which clearly stipulates all the envisaged phases of the project.

5.9. proposals must present a development project which will be completed within a maximum of two years, unless the proposed development is of such a nature that a longer period of time is necessary, in which case proper motivation must be included in the proposal.

5.10. proposals must clearly set out the project team with relevant experience of all key team members, and must at a minimum include the following disciplines: civil and structural engineering, environmental specialists, architects and finance specialists.

6.0 CONFORMITY OF DEVELOPMENT PROPOSALS

The envisaged development proposals have to conform to the conditions as set out by the Development Planning Department, Supply Chain Policy and Land Disposal Council Policy and applicable prescripts the municipal systems act of 2001 and municipal finance management act of 2003.

7.0 COMPULSORY DOCUMENTS TO BE SUBMITTED BY BIDDERS

The following compulsory documents must be included in the bid.

For companies:

- 7.1. Tax clearance certificate with pin of legal entity
- 7.2. Proof of registration on the central supplier database
- 7.3. Certified copies of company registration documents of legal entity
- 7.4. Certified copies of identity documents of each member/director or owner of legal entity
- 7.5. B-BBEE certificate of legal entity. Failure to provide this certificate will not disqualify the legal entity, but will not entitle the legal entity to claim any empowerment points.

For individuals:

- Proposal
- Proof of address
- CV

Failure to provide documents 9.1 to 9.4 above will lead to automatic disqualification.

Preference will be given to those legal entities which are able to demonstrate the following:

Inclusion of black women in the ownership or management of the legal entity

8.0 FORMAT FOR SUBMITTING DEVELOPMENT PROPOSALS

8.1. Comprehensive report with detailed concept plan design clearly demonstrating all phases of development in a hard copy and may include digital format together with tender documents.

8.2. All proposals should be clearly indexed and easy to read.

8.3. A prospective developer will be requested to make a presentation to the Municipal Adjudication Committees and other relevant stakeholders on the proposed development.

9.0 GENERAL TERMS AND CONDITIONS OF THE BID

9.1. Awarding of the bid will be subject to the developer's express acceptance of the Municipal Supply Chain Management general contract of conditions.

9.2. The Municipality and the developer will sign enter into a development agreement as well as a lease agreement, the terms and conditions of which will be negotiated and agreed upon by the parties, but which shall not deviate from these Terms of Reference.

9.3. No material or information derived from the provision of the services under the contract may be used for any other purpose except for those of the Municipality, except where duly authorised to do so in writing by the Municipality.

9.4. Evaluation will have 2 stages, stage one will be presentations on proposals submitted and stage 2 will be financial viability to fund the proposed development.

11.0 CONTACT PERSONS WITH REGARD TO THIS DISPOSAL BRIEF

1. Mr Z. Zukulu Chief Financial Officer
Tel: (039) 251 0230
2. Mr T Mkalali Estate Officer
Tel: (039) 251 023

Requested by

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