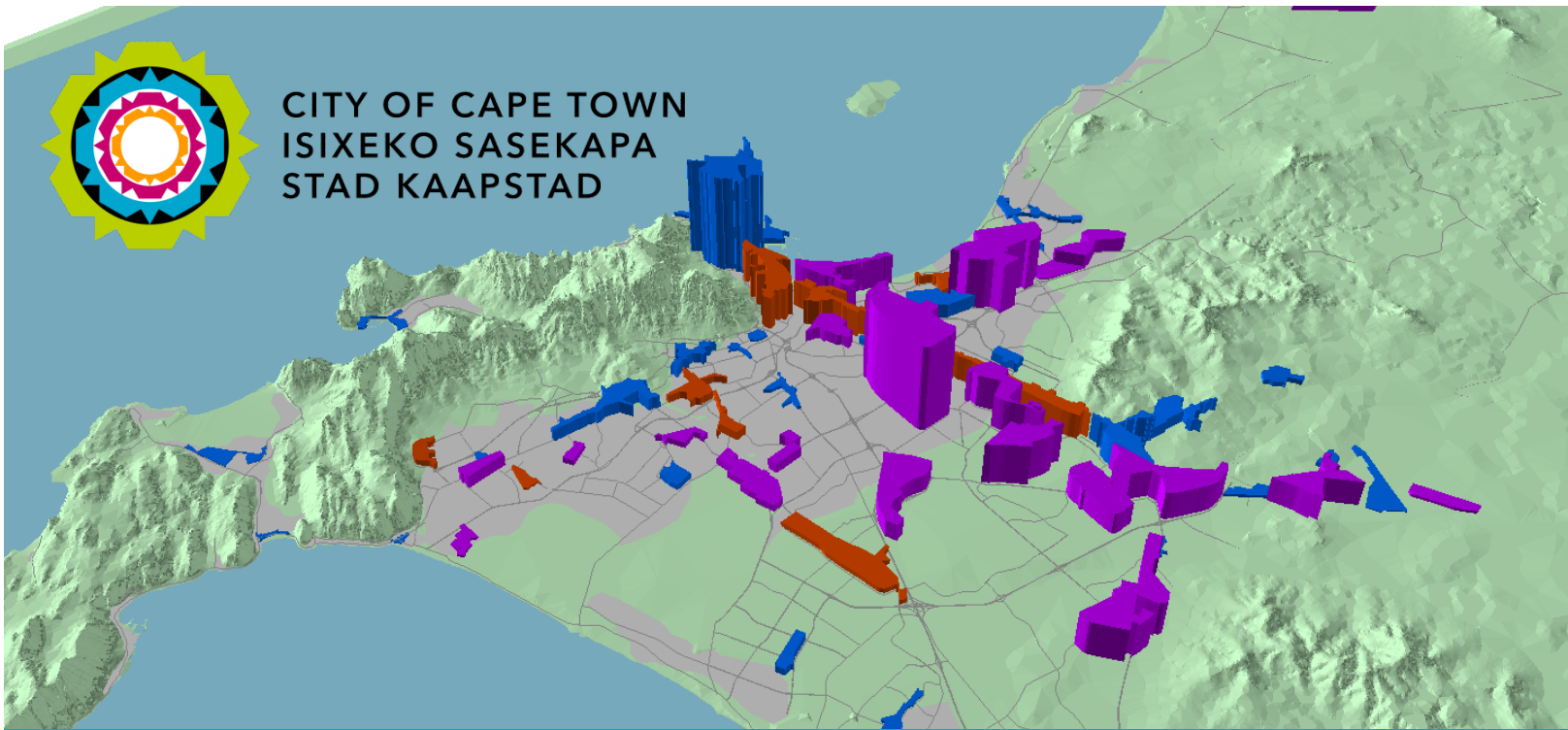




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Winner of the
2014 National
Planning Award



Towards an evidence-led approach to urban management

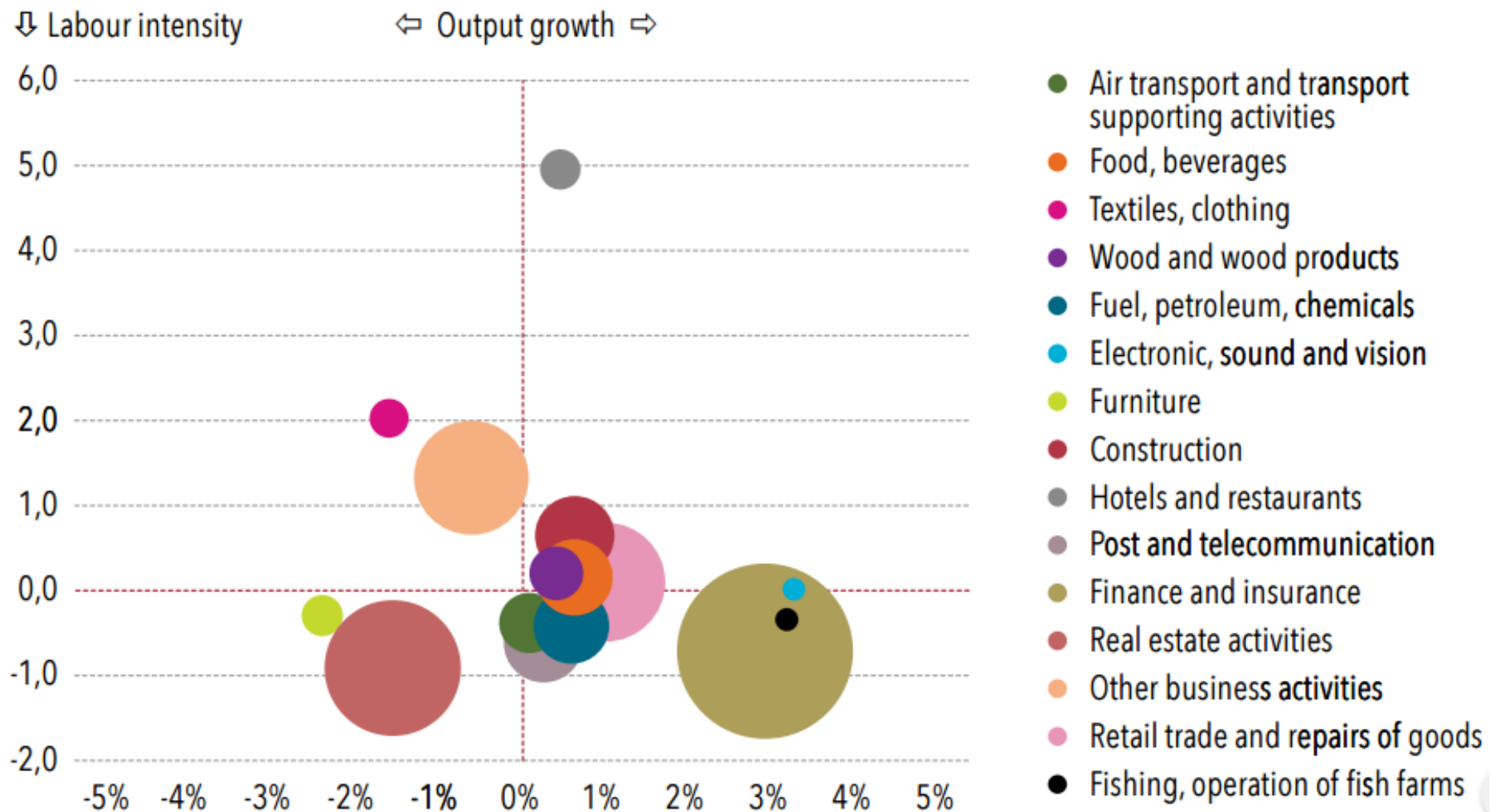
Introducing the

Economic Areas Management Programme

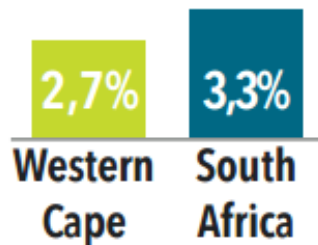
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Presentation to Golden Arrow Bus Service

Making progress possible. **Together.**



Source: Own calculations based on IHS Global Insight ReX regional data 2016.



GDP growth

During the second quarter of 2016, the **Western Cape** had a quarter-on-quarter GDP growth of 2,7%, against a national growth of 3,3%.

Source: Quantec, September 2016.



Inflation

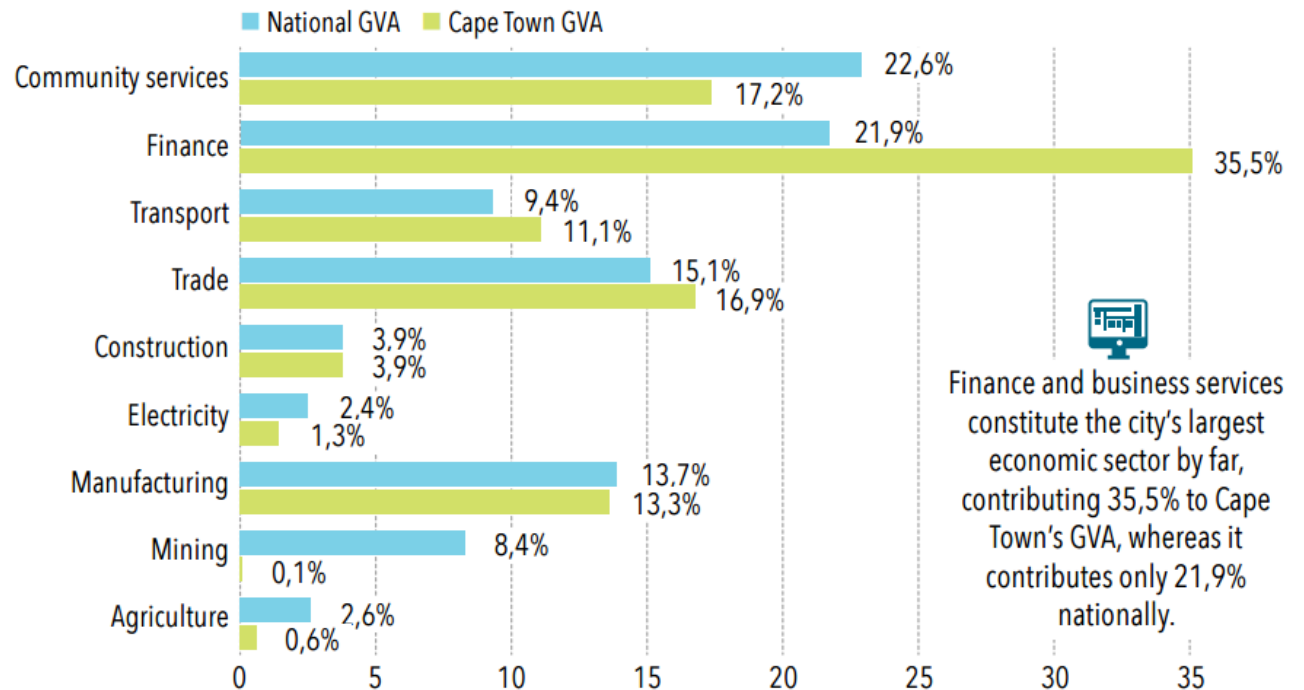
At the end of the second quarter of 2016, the **Western Cape** had the same rate of inflation – 6,3% – as the rest of **South Africa**.

Source: Stats SA, Consumer Price Index June 2016.



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Cape Town's gross value added (GVA) versus national GVA 2014



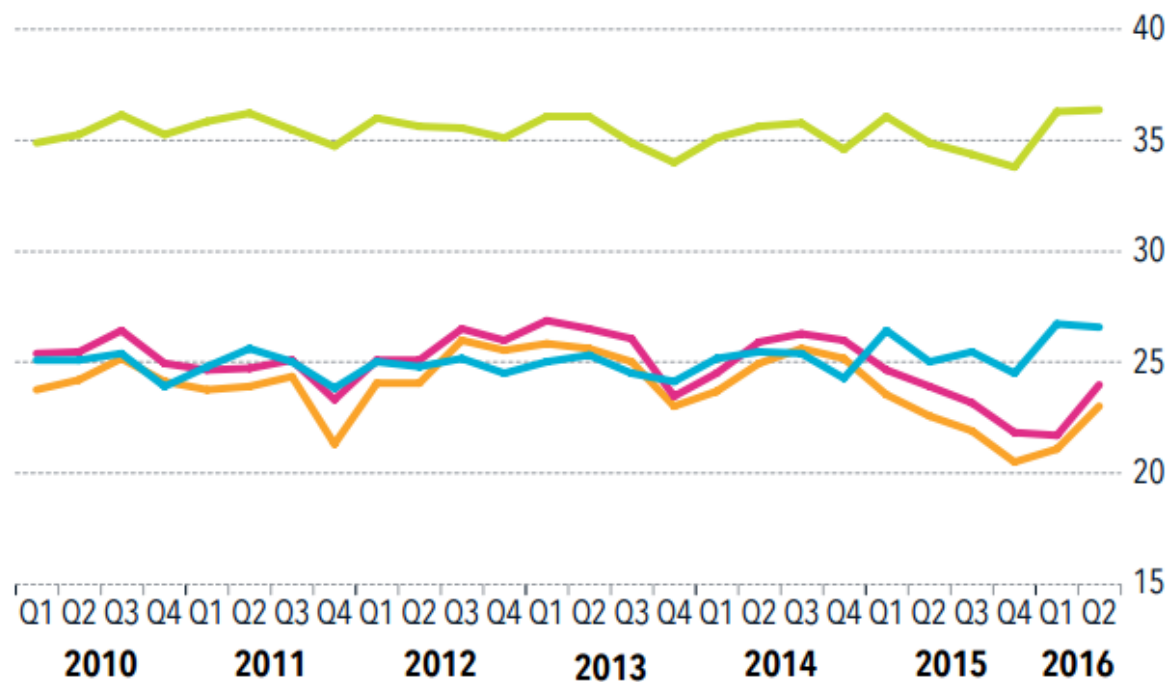
Source: Own calculations based on IHS Global Insight ReX regional data 2016.

Finance and business services constitute the city's largest economic sector by far, contributing 35,5% to Cape Town's GVA, whereas it contributes only 21,9% nationally.

Strict vs broad unemployment rates for Cape Town (Q1, 2010 to Q2, 2016)

Unemployment rate (%)

■ SA broad rate ■ SA strict rate ■ Cape Town broad rate ■ Cape Town strict rate



Source: Stats SA, August 2016.

7,61%

Working-age population

Of the **36 590 827** people aged 15-64 in **South Africa**,

2 785 871 are resident in **Cape Town**.

Source: Stats SA, Quarterly Labour Force Survey (QLFS), August 2016.

7,76%



Unemployment

Of the **5 633 562** unemployed people in **South Africa** in the second quarter of 2016, **437 656** lived in **Cape Town**.

Source: Stats SA, QLFS, August 2016.



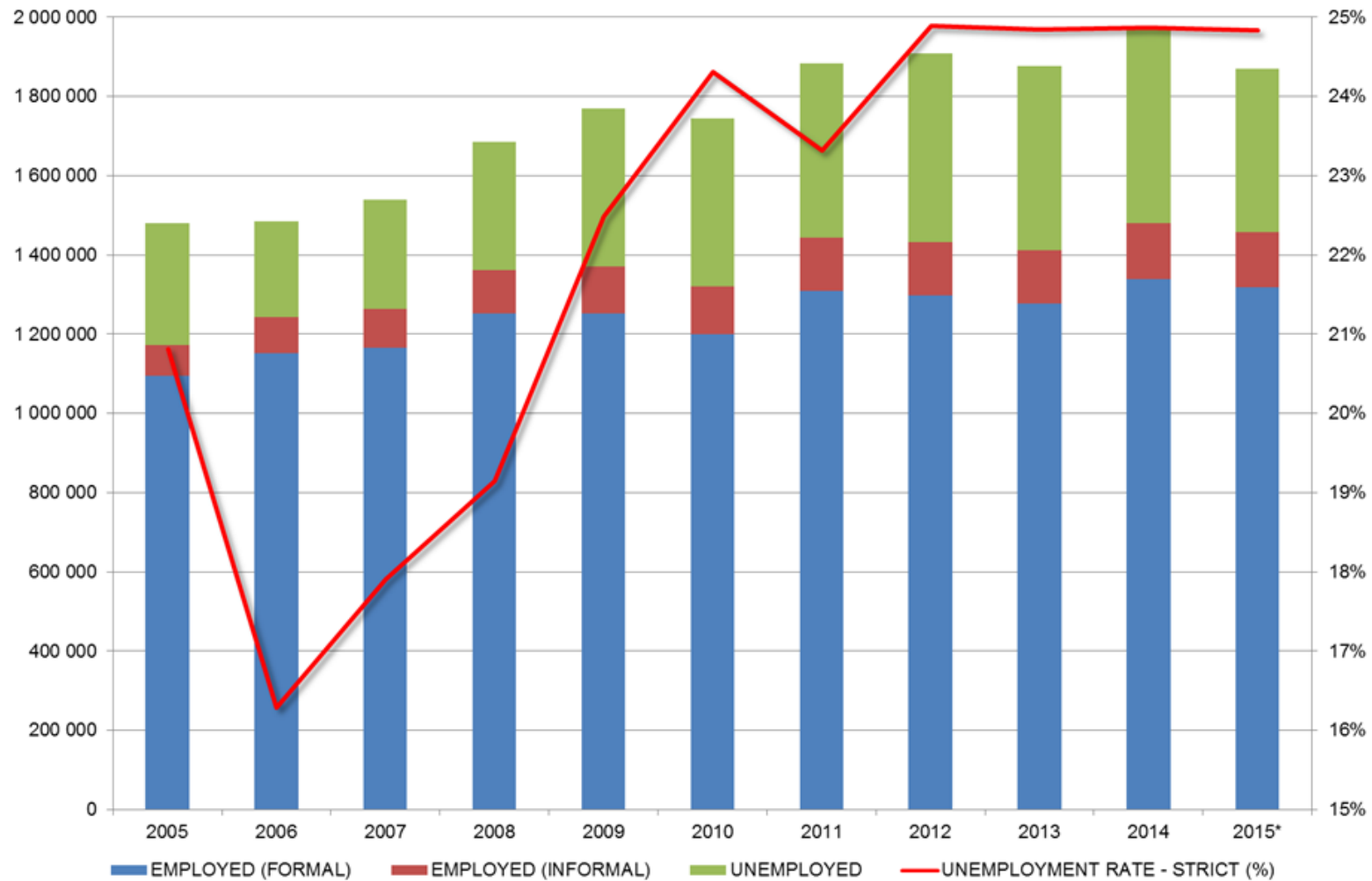
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Infrastructure and development



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Economy growing but not fast enough...



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*“As a country we are operating in a global environment that is **not going to see growth** of 4, 5 or 6 percent for a long time to come...”*

- Finance Minister Pravin Gordhan, 29 July 2016

*“Government has to be willing to **prioritise** Senior public officials should focus most of their attention on **a few strategic priorities.**”*

- National Development Plan

*“There is a **need for greater efficiency** in all areas of government expenditure, because the overall envelope is likely to grow relatively slowly over the medium term.”*

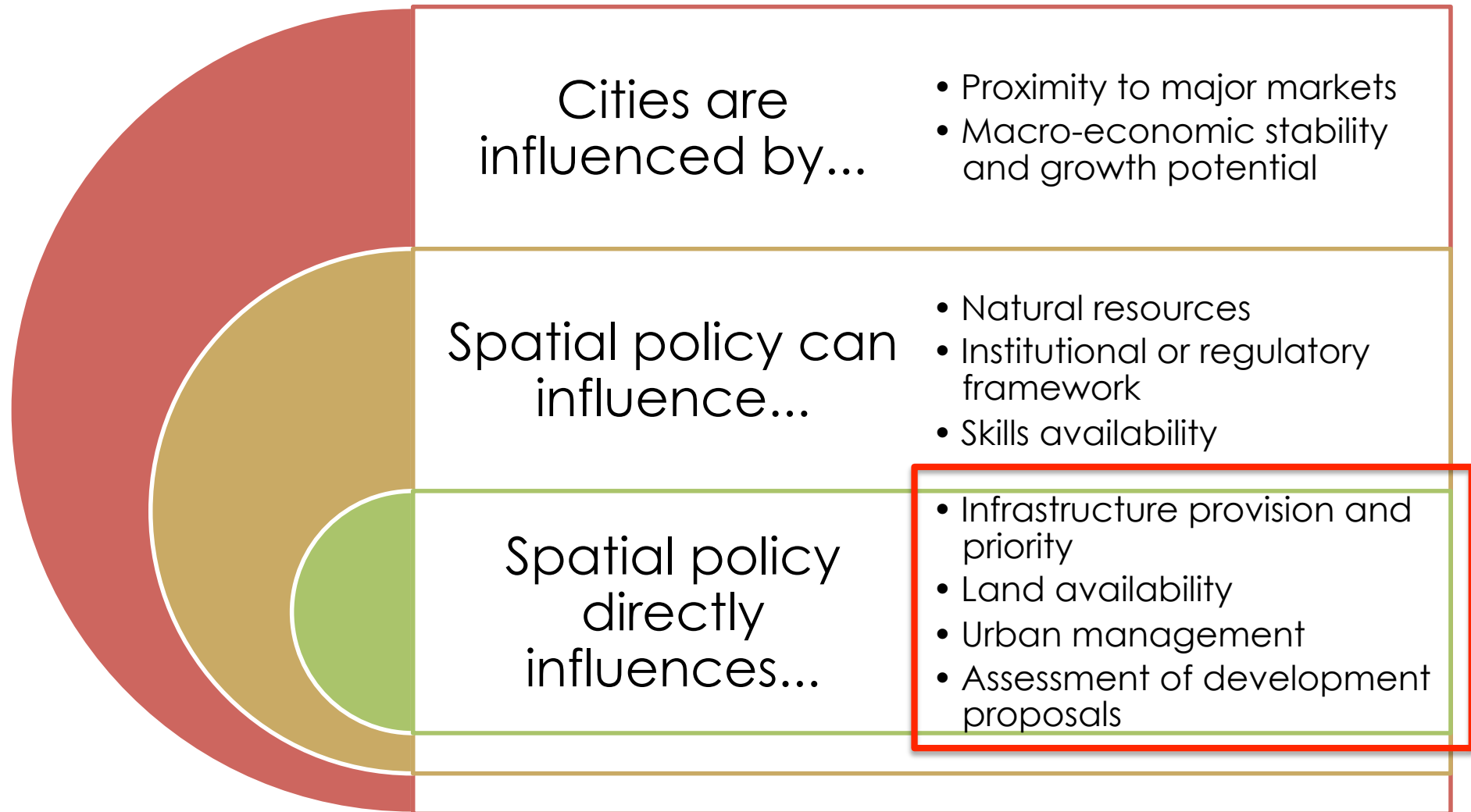
- National Development Plan

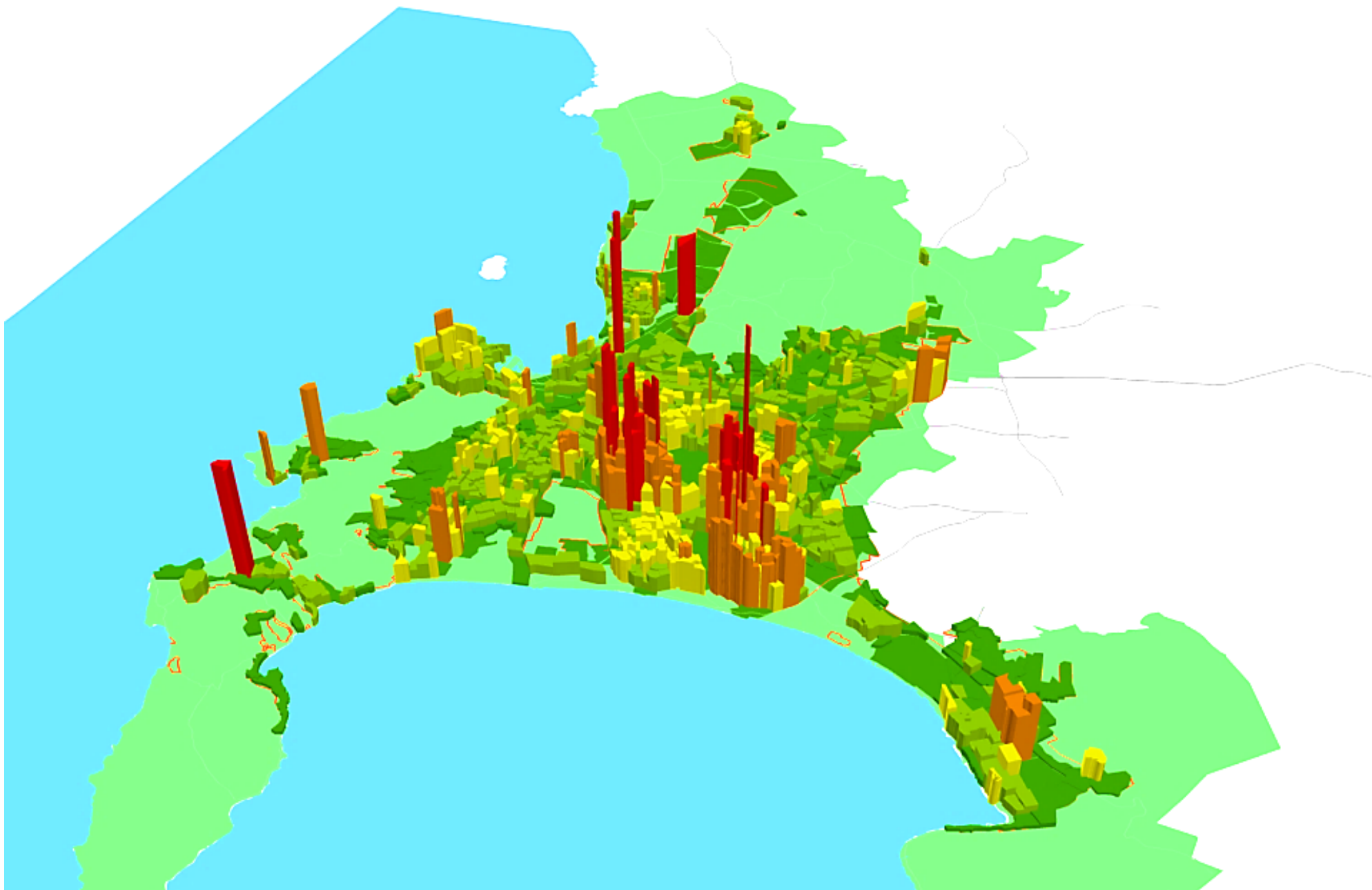
Urban land-infrastructure-finance nexus

“There are interdependent, mutually reinforcing links between urban density, economic growth, rising land values, revenue generation and investment in infrastructure.

Depending on how well it functions, the nexus between urban land, infrastructure and the development of the built environment can enhance or compromise the long-term **economic trajectory of cities.**”

How can we grow the economy, and do more with less?

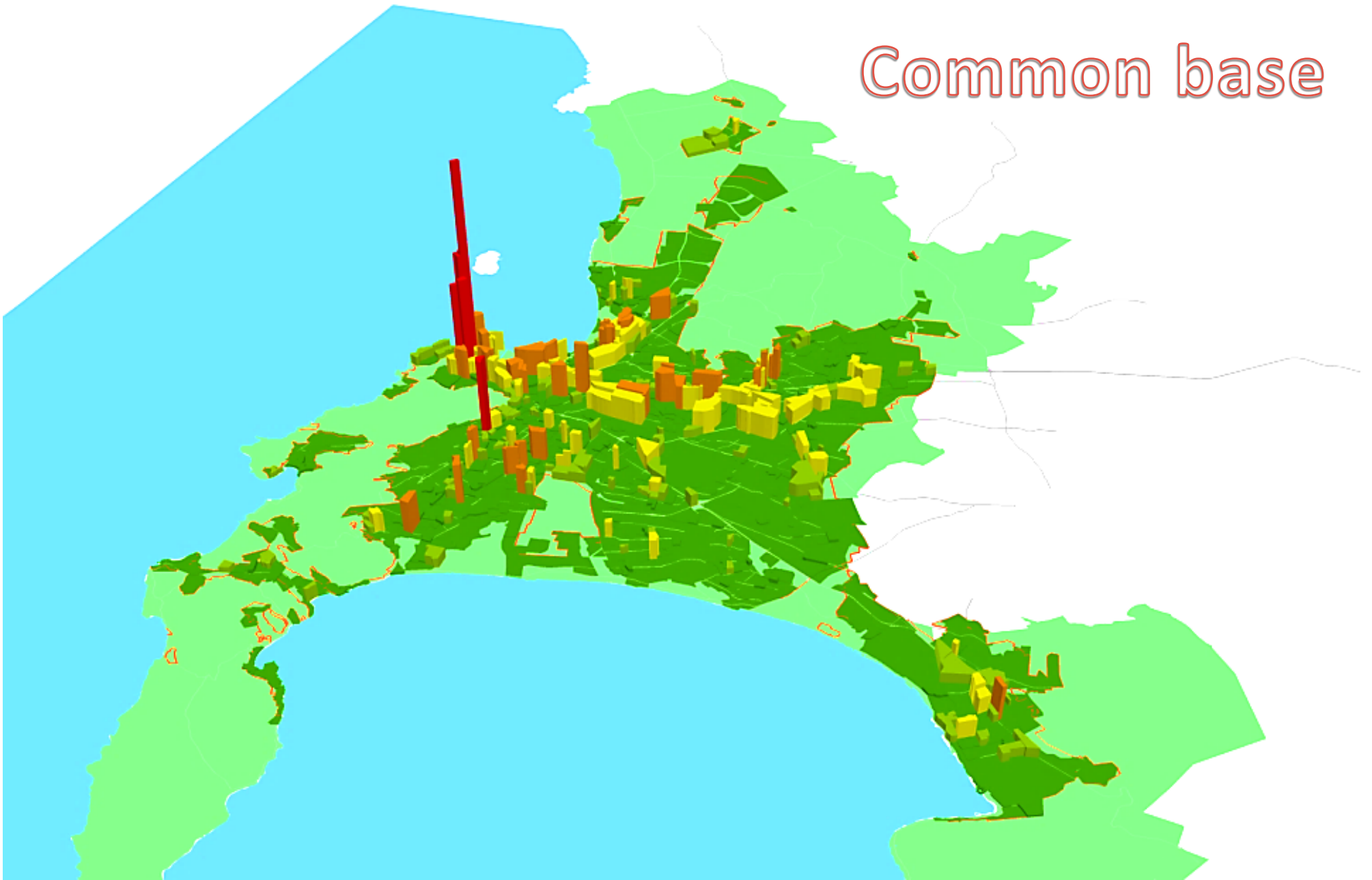




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Residential density (2013)

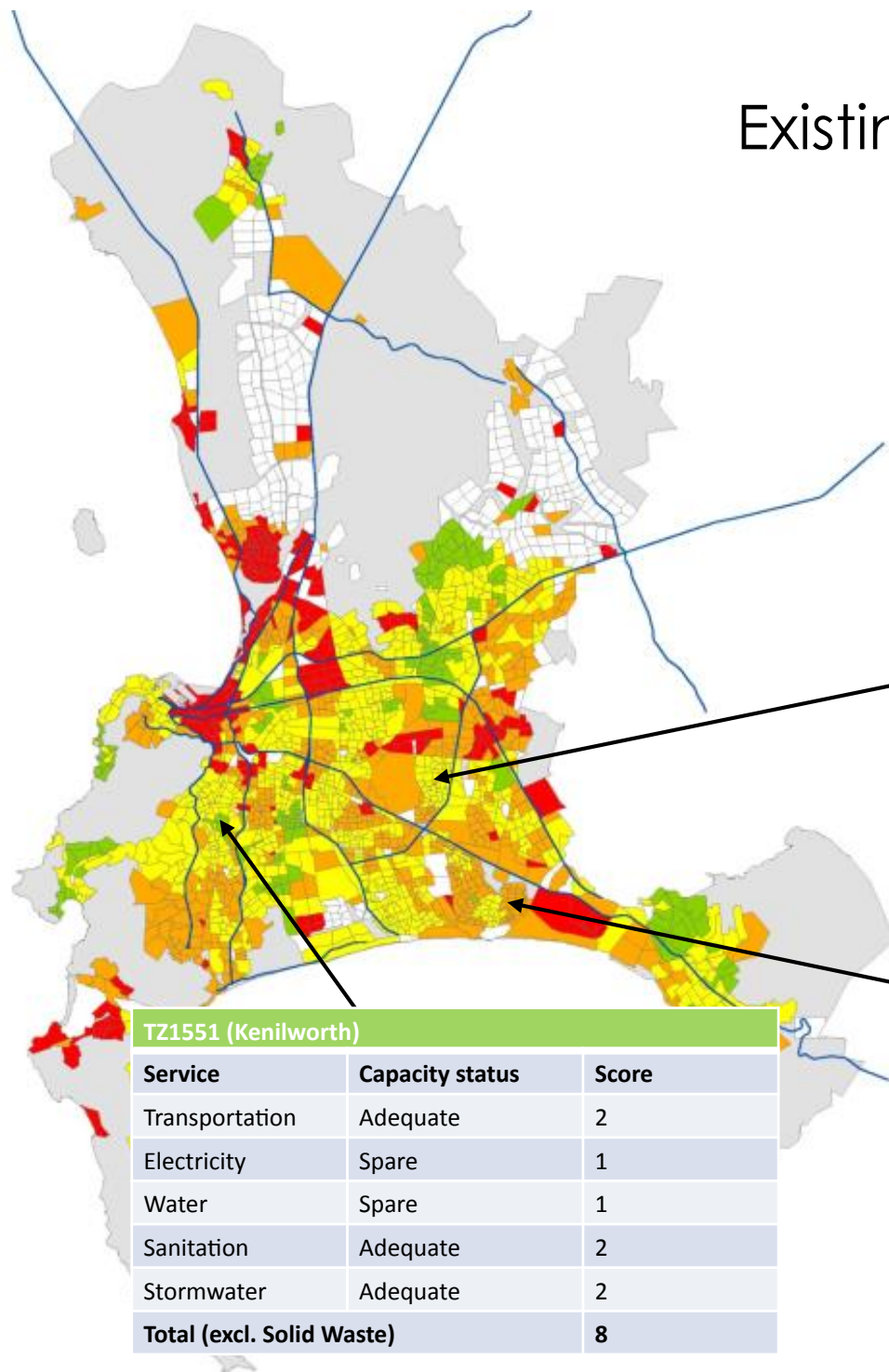
Common base



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Employment density (2013)

Existing infrastructure backlogs



TZ2955 (Delft)

Service	Capacity status	Score
Transportation	Adequate	2
Electricity	Adequate	2
Water	Slight Lack	3
Sanitation	Adequate	2
Stormwater	Adequate	2
Total (excl. Solid Waste)		11

TZ1551 (Kenilworth)

Service	Capacity status	Score
Transportation	Adequate	2
Electricity	Spare	1
Water	Spare	1
Sanitation	Adequate	2
Stormwater	Adequate	2
Total (excl. Solid Waste)		8

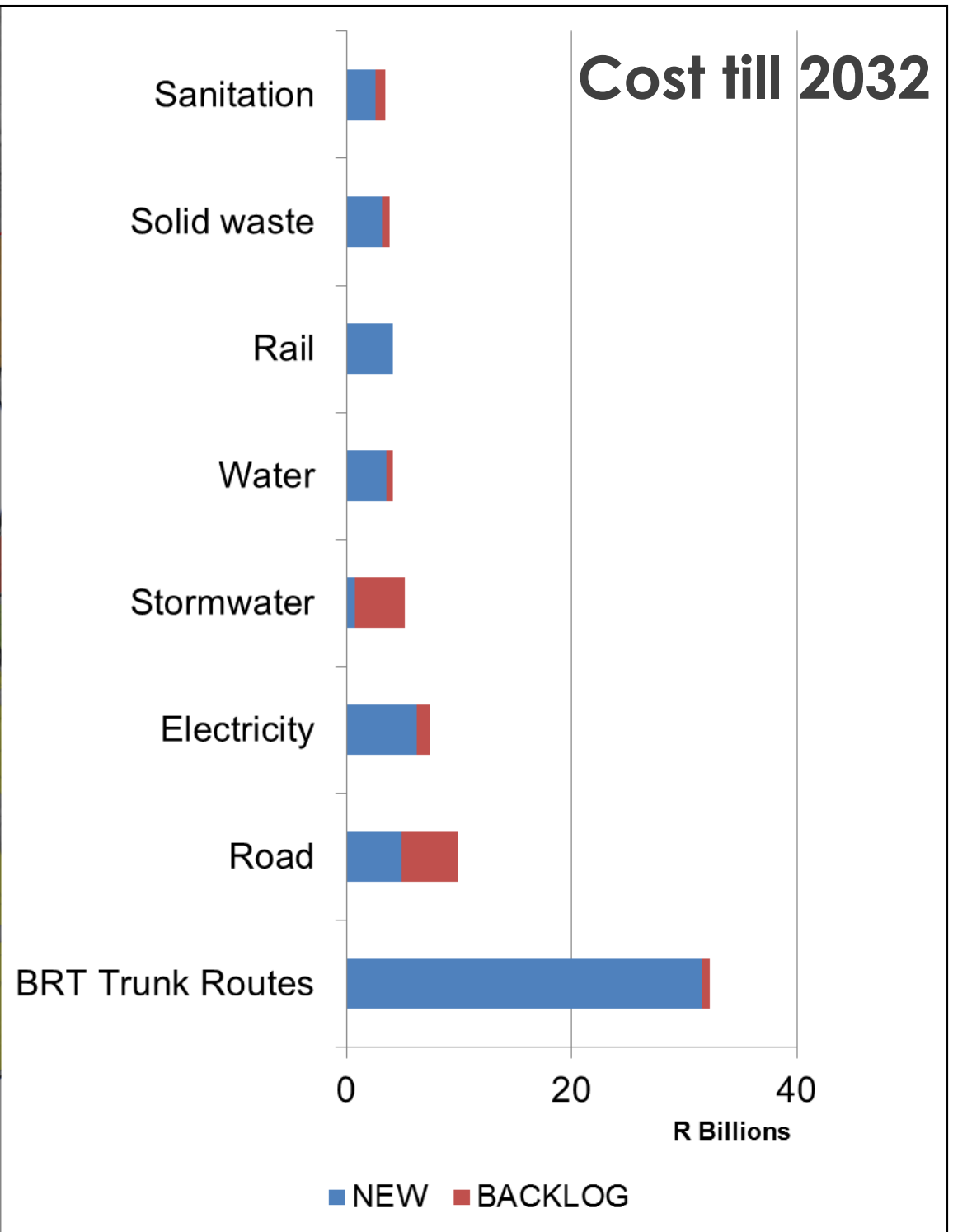
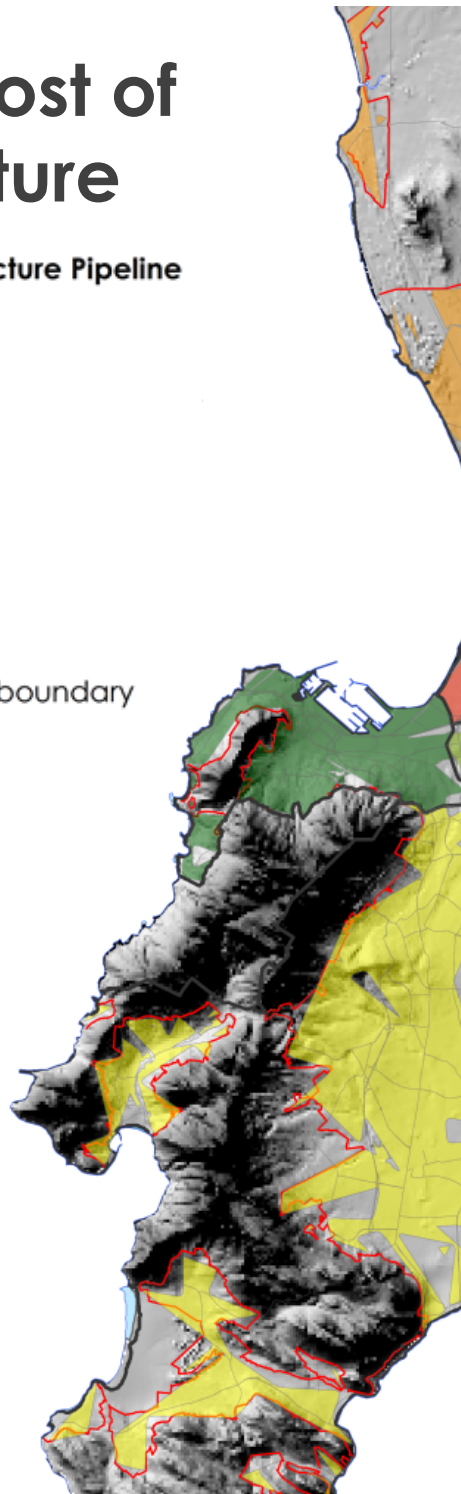
TZ3402 (Khayelitsha)

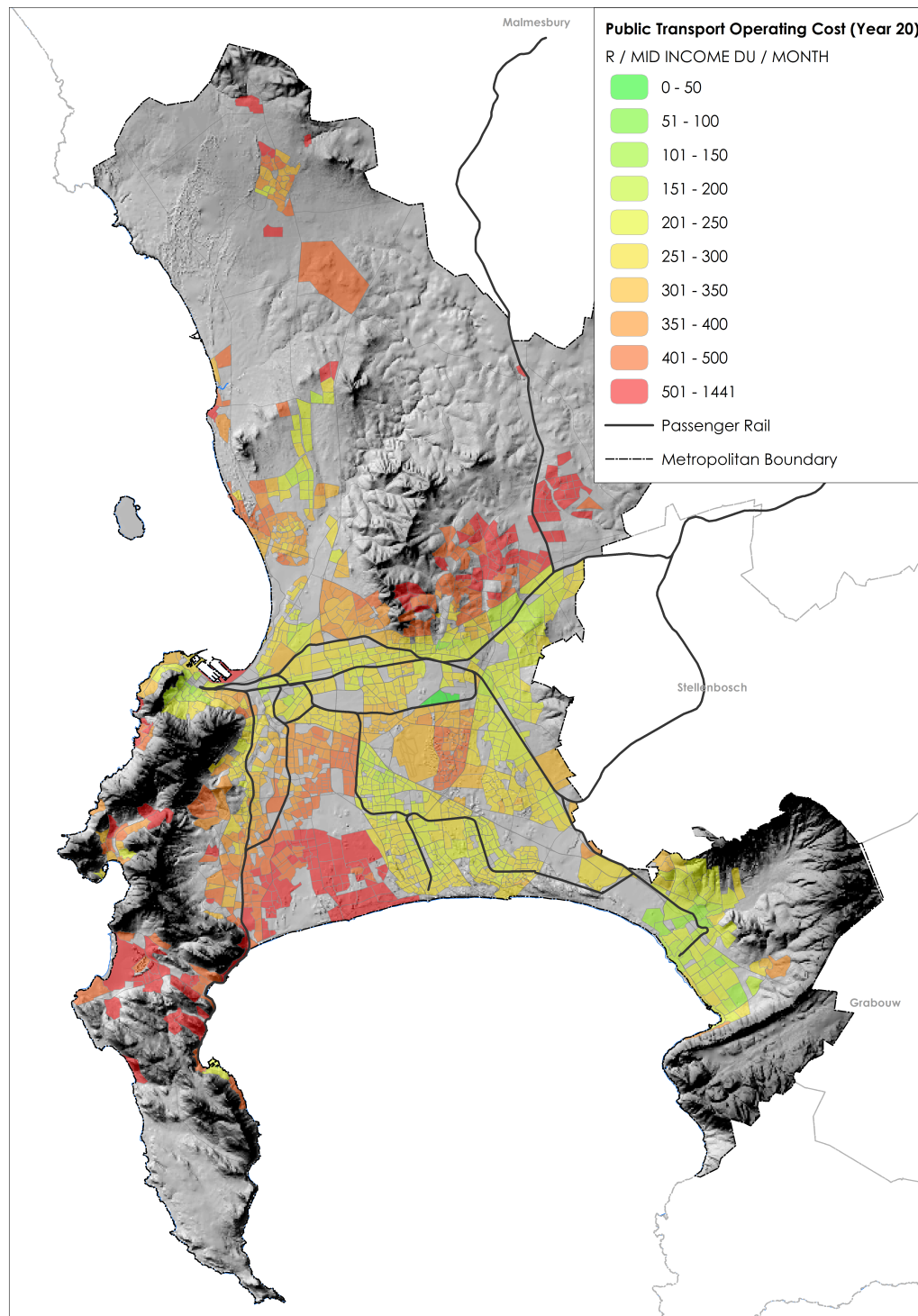
Service	Capacity status	Score
Transportation	Slight Lack	3
Electricity	Severe Lack	4
Water	Adequate	2
Sanitation	Slight Lack	3
Stormwater	Adequate	2
Total (excl. Solid Waste)		14

Capital cost of infrastructure

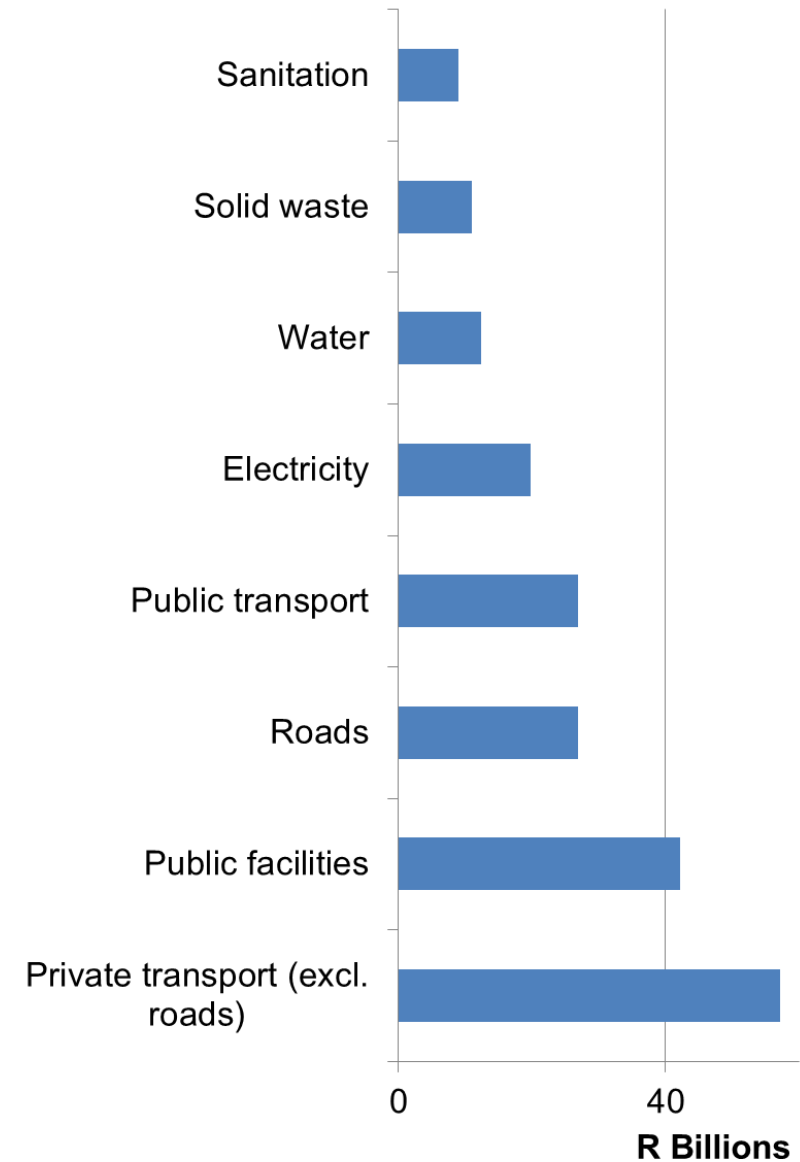
Capital Cost of Infrastructure Pipeline

R / EQUIV. DEV. UNIT





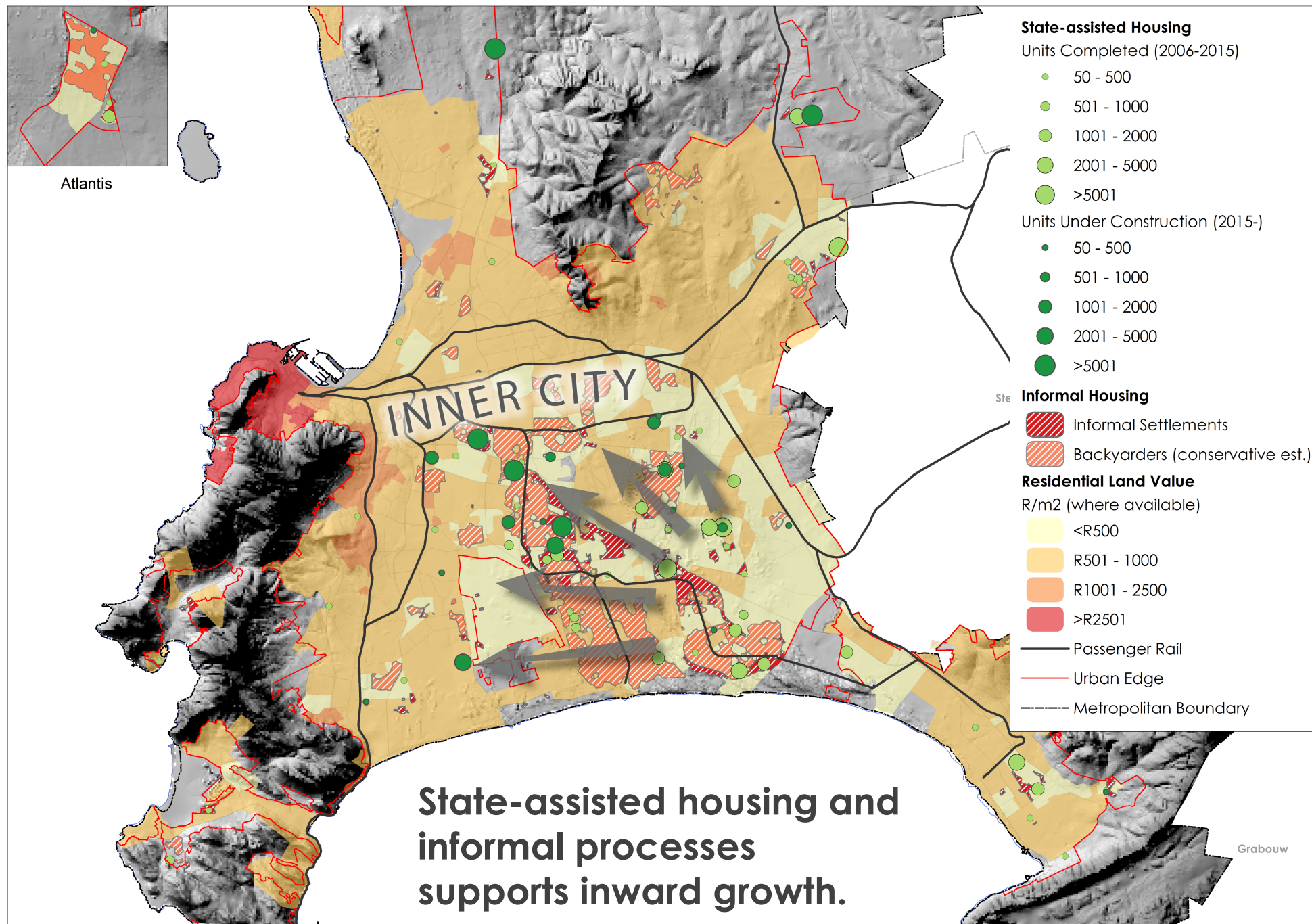
Operating cost of infrastructure to 2032

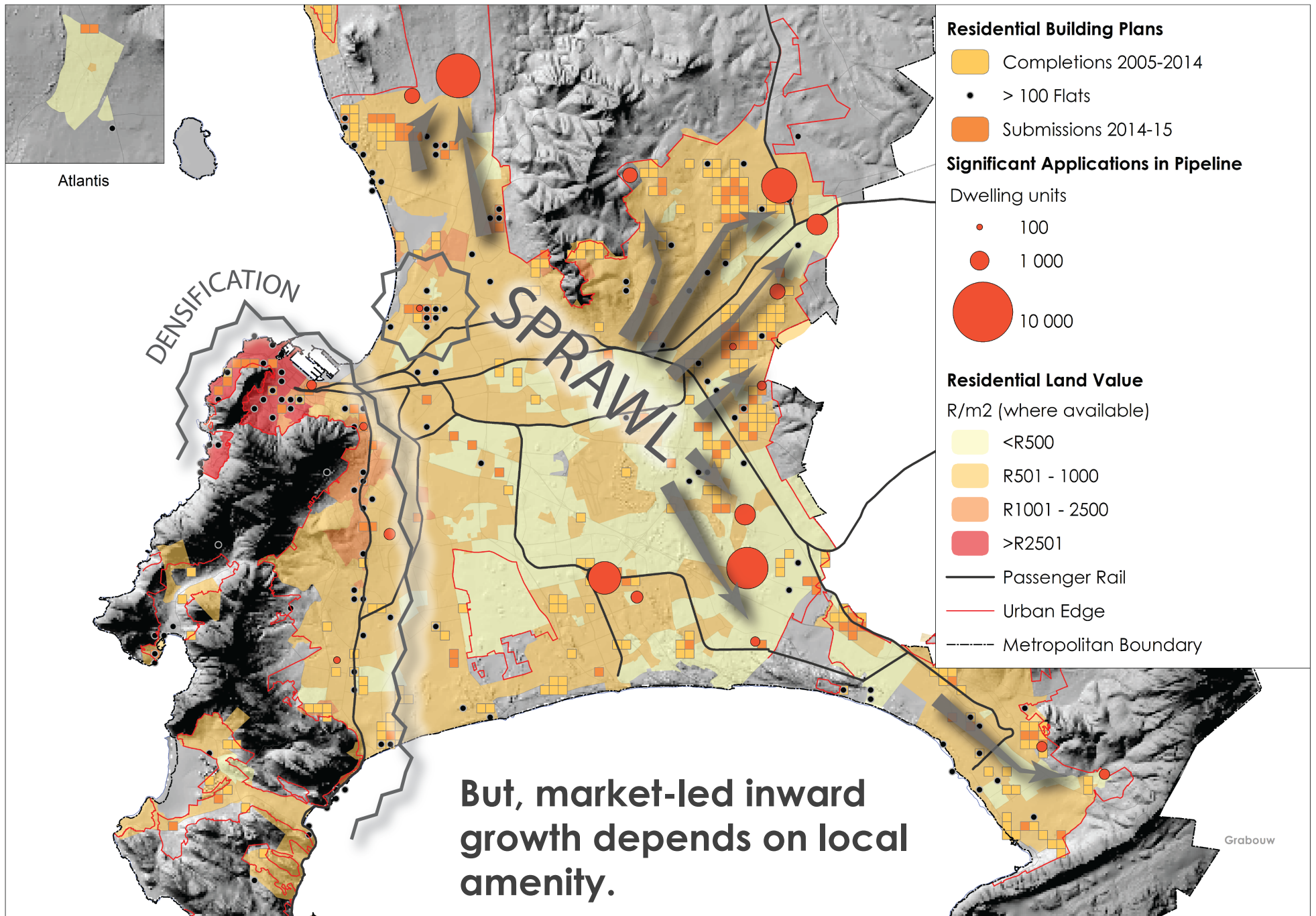


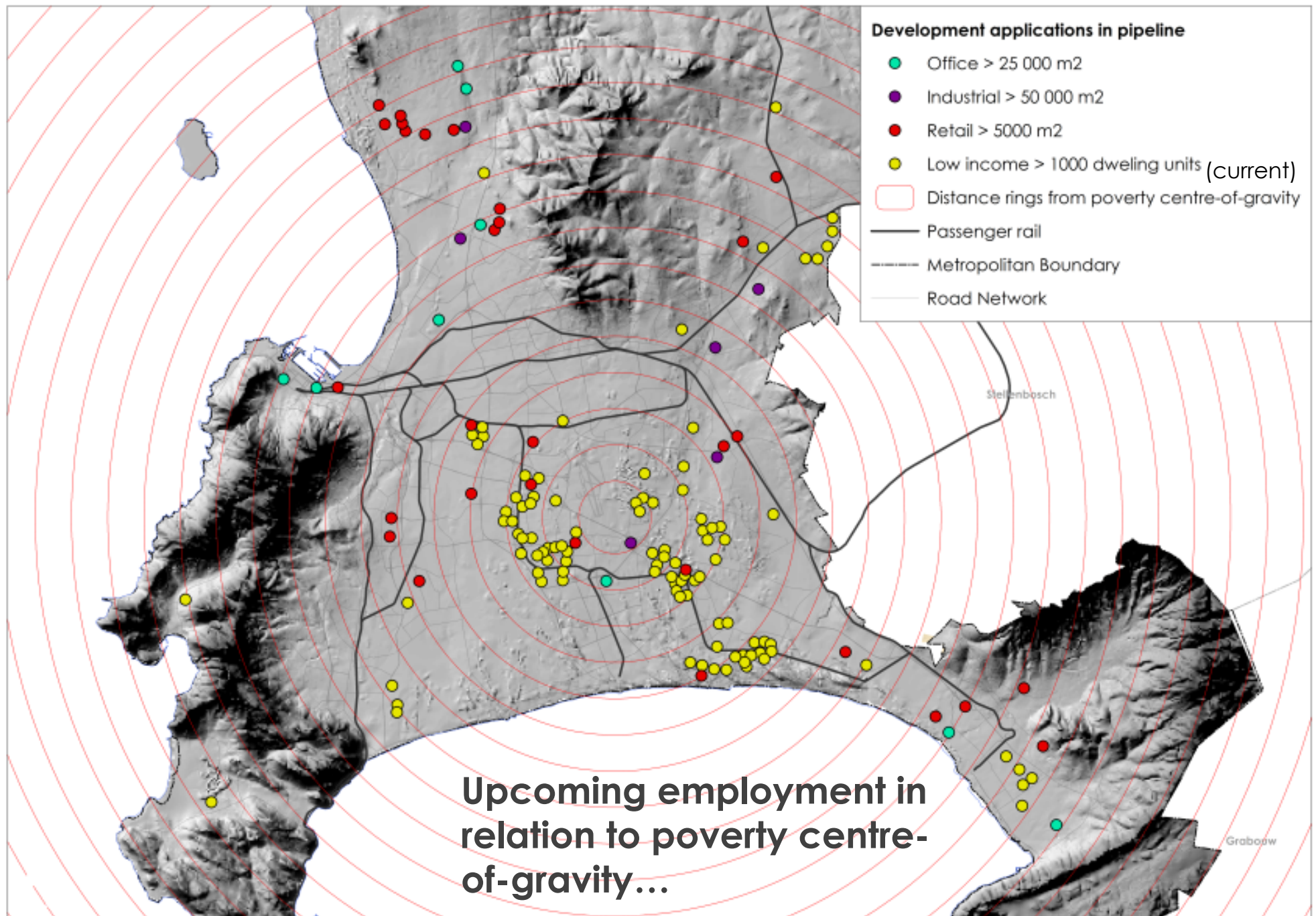
Citywide development trends

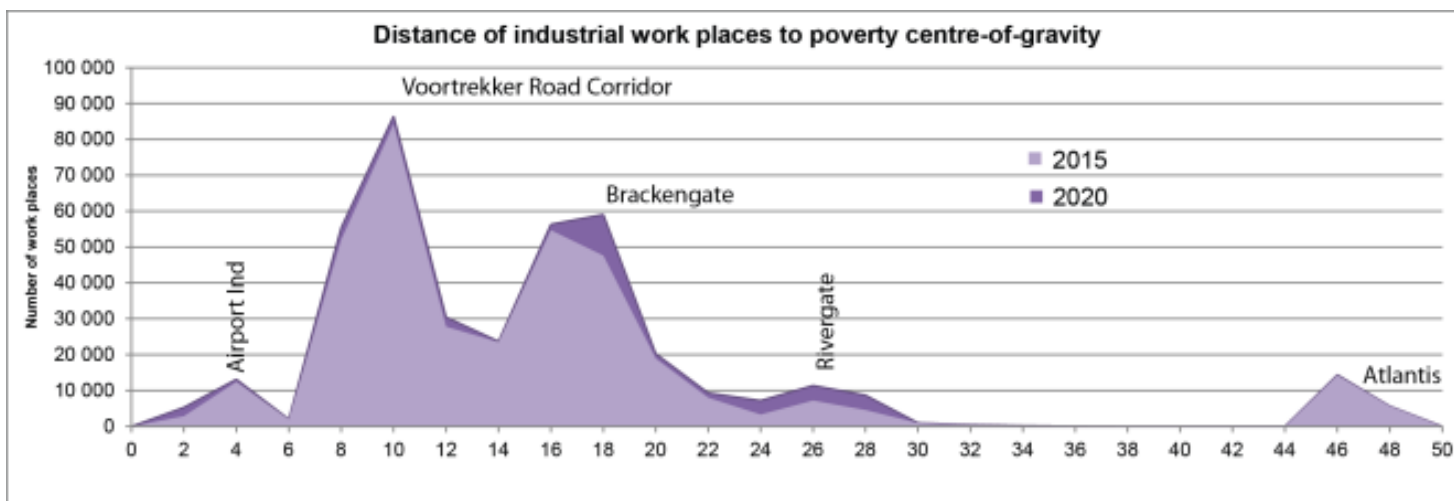


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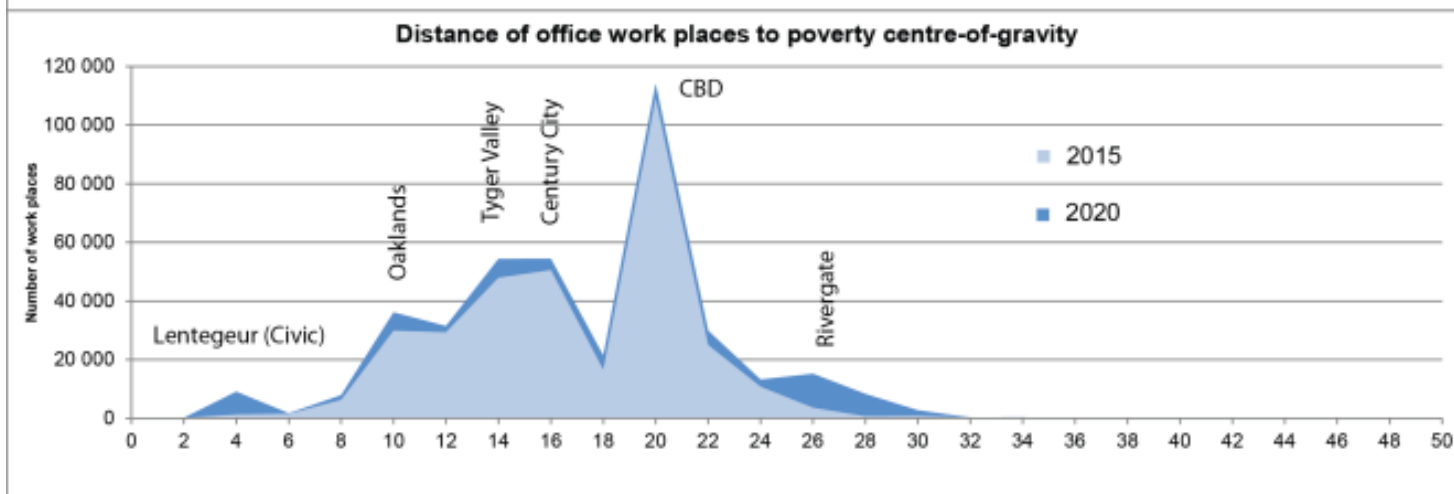




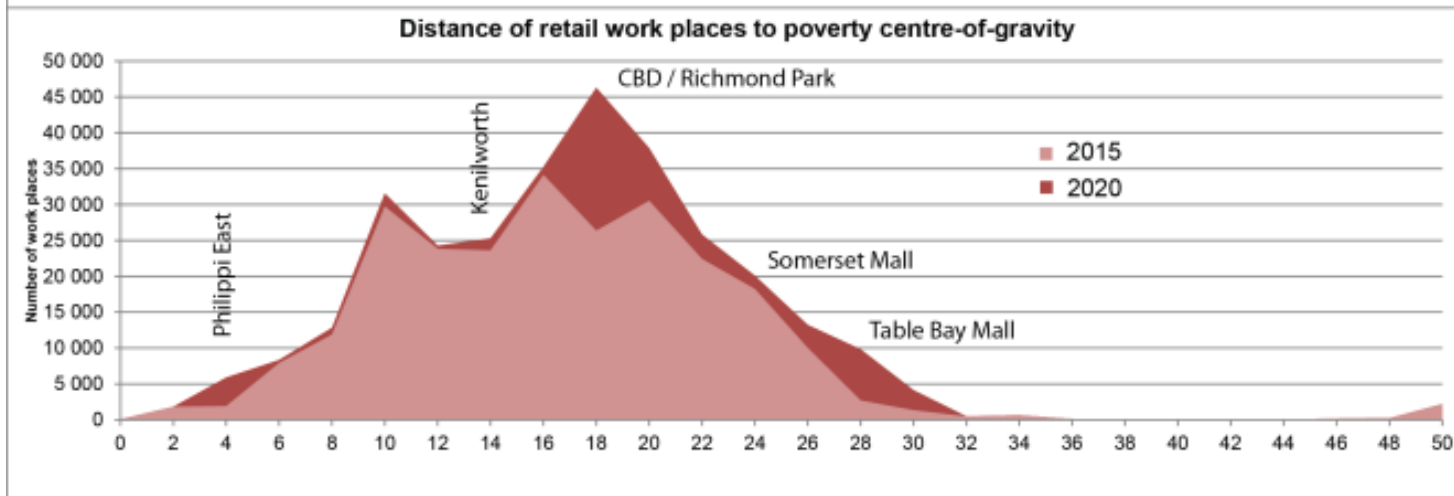




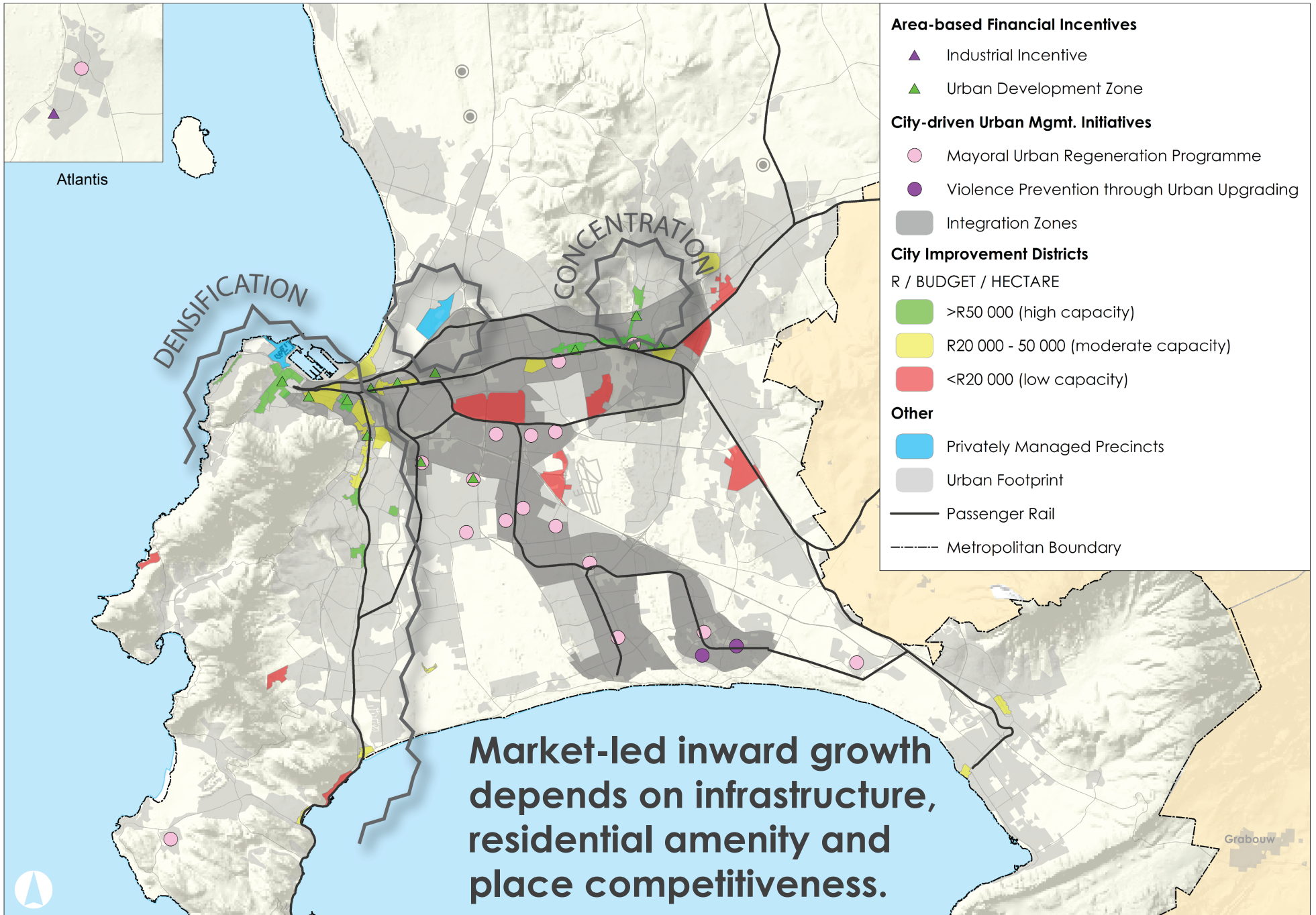
**Outward dispersion
of industrial jobs to
periphery**



**Spatial
concentration of
office jobs to
managed precincts**



**Retail development
following market-
led residential
development.**



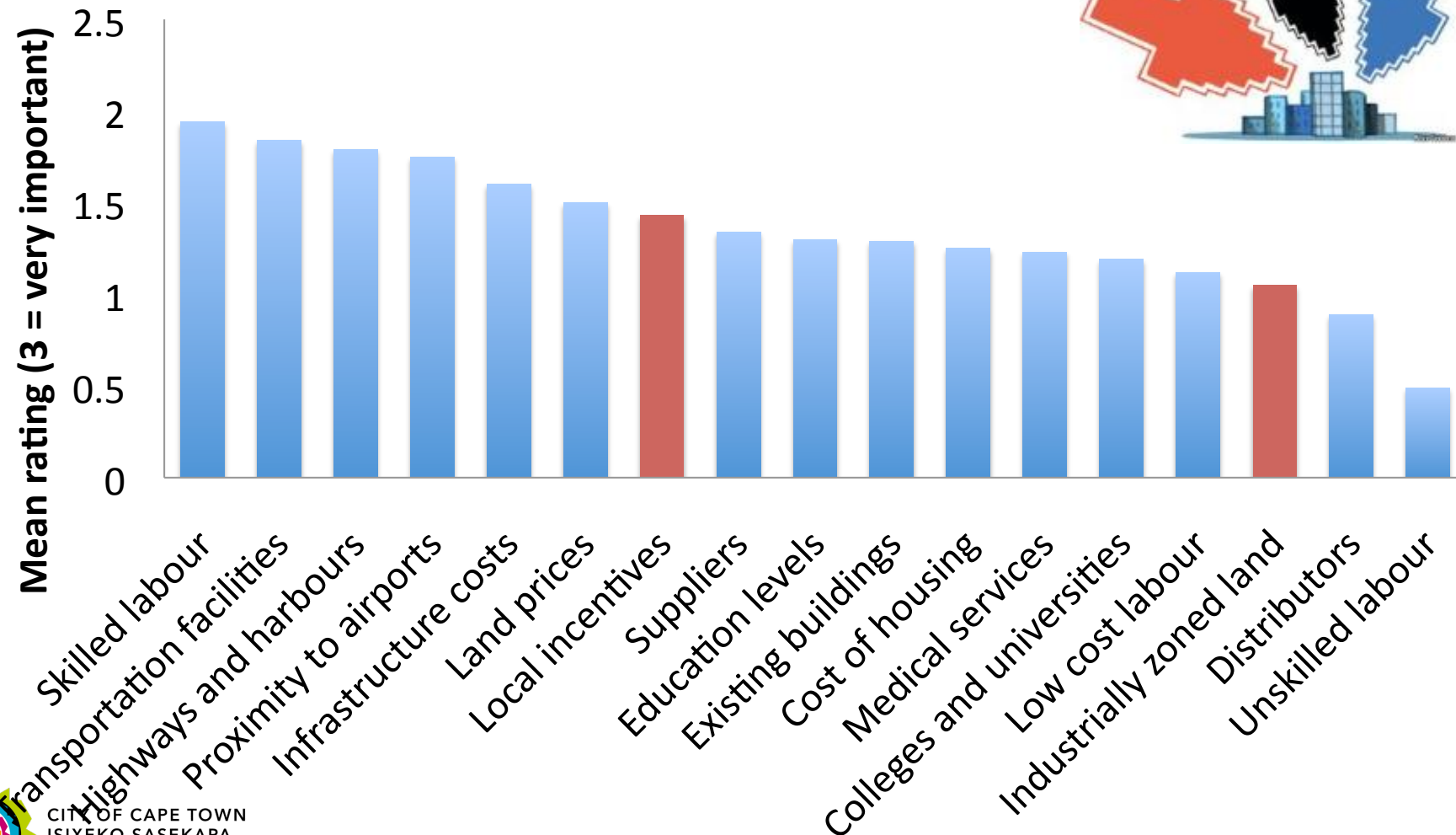
Measuring the health of business nodes : a diagnostic approach



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Business location factors

Current 'telescopic' approach to local intervention

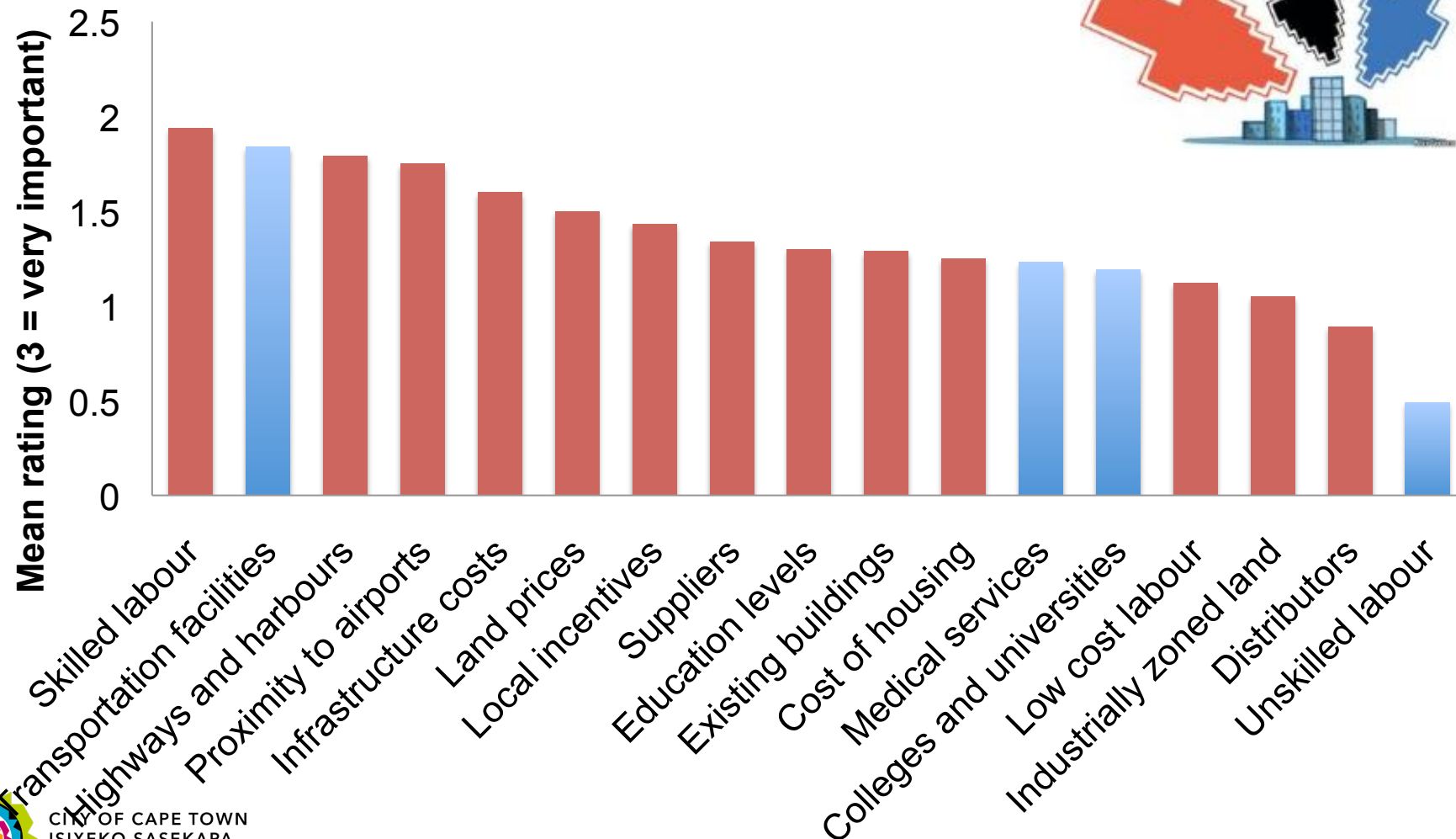


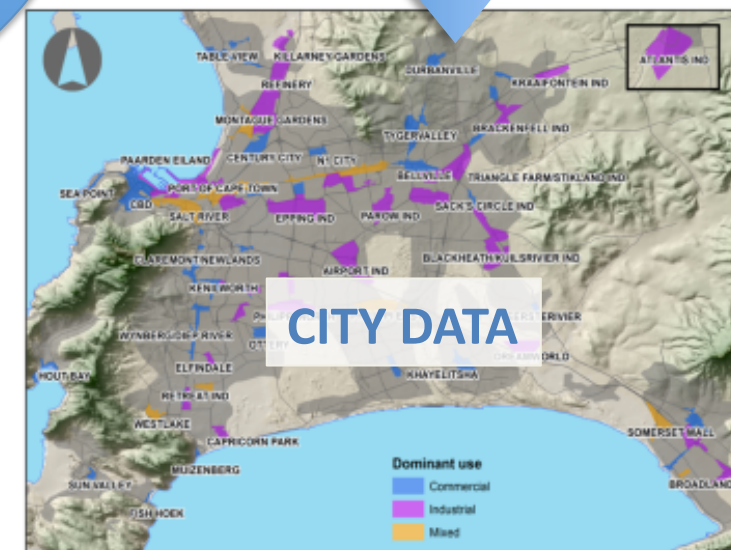
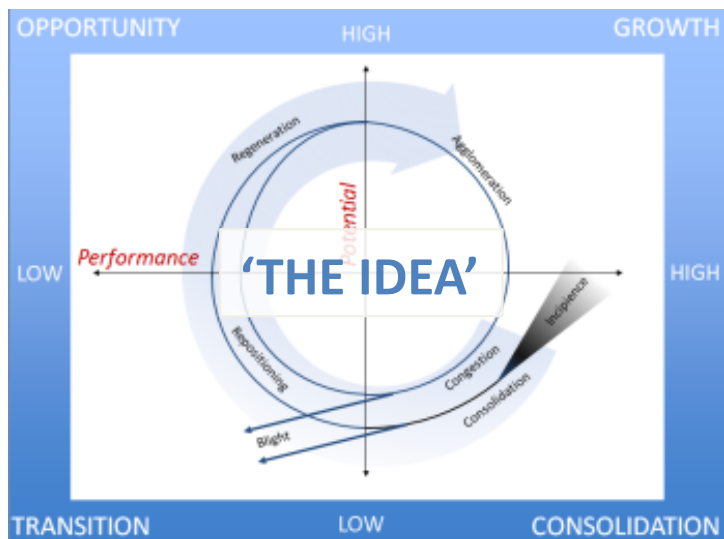
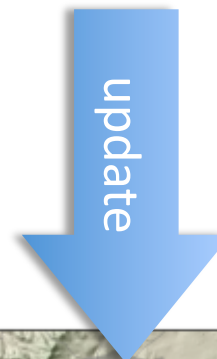
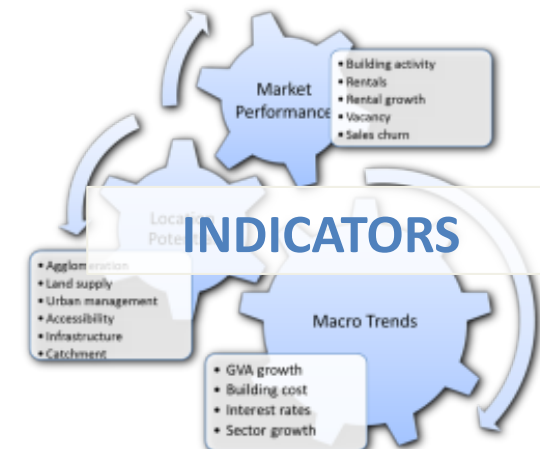
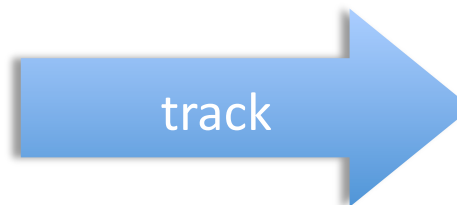
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Karakaya and Canel (1998)

Business location factors

Location as a package of attributes





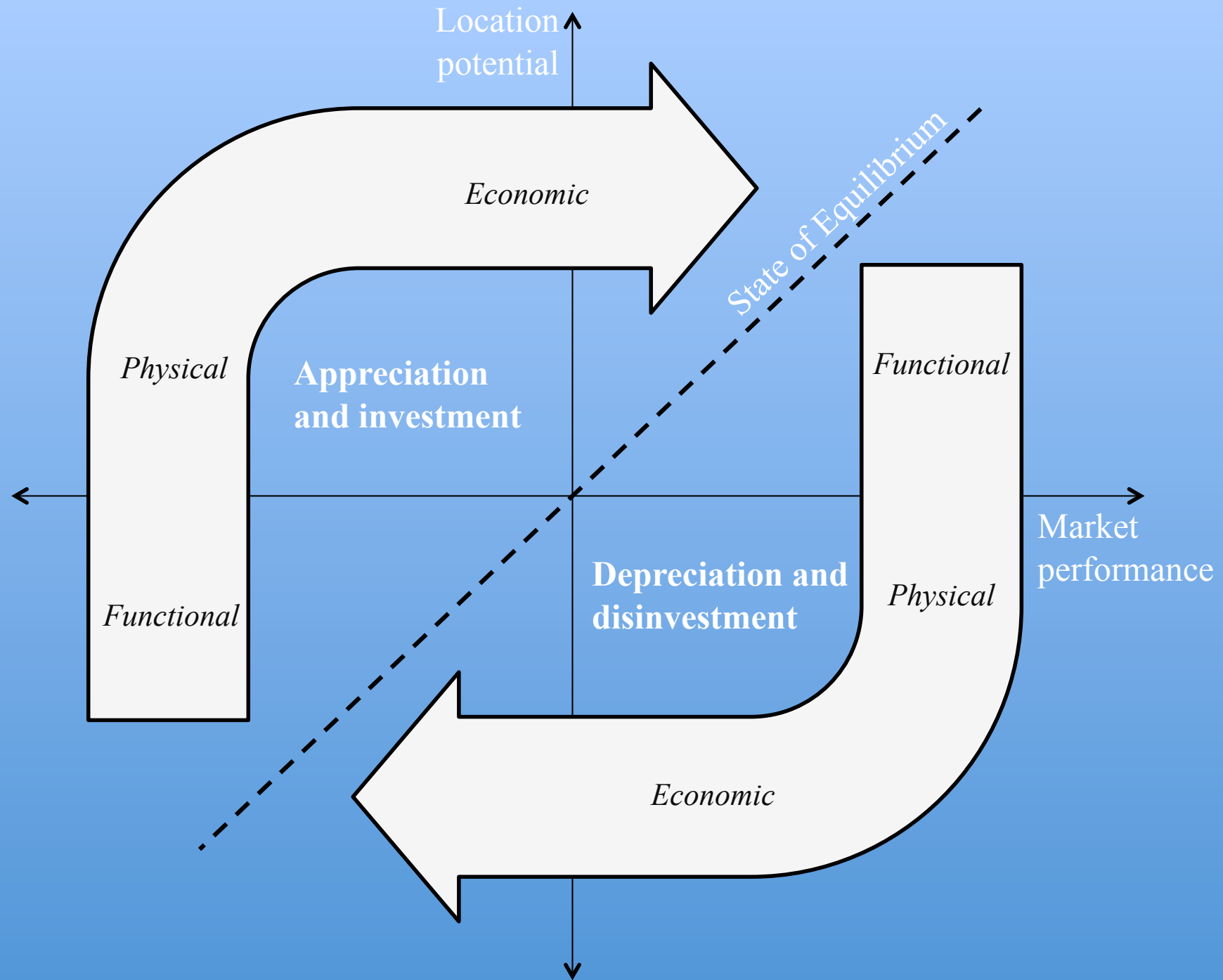
What do we measure?



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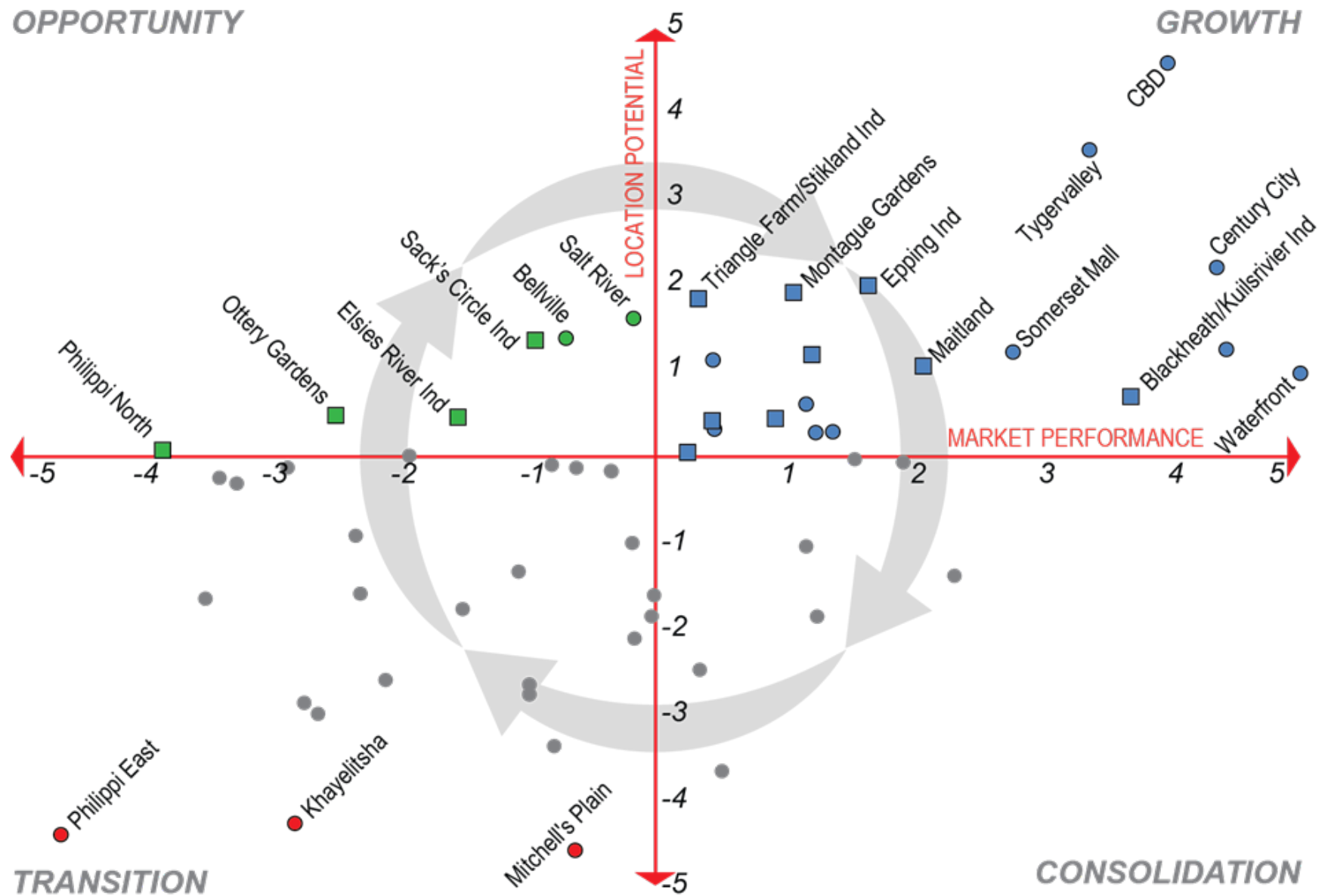
70+ expert-verified indicators





OPPORTUNITY

GROWTH



COMMERCIAL OPPORTUNITY ● COMMERCIAL GROWTH ●
INDUSTRIAL OPPORTUNITY ■ INDUSTRIAL GROWTH ■
SOCIAL MOBILITY ● LOCAL BUSINESS NODES ●

Medium-term Potential of Business Nodes

- Commercial Growth
- Industrial Growth
- Commercial Opportunity
- Industrial Opportunity
- ⊙ Emerging
- Local

Areas of Need and Opportunity

- Social Mobility
- Economic Potential

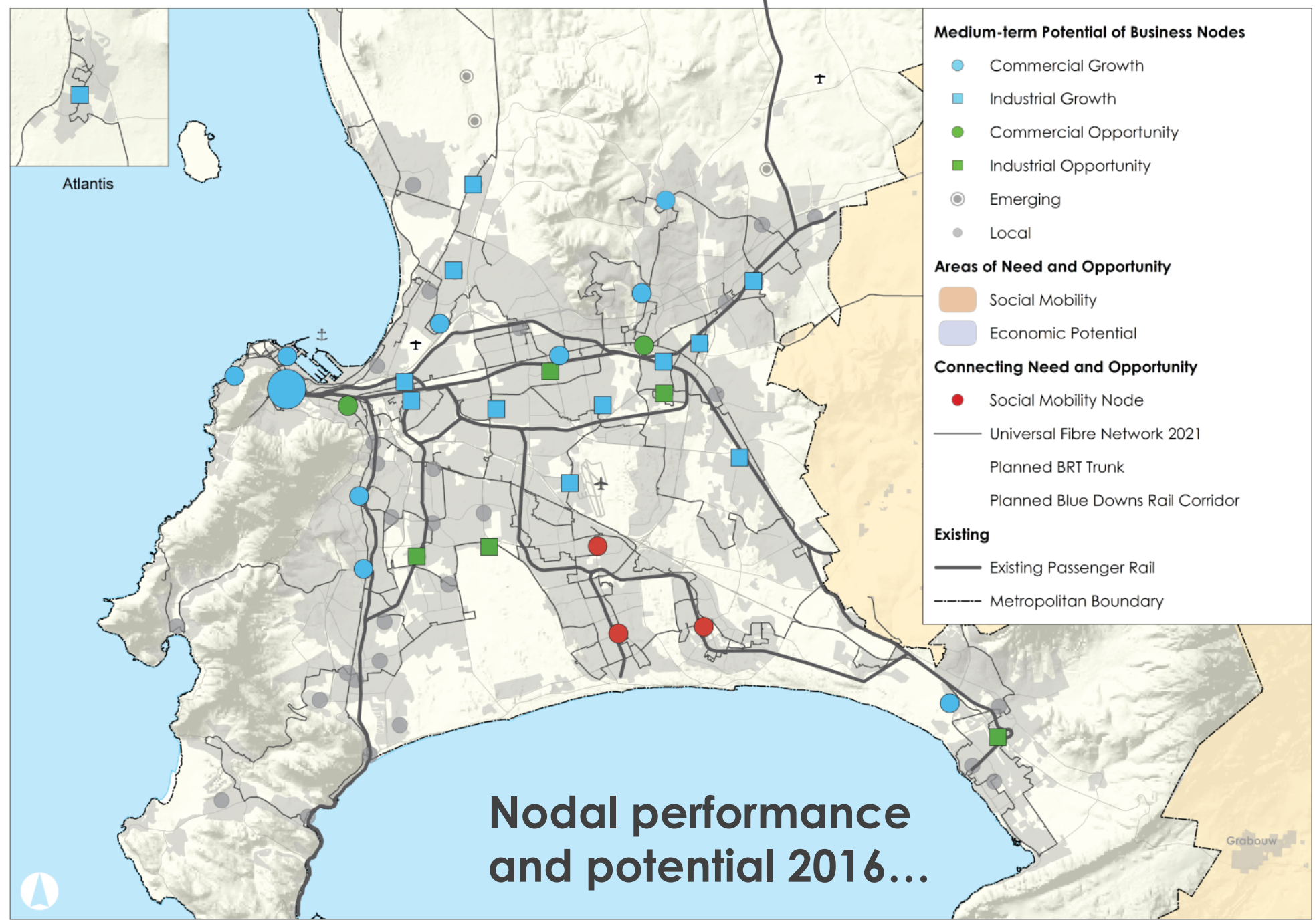
Connecting Need and Opportunity

- Social Mobility Node
- Universal Fibre Network 2021
- Planned BRT Trunk
- Planned Blue Downs Rail Corridor

Existing

- Existing Passenger Rail
- Metropolitan Boundary

Nodal performance
and potential 2016...



Medium-term Potential of Business Nodes

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- Industrial Growth
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Areas of Need and Opportunity

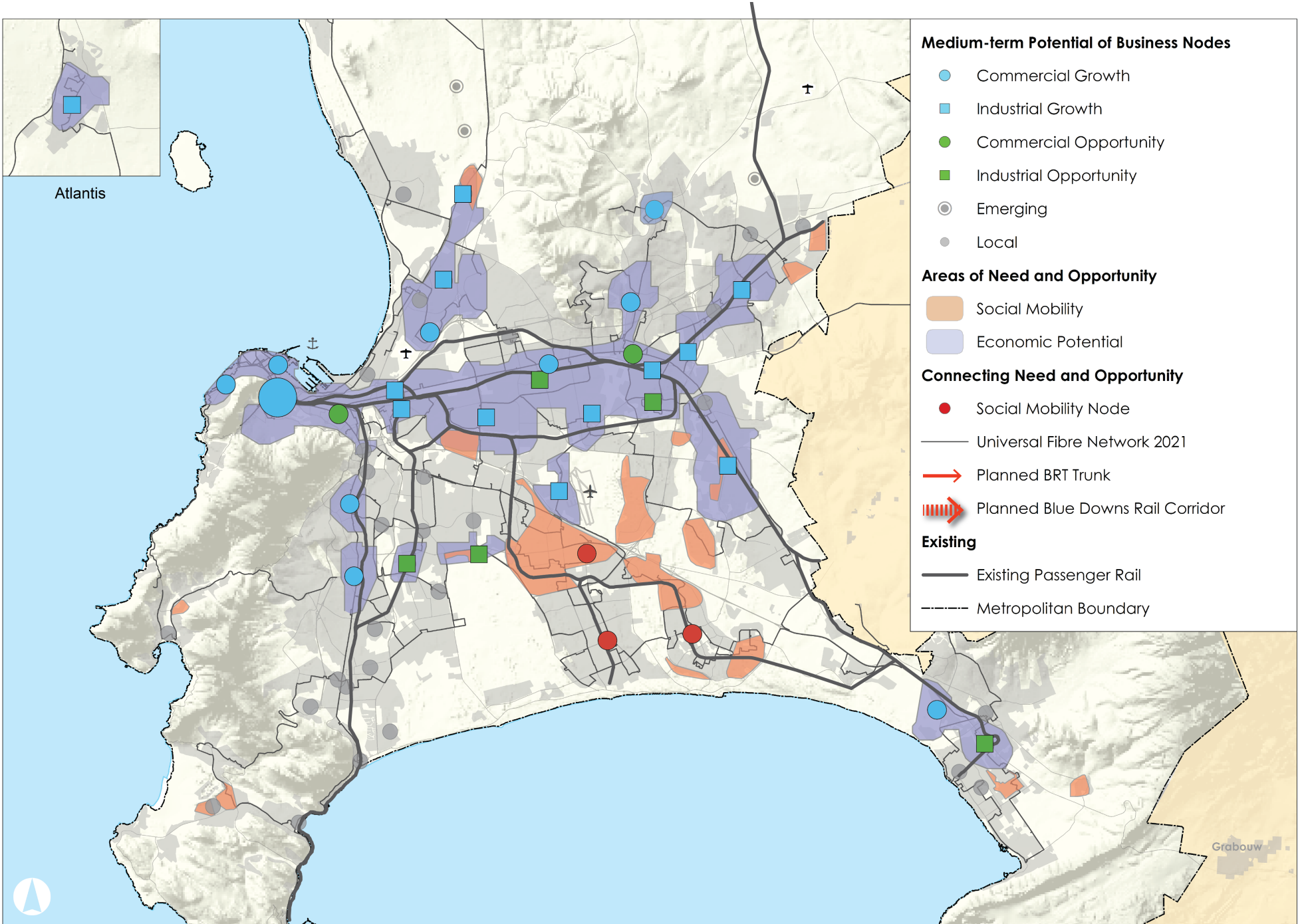
- Social Mobility
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Connecting Need and Opportunity

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Medium-term Potential of Business Nodes

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Areas of Need and Opportunity

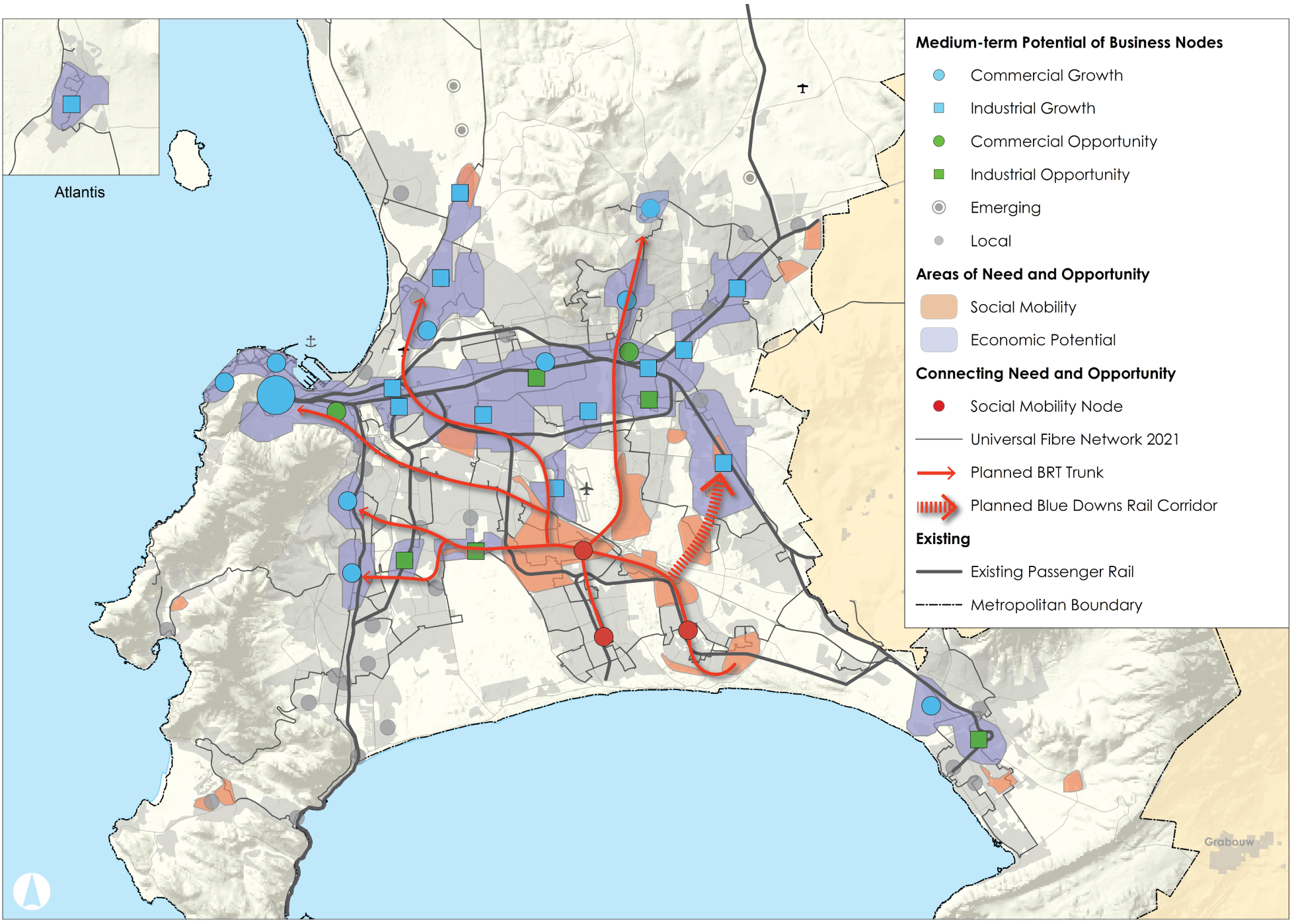
- Social Mobility
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Connecting Need and Opportunity

- Social Mobility Node
- Universal Fibre Network 2021
- ➔ Planned BRT Trunk
- ➔ Planned Blue Downs Rail Corridor

Existing

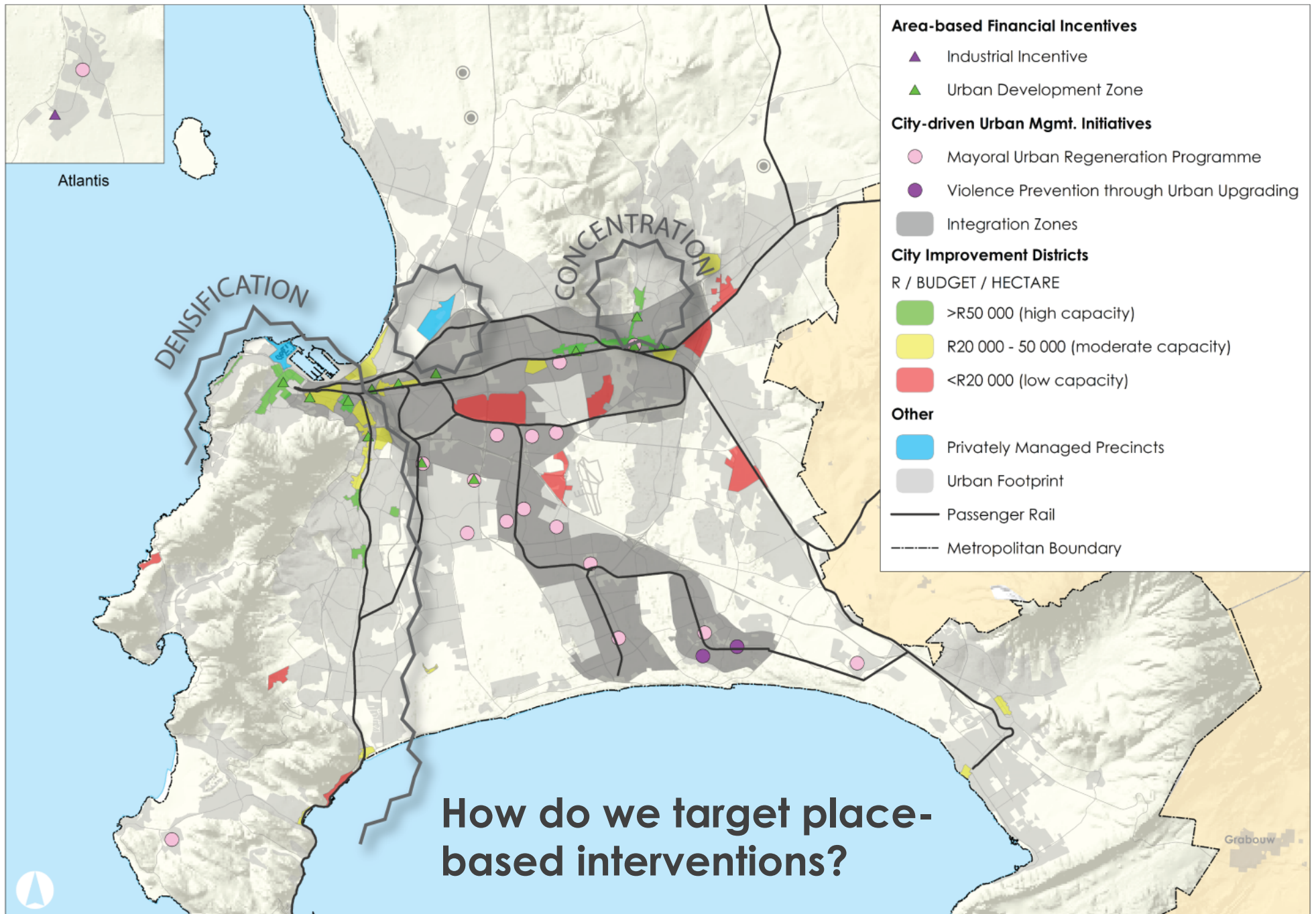
- Existing Passenger Rail
- - - Metropolitan Boundary



Administering the appropriate ointment: targeting area-based intervention

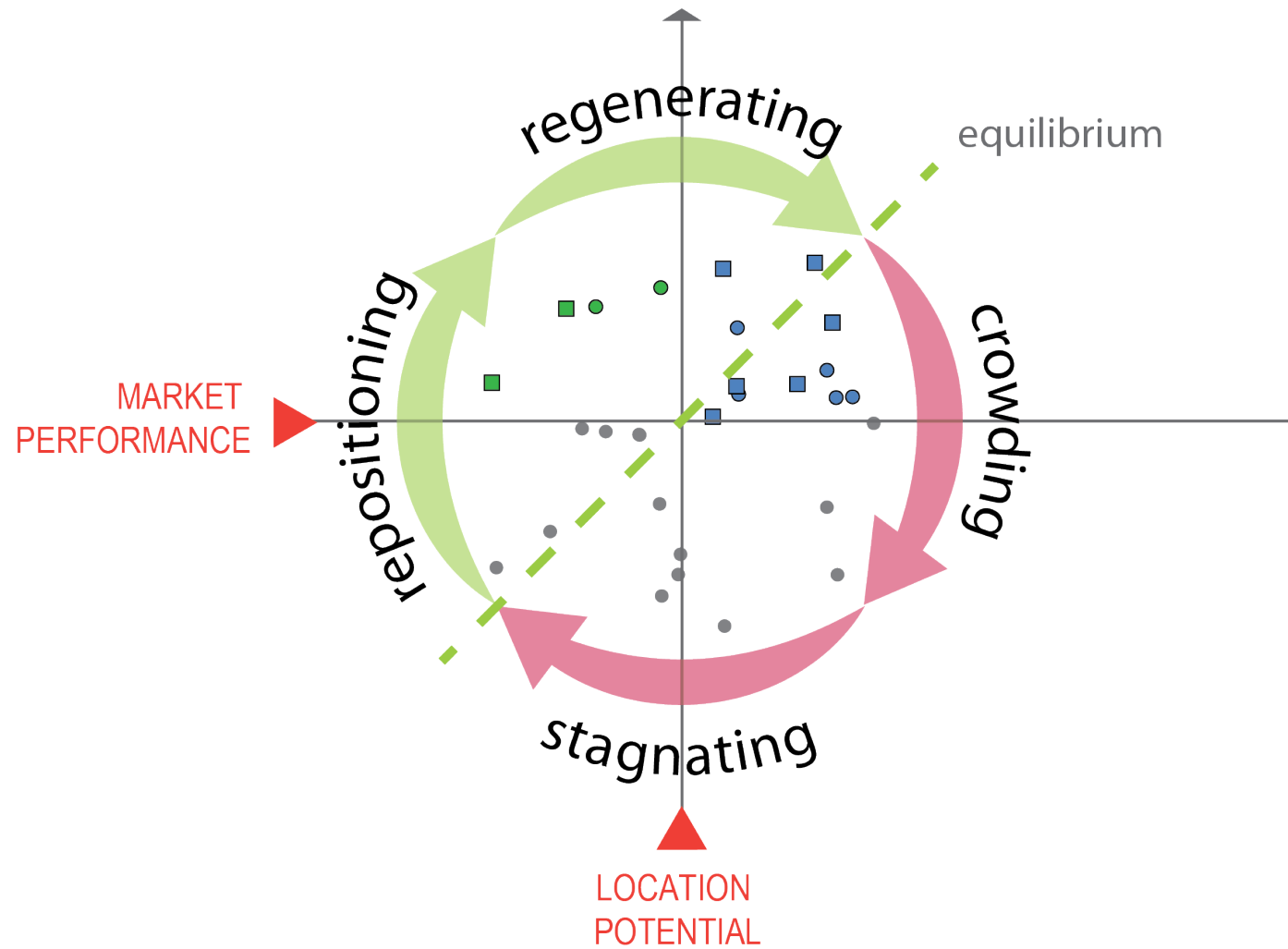


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OPPORTUNITY

GROWTH



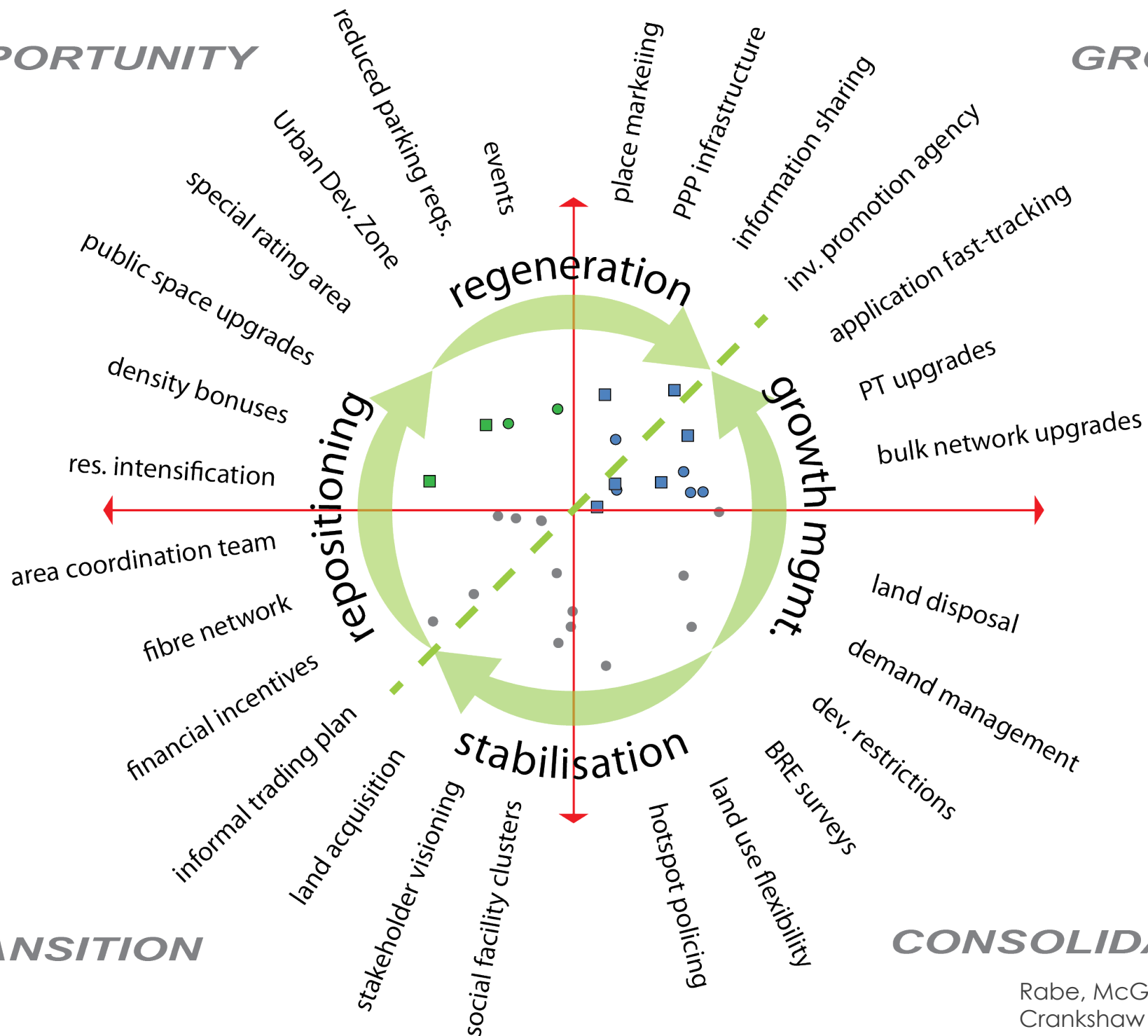
TRANSITION

CONSOLIDATION

Rabe, McGaffin and
Crankshaw (2015)

OPPORTUNITY

GROWTH



TRANSITION

CONSOLIDATION

Rabe, McGaffin and
Crankshaw (2015)

Applications to date

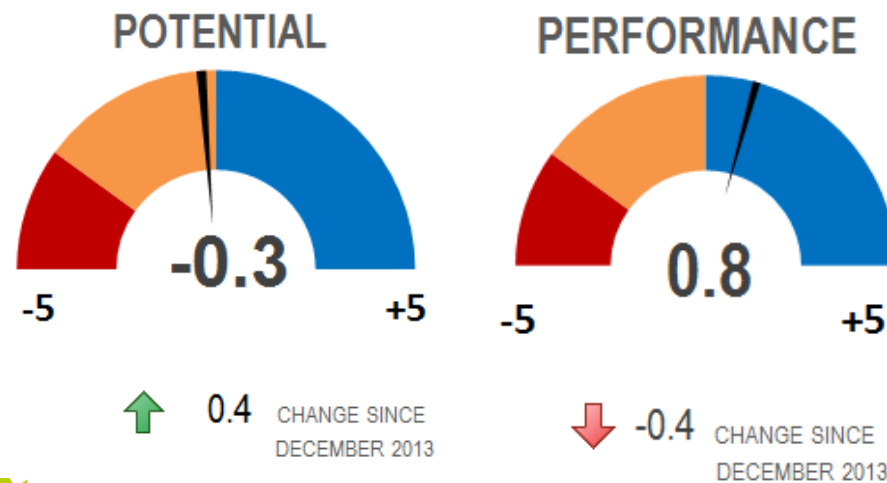
Application	Lead agency/ depts.
Targeting of primary research initiatives, such as industrial and business retention and expansion surveys.	Inter-departmental
Market feasibility analysis of City properties	Inter-departmental
Targeting area-based interventions (e.g. financial and non-financial incentives)	Inter-departmental
Local visioning and area planning	Planning
Impact monitoring and evaluation of place-based interventions	Planning
Modelling long-term location potential to inform infrastructure planning	Inter-departmental

Applications to date

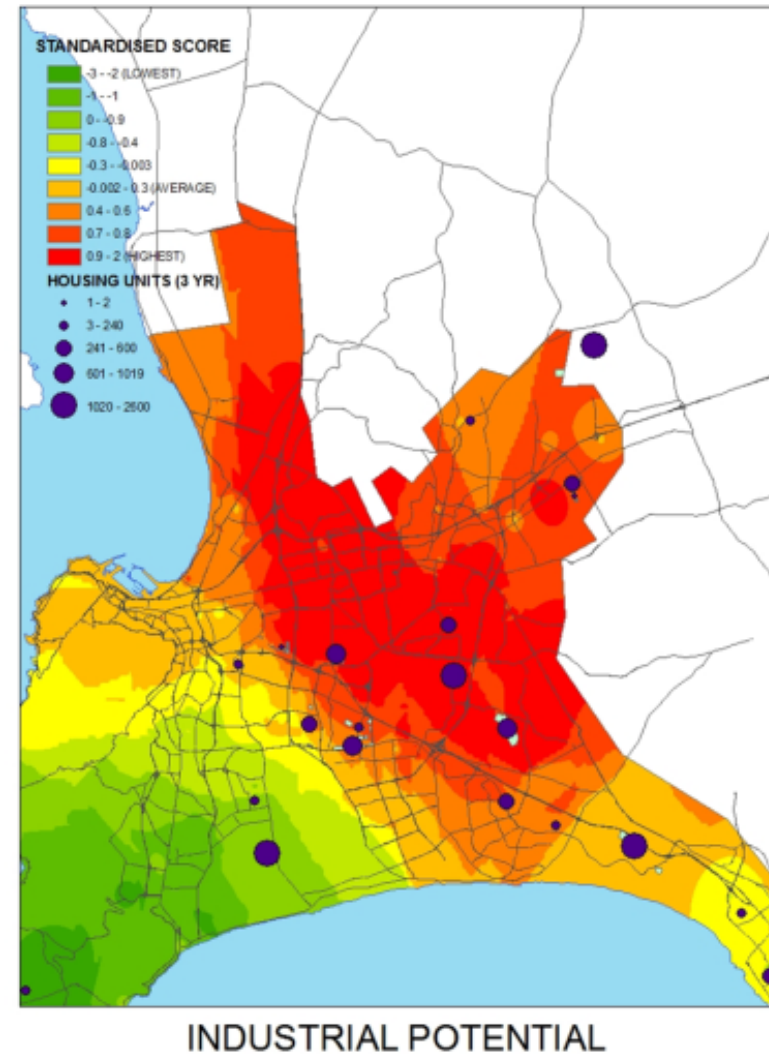
Application	Lead agency / depts.
Spatially targeting grant funding via Integration Zones	City National Treasury
Locational assessment of flagship place-based projects, such as the Tech Precinct	Mayor's Office
Commercialisation strategies for public transport interchanges to support financial sustainability of Integrated Rapid Transit.	Transport for Cape Town
ECAMP as exemplary approach to promote evidence-led planning in Western Cape and other metropolitan governments	PGWC, National Treasury
Mitigating economic impact of electricity cuts by 'red-lining' priority business nodes.	Electricity department
Screening of all City capital projects against priority areas for bulk network and business environment improvements respectively.	Office of the City Manager

Business location intelligence (online portal)

- Offers credible, comparative and fresh **market intelligence** to inform investment decisions



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Unique data-driven view of our space economy now available via web-based portal

<http://web1.capetown.gov.za/web1/ecamp>



Making progress possible. Together.

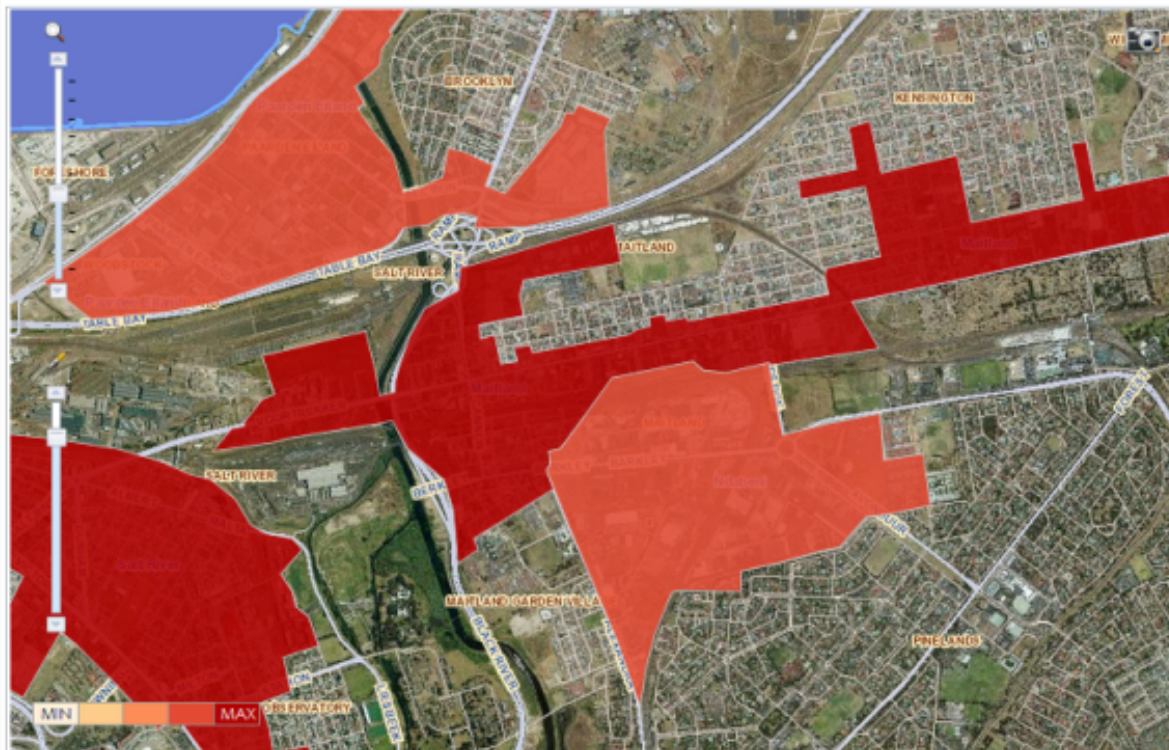
ECAMP Business Location Intelligence

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- Nodes**
- Airport Ind
 - Athlone
 - Athlone Ind
 - Atlantis Ind
 - Belville
 - Blackheath/Kulsvivier
 - Ind
 - Brackenfell
 - Brackenfell Ind
 - Capricorn Park
 - CBD**
 - Century City
 - Claremont/Newlands
 - Durbanville
 - Elfindale
 - Esizwe River Ind
 - Epping Ind
 - Fish Hoek
 - Goodwood/Parow
 - Hout Bay
 - Kenilworth
 - Khayelitsha
 - Killamey Gardens
 - Kraaifontein
 - Kraaifontein Ind
 - Kulsvivier
 - Lansdowne
 - Maitland
 - Minerton
 - Mitchell's Plain
 - Mountain View

CITYWIDE TRENDS NODAL PROFILE

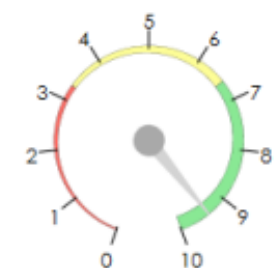


CBD

Location Potential Agglomeration



Market Performance

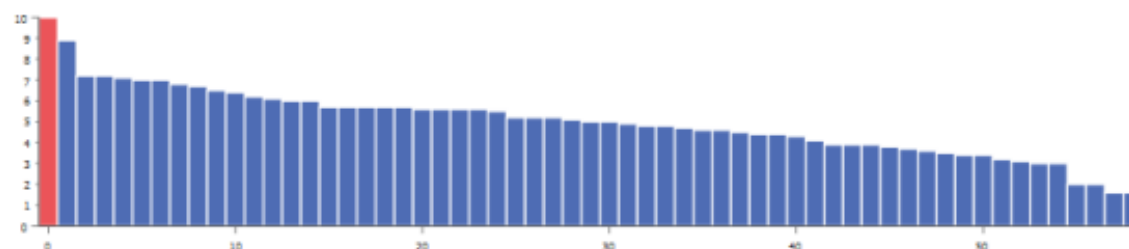


[View Detail](#)

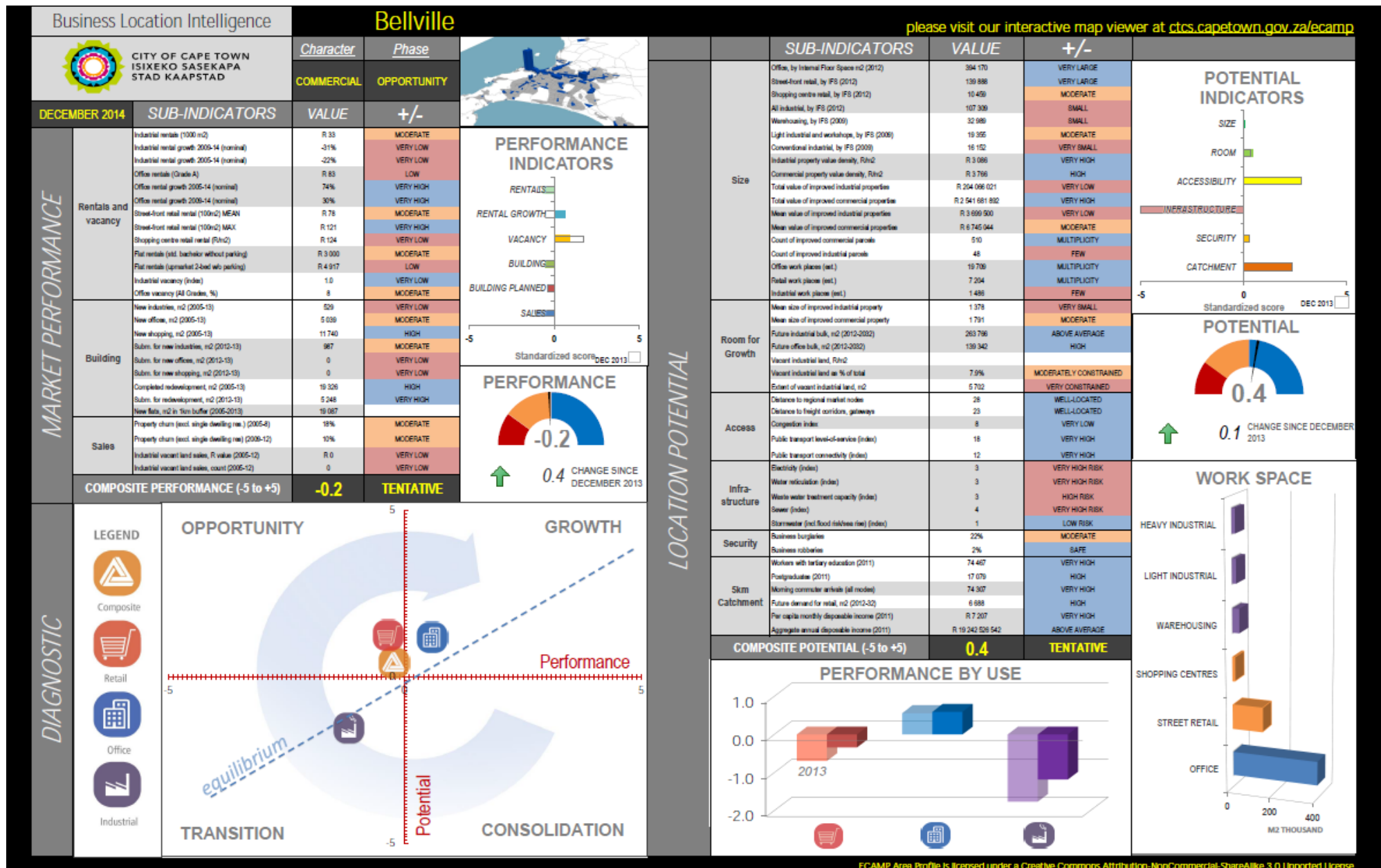


Download
area profile

Location Potential



Download
data set



Unique data-driven view of our space economy now available via web-based portal

[http://](http://web1.capetown.gov.za/web1/ecamp)

web1.capetown.gov.za/web1/ecamp

Who is using the ECAMP Portal? (registered users)

