



STADIA AND FACILITIES UNIT : PROPOSED LEASE ON REM OF
ERF 1, DURBAN, MOSES MABHIDA STADIUM RETAIL SHOP 1
ADDRESS: 44 ISAIAH NTSHANGASE ROAD

CONTRACT NUMBER: MMS 0961



STADIA AND FACILITIES UNIT

REQUEST FOR PROPOSALS FOR THE LONG-TERM LEASING ERF 1, DURBAN, MOSES MABHIDA STADIUM RETAIL SHOP 1, MEASURING 620 SQUARE METRES FOR COMMERCIAL PURPOSES FOR A PERIOD OF FIVE (5) YEARS WITH AN OPTION TO RENEWAL

eThekweni Metropolitan Municipality, hereby requests proposals from interested persons to be submitted for the long-term leasing of Erf 1 Durban, Moses Mabhida Stadium Retail Shop 1 measuring 620m² for a period of 5 years.

THIS DOCUMENT CONISTS OF 53 PAGES, IT IS THE RESPONSIBILITY OF THE TENDERER / BIDDER TO ENSURE THAT ALL PAGES ARE INCLUDED IN THE DOCUMENT.

Name of Bidder_____

DOCUMENTS TO BE SUBMITTED: 1 ORIGINAL AND 1 COPY

- Tender documents together with one soft copy (either a disk or memory stick to be submitted on or before 11:00am on the closing date.

Closing date of the Bid: 24 March 2023

Closing Time: 11:00

Issued by: **Sijabu Ntuli**
Deputy Head: Commercial Services and Events
Stadia and Facilities Unit
44 Isaiah Ntshangase Road

No	CONTENTS	PAGE
1.	TENDER ADVERT	4
2.	INVITATION TO BID (MDB 1)	6
3.	TERMS AND CONDITIONS FOR BIDDING (MDB 1.1)	7
4.	TAX CLEARANCE CERTIFICATE REQUIREMENTS (MDB 2)	8
5.	PRICING SCHEDULE: FINANCIAL OFFER (REU MDB 3.1)	9
6.	DECLARATION OF INTEREST (MDB 4)	11
7.	CERTIFICATION	13
8.	DECLARATION FOR PROCUREMENT ABOVE R10 MILLION (MDB 5)	14
9.	PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017. (MDB 6.1)	15
10.	BIDDERS INFORMATION (MDB 7)	21
11.	DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES (MBD 8)	22
12.	CERTIFICATE OF INDEPENDENT BID DETERMINATION (MDB 9)	24
13.	STANDARD CONDITIONS OF SUBMISSION (MDB 10)	27
14.	EVALUATION CRITERIA (REU MDB 11)	31
15.	BID SPECIFICATION (REU MDB 12)	33
16.	PROPERTY INFORMATION (REU MDB 13)	39
17.	REGISTRATION DOCUMENTS (REU MDB 14)	40
18.	AUTHORITY TO SUBMIT BID (REU MBD 15)	41
19.	PAYMENT OF MUNICIPAL ACCOUNT (REU MBD 16)	42
20.	DEVELOPMENT PROPOSAL (REU MBD 17)	43
21.	SUSTAINABILITY MODEL [FUNDING / DONOR / SPONSOR] [REU18]	44
22.	PUBLIC / SOCIAL BENEFIT PROPOSAL [MBD19]	45
23.	PROPOSED EMPOWERMENT PLAN (MBD 20)	46
24.	EXPERIENCE AND CAPABILITIES OF BIDDER (REU MBD 21)	47
25.	ACCESS TO FUNDING (MBD 22)	49
26.	ANNEXURE: (ATTACHED VALUATION REPORT AND COUNCIL DECISION FOR ADVERTISING)	50

TENDER ADVERT

REQUEST FOR PROPOSALS FOR THE LEASING OF RETAIL SHOPS SITUATED ON REM OF ERF 1, DURBAN, MOSES MABHIDA STADIUM RETAIL SHOP 1 FOR COMMERCIAL PURPOSES FOR A PERIOD OF FIVE (5) YEARS WITH AN OPTION TO RENEWAL

BID NUMBERS	TENDER DESCRIPTIONS	No. of premises						
MMS0961	REQUEST FOR PROPOSALS FOR THE LEASING OF RETAIL SHOP 1 SITUATED AT MOSES MABHIDA FOR COMMERCIAL PURPOSES. <table border="1"> <thead> <tr> <th>SHOP NUMBER</th><th>SIZE</th><th>Shop Profile Description</th></tr> </thead> <tbody> <tr> <td>1</td><td>620 m²</td><td>Restaurant with a liquor license serving breakfast through to dinner and providing live performances and entertainment experience</td></tr> </tbody> </table>	SHOP NUMBER	SIZE	Shop Profile Description	1	620 m²	Restaurant with a liquor license serving breakfast through to dinner and providing live performances and entertainment experience	1
SHOP NUMBER	SIZE	Shop Profile Description						
1	620 m²	Restaurant with a liquor license serving breakfast through to dinner and providing live performances and entertainment experience						
Non – compulsory briefing sessions	There will be no clarification meeting. Bidders are requested to submit email queries related to the bid. All email queries are to be submitted by 10 February 2023. Emailed questions and answers will be consolidated and posted on e-tenders/municipal website for the benefit of all tenders by 16 February 2023 Email queries are to be directed to gugulethu.kiti@durban.gov.za or Sijabu.Ntuli@durban.gov.za							
Document Availability	Tender Documents must be downloaded from the National Treasury's website : https://etenders.treasury.gov.za/ or the EtheKwini Municipality's website : www.durban.gov.za							
Documents Cost	Document Cost: R0,00							
Objective criteria in terms of Paragraph 2(1)(f) of the Preferential Procurement Policy Framework Act, read together with paragraph 52 (22) of the EThekwini Municipality Supply Chain Management Policy.	In line with the objectives of the Amended Property Sector Code (09 June 2017) to promote economic transformation in the property sector in order to enable meaningful participation of Black people including women, the youth and people with disabilities and unlock obstacles to property ownership and participation in the property market by black people, preference will be given to: - EME or QSE that are 100% owned by PPG (Priority Population Group) - Bidders must score a minimum of 70 points for Functionality Evaluation in order to qualify for further evaluation in Price and B-BBEE. - The objective criteria for location (Physical address) will be assessed based on the CIPC documents/Company registration document using the following order of preference: - - eThekwini Metropolitan Area - KwaZulu Natal Province - Republic of South Africa.							
Mandatory Requirements	Bidders are to provide a funding model to indicate how and where the funding will be sourced/raised, and it must include collateral to be pledged against such funding if required. The bidder to demonstrate proof of availability of 100% of the funding required for the development. This must include written support from verifiable funding institutions. - If the letter from the registered funder with Financial Sector Conduct Authority (FSCA) reflects the full amount of the development cost or; - If there is a shortfall, the bidder must demonstrate access to equity as how							

	they fund the shortfall or if the shortfall will be covered through Bank guarantee.												
Selection Criteria	- Any rental offer below the reserve price will not be considered. - Any non coherent proposals will be disqualified - Any proposal that is not in line with Shop 1 profile description i.e., “Restaurant with a liquor license serving breakfast through to dinner and providing live performances and entertainment experience” will be disqualified NB: Failure to comply with the above will result in the bid not being evaluated for Stage 1 and Stage 2.												
Closing Date	24 March 2023												
Conditions of submission of Request for Proposal	- Tax Clearance Certificate, valid on the closing date of the bid, or exemption to pay taxes as issued by the South African Revenue Services (SARS) or Valid Tax Compliant Verification PIN number issued by SARS. - Proof of registration of the Entity as follows: - Natural persons- certified copy of ID document/ passport - Partnership- copy of Partnership Agreement plus IDs of all partners - Company- current CM29 - Close Corporation- current copy of CK1 and/or CK2C - Trust- letter of appointment from the Master of the High Court of SA and deed of trust - Proof of registration of NPO or NGO (Copy of Provincial Registration Certificate etc.) - Up to date Municipal Account not older than three (3) months and not over three (3) months in arrears for the Director (s) or Member (s) for all their properties/ Proof that acknowledgements or arrangements have been made to settle arrears / Affidavit stating why an up-to-date municipal account cannot be submitted for all the properties of the directors. - In the event the bidder is tendering as a Joint Venture/Consortium, all members of the JV/Consortium must submit all required documentation, a JV / Consortium agreement and a Joint Venture B-BBEE Certificate. - Completion and signature of all bid documents. - Central Supplier Data Base (CSD) registration.												
Address	Ground floor, Engineering Unit, Municipal Centre 166 K.E. Masinga Road (formerly Old Fort Road) DURBAN												
Evaluation	Functionality, Rental Offer and B-BBEE Level of contributor using 80/20. <table border="1"> <tr> <td>Functionality</td><td>100%</td></tr> <tr> <td>Minimum Threshold</td><td>70 %</td></tr> <tr> <td></td><td></td></tr> <tr> <td>Price</td><td></td></tr> <tr> <td>Rental offer</td><td>80%</td></tr> <tr> <td>B-BBBEE status level of contributor</td><td>20%</td></tr> </table>	Functionality	100%	Minimum Threshold	70 %			Price		Rental offer	80%	B-BBBEE status level of contributor	20%
Functionality	100%												
Minimum Threshold	70 %												
Price													
Rental offer	80%												
B-BBBEE status level of contributor	20%												

MBD 1:

INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (ETHEKWINI METROPOLITAN MUNICIPALITY)					
BID NUMBER	MMS0961	CLOSING DATE	24 March 2023	CLOSING TIME:	11:00
DESCRIPTION	REQUEST FOR PROPOSALS FOR THE LEASING OF MOSES MABHIDA STADIUM RETAIL SHOP NO 1 SITUATED ON REM OF ERF 1, DURBAN, FOR COMMERCIAL PURPOSES.				
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO ENTER INTO A LEASE AGREEMENT WITH ETHEKWINI METROPOLITAN MUNICIPALITY.					

BID RESPONSE DOCUMENTS MUST BE DEPOSITED IN THE BID BOX SITUATED AT MUNICIPAL CENTRE, 166 K.E. MASINGA ROAD (formerly Old Fort Road) AND PLACED IN THE TENDER BOX LOCATED IN THE GROUND FLOOR FOYER.

SUPPLIER INFORMATION							
NAME OF BIDDER							
POSTAL ADDRESS							
STREET ADDRESS							
TELEPHONE NUMBER	CODE		NUMBER				
CELLPHONE NUMBER							
FACSMILE NUMBER	CODE		NUMBER				
EMAIL ADDRESS							
VAT REGISTRATION							
TAX COMPLIANCE STATUS	TCS PIN:		OR	CSD No:			
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE (TICK APPLICABLE BOX)		Yes	B-BBEE STATUS LEVEL SWORN AFFIDAVIT		Yes		
		No			No		
(A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE / SWORN AFFIDAVIT (FOR EMEs & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE)							
SIGNATURE OF BIDDER				DATE			
CAPACITY UNDER WHICH THIS BID SIGNED							
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:							

TERMS AND CONDITIONS FOR BIDDING**1. BID SUBMISSION:**

- 1.1 BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–OR DOWNLOADED ONLINE (NOT TO BE RE-TYPED)**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.

2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFITABLE AND TAX STATUS.
- 2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.
- 2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART 3 BELOW.
- 2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS**3.1 IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?**

☐	YES	☐	NO
--------------------------	-----	--------------------------	----

3.2 DOES THE ENTITY HAVE A BRANCH IN THE RSA?

☐	YES	☐	NO
--------------------------	-----	--------------------------	----

3.3 DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?

☐	YES	☐	NO
--------------------------	-----	--------------------------	----

3.4 DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?

☐	YES	☐	NO
--------------------------	-----	--------------------------	----

3.5 IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?

☐	YES	☐	NO
--------------------------	-----	--------------------------	----

IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.

NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID. NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

DATE:

TAX CLEARANCE CERTIFICATE REQUIREMENTS

It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.

1 In order to meet this requirement bidder are required to complete in full the attached form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.

2 SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.

3 The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.

4 In bids where Consortia / Joint Ventures / Sub-contractors are involved; each party must submit a separate Tax Clearance Certificate.

5 Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website www.sars.gov.za.

6 Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website www.sars.gov.za.

PRICING SCHEDULE: FINANCIAL OFFER

1. This offer is made for the property in accordance with the Property Information stated in MBD 13 and in accordance with the bid specification in MBD 12.
2. Unless stated otherwise all prices excludes VAT.
3. **FINANCIAL OFFER**
A minimum/reserve amount per month (as per council resolution) per premises is as Follows: -

SHOP NUMBER	SIZE	MIN. AMOUNT Per month	MIN. LEASE TERM	Description
1	620.m ²	R62 000-00	5 years with an option to renew	Restaurant operating from breakfast through to dinner time with a liquor license providing live performances and entertainment experience

Any offer below the RESERVED/ MINIMUM RENTAL (as referred to in point 3 of the REU MBD 3.1 above) will not be considered and such bids would accordingly be disqualified.

Bid submission for shop number:	
Rental Offer	R
Rental Offer in words	R
Escalation per annum	8%
Bidder / Entity Name	
Represented By	
Capacity	
Signature	
Date	

eThekwini Vendor Portal Registration Number:

C.S.D Registration Number:

S.A.R.S Pin Number:

PR

MAAA

Completion of the following is compulsory. Failure to declare the following will invalidate your offer.

Declaration of Interest

Are any of the entity's directors, managers, principle shareholder or stakeholders currently in the service of the state or have been in the service of the state in the past twelve (12) months? ☐ Yes ☐ No				
Is any spouse, child or parent of the entity's directors, managers, principle shareholder or stakeholder currently in the service of the state or have been in the service of the state in the past twelve (12) months? ☐ Yes ☐ No				
Name of entity's member	Position in Entity	Name of Relative (if applicable)	Name of State Institution	Nature of Relationship
Do you or any other directors, managers, principle shareholder or stakeholder of your entity have any relationship (spouse, family, friend, associate) with persons in the service of the state and/or who may be involved with the evaluation of this quotation? If yes, please furnish particulars below ☐ Yes ☐ No				
Name of entity's member	Position in Entity	Name of Relative (if applicable)	Name of State Institution	Nature of Relationship

Refer to the Consolidated MBD Documents in Section 4(d) for the definition of "in service of the State"

4. PAYMENT FOR RATES, TAXES AND SERVICES

In addition to the above amount the lessee will be responsible for the payment of all municipal services and other costs deemed necessary on the property, including rates and taxes levied on the property including electricity, water, sewerage and sanitation removal, which are levied on the property. in the event of the amount stated above, being increased at any time during the lease period, or any renewal thereof, the monthly rental payable by the lessee will be automatically increased by the percentage increase in such amount, from the date on which such increase becomes effective.

5. POSSESSION OF THE SITE

The lessee will take possession of the property on the date of signature of the Lease Agreement by the parties.

DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state*.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority and/or take an oath declaring his/her interest.

3 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

3.1 Full Name:

3.2 Identity Number:

3.3 Company Registration Number:

3.4 Tax Reference Number:

3.5 VAT Registration Number:

3.6 Are you presently in the service of the state* * * * YES / NO

3.6.1 If so, furnish particulars.

.....

.....

3.7 Have you been in the service of the state for the past twelve months? YES / NO

3.7.1 If so, furnish particulars.

.....

.....

* MSCM Regulations: "in the service of the state" means to be

– (a) a member of –

- (i) any municipal council.
- (ii) any provincial legislature; or
- (iii) the national Assembly or the national Council of provinces.

(b) a member of the board of directors of any municipal entity.

(c) an official of any municipality or municipal entity.

(d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);

(e) a member of the accounting authority of any national or provincial public entity; or

(f) an employee of Parliament or a provincial legislature.

3.8

Do you, have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid?

YES / NO

3.8.1

If so, furnish particulars.

.....

.....

3.9

Are you, aware of any relationship (family, friend, other) between a bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid?

YES / NO

3.9.1

If so, furnish particulars

.....

.....

3.10

Are any of the company's directors, managers, principal shareholders or stakeholders in service of the state?

YES /NO

3.10.1

If so, furnish particulars.

.....

.....

3.11

Are any spouse, child or parent of the company's directors, managers, principal shareholders or stakeholders in service of the state?

YES /NO

3.11.1

If so, furnish particulars.

.....

.....

CERTIFICATION

I, THE UNDERSIGNED (NAME)

.....

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS CORRECT.

I ACCEPT THAT THE STATE MAY ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....

Signature

.....

Date

.....

Position

.....

Name of Bidder

DECLARATION FOR PROCUREMENT ABOVE R10 MILLION (ALL APPLICABLE TAXES INCLUDED)

For all procurement expected to exceed R10 million (all applicable taxes included), bidders must complete the following questionnaire:

1. Are you by law required to prepare annual financial statements for auditing?

1.1 If yes, submit audited annual financial statements for the past three years or since the date of establishment if established during the past three years.

.....

.....

*YES / NO
2. Do you have any outstanding undisputed commitments for municipal services towards any municipality for more than three months or any other service provider in respect of which payment is overdue for more than 30 days?

2.1 If no, this serves to certify that the bidder has no undisputed commitments for municipal services towards any municipality for more than three months or other service provider in respect of which payment is overdue for more than 30 days.

2.2 If yes, provide particulars.

.....

.....

.....
- 3 Has any contract been awarded to you by an organ of state during the past five years, including particulars of any material noncompliance or dispute concerning the execution of such contract?

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF BBBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.

1. GENERAL CONDITIONS

- 1.1 The following preference point systems are applicable to all bids: - the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included);
- 1.2 a) The value of this bid could not be determined, therefore the highest acceptable tender will be used to determine the applicable preference point system; or
- b) Either the 80/20 preference point system will be applicable to this tender.
- 1.3 Points for this bid shall be awarded for:
- (a) Functionality.
- (b) Price and B-BBEE Status Level of Contributor
- 1.4 The maximum points for this bid are allocated as follows:

	POINTS
FUNCTIONALITY	70
RENTAL OFFER	80
B-BBEE STATUS LEVEL OF CONTRIBUTOR	20
TOTAL POINTS FOR RENTAL AND B-BBEE	100

- 1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.
- 1.6 The Municipality reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the Municipality.

2. DEFINITIONS

- (a) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **“B-BBEE status level of contributor”** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) **“bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals.

- (d) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **“EME”** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act.
- (f) **“Functionality”** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) **“prices”** includes all applicable taxes less all unconditional discounts.
- (h) **“proof of B-BBEE status level of contributor”** means: 1) B-BBEE Status level certificate issued by an authorized body or person; 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice; 3) Any other requirement prescribed in terms of the B-BBEE Act.
- (i) **“Priority population group (PPG)”** must mean black individuals who fall into population groups that were not offered a franchise in the national elections before or after the introduction of the 1984 tri-cameral parliamentary system and only received a franchise during 1994”.
- (j) **“QSE”** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act.
- (k) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

3. POINTS AWARDED FOR FINANCIAL OFFER

3.1 THE 80/20 PREFERENCE POINT SYSTEMS

A maximum of 80 points is allocated for financial offer on the following basis: **80/20**

$$P_s = 80 \left(1 + \frac{P_t - P_{\max}}{P_{\max}} \right)$$

Where

P_s	=	Points scored for financial offer of bid under consideration
P_t	=	Rand value of bid under consideration (Net Present Value of the rental amount over the lease period discounted at 10%)
$P_{\max}$	=	Financial Offer of highest acceptable bid

4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

- 4.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations 2017, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (80/20 system)
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

- 4.2 Bidders who qualify as EMEs in terms of the B-BBEE Act must submit a certificate issued by an Accounting Officer as contemplated in the CCA or a Verification Agency accredited by SANAS or a Registered Auditor. Registered auditors do not need to meet the prerequisite for IRBA's approval for the purpose of conducting verification and issuing EMEs with B-BBEE Status Level Certificates.
- 4.3 Bidders other than EMEs must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.
- 4.4 A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
- 4.5 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.
- 4.6 Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.
- 4.7 A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.

- 4.8 A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.
- 4.9 Objective Criteria: The objective criteria for location (Physical address) will be assessed based on the CIPC documents/Company registration document using the following order of preference: -
- eThekweni Metropolitan Area
 - KwaZulu Natal Province
 - Republic of South Africa.
- 4.10 Award of where Bidders have Scored Equal Points Overall
1. In the event that two or more bids have scored equal total points, the successful bid will be the one scoring the highest number of preference points for B-BBEE.
 2. However, when functionality is part of the evaluation process and two or more bids have scored equal points including equal preference points for B-BBEE, the successful bid will be the one scoring the highest score for functionality.
 3. Should two or more bids be equal in all respects; the award will be decided by the drawing of lots.

5. BID DECLARATION

- 5.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1

- 6.1 B-BBEE Status Level of Contributor: (maximum of 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

7. SUB-CONTRACTING

- 7.1 Will any portion of the contract be sub-contracted?

☐	YES	☐	NO
--------------------------	-----	--------------------------	----

(Tick applicable box)

- 7.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted.....%
- ii) The name of the sub-contractor.....
- iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME or QSE

(Tick applicable box)

	YES		NO
--	-----	--	----

v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations,2017:

Designated Group: An EME or QSE which is at last 51% owned by:	EME √	QSE √
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
OR		
Any EME		
Any QSE		

7. DECLARATION WITH REGARD TO COMPANY/FIRM

7.1. Name of company/ firm:.....

7.2. VAT registration number:.....

7.3. Company registration number:.....

7.4. TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
 - ☐ One person business/sole propriety
 - ☐ Close corporation
 - ☐ Company
 - ☐ (Pty) Limited
- [TICK APPLICABLE BOX]

7.5. DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....

.....

.....

7.6. COMPANY CLASSIFICATION

- ☐ Manufacturer
 - ☐ Supplier
 - ☐ Professional service provider
 - ☐ Other service providers, e.g. transporter, etc.
- [TICK APPLICABLE BOX]

7.7. MUNICIPAL INFORMATION

Municipality where business is situated:
 Registered Account Number:
 Stand Number:

7.8. Total number of years the company/firm has been in business :.....

7.9. I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
 - (a) disqualify the person from the bidding process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the audi alteram partem (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution.

WITNESSES 1..... 2.....	 SIGNATURE(S) OF BIDDERS(S)
-----------------------------------	-------------------------------------

MBD 7: BIDDERS INFORMATION

Name of Bidder			
ID /Passport/ Registration Number			
Nature of bidder (tick one)	Natural Person/ Sole Proprietor		
	School/NGO/Trust		
	Company/ CC/ Partnership		
	Joint Venture (JV)		
Postal Address		Tel	
		Cell	
		Email	
		Fax	
BIDDER BANKING DETAILS			
Name of bidder's Banker			
Contact details of banker			

I,.....("The Bidder").
in my capacity as.....hereby
submit a proposal in the preceding document. I have read the Proposal Call Document in full and
hereby submit the MBDs in accordance with the conditions stated in the document, and further
declare under oath that the information contained in the MBDs is to the best of my knowledge true
and correct. I further state as follows:

Signed and sworn at _____ on this _____ day of _____ by the

Bidder (s) who has stated that:

- ☐ He/she knows and understands the contents hereof and that it is true and correct;
- ☐ He/she has no objection to taking the prescribed oath; and
- ☐ That he /she regards the prescribed oath as binding on his/her conscience
- ☐ That the provisions of the regulations contained in Government Notice R1258 of 21st July 1972 (as amended) have been complied with.

Bidder (s)

Signed before me

COMMISSIONER OF OATHS

MBD 8: DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be rejected if that bidder, or any of its directors have:
 - a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system.
 - b. been convicted for fraud or corruption during the past five years.
 - c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
 - d. been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- 4 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied). The Database of Restricted Suppliers now resides on the National Treasury's website(www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.	Yes ☐	No ☐
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.	Yes ☐	No ☐
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes ☐	No ☐

4.3.1	If so, furnish particulars:		
Item	Question	Yes	No
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes ☐	No ☐
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes ☐	No ☐
4.5.1	If so, furnish particulars:		

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME)CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM TRUE AND CORRECT.

I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

MBD 9: CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Municipal Bidding Document (MBD) must form part of all bids¹ invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
 - a. take all reasonable steps to prevent such abuse;
 - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
 - c. cancels a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
- 4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

¹ Includes price quotations, advertised competitive bids, limited bids and proposals.

² Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

MBD 9: CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Municipality / Municipal Entity)

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of: _____ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
 - (a) has been requested to submit a bid in response to this bid invitation.
 - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
 - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - (a) prices;
 - (b) geographical area where product or service will be rendered (market allocation)
 - (c) methods, factors or formulas used to calculate prices;
 - (d) the intention or decision to submit or not to submit, a bid;

- (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
 - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
 9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

³ Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

MBD 10: STANDARD CONDITIONS OF SUBMISSION

The following conditions apply to all bids submitted:

- All bids must be submitted in compliance with the Bid Specifications specified in MBD 12.
- The property is made available in accordance with the information and stipulations contained in REU MDB 13.
- The bidder(s) will be deemed to be familiar with the state, real rights registered against the property, the zoning and locality of the property.

NB: A bids that fail to meet any pre-qualification criteria stipulated above is an unacceptable bid and as such will not be evaluated for Stage 1 and Stage 2.

SELECTION CRITERIA

- Any rental offer below the reserve price will not be considered.
- Failure to meet the mandatory criteria.
- Any non-coherent proposals will be disqualified
- Any proposal that is not in line with Shop 1 profile description i.e., "Restaurant with a liquor license serving breakfast through to dinner and providing live performances and entertainment experience" will be disqualified
- NB: Failure to comply with the above will result in the bid not being evaluated for Stage 1 and Stage 2

CONDITIONS OF SUBMISSION FOR REQUEST FOR PROPOSAL

- Tax Clearance Certificate, valid on the closing date of the bid, or exemption to pay taxes as issued by the South African Revenue Services (SARS) or Valid Tax Compliant Verification PIN number issued by SARS.
- Proof of registration of the Entity as follows:
 - Natural persons- certified copy of ID document/ passport
 - Partnership- copy of Partnership Agreement plus IDs of all partners
 - Company- current CM29
 - Close Corporation- current copy of CK1 and/or CK2C
 - Trust- letter of appointment from the Master of the High Court of SA and deed of trust
 - Proof of registration of NPO or NGO (Copy of Provincial Registration Certificate etc)
- Up to date Municipal Account not older than three (3) months and not over three (3) months in arrears for the individual for all his or her properties/ Proof that acknowledgements or arrangements have been made to settle arrears / Affidavit stating why an up-to-date municipal account cannot be submitted.
- Up to date Municipal Account not older than three (3) months and not over three (3) months in arrears for the Entity / Proof that acknowledgements or arrangements have been made to settle arrears / Affidavit stating why an up-to-date municipal account cannot be submitted.
- Up to date Municipal Account not older than three (3) months and not over three (3) months in arrears for the Director (s) or Member (s) for all their properties / Proof that acknowledgements or arrangements have been made to settle arrears / Affidavit stating why an up to date municipal account cannot be submitted ☐ In the event the bidder is tendering as a Joint Venture/Consortium, all members of the JV/Consortium must submit all required documentation and a JV / Consortium agreement

☐ Central Supplier Data Base registration

☐ Completed and signed bid documents including MBD 1, 2, 3,4,5,8,9, 15,16,17,18,19, and 20,21,22.

SUBMISSION OF PROPOSALS

- Bidder(s) are invited to submit their Proposals by completing the returnable Municipal Bidding Documents (MBDs) and MBDs contained in this document.
- In this regard:
 - No other form of Proposal will be accepted. The MBDs must not be construed as an offer.
 - No other form of Proposal will be accepted. The MBDs must not be construed as an offer.
 - The Bidder(s) must submit one (1) original and three (3) copies of the of the completed Bid document.
 - All Proposal documentation received shall be deemed EThekwini Municipality property and shall not be returned or thus requested back by any Bidder.
- Proposals must be sealed, clearly marked with RFP name and number, and addressed to Head: Stadia and Facilities Unit
- Bidder's return address must be clearly indicated at the back of the envelope.
- The fully completed document with annexures must be submitted before the closing date specified on the front cover and be deposited in the tender box located at the foyer, Ground Floor, Municipal Building, 166 K.E. Masinga Road, Durban.
- **PROPOSALS WHICH ARE NOT SUBMITTED IN A PROPERLY SEALED AND MARKED ENVELOPE AND DEPOSITED IN THE BOX BEFORE THE CLOSING DATE, WILL NOT BE OPENED.**
- **PROPOSALS WHICH ARE NOT SUBMITTED IN THE CORRECT FORMAT WITH ANNEXURES ATTACHED, DULY COMPLETED, INITIALLED, COMMISSIONED AND SIGNED, WILL NOT BE CONSIDERED.**
- The information required in the MBDs must be provided accurately and honestly. All details provided by the Bidder(s) will be regarded as material representations, which the Municipality base the evaluation of the Proposal on. Any misrepresentation will be treated as material and will result in the disqualification of the Proposal by the Municipality. Bidders, who fail to provide such information to the satisfaction of the Municipality, will be disqualified.

OPENING OF PROPOSALS

- Proposals will be opened immediately after the closing time on the closing date at the offices of the Municipality at the mentioned address. The RFP number, property description and the name of each Bidder(s) will be announced and recorded in a register.
- Bidder's return address must be clearly stipulated or indicated on the back of the envelope.

EVALUATION OF PROPOSALS

- The Municipality reserves the right to seek clarification or further information from Bidder(s) and to appoint professionals to advise and verify information on aspects of the Proposals submitted in a manner that the Municipality deems appropriate.
- The preferred Bidder(s) may be required to make presentations to the Municipality.
- The Bidder(s) shall be deemed to know and understand the content of the Proposal Call document and a submission of the MBDs will indicate the Bidder(s) unconditional acceptance of all the terms and conditions contained in the Proposal Call document.
- The Bidder(s) shall be deemed to have satisfied itself as to all of the conditions, procedures and performance and discharge of the obligations required in terms of the Proposal Call documents.
- The non-acceptance or variation of any of the conditions, or the inclusion of any other conditions in the Proposal Call document by the Bidder(s) will be treated as a qualified bid.
- The Proposal(s) will be evaluated by the Municipality. The Municipality may accept any Proposal in whole or in part and is not bound to accept any Proposal
- Proposals will be evaluated using the evaluation criteria stated in Section 3
- The Proposal(s) will be adjudicated by the Municipality's Bid Adjudication Committee and awarded in terms of the City's Supply Chain Management Policy and the Land Disposal Policy.
- The Municipality will not be held responsible or liable for any costs whatsoever and /or losses incurred or suffered by the Bidder(s) or any other party or parties for whatsoever reason as a result of the Proposal.
- Any Proposal in the name of a partnership or joint venture or consortium will, on acceptance, be deemed as joint and several agreements with all parties.
- All proposals shall remain valid for a period of 120 days after the closing date, provided that bidders may extend the validity of the proposal on request of the Municipality specifically in the event that a contract with the preferred bidder fails.

RESOLUTIONS OF DISPUTES

- Persons or bidders who are aggrieved by decisions or actions taken in the implementation In terms of Regulation 49 of the Municipal Supply Chain Management Regulations persons aggrieved by decisions or actions taken by the Municipality, may lodge an appeal within 14 days of the decision or action, in writing to the Municipality. The appeal (clearly setting out the reasons for the appeal) and queries with regard to decision of award are to be directed to the office of the City Manager, attention: Ms. S. Pillay, P.O. Box 1394, Durban, 4000; eMail: Simone.Pillay@durban.gov.za.
- The written complaint must contain the following information:
 - The bid reference number;
 - The section of the Policy, Regulations or Act that has been violated;
 - The details of the violation;
 - The City Department or Municipal Owned Entity involved;
 - Relief sought

PROHIBITIONS

- The Municipality will not, subject to such amendments to the Act and Regulations and any exemptions as the Minister may promulgate from time to time, award contracts to Bidder(s) who are owned directly or indirectly by the following categories of persons: -

- Defined as an employee or public servant in the service of the state working for Local, Provincial and National Government; or
- Defined as an employee in the service of a government owned entity including the municipal entities;
- If the employee mentioned above is actively or inactively a director, manager or principal shareholder of the service provider concerned (refer to GN44 in GG 28411 of 18 January 2006 for the exemption);
- Is a member of the board of directors of a municipal entity within its area of jurisdiction (refer to GN44 in GG 28411 of 18 January 2006 for the exemption);
- Who is an advisor or consultant contracted to the Municipality for the purposes of assisting the Municipality with defining of requirements, drafting of specifications or evaluation of the proposals.
- The Municipality will not award Proposals to any Bidder(s) owned directly or indirectly by politicians serving as councillors for any municipality.
- The Municipality will not award Proposals to any Bidder(s) owned directly or indirectly by politicians serving in National Assembly, Provincial Legislatures and National Council of Provinces.
- Failure by the above-mentioned persons to comply with the above shall lead to cancellation of the contract.

CONSIDERATION OF PROPOSALS FROM CLOSE FAMILY MEMBERS OF PERSONS IN THE SERVICE OF THE STATE

- The Municipality does not encourage awarding of contracts to close family members of employees in decision-making positions in line with Regulation 45 of the Supply Chain Management Regulations.
- The bidder must declare and state whether a spouse, child or parent of the bidder or of a director, manager or shareholder is in the service of the EThekweni Municipality or has been in the service of the state in the previous twelve months.

GENERAL ENQUIRIES

Only email enquiries will be accepted, such enquiries must be directed to Gugulethu.kiti@durban.gov.za or Sijabu.ntuli@durban.gov.za

REU MBD 11: EVALUATION CRITERIA

Bids which satisfy the qualification criteria will be evaluated using a two-stage evaluation process as follows: Stage 1: Functionality Evaluation

Bids will be evaluated in order to establish whether they meet a minimum threshold score of 70 points out of 100 for functionality, based on the following criteria:

FUNCTIONAL CRITERIA	Points	Returnable documents to be used in evaluation
PROPOSED CONCEPT	50	
Conformity of the Proposal to the vision for the property (refer to REU MBD 12 below) Business Concept (35) 1 Detailed High level conceptual plan outlining the intended uses = Points 35 2 Submission of a concept design layout. = 15 Points 3 No submission = 0 Points	50	1 A detailed concept plan-the bidder must submit a detailed concept plan that includes all the information as outlined on this page. The Business concept should include a list and description of services to be offered. 2 The design layout should clearly indicate the proposed floor plan and furniture and fixings for the shop that would be leased. The layout should be professionally created using graphic design software such as Autocad or similar in either 2D or 3D. All final designs must be approved by Council before construction can commence on the site.
Experience of a tenderer and experience of the key Staff	50	
Current /past portfolio of at least 2 similar businesses being successfully operated in the last 5 years: i). 2 or above similar business successfully operated in the last 5 years: 25 Points ii). 2 similar business successfully operated in the last 5 years: 17.5 Points iii), No submission or no past portfolio of similar business being successfully operated = 0 Points	25	List of similar business being operated currently or in the last five (5) years
Key staff must have a minimum of two to five years experience and expertise of key operator(s) to run operations related to the restaurant business: Above five years' experience: 25 Points Between two – to five years: 17.5 points Less than two years: 5 Points No submission or no past portfolio of similar business being successfully operated = 0 Points	25	Resume / CV of the following key staff: Head Chef – Diploma or equivalent qualification in Catering Restaurant Manager – Diploma or equivalent qualification in Hospitality management Health and safety officer – qualification in Health and Safety
Total	100	

Bids which do not meet the minimum of 70 points will not be considered further.

STAGE 2: EVALUATION FINANCIAL OFFER & B-BBEE STATUS LEVEL CONTRIBUTION

- The bidders obtaining the highest number of points will be awarded the contract per shop.
- Preference points shall be calculated after financial offers have been brought to a comparative basis.
- Points scored will be rounded off to 2 decimal places.

- In the event of equal points scored, the bid will be awarded to the bidder scoring the highest number of points for specified goals.
- A maximum of 80 points is allocated for financial offer on the following basis:

$$P_s = 80 \left(1 + \frac{P_t - P_{\max}}{P_{\max}} \right)$$

Where

P_s = Points scored for financial offer of bid under consideration

P_t = Rand value of bid under consideration (Net Present Value of the rental amount over the lease period discounted at 10%)

$P_{\max}$ = Financial Offer of highest acceptable bid

- √ Only those bids that attain the minimum threshold score of 70 Points in Stage 1 will be evaluated in this stage. Bids will be evaluated as follows:

EVALUATION CRITERIA	POINTS WEIGHT 80/20
RENTAL OFFER	80
B-BBEE STATUS LEVEL OF CONTRIBUTOR	20
Total	100

B-BBEE Status Level of Contributor	Number of points (80/20 system)
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

The following Specifications apply to this bid:

1. Property Information

PROPERTY DESCRIPTION	LOCATION	SIZE M
Lease of retail premises located at the Moses Mabhida stadium (Shop 1)	On REM of ERF 1, Durban at 44 Isaiah Ntshangase Road	620m ²
Shop 1	620.m ²	Restaurant with a liquor license serving breakfast through to dinner providing performances and entertainment experience

2. Overview

The eThekweni Municipality is the owner of the property described as ERF 1, Durban; commonly known as Moses Mabhida Stadium (*MMS) which is situated at No.44 Isaiah Ntshangase. The precinct is also a home to Kingspark swimming stadium; Kingspark athletics stadium; Hollywood bets Sharks rugby stadium and the Durban Country club that host varied sporting activities that come alive mainly towards the late afternoon and weekends.

Moses Mabhida Stadium was built in 2010 to serve as a playing venue for the 2010 FIFA World Cup. This facility is situated almost adjacent to the M4 motorway that runs to the coast. The stadium was designed as a multi-purpose stadium that is characterized by its 106-metre-high arch dominating the Durban skyline from afar and this has helped to position MMS as the best-known architectural tourist attractions in the world. The facility is within 3 kilometres (10-minute drive time) reach from the CBD and the beach promenade which enjoys a high population density with significant spending power, making it a Primary Retail Catchment area of the most potential shoppers that visit the Retail area at Moses Mabhida Stadium.

The Moses Mabhida Stadium is patronized by morning joggers, cyclists, pram-pushing moms, and a host of perambulating city dwellers. The northern side of the stadium is home to a diverse offering of activities ranging from sporting and lifestyle events, retail shops, outdoor activities and attractions. This adds significant value to the tourism strategic impetus that attracts local and international markets to the City. From the northern side of the stadium closer to the Isaiah Ntshangase Road, the retail centre is visible from the Masabalala Yengwa road. It comprises of close to 15 outlets providing various retail, food, entertainment, outdoor activities and attractions, as well as access to free open and undercover parking that is manned by 24-hour physical guarding services as well as CCTV coverage.

3. Vision for the property

The proposals should align the facility to Moses Mabhida Stadium's vision for the area in line with the strategies, legislative requirements and regulatory frameworks. The Moses Mabhida Stadium Plan has outlined the vision of the Retail area as follows:

2.1 Retail area at Moses Mabhida Stadium

The Retail Centre is profiled as a family-oriented environment located in the heart of the Moses Mabhida Precinct that seeks to promote sporting and healthy lifestyle. The premises were created to complement the stadium attractions, by providing entertainment and refreshment to patrons and tourists that visit the Stadium.

2.2 MMS Shop 1 – Restaurant

This is one of the larger premises at MMS that is located at the amphitheater, directly opposite the Hollywood Bets Kings Park rugby stadium and adjacent to the Skycar. This outlet flows into a tranquil external seating area through the shopfront made up of completely collapsible doors. The store is fitted with internal ablution facilities and also has access to the communal center ablution facilities located just outside the second exit. This store will be ideal for a restaurant with a liquor license that would serve from breakfast through to dinner providing live performances and entertainment experience

3.2.1 Roles

3.2.1.1 Strategic

The strategic role is clearly sporting and leisure tourism destination. The Moses Mabhida Stadium is the city's major tourist attraction.

3.2.1.2 Economic

The primary economic role of the Stadium is to provide hospitality and tourism activities that are mainly event and entertainment relate. Also serving as a local amenity for local residents.

3.2.1.3 Social

The Stadium is the most inclusive public open space that encourages socio-economic empowerment through its provision of Peoples' Park facility; sport and entertainment activities; thus promoting recreational and healthy lifestyle. The area is very well used by residents across the metro, as well as the domestic and international patrons that visit the City.

3.2.2 Key Ideas

- Protect and enhance the sport precinct as a key tourism asset of the City
- Serve as an interconnection to the beach promenade
- Provide landscaping shade and protection to encourage outdoor usage through it designated Peoples Park and Retail lawns.
- Promotes a diverse product mix of interesting, vibrant and exciting leisure, sport and entertainment activities during the day and in the evening that will attract both residents and visitors. This needs to go beyond the provision of restaurant site opportunities. Opportunities also exist for cultural history recognition and artworks."

CONDITIONS OF COMMERCIAL LEASE.

The property is made available in accordance with the site information made available in MBD13.

1. Property Tenure

After the award of the tender, the successful Tenderer (hereinafter referred to as the “Lessee”) will be required to sign a Lease Agreement within 21 days of being requested to do so by the City (hereinafter referred to as the “Lessor”), which may include inter alia the following conditions as well as additional property-specific and development conditions as may be determined by the Head: Real Estate

2. The rental shall be paid by the Lessee to the Lessor monthly in advance.
3. The rental shall escalate annually at 8% per annum on the anniversary of the lease commencement date.
4. The cost of water and electricity consumption is excluded from the rental amount and is to be apportioned and paid by the prospective tenant.
5. The Lessee will be required to pay a deposit equal to one (1) month’s rental (excluding VAT) when requested to do so.
6. The lease will be for a period of 5 years with an option of renewal.
7. The Lessor shall not be liable for any latent or patent defects in the Property.
8. The Lessee shall maintain the Property and the responsibility area throughout the lease.
9. All Improvements effected to the Property will become the property of the Lessor once constructed.
10. The Lessee will be required to install any fixtures and fittings and equipment in the interior of the Property which are required for the Lessee to carry on its business and activities in terms of this Lease, but only after it first obtains the written consent of the Lessor.
11. The installation of any such fixtures, fittings and equipment must be paid for by the Lessee. The Lessee is not entitled to claim compensation for such installation from the Lessor.
12. The Lessee may not improve or renovate the property without first obtaining the Lessors written consent.
13. Possession of the property shall be taken on signature of the Lease Agreement, unless agreed otherwise between the Parties in writing.
14. Where activities require registration with relevant statutory bodies the bidder is required to ensure that this is done prior to commencing operation on the property.
15. The successful bidder shall at his own cost maintain, secure and keep the property in a safe, clean and tidy condition in compliance with all relevant legislation i.e. Safety Act, bylaws, Environment (OHASA). Repairs of any damage caused by negligent or wilful action of any person within the property shall be for the lessee’s account.
16. The lessee shall provide security for the facility and shall undertake all repairs of the property, maintain the sewerage and drain pipes in good order and free from obstruction, effect repairs or make good any damage made necessary or caused by any of the lessee’s employees, members, guests or other persons whom it permitted to use the facility or any portion thereof or caused by the unlawful or forcible entry of any person whatsoever.

17. Successful bidders are required to submit a financial proposal which is not limited to but should include:
 - A detailed cost estimate, together with supporting documentation of the costs of refurbishing, upgrading, extension and/or alterations and;
 - A time schedule for the refurbishing/alteration of the building.
18. The successful bidder is required to submit to Municipality a comprehensive operational and maintenance plan for the duration of the lease.
19. The lessee shall take out public liability insurance in the amount of R5 000 000.00 (Five Million Rand) to cover any possible claims. The public liability insurance of the Property may be reviewed on every anniversary of the Commencement Date and in circumstances where a review takes place, the Lessor and Lessee will agree on the level of public liability insurance required. If the Parties cannot agree on the level of insurance required within 14 (fourteen) Days of the review date in question, an appropriate level of insurance will be determined by an expert appointed by the Lessor or by the Lessor's insurance brokers, with the consent of the Lessee, which consent must not be unreasonably refused. The expert will determine an appropriate level of public liability cover in the light of prevailing market conditions and their findings will be final and binding on the Parties, who will bear the costs of the appointment and functioning of the expert in equal shares.
20. That, all environmental, Health and related legislation and By-laws applicable to the Property shall be complied with and that all building plans to be submitted to the Local Authority for approval prior to any construction.
21. That, there shall be no increase in the development footprint and any increase in footprint will require Head: Environmental Planning and Protection Unit's authorisation and other necessary approvals.
22. That, should the proposed lease of the property for the intended use impacts negatively to the surroundings, communities or to the natural environment, Environmental Health Unit may call for mitigation measures to be implanted.
23. That the Municipality shall have the right of entry to the property at all times for inspection purposes, to construct services and to maintain services without the lessee having the right to claim for any damages which may occur.
24. That, the ground levels within the lease property shall not be altered in any way without the prior approval of the Municipality and the lessee shall be held responsible for any damages caused to the services within the leased area.
25. That, the Municipality shall not be held liable for any form of compensation whatsoever to the lessee in the event that the lease is cancelled.
26. That, the lessee I bidder must bear all costs in connection with any required survey to define the boundaries of the property or location of any beacons, services, etc. which may be necessary through the granting of this lease.
27. That, the property must be maintained in a clean and tidy state at all times and lessee must leave the property in a state which is acceptable to the Municipality when the lease is terminated.
28. That, the lessee must ensure that no plants with extensive root systems which can damage the services are planted within the property.
29. That should any nuisance whatsoever arise through the lease and use of the property, the successful bidder shall take such immediate action as required by the Municipality to overcome the nuisance or the lease shall be terminated.
30. The Bidder must submit a local Employment Plan including training and skills development, and must also provide a detailed plan outlining how it would empower SMME's and individuals through the

fitment of the facility to make it operational.

31. The bidder is expected to submit a detailed empowerment plan demonstrating how the following will be achieved:
- a. Job Creation Plan (during and after redevelopment)
 - b. Enterprise Development (during and after construction)
 - c. Training and Development Programmes (throughout the lifecycle of the project)
 - d. Demonstrate how the development will benefit the local community and/or community-based organisations
 - e. Procurement of Material from Local Suppliers
 - f. Partnership with Women Owned Companies

Bidders are expected to advise and provide a detailed plan and how the numbers are achieved

The following terms and conditions of lease are highlighted but not limited:

- Where activities require registration with relevant statutory bodies the bidder is required to ensure that this is done prior to commencing operation on the property.
- The successful bidder shall at his own cost maintain, secure and keep the property in a safe, clean and tidy condition in compliance with all relevant legislation i.e., Safety Act, bylaws, Environment (OHASA). Repairs of any damage caused by negligent or wilful action of any person within the facility shall be for the successful bidder's account.
- That, no compensation will be payable by the municipality for installation costs that will be carried out on the premises. Any improvements effected on the premises will revert to the Municipality on expiry of the lease agreement. The Landlord will provide Beneficial Occupation at a minimum of 3 (three) months, which will be calculated according to the lease term that the tenant has signed up for.
- No improvements or alterations to the facility shall be made without the Municipality's prior written consent and the Municipality shall in its absolute discretion be entitled to withhold or grant such consent which will also be subject to building plans been approved by the Municipality's Planning Department.
- Bidders are required to submit a financial proposal which is not limited to but should include;
 - A detailed cost estimate, together with supporting documentation of the costs of the installation, refurbishing, and/or alterations and;
 - A time schedule for the installation/refurbishing/alteration of the building.
- The Successful bidder shall take out public liability insurance in the amount of R2 000 000.00 (Two Million Rand) to cover any possible claims. The public liability insurance of the Property may be reviewed on every anniversary of the Commencement Date and in circumstances where a review takes place, the Lessor and Lessee will agree on the level of public liability insurance required. If the Parties cannot agree on the level of insurance required within 14 (fourteen) Days of the review date in question, an appropriate level of insurance will be determined by an expert appointed by the Lessor or by the Lessor's insurance brokers, with the consent of the Lessee, which consent must not be unreasonably refused. The expert will determine an appropriate level of public liability cover in the light of prevailing market conditions and their findings will be final and binding on the Parties, who will bear the costs of the appointment and functioning of the expert in equal shares.
- That, any Municipal Services and servitudes situated on the property shall be protected at the cost of the lessee.

- That, the application shall be liable for the payment of all sewerage, refuse removal fees, Levied or payable in respect of the site and all electricity and water supplied to the site.
- That all environmental and related legislation and By-laws applicable to the Property shall be complied with and that all building plans to be submitted to the Local Authority for approval prior to any construction.
- That, all Emergency Management Services By-laws be complied with and adhered to and that access to emergency vehicles should be provided on the property.
- The Council and its authorised representatives/agents shall have 24 hours' unrestricted access to the electricity, water and any Municipal Servitudes on the property and that no structures will be allowed within these servitudes.

1. Ariel Photo



2. SITE INFORMATION

Property Description	ON REM OF ERF 1, DURBAN AT 44 ISAIAH NTSHANGASE ROAD Moses Mabhida stadium Retail centre
Size (Lease area)	Total GLA 620m ²
Zoning	Commercial
Structures and Physical features	The property is a shop measuring 620 m ² . Both the interior and exterior of the shop is in a good condition.
Current Use	Restaurant with a liquor licence
Minimum Acceptable Rental Offer	R62 000-00 excluding vat
Highest and Best Use	Retail shop

MBD 14: REGISTRATION DOCUMENTS

The following documents must be attached

- Natural persons, Sole proprietors, and JVs – copy of ID document/passport
- NGO – copy of Provincial registration certificate
- Society Club/ Association – copy of Constitution / founding document
- Partnership -copy of partnership agreement plus IDs of all partners
- Closed Corporation - Copy of CK1 and/or CK2 and members' agreement
- Company – current CM29,
- Trust – letter of appointment from the Master of the High Court of SA and deed of trust
- Joint Venture / Consortiums– JV agreement plus ID documents/ company Registration document of all members of JV/ Consortiums.

MBD 15: AUTHORITY TO SUBMIT BID

If bidder is a legal entity, a company resolution /Power of Attorney must be attached (these documents must authorise the named person to submit this application and to enter into agreements with the eThekweni Municipality should the application be successful)

Is a company resolution attached?	Yes		No	
-----------------------------------	-----	--	----	--

Is the bidder a natural person?				
---------------------------------	--	--	--	--

Is a certified ID copy attached?	Yes		No	
----------------------------------	-----	--	----	--

Is a copy of the bidder's power of attorney attached?	Yes		No	
---	-----	--	----	--

MBD 16: PAYMENT OF MUNICIPAL ACCOUNT



DECLARATION OF MUNICIPAL CHARGES FROM TENDERER

Ethekwini Revenue
Florence Mkhize Building
251 Anton Lembede Street
Durban
4001

Tel: 031 328 1200
Fax: 031 328 1002
E-Mail: revline@durban.gov.za
Website: <http://www.durban.gov.za>

I, _____
(Full Name and Surname)

ID Number in my capacity as the duly authorised member / director /
owner or partner of

(Full name of Company / Close Corporation / partnership / sole proprietary/Joint Venture) hereinafter referred to as the
TENDERER

do hereby declare that all Municipal charges of the aforesaid TENDERER, are, as at the date hereunder, fully paid or an
Acknowledgement of Debt has been concluded with the Municipality to pay the said charges in installments.

The following account details relate to property of the said TENDERER:

ACCOUNT	ACCOUNT NUMBER
ELECTRICITY	_____
WATER	_____
RATES	_____
OTHER (specify)	_____

I acknowledge that should the aforesaid Municipal charges fall into arrears, the Municipality may take such remedial action as is
required, including termination of any contract, and any payments due to the Contractor by the Municipality shall be first set off
against such arrears. **ATTACHED** please find copies of the above account's and or agreements signed with the municipality.

- Where the **TENDERER'S** place of business or business interests **are outside the jurisdiction** of **eThekweni municipality**,
a copy of the accounts/agreements from the relevant municipality must be attached.
- Where the tenderer's Municipal Accounts are part of their lease agreement, then a copy of the agreement, or official letter
to that effect is to be attached.

Full Name and Surname

Signature

Date

Designation

Company Stamp

Contact No

The information supplied in this section will be used to assess compliance with the “Functional Criteria”.

1.1 Maintenance Proposal:

Bidders are required to submit a concise sustainable maintenance plan/ and a funding plan for the duration of the lease period.

Concept of activities proposed at the facility	Description
Totals	

1.2 Proposed improvements summary (if any)

Use	Total Floor area (m2)
Totals	

1.3 Estimated costs of maintenance and management.

A Breakdown of all costs to be incurred by the bidder in the preparation of the facility must be provided. The cost provided in this section will form a critical part of the evaluation of proposals and will be a contractual condition of the agreement awarded.	
Totals	

Estimated tenant fittings time frames

Estimated time, in months, from date of signature of lease agreement to date of start of construction.	Months
Estimated time, in months, from start of redevelopment/ refurbishment to completion of construction.	Months

The lease agreement will be concluded with the successful tenderer.

REU MBD 18: SUSTAINABILITY MODEL (FUNDING/ DONOR/ SPONSOR)

Ideas in sourcing and growing the following aspects: - Membership - Subsidy - Sponsor - Donation - Fund Raising - Bank Institution	
--	--

REU MBD 19: PUBLIC/SOCIAL BENEFIT PROPOSAL

It is a requirement that bidding entity or individual should demonstrate the following social benefits:

1. Demonstrate how the development will benefit disadvantaged communities, youth, women and people with disabilities	
2. Demonstrate how the development will benefit the local community and/or community-based organisations	

FRAMEWORK FOR ACCELERATING ECONOMIC EMPOWERMENT AND TRANSFORMATION

1. EThekweni municipality is and will remain deliberate about transformation and its economic empowerment goals and is committed to the empowerment agenda.
2. The successful bidder will be required to champion the entrenchment of true economic transformation and empowerment in its spheres of influence. The successful bidder will be required to go beyond redressing historical imbalances and towards intrinsic true value that will result in active deliberate facilitation of sustainable and meaningful participation of Black people in the mainstream of the economy through its assets, investments and projects.
3. The bidder will be required to commit to the achievement of the following specific targets by completing the table below. The commitments made on the table below will be measured against the targets and used in the evaluation of the functional compliance evaluation. The commitments made in this table will form part of the contractual obligations of the successful bidder:

EMPOWERMENT TARGETS

DESCRIPTION	TARGET	Bidders Commitment in numbers of persons
Job Creation & Job intensive plan		
Total number of jobs to be created in the project	Total jobs created	
Number of jobs created for unemployed black people in this project	60% of total jobs	
Number of job created for black people in this project	30 % of total jobs	
Training & Development programme		
Number of black people Trained in some aspect of the project	60% of workforce	
Rand value of spend to local SMMEs that have black ownership	50% of project value	
Full use of locally sourced or locally assembled material and/or products	70% of project value.	
Enterprise and supplier Development		
Number of Local SMMEs to be supported in terms of the Enterprise and supplier development plan for this project, including Demonstration graduation of suppliers in this project	30 % of the project value.	

REU MBD 21: EXPERIENCE AND CAPABILITIES OF KEY STAFF

a) Indication of experience, knowledge, qualifications and skills Please provide information on Tenderers' key members and personnel who will manage and/or operate the proposed restaurant on a day to day basis.

b) The team must be appropriately qualified.

c) Provide CVs

Details of experience of Key staff.				
(PLEASE EXPAND TABLE IF REQUIRED)				
NB: DO NOT ATTACH A SEPARATE TABLE				
Name	Surname	Role & Job Description	Highest Qualification and year achieved	Years of experience in related business

Relevant Company Experience

List of similar businesses being operated currently or previously.

No	Description	1	2	3	4	5
1	Name of the main entity who is submitting this tender					
2	Tenderer's business name / Restaurant name					
3	Location of business / address					
4	From year to what year?					
5	Duration of the business					
6	Average monthly turnover					

REU MBD 22: ACCESS TO FUNDING

It is assumed that 70% of the renovation/installation will be financed via debt finance (development bond loan). The bidder must however submit proof of the availability of finance to fund 30% of the installation cost through equity funding Please note that the following definitions will be used in assessing the proof of availability of finance: Proof of available funds (bank statements or financial statements of the bidder) Provide funding model to incorporate how and where the funding will be sourced/raised and it must include collateral to be pledged against such funding if required. Development Cost (Total Investment Value)	
Total Development Cost	R
Debt Finance	R
Equity Investments (if any)	R
Source of Debt Finance Letter confirming access to debt funding	
Source of Equity Finance Written confirmation of equity funding (Note: this source may not be a bank loan).	

Council Resolution

15. REQUEST FOR AUTHORITY TO LEASE OUT MOSES MABHIDA STADIUM
RETAIL SHOPS AND CORPORATE SUITES (31/2/1/5/2)

(Page 103)

During deliberations, consensus was reached that endeavors be made to attract economic opportunities for Moses Mabhida to achieve financial stability in the long terms.

On this basis,

COMMITTEE RECOMMENDS:

- 15.1 That Municipality declares in terms of Section 14 of the Municipal Finance Management Act read together with Regulation 36 of the Municipal Asset Transfer Regulations:
- 15.1.1 That said properties are not required for providing the minimum level of basic Municipal services during the proposed lease period; and
- 15.1.2 That a long-term right for a period of approximately 5 (five) years, open to renewal be granted in respect of the capital asset
- 15.1.3 The rental be assessed on the open market value as the attached valuation report
- 15.2 That subject to .1.1 to .1.3 above and approval of the Bid Adjudication Committee, the Head: Real Estate and Head: Stadia be authorized to sign all documents necessary to conclude the agreement.

ADOPTED.



INTERNAL MEMORANDUM REAL ESTATE UNIT

VALUATION AND ACQUISITION DEPARTMENT

TO: HEAD REAL ESTATE

MOSES MABHIDA STADIUM RETAIL RENTAL UPDATE

Purpose

The purpose of this report is to update rentals for all the retail spaces within the Moses Mabhida Retail Center and Peoples Park, previously the report prepared and signed by us on the 19/6/2020 and 19/06/2021, as attached.

Date of Market Rental Assessment

01/08/2022

General vacancy and rentals trend

Retail rentals within specific nodes in Durban remain stable with most sectors being under pressure with rentals being negotiated lower than advertised. Discussions with several agents indicate that security and general upkeep of the Durban remains a concern with a number of vacancies.

Conclusion

Moses Mabhida Stadium premises were created on the outside of the stadium, in addition to the stadium attractions, to provide entertainment and refreshment facilities for patrons visiting the Stadium. The Stadium is considered unique in terms of its nature and it also offers minimal retail shops spaces, few comparable properties were noted in the immediate vicinity to the stadium. The stadium may occasionally attract large crowds when certain activities are offered viz; Soccer Matches, Music Festivals to list a few.

Recommended Upset Rentals for tender purposes

SHOP NUMBER	TENANT NAME	FLOOR SPACE (m²)	ACTUAL MONTHLY RENTAL/M²	MARKET ANALYSIS BENCHMARK RENTAL/M²	RECOMMENDED UPSET RENTAL/M²	Comments
1	Cuba Lounge	620 m²	R93	R150 -R300/m²	R100/m²	Vacant(In relation to evidence market evidence MMS is considred inferior in respect of trading densinsity whilst having high quality accomodation)
2 & 3	Prime	1026 m²	R76	R110-R150/m²	R100/m²	
4, 4a, & 5b	Visitors Centre & Offices	478 m²	No current rentals N/A	R130-R150/m² R110-R150/m²	R120/m² R100/m²	Managed by MMS
5a	Amazulu	165 m²	R172	R170-R250/m²	R150/m²	
6	Retail adventure	175 m²	N/A	R170-R250/m²	R150/m²	Vacant
7	South Africa In The Making	408 m²	R217	R170-R250/m²	R150/m²	
8	Ticket Office	153 m²	No current rentals	R130-R150/m²	R120/m²	Managed by MMS
8a	Standard Bank	55 m²	R6 000	R6000-R8000/atm	R6 000	Banks generally consider number of ATM transactions- MMS is seasonal and occasional offering limits ATM transations
8b	ARSA ATM	55 m²	R6 000	R6000-R8000/atm	R6 000	
8c	FNB ATM	55 m²	R6 675	R6000-R8000/atm	R6 000	
8d	Nedbank ATM	55 m²	R6 448	R6000-R8000/atm	R6 000	
9	Vacant		N/A	R150 -R300/m²	R130/m²	Vacant(In relation to evidence market evidence MMS is considred inferior in respect of trading densinsity whilst having high quality accomodation)
	Restaurant	184 m²	N/A	R150 -R300/m²	R130/m²	
10	Moses Mabhida Exhibition	264 m²	N/A	R130-R150/m²	R120/m²	Vacant(In relation to evidence market evidence MMS is considred inferior in respect of trading densinsity whilst having high quality accomodation)
			N/A	R150 -R300/m²	R130/m²	

11a	Restaurant /Food court	85m ²	N/A	R150 -R300/m ²	R150/m ²	Vacant(In relation to evidence market evidence MMS is considered inferior in respect of trading density whilst having high quality accommodation)
11b	Restaurant /Food court	80m ²	N/A	R150 -R300/m ²	R150/m ²	
11c	Restaurant /Food court	72m ²	N/A	R150 -R300/m ²	R150/m ²	Vacant(In relation to evidence market evidence MMS is considered inferior in respect of trading density whilst having high quality accommodation)
11d	Restaurant /Food court	72m ²	N/A	R150 -R300/m ²	R150/m ²	
12	Restaurant	412.79m ²	N/A	R150 -R300/m ²	R130/m ²	Vacant(In relation to evidence market evidence MMS is considered inferior in respect of trading density whilst having high quality)
13	Adventure	362 m ²	N/A	R170-R250/m ²	R150/m ²	
14	Virgin Active Classic	4402 m ²	R80	R70-R100/m ²	R80	In relation to evidence market evidence MMS is considered inferior in respect of trading density whilst having high quality accommodation
15	Retail adventure	144 m ²	N/A	R130-R150/m ²	R120/m ²	Vacant
16b	Segway	61 m ²	R142		R120/m ²	
People Park Café	Restaurant	458 m ²	N/A	R150 -R300/m ²	R120/m ²	In relation to evidence market evidence MMS is considered inferior in respect of trading density whilst having high quality accommodation)

P Manku
Professional Valuer
SACPVP Reg No. 6882/2
Date: 20/07/2022

D Govender
Professional Valuer
SACPVP Reg No.6394/0
Date:20/07/2022