



NOTICE TO TENDERERS NO: 5

09 October 2023

TENDER NUMBER: 47F/2023/24

DESCRIPTION: TENDER FOR THE SALE AND DEVELOPMENT OF PORTION OF REMAINDER ERF 14888, CAPE TOWN, NEW MARKET STREET, FORESHORE

CLOSING DATE OF TENDER: 13 November 2023

BOX NUMBER: 153

Dear Sir/Madam

RESPONSE TO REQUESTS FOR CLARIFICATION RECEIVED FROM BIDDERS

The following requests for clarification have been received from prospective tenderers in respect of the above-mentioned tender:

Request for Clarification no.1:

"Please could you clarify the sale component of the tender and how it would work with a proposal for the development of stand 14888. If it would be possible to tender with an architectural proposal and find grant or investors to buy into the sale of the property. Please could you clarify the tender requirements in regards to the sales aspect of the tender?"

The response from the City of Cape Town ('City') is as follows:

"A comprehensive tender submission is required in accordance with Responsiveness Criteria indicated in the tender document."

Request for Clarification no.2:

"Will the City assist financially with the geotech Variation?"

The response from the City of Cape Town ('City') is as follows:

"In terms of the increased CCG quantum, the geotechnical variance allowance is no longer being offered as a top-up subsidy by the SHRA."

Request for Clarification no.3:

"Is the site serviced by Eskom or the Municipality in terms of electricity?"

The response from the City of Cape Town ('City') is as follows:

"The site is in the City of Cape Town supply area."

Request for Clarification no.4:

"Is the basement parking area as proposed / referred to in the tender compulsorily or may the developer propose a different design?"

The response from the City of Cape Town ('City') is as follows:

"The bidders may make any parking proposal that is feasible on the property."

Request for Clarification no.5:

"Will the City accept a development without any parking at all?"

The response from the City of Cape Town ('City') is as follows:

"Based on the feasibility analysis undertaken for the property, the commercial retail component and the existing demand for parking in this area, the development will trigger a parking requirement."

Request for Clarification no.6:

"How much should the developer offer for the site, will the City accept any offer? Is there a minimum amount / offer that the City will accept?"

The response from the City of Cape Town ('City') is as follows:

"The City will first evaluate the tender submissions against the functionality evaluation criteria indicated in the tender document. Proposals that meet the minimum functionality score will then be considered for price and preference. Once the functionality gate has been passed, the proposal that scores the highest for price and preference will emerge as the recommended bidder."

The tender is non-prescriptive on the price offer and will consider any price provided it is motivated by a financial feasibility model."

Request for Clarification no.7:

"Must the development be social housing only or social housing and market related. Is their zoning restrictions governing this mix?"

The response from the City of Cape Town ('City') is as follows:

"The property has been conceived as mixed development with a Social Housing component owing to the proposed density on the property. It is envisioned that the higher rise Social Housing development will need to be cross subsidised with market components in order to achieve development viability."

Request for Clarification no.8:

"Can SCCCA (Southern Cape Coastal Condensation Area Subsidy) be used for alternative / top up towards the development?"

The response from the City of Cape Town ('City') is as follows:

"The Social Housing grant subsidy regime does not make a separate SCCCA allowance."

Request for Clarification no.9:

"May the open market units be sold?"

The response from the City of Cape Town ('City') is as follows:

"Bidders can make proposals for the sale of open market units if development financial viability considerations dictate."

Request for Clarification no.10:

"The current parking layout, can that be changed as part of the new development or should it remain the same as present?"

The response from the City of Cape Town ('City') is as follows:

"The bidders may make any parking proposal that is feasible on the property."

Request for Clarification no.11:

"How strict are the City on "previous experience in terms of managing rental / market units"?"

The response from the City of Cape Town ('City') is as follows:

"The responsiveness criteria stipulated in the tender document are non-negotiable."

Request for Clarification no.12:

"Has SHRA approved the development?"

The response from the City of Cape Town ('City') is as follows:

"The successful bidder will lodge a funding application with the SHRA following endorsement of the proposed development by the City and the Provincial Social Housing Steering Committee."

Request for Clarification no.13:

"Will the City allow "an extension of time" for the submission of the tender?"

The response from the City of Cape Town ('City') is as follows:

"Bidders were advised to table proposals for extension of time which were subsequently received. The tender closing date has now been extended to 13 November 2023."

Request for Clarification no.14:

"Will the City allow "an extension of time" for the submission of the tender?"

The response from the City of Cape Town ('City') is as follows:

"Bidders were advised to table proposals for extension of time which were subsequently received. The tender closing date has now been extended to 13 November 2023."

Request for Clarification no.15:

"Does the City have incentives for developers?"

The response from the City of Cape Town ('City') is as follows:

"The City offers a basket of incentives as enablers to the development and to contribute to the operational sustainability of the development. All available incentives are indicated in the tender document."

Request for Clarification no.16:

"May the social housing units and the market units be separated (separated buildings) or should the units be in one building?"

The response from the City of Cape Town ('City') is as follows:

"Currently the SHRA's norms and standards do not enable vertical integration of market and social housing units in one building. This enables the SHRA to impose title deed restrictions on the Social Housing portion."

Yours faithfully,

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For: Basil Chinasamy
Director: Supply Chain Management

WRITTEN ACKNOWLEDGEMENT OF RECEIPT

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CITY OF CAPE TOWN

BOX NUMBER: 153

for

TENDER NUMBER: 47F/2023/24

DESCRIPTION: TENDER FOR THE SALE AND DEVELOPMENT OF PORTION OF REMAINDER ERF 14888,
CAPE TOWN, NEW MARKET STREET, FORESHORE

CLOSING DATE OF TENDER: 13 November 2023

We acknowledge receipt of the above Addendum and confirm that any tender we submit will take account of the instructions detailed therein.

Signature..... **Date**.....

Legal and full name of tendering entity:

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