



NOTICE TO TENDERERS NO: 3

28 August 2026

TENDER NUMBER: 27P/2026/27

**DESCRIPTION: CALL FOR PROPOSALS FOR THE SALE AND DEVELOPMENT OF REMAINDER OF ERF 36554, MILNERTON
SITUATED AT 13 OYSTER STREET ANNANDALE FARM, CAPE TOWN
CLOSING DATE OF TENDER: 21 October 2026**

BOX NUMBER: 189

Dear Sir/Madam

RESPONSE TO REQUEST FOR CLARIFICATION RECEIVED FROM A TENDERER

The following request for clarification has been received from a prospective tenderer in respect of the above-mentioned tender:

Request for Clarification no.1:

What is the main goal of the development?

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

The purpose of the tender is to invite developers to submit proposals to develop a city-owned site for mixed housing, including affordable and market-related units. The development must include a mix of housing types, including affordable housing within the FSC definition of affordable housing income bracket and market-related housing.

The city is offering the land at a discounted rate to encourage developers to include more affordable housing and increase social benefit. Proposals from the tenderers must include mixed-income housing, mixed-tenure housing a variety of residential typologies and opportunities for upward residential mobility within the development informed by the financial feasibility modelling to be undertaken by the developer. The City does not wish to see a monolithic or single-income housing scheme.

The City intends appointing one successful bidder and one standby bidder. The successful bidder will be responsible for the development of the entire site and the project will not be divided among multiple developers. The 36 months refers to the period from tender award until conclusion of the sale transaction and related contractual requirements. It does **not** refer to the construction period. The development and construction phase will occur separately and may extend over several years.

Request for Clarification no.2:

How is the tender evaluated?

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

The evaluation happens in three stages. The first stage is eligibility; the second stage is functionality and the third stage will consider price and preference points.

In the eligibility stage, tenderers must satisfy the mandatory SCM compliance requirements and demonstrate that they have the financial capacity to deliver 25% of the total development cost (CAPEX), including the purchase price of the land. Tenderers must be guided by the contents of the tender specifications on the documentation that will be acceptable to the City. Any letters of intent from a verifiable fund source must include the name of the project and the number of units as stipulated in the tenderers bid submission. The evidence of financial capability must align with the total development cost as reflected in the tenderers financial feasibility model and must be clearly verifiable. If a tenderer fails the eligibility requirements, they are deemed nonresponsive and do not move on to the functionality stage.

At functionality stage, tenderers must achieve at least 75 points in the functionality assessment to be considered responsive in the evaluation process.

Tenderers who are declared responsive at functionality stage will be assessed for price and preference. The highest scoring tenderer will be recommended for award as a winner and the second highest tenderer will be recommended as a standby.

The independent experience of either of the JV partners will be considered in satisfying the functionality requirement stated above.

It will be important for the tenderer to provide details of the JV partners in the relevant schedules to be completed as part of their returnables.

Request for Clarification no.3:

Will transfer of the site happen all at once?

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

The City anticipates a phased development approach and the land transfer may also occur on a phased basis depending on the approved development strategy.

Request for Clarification no.4:

Can developers nominate their own transferring attorneys?

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

The City has a panel of approved conveyancers. Where a developer has a preferred attorney already serving on the City's panel, the City will attempt to accommodate the request, although this cannot be guaranteed.

Request for Clarification no.5:

Are the supporting technical studies available?

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

Kindly find below the links for the technical studies:

<https://web1.capetown.gov.za/web1/BigFilesAccess/DownloadBigFile.aspx?file=c649e678-3e90-416d-be28-20af6466b3d8> and <https://web1.capetown.gov.za/web1/BigFilesAccess/DownloadBigFile.aspx?file=81726e83-1cba-422a-ae2e-2b8e0f7ef3e8>

The above links will be available until 18-09-2026.

Yours faithfully,

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For: Adiel Bloew
Director: Supply Chain Management

WRITTEN ACKNOWLEDGEMENT OF RECEIPT

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CITY OF CAPE TOWN

BOX NUMBER: 189

for

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Kindly acknowledge receipt of this Addendum by e-mailing this to Gcobani.Mnyobe@capetown.gov.za.

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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