



ST FRANCIS
PROPERTY
OWNERS

Saving St Francis



SFPO ASSOCIATION AGM

22 December 2016

AGENDA

- Welcome
- Mayor Elza van Lingen
- Report Back
- St Francis Vision 2030
- SRA Application
- Outlook for 2017



KOUGA MUNICIPALITY

Mayor Elza van



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○ **Report Back**

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SFPO ASSOCIATION REPORT BACK

- Apologies
- Confirmation of 2015 AGM Minutes
- 2015 AGM endorsed our SRA proposal
- Changed Name and Logo of SFBRA and NPC to SFPO and SFPO NPC
- Appointed SFPO NPC Board of Directors
- Researched/calculated the costs of infrastructure restoration
- Environmental Authorisation issued by DEDEAT for Spit & Beach revetment repairs (01/06)



SFPO ASSOCIATION REPORT BACK

- Roadshows to Jhb, PE and SFB (July)
- Launched donation appeal
- NPC hired a Project Manager
- DA won Kouga election
- MOA between KM and SFPO NPC signed for Spit and Beach Phase 1 work
- Repaired Anne Avenue car park
- Submitted documents to DEDEAT for repair of some beachfront property revetments
- SFPO sponsored creation of St Francis Vision 2030



SFPO ASSOCIATION REPORT BACK

- DA KM Caucus votes to support our SRA application provided property owners consent to the SRA levy
- KM to draft and approve SRA By-Law and Policy
- SFPO to finalise proposed SRA levy amount, and request consent of property owners
- SFPO to finalise demarcated SRA area : St Francis Bay, Cape St Francis, Private Estates, Sea Vista Industrial Sites. Excludes Sea Vista Township
- SFPO Association Financial Reports





**ST. FRANCIS BAY RESIDENTS
ASSOCIATION**

**ABRIDGED FINANCIAL
STATEMENTS
FOR THE YEAR ENDED
30 SEPTEMBER 2016**

St Francis Bay Residents Association			
Statement of Income and Expenditure			
for the period 01 October 2015 to 30 September 2016			
All figures in Rand			
	Actual	Budget	
	2016	2016	2015
Income			
Membership subscriptions	173 637	196 900	164 087
Donations	3 000	-	-
Interest	20 996	15 000	14 387
Sundry	10 751	-	-
Total Income	208 384	211 900	178 474
Less Expenses			
Accounting fees	33 180	33 000	14 980
Advertising and promotions	19 363	10 000	10 237
Bank charges	2 407	2 700	1 637
Community projects	16 769	24 000	50 000
Consulting fees	3 000	3 000	-
Donations	380	1 000	3 000
office and general	10 965	12 304	7 316
Rent and communications	30 494	32 604	22 637
Salaries, wages and staff costs	86 443	93 597	64 820
Travel, local	-	1 000	700
	203 001	213 205	175 327
Surplus (loss) for the period	5 383	(1 305)	3 147



St Francis Bay Residents Association			
Statement of Financial Position			
as at 30 September 2016			
All figures in Rand			
		2016	2015
ASSETS			
Non-Current Assets			
		2	2
Property, plant and equipment		2	2
Current Assets			
		347 678	336 687
Standard Bank current account		33 276	14 578
Stanlib money market account		302 100	315 578
SBSA ABIL Retention Fund		-	5 527
Sundry receivables		10 350	-
Petty cash		1 952	1 004
Total Assets		347 680	336 689
Funds and Liabilities			
Total Funds		321 538	316 156
Accumulated Fund		71 538	66 156
Contingency Fund		250 000	250 000
Non-Current Liability		7 996	5 920
Contingent liability (gratuity)		7 996	5 920
Current Liabilities		18 146	14 613
Subscriptions paid in advance		7 935	-
Payables		10 211	113
Beach Fund - receipts		-	14 500
Total Funds and Liabilities		347 680	336 689



SFPO ASSOCIATION REPORT BACK

- Proposer and Secunder for approval of Financial Statements
- No election of Committee members required, as just completed the first year of the two year election period



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St Francis Vision 2030

November 2016



ST FRANCIS VISION 2030

We want St Francis to develop into a

World Class Lifestyle Destination

characterised by a *Unique Lifestyle*

with *Distinctive Themes*



ST FRANCIS VISION 2030

Prerequisites for achieving this Vision by 2030

- ***A World Class Infrastructure***
- Sea Vista Township ***integrated*** with St Francis
- Close ***cooperation*** with Kouga Municipality
- Local organisations providing ***leadership*** to the delivery of this Vision
- Creation of sufficient ***jobs*** to uplift the unemployed
- Provision of outstanding business opportunities to attract ***world class investment***



ST FRANCIS VISION 2030

We do “*not*” want :

- An industrialised town
- Commercialised main street
- A growing informal settlement
- Rampant unemployment
- Escalating poverty, crime and drug abuse
- Unrestricted development
- Abuse of our natural assets & environment
- Poor service delivery from our Municipality



ST FRANCIS VISION 2030

We have a *unique combination of assets* :

- R4.5b of residential assets
- Bespoke retailers
- Variety of water sport using our rivers, canals, beaches, port (private) and ocean
- Golf courses, tennis, squash, air park and flying, trails for cycling/walking/running....
- Lighthouse
- Themed housing



ST FRANCIS VISION 2030

Primary industries :

- Tourism (incl. Sport)
- Property Development (incl. Retirement Villages)
- Education
- Health Care
- Transport
- Green Technologies
- Security
- Connectivity
- Social Upliftment (Social Entrepreneurs)



ST FRANCIS VISION 2030

The Vision identifies significant business investment and growth opportunities of :

- over *R5 billion*
- creating some *5,000-12,000 jobs*



ST FRANCIS VISION 2030

The St Francis Vision 2030 document is available on the SFPO Association's website :

www.stfrancispropertyowners.co.z

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ST FRANCIS
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ST FRANCIS SRA BUSINESS PLAN

Motivation

Implementation Plan

Term Budget

MOTIVATION

- Infrastructure failing
- KM has not had the financial means nor the will to restore this infrastructure
- Property Owners decided to act to Save St Francis and their property investments
- Re-named the SFBRA to the SFPO Association
- Set up the SFPO NPC
- Launched the Saving St Francis donation appeal



MOTIVATION

- Proposed the establishment of a Special Rating Area (SRA). Levy collected by KM and paid to NPC....can only be used by the NPC
- Launched projects to estimate the cost of the Infrastructure restoration projects
- Received overwhelming support from Property owners at 5 public meetings to-date (held in St Francis Bay, Johannesburg and Port Elizabeth over past year)
- Seeking Corporate Social Responsibility investment for upliftment of the Sea Vista Township



MOTIVATION

- Formulating a Vision of what we want St Francis to be by 2030 : St Francis Vision 2030
- Investigating what funding we can source from financial institutions using the SRA levy as security
- We need to establish what funding the KM and SFPO can source together from Provincial and National Government
- We need to establish what funding we can get for Environmental projects (local and international)



MOTIVATION

- St Francis is an under-funded town
- Kouga has one of lowest property rates in SA
- Little difference between Residential and Commercial/Industrial, latter subsidises most towns/cities
- 90% of St Francis properties are unoccupied for 10 months of the year. Some 50% under-recovery of KM revenue through lack of electricity and water consumption
- An SRA levy of 50% of current rates will still leave St Francis below Port Elizabeth residential rates
- This increase via a SRA levy is guaranteed to be spent on St Francis infrastructure and not elsewhere
- We recognise that KM has much poverty, but employment comes from investing in its best assets ie St Francis



MOTIVATION

- A well serviced, healthy and vibrant St Francis will bring a great deal of tourism revenue, property development, additional rates and employment to the Kouga region
- To do this it needs a presentable infrastructure
- Navigable rivers
- Blue flag beaches
- A Spit that protects 7.6kms of canals and 550 properties



MOTIVATION

- Revetments converted to sandy dunes
- Roads that are adequately surfaced and maintained
- Storm water drains that function
- Replacement of soakaways and conservancy tanks with water born sewerage – serious health risks to residents and visitors especially canals
- A sewerage treatment plant that copes
- A refuse transfer station/drop-off zone
- Upgrade of Security to include 24/7 Camera surveillance



MOTIVATION

- The SFPO NPC is not a surrogate Municipality
- We understand that the KM has a daunting task to service the Kouga region
- We will cooperate with the KM to ensure we get the best out of our combined resources
- We have an influential network of property owners with substantial reach into the SA business community. We can help.



IMPLEMENTATION PLAN

- Pre-Operational Phase
- Operational Phase



IMPLEMENTATION PLAN

Pre-Operational Phase

The Pre-Operational Phase covers the period of preparation for the SRA up to 30/06/2017 :

- Gauge preliminary support of Property Owners
Complete (12/2015)
- Research SRA application
Complete (03/2016)
- Set up SFPO NPC
Complete (06/2016)
- Raise initial funding from Donations
Ongoing (started 04/2016)
- Sign KM MOA for Phase 1 of Spit and Beach repairs
Complete (09/2016)
- Hire a Project Manager
Complete (07/2016)



IMPLEMENTATION PLAN

Pre-Operational Phase

- Establish Cost of Infrastructure Restoration
- Phase1 Spit and Beach
- Phase 2 River, Spit and Beach
- Roads
- Storm water Drains
- Sewerage
- Security Cameras



IMPLEMENTATION PLAN

Pre-Operational Phase

- Engage with KM re SRA application
- Initial discussion with Municipal Manager
05/02/2016
- Sent SRA documentation (from CoCT) to KM
20/02/2016
- No further response from KM
- Re-engaged with KM on SRA application
27/10/2016
- Collect Rates information from KM
- Calculate proposed levy as % of Rates
- Preparation and submission of SRA application
- Assess funding options to accelerate the infrastructure restoration



IMPLEMENTATION PLAN

Pre-Operational Phase

- KM provide “Conditional” Approval on condition :
 - Finalisation of Levy %
 - 50% + 1 vote by property owners for the SRA
- KM to write and pass SRA By-Law and SRA Policy
- Present SRA submission to Property Owners via
 - Public meeting and vote
 - Email and vote
 - Post and vote



IMPLEMENTATION PLAN

Pre-Operational Phase

- Communicate results to KM to finalise SRA approval
- Approved : Implement SRA agreement
- Rejected : Assess the need for the SFPO NPC
- Operationalise Levy collection and payment on 01/07/2017



IMPLEMENTATION PLAN

Operational Phase

- The Operational Phase starts on 01/07/2017.
- Phase 1 of Spit and Beach repairs
- Phase 2 River/Spit/Beach Engineering Solution selection
- Phase 2 River/Spit/Beach Implementation
- Arterial Roads restoration
- Street Committee driven road restoration
- Storm water drain maintenance
- Sewerage conversion to water borne
- Security Camera Implementation



TERM BUDGET

- Term is 10 years, renewable
- Budget is based on the St Francis Bay area including : The Links, Canals, Village, Santareme, Port, and Sea Vista Industrial Sites
- 3,900 properties in St Francis Bay (including The Links and all Private Estates except River Estates, and excluding Sea Vista Township)
- Rates = R48m pa (excluding Sea Vista Township)
- Rates for Greater St Francis = R60m pa (tbc)
- Greater St Francis includes St Francis Bay, Cape St Francis and River Estates



TERM BUDGET

Expenditure :	Rm
○ Spit and Beach Phase 1	
○ Revetments POS	2
○ Revetments Private	-
○ River, Spit and Beach Phase 2	
○ Engineering Solution Design	1
○ Groynes	15
○ Beach Nourishment	
> Running cost (100k m ³ pa)	110
> Equipment	6
Total River, Spit & Beach	134



TERM BUDGET

Expenditure :	Rm	%
○ Roads : Arterial	30	8.0
○ Roads : Streets (paving)	67	18.0
○ Storm Water Drains	1	0.3
○ Sewerage	106	28.4
○ Security Cameras	25	6.7
○ Equipment (R5m)		
○ Monitoring (R2m pa = R20m)		
○ River, Spit & Beach	134	35.9
○ Overheads (R1m pa)	10	2.7
Total Spend over 10 year Term :	373	100%



TERM BUDGET

Revenue :

- SRA levy :
 - 50% of rates = R24m pa (excl CSF)
 - 10 years = R240m
 - Plus 60 new builds pa (900 plots) will add R72m
 - Total revenue over 10 years = R312m
- Donations (R5m to-date with pledges)
- Corporate Social Investment
- Total Levy and Donations revenue = R317m
- Total estimated expenditure = R373m
- Shortfall = R 56m
- Proposed SRA levy is 50% of Rates
- Example : R2m value house pays R1,000 Rates pm.
SRA levy = R500pm



TERM BUDGET

Cape St Francis :

- 958 properties, Rates approx. R20m pa
- SRA levy (50%) = R10m pa **R100m** (10years)

		Rm
○ Expenditure : Roads (10kms paved)	=	20
Storm Water Drains	=	4
Sewerage (R66k/property)	=	63
Arterial Roads (20%)	=	6
Security Cameras (20%)	=	5
NPC Overheads (20%)	=	2
Total	=	100



TERM BUDGET

River Estates :

- River (dredging) – primary users = tbc
- Arterial Roads = tbc
- Security Cameras – if required = tbc

Other Private Estates :

Have been included in the St Francis Bay property list



LEVY

SRA levy calculated as % of rates paid by each property owner in demarcated Special Rating Area :

Rates	% of Levy	% of
○ Roads : Arterial	8.0	4
○ Roads : Streets (paving)	18.0	9
○ Storm Water Drains	0.3	-
○ Sewerage	28.4	14.2
○ River, Spit & Beach (Phases 1 & 2)	35.9	18
○ Overheads (R1m pa)	2.7	1.4
○ Security Cameras	6.7	3.4
Total Spend over 10 year Term :	100	50



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OUTLOOK FOR 2017

- Vote on the SRA Levy (probably in the January/February timeframe)
- Consent forms can be completed and submitted from today onwards
- Finalise demarcated Special Rating Area to include/exclude St Francis Bay, Cape St Francis, River Estates, Other Private Estates
- Outcome of the vote will determine what we do in 2017



OUTLOOK FOR 2017

Majority *NO* vote :

- We will use “donations received” to complete Phase 2A of the River/Spit/Beach project, and repair some infrastructure within the donations received budget
- Once donations are spent then wind up the SFPO NPC
- SFPO Committee will resign and elections will be called for a new committee



OUTLOOK FOR 2017

Majority *YES* vote :

- Submit final application to KM
- KM approves SRA By-Law and Policy
- SRA levy introduced on July 1, 2017
- SFPO NPC receives first payment within 30 days
- SFPO NPC implements its infrastructure restoration plan
- Set up the St Francis Vision 2030 *Forum* to drive the implementation of the Vision (which includes the upliftment of Sea Vista Township)





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SFPO ASSOCIATION

AGM

Questions?



ST FRANCIS PROPERTY OWNERS

Saving St Francis

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