CIDC AGM 2024 CHAIRMAN'S ADDRESS BY DAVID STOLL

Claremont Improvement District Company NPC

24 October 2024

Good evening, Ladies & Gentlemen

Thank you, Mr Deputy Mayor, – you're going to be a hard act to follow.

But here goes!

It gives me great pleasure to submit my **Chairman's Report**

Once again, let me welcome you, to this, the **24th** Annual General Meeting of the Claremont Improvement District Company.

In the interests of transparency, I would like to place on record that I retired from Growthpoint Properties last December 2023. Potentially this could have signalled the end of my Chairmanship of the last 15 years or so. However, with the express support of my fellow Directors and the property owners they represent, I have continued as Chairman in an Independent capacity. I therefore stand before you in my personal capacity but also as a nominated proxy of Growthpoint Securitisation Warehouse Trust, being the owners of 200 on Main.

For the first time this year, we have produced an Annual Report in which I contributed the **Foreword**, and which is loaded onto our website, along with all the other documentation relevant to this AGM. In the interests of maximising our time allocated for this evening and not repeating my entire Report verbatim, I have chosen rather to focus on the more important items mentioned therein. In so doing, I urge you to read the entire document at your leisure (if you have not already done so).

Similarly, our Executive Manager, Abdul Kerbelker, will present his **Feedback on Operations** and provide more detail as regards our Urban Management, Security, Cleaning & Social Development activities. Again, the detail of his Update is contained in the aforementioned Annual Report.

As always, Abdul and his team have responded consistently & appropriately. Our high standards of visible presence, service delivery & routine patrolling continue to make a difference. As per usual our core focus remains the same, to continue to do what we do well - that is **to address the crime, grime & social issues of the Claremont CBD**. This focus remains our principal reason to exist!

MAKING CLAREMONT A BETTER PLACE FOR ALL!

STRATEGIC OBJECTIVES

A word or two on our ongoing Strategic Objectives, in no particular order **these are**: -

1. To operate effectively within our approved budget for the year, whilst delivering the best possible service within our mandated areas of focus.
2. To prepare & submit our 5 Year Business Plan and Budget for 2025 – 2030. Thus, extending our existence for the next 5-year period (the current one expires end June next year).
3. Implement traffic calming measures on Main Road and utilise some of our excess capital which has been accumulating on our Balance Sheet.
4. Implement and Upgrade our Security Control Room.
5. To cope with the increased social challenges posed by the permanent homeless population living in and around our CBD.

I'm pleased to report that progress had been made on all of these objectives: -

I shall comment in more detail on the Financial Statements shortly, but suffice to say, our finances are healthy.

Our 5 Year Business Plan has been approved by the Board, been deemed acceptable by the City and will hopefully be approved at this AGM.

Re traffic calming measures, the Board has approved the installation at 9 intersections along Main Rd of "Endurablend" pedestrian crossings. This should hopefully make drivers and pedestrians more aware of each other, particularly when pedestrians are crossing the road. Century City is similarly installing these measures throughout their precinct, so we see them as a good example to follow.

Our CIDC Control Room is a work in progress. It exists and focused onsite training is ongoing. The aim being to streamline and monitor the entire security offering of the CIDC.

I suppose the most controversial objective relates to the social challenges posed by our homeless population. Currently there are around 120 individuals, for which between U-Turn & the Haven we have 70 beds available. Sadly, the presence of these individuals bring increased petty crime incidents. Also, it has been proposed that more beds are made available for them in our CBD. This is a moot point, and the Board intend to oppose this proposal, as more beds will attract more users which ultimately leads to more crime. Quite simply other CIDS have to come to the party and provide these facilities within their boundaries. This is not quite in line with view of our Mayor who supports more Claremont CBD facilities. **Time will tell as to the outcome here**!

ANNUAL FINANCIALS

Our Financial Statements for the year to 30 June 2024 reflect a well-managed organisation, well-funded with ample reserves. We recorded a **surplus** of R1,705,683, the bulk of this arising from unbudgeted Interest Received R 732k, unbudgeted Funds released by the City from their **Bad Debt Retention Fund** of R586k and savings over a range of operating expenses, principally Cleaning & Security R188k. Note that not all CID's benefit from payments from the City's Bad Debt Retention Fund, major cash injections such as this are rare, the payment is directly attributable to the **excellent payment record** of the Ratepayers, which this demonstrates Claremont Ratepayers are, so once again, I sincerely thank you all for this.

At year end, we have Net Cash Assets of R10.4m. The City directs that such Reserves ideally be equivalent to 3 months' worth of Levies, which in our case, equates to +/- R 3.5m. So theoretically we have Net Distributable Assets of R6.9m that can be invested into the Claremont CBD.

As mentioned earlier, one of our strategic objectives is to implement traffic calming measures on Main Rd – the proposed budget for the "Endurablend" pedestrian crossings is R1m, so hopefully this will be the first step in utilising these reserves.

5 Year Business Plan – 2025/30

A quick word on our 2025/30 Business Plan Budget which has been distributed in your AGM packs and reflects an annual 7.0% increase in gross levies, except in 27/28 where we have budgeted for an 8% increase. (This being as a result of the opening of the proposed IRT MyCiti bus route directly to / through Claremont, the consequences of which are a bit of an unknown at present). In addition, we have chosen to subsidise increasing the visible Security

presence from funds received but not budgeted for i.e. Interest Received & Bad Debt Retention recoveries from the City. These budgets are part of the documentation on our website and for which approval by the Members at this AGM is sought. Any related questions can be dealt with then. Suffice to say that almost 75% of our costs relate to Security & Cleaning expenditure, so there's not much room for leeway from a savings perspective.

CLAREMONT BOULEVARD & THE ROAD BYPASS COMPANY

The Financial Statements incorporated into the AGM packs reveal that the Claremont Road Bypass Company at year end (June 2024) has R2.5m of cash reserves. In effect the CRBC is a dormant company having ceased to operate in year-end 2023. On the advice of our Auditors, we are proposing to wind up this company and transfer the surplus funds to the CIDC. Thereafter the CRBC will cease to exist. Thus, the funds distributed will further increase the liquidity of the CIDC by another R2,5m. Again, Members will be asked to vote on this proposal shortly.

THANKS

Finally a few words of thanks:-

To the officials of the **City** with whom we deal with on a daily basis

To our service providers – particularly **Straatwerk, Securitas, U-turn & The Executive Connection**

To the **SAPS** – Claremont branch in particular

To our Ward Councillor – Mr. Mikhail Manuel.

Our genuine & sincere thanks for all you do to assist & help us.

Personally, from myself –

Thanks to all our loyal & long serving **CIDC staff** – particularly our Exec Manager Abdul Kerbelker / our Operations Manager Karen Bailey & their hardworking staff.

Thanks also to our Accountant**, Janine van der Stok,** and last but not least, thanks to my **fellow Directors** for their continued support and guidance.