

City of Johannesburg Council 2023-03-22/23

COJ : MAYORAL COMMITTEE 2023-03-17

JOHANNESBURG SOCIAL HOUSING COMPANY

121 JOSHCO TARIFF PROPOSAL FOR THE 2023//24 FINANCIAL YEAR

1 STRATEGIC THRUST

An honest, transparent, and responsive local government that prides itself on service delivery

2 OBJECTIVE

The purpose of this report is to seek approval for certain tariff charges for rental services on properties managed by JOSHCO. Council approval is thus sought for the tariffs proposed under item 4 below for the 2023/24 financial year that would be effective from 1st July 2023.

3 BACKGROUND

JOSHCO intends to standardize tariffs based on the typologies instead of the square meters and also on the projects design and their categories influenced by their location and costs per unit to eliminate dissatisfaction and complaints from the tenants and further taking into account current economic status of the country.

4 DISCUSSION

Rental tariffs for all hostels remain unchanged for the next coming two years.

Outlined below is the list of buildings affected with their tariffs :

ANNEXURE A - Rental/Tariffs for JOSHCO Rental/Tariffs for JOSHCO 2023/24 to 2025

Estate Details	Typology	2022/2023	2023/2024	2024/2025
Kliptown Square				
	Bachelor	1 514	1 100	1 144
	1 Bedroom	1 696	1 400	1 456
	2 Bedroom	2 121	2 100	2 184
	2 Bedroom Loft (New Tenants & Existing Unsubsidised)	4 176	4 100	4 264
	Live Work	4 887	4 800	4 992
Kliptown Golf Course (Levy)				
	1 Bedroom Duplex	421	430	447
	1 Bedroom Simplex	474	490	510
	2 Bedroom Duplex	579	600	624
	2 Bedroom Simplex	632	600	624

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Estate Details	Typology	2022/2023	2023/2024	2024/2025
	2 Bedroom Duplex Loft	816	850	884
City Deep Hostel (Converted units)				
	1 Bedroom	1 630	1 600	1 664
	2 Bedroom	1 824	1 800	1 872
	3 Bedroom	2 714	2 700	2 808
City Deep Flats				
	Bachelor	1 106	1 100	1 144
	1 Bedroom	1 979	1 400	1 456
	2 Bedroom	2 294	1 800	1 872
	3 Bedroom	3 238	3 600	3 744
City Deep Greenfields(New)				
Income (R1850 - R6700)	1 Bedroom	1 054	900	936
Income (R6701 - R22000)	2 Bedroom	2 342	2 300	2 392
Communal Room				
	COJ Employee (Subsidised Bed)	1 189	900	936
	Unsubsidised Bed (Hostels)	526	500	520
Chelsea				
	Room	1 074	900	936
	Double Room	1 475	1 400	1 456
Roodepoort				
Income (R1850 - R6700)	1 Bedroom	1 142	900	936
Income (R6701 - R22000)	2 Bedroom	1 317	1 300	1 352
Pennyville				
Per Unit	3 Rooms	1 176	900	936
Per Unit (COJ Hostel Employees)	3 Rooms	1 189	900	936
Per Room 3 Families Sharing	Room	446	400	416
Per Room 2 Families Sharing	Room	312	300	312
Family Unit	2 Bedroom Flat	2 501	1 800	1 872
Alexandra Far East Bank				
	Room	683	600	624
Creche		4 618	4 600	4 784

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Estate Details	Typology	2022/2023	2023/2024	2024/2025
La Rosabel				
	Room	1 257	900	936
Bellavista New				
	2 Bedroom	3 801	3 800	3 952
Citrene Court				
	2 Bedroom Flat	3 801	3 800	3 952
	3 Bedroom Flat	4 478	4 400	4 576
Orlando Converted				
	1 Bedroom	1 329	1 400	1 456
	2 Bedroom	2 167	1 800	1 872
Orlando (Phase 2)				
	2 Bedroom	2 728	1 800	1 872
	1 Bedroom	1 860	1 400	1 456
	Bachelor	1 364	1 100	1 144
Europa House				
	Rooms	1 042	900	936
Raschers				
	Room	464	400	416
	Double Room	1 591	1 500	1 560
Antea Converted Units				
	Bachelor	1 354	1 100	1 144
	1 Bedroom	1 862	1 400	1 456
	2 Bedroom	2 539	1 800	1 872
	3 Bedroom	3 046	3 000	3 120
	Rooms	1 189	900	936
	Day Care Centre	1 900	1 900	1 976
MBV				
	Room	901	900	936
AA House				
	Rooms	842	900	936
	Bachelor Flat	1 614	1 100	1 144
	1 Bedrooms Flat	1 783	1 400	1 456
	2 Bedroom Flat	5 053	1 800	1 872
Fleurhof				
Income (R1850 - R6700)	1 Bedroom	940	900	936
Income (R6701 - R22000)	2 Bedroom	2 506	2 100	2 184
Fleurhof Riverside				

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Estate Details	Typology	2022/2023	2023/2024	2024/2025
Income (R1850 - R6700)	1 Bedroom	892	900	936
Income (R6701 - R22000)	2 Bedroom	2 377	2 100	2 184
Selby Hostel				
	1 Bedroom	1 393	1 400	1 456
	2 Bedroom	2 123	1 800	1 872
	Rooms	820	900	936
Public Hostels				
	2 Bedroom (Income Below R4500)	750	750	780
Klipsruit Hostel				
	Communal Beds (Joburg Water)	396	400	416
	Communal Beds (City Parks)	896	800	832
Nederberg (Student Accomodation)				
	1 Bedroom	2 000	1 400	1 456
Hoek Street				
	Room	1 133	900	936
Phoenix house				
	room	800	900	936
Devland				
Income (R1850 - R6700)	1 bedroom	733	700	728
Income (R6701 - R22000)	2 bedroom	1 333	1 800	1 872
Turfontein				
Income (R1850 - R6700)	1bed	967	900	936
Income (R6701 - R22000)	2 bedroom	2 500	1 600	1 664
	communal	755	700	728
Income (R6701 - R22000)	2 Bed BIC	2 600	2 300	2 800

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Textile Building 125 kerk street				
	bachelor	1 999	1 100	1 144
	1 bedroom	2 284	1 400	1 456
	2 bedroom	2 447	1 800	1 872
Diamond Building 123 Kerk street				
	bachelor	2 284	1 100	1 144
	1 bedroom	2 447	1 400	1 456
	2 bedroom	2 447	1 800	1 872
Dobsonville				
Income (R1850 - R6700)	1 Bedroom	896	850	884
	2 Bedroom	1 897	1 800	1 872
80 Plein Street				
Subsidized (income R1850 - R22000) = 210 units	1 Bedroom	1 650	1 400	1 456
	2 Bedroom	3 200	1 800	1 872
Unsubsidized (income above R22000 for city units)	Room	1 029	900	936
	Bachelor	1 964	1 100	1 144
133 Albert Street				
Basement & Ground (Duplex shared room units - 12 units)	3 shared rooms	1 033	900	936
	Studio	1 739	1 100	1 144
	1 Bedroom	2 530	1 400	1 456
Lufhereng Housing Project				
Income (R1850-6700)	1 bedroom		1 200	1 248
Income (R6701-22000)	2 Bedroom		2 500	2 600

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Durban Street				
Income (R1850-6700)	1 bedroom		1 200	1 248
Income (R6701-22000)	2 Bedroom		2 500	2 600
Legae Roodepoort				
Income (R1850-6700)	1 bedroom		1 200	1 248
Income (R6701-22000)	2 Bedroom		2 500	2 600
PARKING SPACES				
80 Plein Street	Basemet	200	200	200
Hoek Street	Basemet	200	200	200
Kliptown Square	Open Parking	150	150	150
Roodepoort	Open Parking	150	150	150
Antea Hostel	Open Parking	150	150	150
City Deep	Open Parking	150	150	150
Fleurhof	Open Parking	150	150	150
Fleurhof Riverside	Open Parking	150	150	200
AA House	Basemet	200	200	200
Selby Village	Open Parking	150	150	150
Orlando Ekhaya	Open Parking	150	150	150
Turfontein	Open Parking	150	150	150
Dobsonville	Undercover	200	200	200
	Open Parking	150	150	150
COMMERCIAL TENANTING				
Union Square Commercial Spaces				
	Shop 1	6 364	6 700	7 102
	Shop 2	10 001	10 600	11 236
	Shop 3	11 770	12 400	13 144
	Shop 4	8 651	9 100	9 646
	Shop 5	4 941	5 200	5 512
	Shop 6	6 364	6 700	7 102
	Shop 7	7 359	7 800	8 268
	Shop 8	5 185	5 400	5 724
	Shop 9	4 758	5 000	5 300
	Shop 10	48 686	51 500	54 590
Booyens Place				

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	Office 22	3 244	3 300	3 498
	Shop 102	10 372	10 700	11 342
	Shop 104	22 607	24 000	25 440
	Shop 105	6 356	6 700	7 102
	Shop 106	9 526	10 000	10 600
	Shop 107	10 241	10 600	11 236
	Shop 108	4 795	5 000	5 300
	Shop 109	7 767	8 200	8 692
	Shop 110	5 507	5 800	6 148
	Shop 112	5 765	6 100	6 466
NBS				
	Storage Basement	15 917	16 800	17 808
	Shop 1	48 966	51 900	55 014
	Shop 2	1 770	1 800	1 908
	Shop 3	55 769	59 100	62 646
	Shop 4	22 272	22 200	23 532
	Shop 5 (antenna)	10 500	11 100	11 766
	Shop 6 (antenna)	10 500	11 100	11 766
Raschers				
	Shop 1	4 301	4 500	4 770
	Shop 2	9 571	10 100	10 706
	Shop 3	94 661	10 300	10 918
	Shop 4	5 861	6 200	6 572
23 Kerk Street				
	Shop 1	14 612	15 500	16 430
	Shop 2	8 400	8 900	9 434
	Shop 3	8 400	8 900	9 434
25 Kerk Street (Textile)				
	Shop 1	3 188	3 300	3 498
	Shop 2	14 085	14 900	15 794
	Shop 3	12 205	12 900	13 674
	Shop 4	12 064	12 800	13 568
	Shop 5	17 918	19 000	20 140
	Shop 6	4 690	4 900	5 194
	Shop 7	4 618	4 900	5 194
	Shop 8	23 843	25 200	26 712
	Outdoor Advert Site	15 527	16 100	17 066
16 Wolmarans (283)				

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	Shop 01	6 787	7 200	7 632
	Shop 2	7 976	8 500	9 010
	Shop 03	8 722	9 200	9 752
	Shop 04 (student TV Room)	0	0	0
	Shop 05	8 548	9 000	9 540
AA House Retail				
	Shop 1	5 472	5 800	6 148
	Shop 2	7 274	7 700	8 162
	Shop 3	9 477	10 000	10 600
	Shop 4	9 825	10 400	11 024
	Shop 5	16 908	17 900	18 974
	Shop 6	6 570	6 900	7 314
	Shop 7	8 651	9 000	9 540
	Shop 8	9 699	10 000	10 600
	Shop 9	9 426	10 000	10 600
	Shop 10	9 889	10 400	11 024
	Shop 11	7 273	7 700	8 162
PENSIONERS				
All Pensioners at SHRA and City own Projects	Pensioners who are already tenants	0	500	520
Water Rates will be charged at 33,85 per KL/ Unit	Applicable to all tenants	0	33,85KL	33,85KL

5 LEGAL AND CONSTITUTIONAL IMPLICATIONS

In terms of the MFMA, the tariffs must be approved together with the budget.

6 FINANCIAL IMPLICATIONS

The proposed tariffs are based on affordability levels of existing tenants and the targeted market prescribed in terms of the JOSHCO mandate.

7 COMMUNICATIONS IMPLICATIONS

The new rentals will be communicated to all role players in the manner prescribed by law.

8 OTHER BODIES CONSULTED

JOSHCO's Executive Committee, Audit Committee, Board of Directors and Budget Office, Grant Quantum -Project Development and Funding, Income Bands – Compliance & Regulatory.

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IT IS RECOMMENDED

That, in terms of Sections 17(3)(a)(ii) and 22(a)(i) and (ii) of the MFMA and Sections 21, 21A (1) and 2 of the MSA as amended, the City of Johannesburg:

- (1) The rental and charges as detailed in the body of the report be adopted and approved;**
- (2) Publishes the notice in a manner prescribed and invites the local community to submit written comments or representations in respect of the amended Tariff of Charges;**
- (3) That, tariff charges be published in the Provincial Gazette and be effective from 1 July 2023;**
- (4) Approval of new Tariffs for new projects in 2022/2023**

(JOHANNESBURG SOCIAL HOUSING COMPANY)

(tc)