

City of Johannesburg Council 2024-03-19/20

COJ : MAYORAL COMMITTEE 2024-03-13

JOHANNESBURG SOCIAL HOUSING COMPANY

**68 AMENDMENT OF TARIFF OF CHARGES IN
RESPECT OF RENTALS FOR COUNCIL OWNED
RESIDENTIAL STOCK ADMINISTERED BY THE
JOHANNESBURG SOCIAL HOUSING COMPANY**

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 2024/25 financial year that would be effective from 1st July 2024.

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 : (The average percentage increment is 4% rounded off to the nearest 100 and there's zero increase for all former public hostels and pensioners).

**ANNEXURE A - Rental/Tariffs for
JOSHCO
Rental/Tariffs for JOSHCO 2024/25
to 2027**

		Current	4 % Increase	4,5 % Increase	5 % Increase
Estate Details	Typology	2023/2024	2024/2025	2025/2026	2026/2027
Kliptown Square					
Subsidized (income of R1850 - R15000)	Bachelor	1 100	1100	1200	1300
	1 Bedroom	1 400	1500	1500	1600
	2 Bedroom	3 000	3100	3300	3400

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Unsubsidized (income above R22000)					
	2 Bedroom Loft (New Tenants & Existing Unsubsidise d)	4 000	4200	4300	4600
	Live Work	5 000	5200	5400	5700
Kliptown Golf Course (Levy)					
	1 Bedroom Duplex	430	400	500	500
	1 Bedroom Simplex	490	500	500	600
	2 Bedroom Duplex	600	600	700	700
	2 Bedroom Simplex	600	600	700	700
	2 Bedroom Duplex Loft	850	900	900	1000
City Deep Hostel (Converted units)					
	1 Bedroom	1 400	1500	1500	1600
	2 Bedroom	1 800	1900	2000	2100
	3 Bedroom	2 820	2900	3100	3200
City Deep Flats					
	Bachelor	1 100	1100	1200	1300
	1 Bedroom	1 400	1500	1500	1600
	2 Bedroom	1 800	1900	2000	2100
	3 Bedroom	3 600	3700	3900	4100
City Deep Greenfields(New)					
Income (R1850 - R6700)	1 Bedroom	1 200	1200	1300	1400
Income (R6701 - R22000)	2 Bedroom	2 500	2600	2700	2900
Communal Room					
	COJ Employee (Subsidised Bed)	900	900	1000	1000

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	Unsubsidise d Bed (Hostels)	540	600	600	600
Chelsea					
	Room	900	900	1000	1000
	Double Room	1 800	1900	2000	2100
Roodepoort					
Income (R1850 - R6700)	1 Bedroom	1 200	1200	1300	1400
Income (R6701 - R22000)	2 Bedroom	2 500	2600	2700	2900
Pennyville					
Per Unit	3 Rooms	900	900	1000	1000
Per Unit (COJ Hostel Employees)	3 Rooms	900	900	1000	1000
Per Room 3 Families Sharing	Room	460	500	500	500
Per Room 2 Families Sharing	Room	320	300	300	400
Family Unit	2 Bedroom Flat	2 500	2600	2700	2900
Alexandra Far East Bank					
	Room	900	900	1000	1000
Creche		4 800	5000	5200	5500
La Rosabel					
	Room	900	900	1000	1000
Bellavista New					
	2 Bedroom	4 000	4200	4300	4600
Citrene Court					
	2 Bedroom Flat	4 000	4200	4300	4600
	3 Bedroom Flat	4 658	4800	5100	5300
Orlando Converted					
	1 Bedroom	1 400	1500	1500	1600
	2 Bedroom	1 800	1900	2000	2100

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Orlando (Phase 2)					
	2 Bedroom	1 800	1900	2000	2100
	1 Bedroom	1 400	1500	1500	1600
	Bachelor	1 100	1100	1200	1300
Europa House					
	Rooms	900	900	1000	1000
Raschers					
	Room	500	500	500	600
	Double Room	1 800	1900	2000	2100
Antea Converted Units					
	Bachelor	1 100	1100	1200	1300
	1 Bedroom	1 400	1500	1500	1600
	2 Bedroom	1 800	1900	2000	2100
	3 Bedroom	3 168	3300	3400	3600
	Rooms	900	900	1000	1000
	Day Care Centre	4 800	5000	5200	5500
MBV					
	Room	900	900	1000	1000
AA House					
	Rooms	900	900	1000	1000
	Bachelor Flat	1 100	1100	1200	1300
	1 Bedrooms Flat	1 400	1500	1500	1600
	2 Bedroom Flat	1 800	1900	2000	2100
Fleurhof					
Income (R1850 - R6700)	1 Bedroom	1 200	1200	1300	1400
Income (R6701 - R22000)	2 Bedroom	2 500	2600	2700	2900
Fleurhof Riverside					
Income (R1850 - R6700)	1 Bedroom	1 200	1200	1300	1400
Income (R6701 - R22000)	2 Bedroom	2 500	2600	2700	2900
Selby Hostel					
	1 Bedroom	1 400	1500	1500	1600

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	2 Bedroom	1 800	1900	2000	2100
	Rooms	900	900	1000	1000
Public Hostels					
	2 Bedroom (Income Below R4500)	750	750	750	750
Klipsruit Hostel					
	Communal Beds (Joburg Water)	400	400	400	500
	Communal Beds (City Parks)	900	900	1000	1000
Nederberg (Student Accommodation)					
	1 Bedroom	1 400	1500	1500	1600
Hoek Street					
	Room	900	900	1000	1000
Phoenix house					
	room	900	900	1000	1000
Devland					
Income (R1850 - R6700)	1 bedroom	1 200	1200	1300	1400
Income (R6701 - R22000)	2 bedroom	2 500	2600	2700	2900
Turfontein					
Income (R1850 - R6700)	1bed	1 200	1200	1300	1400
Income (R6701 - R22000)	2 bedroom	2 500	2600	2700	2900
	communal	900	900	1000	1000
Textile Building 125 kerk street					
	bachelor	1 100	1100	1200	1300

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	1 bedroom	1 400	1500	1500	1600
	2 bedroom	1 800	1900	2000	2100
Diamond Building 123 Kerk street					
	bachelor	1 100	1100	1200	1300
	1 bedroom	1 400	1500	1500	1600
	2 bedroom	1 800	1900	2000	2100
Dobsonville					
Income (R1850 - R6700)	1 Bedroom	1 200	1200	1300	1400
	2 Bedroom	2 500	2600	2700	2900
80 Plein Street					
Subsidized (income R1850 - R22000) = 210 units	1 Bedroom	1 400	1500	1500	1600
	2 Bedroom	1 800	1900	2000	2100
Unsubsidized (income above R22000 for city units)	Room	900	900	1000	1000
	Bachelor	1 100	1100	1200	1300
133 Albert Street					
Basement & Ground (Duplex shared room units - 12 units)	3 shared rooms	900	900	1000	1000
	Studio	1 100	1100	1200	1300
	1 Bedroom	1 400	1500	1500	1600
Lufhereng Housing Project					
Income (R1850-6700)	1 bedroom	1 200	1200	1300	1400
Income (R6701-22000)	2 Bedroom	3 000	3100	3300	3400
Durban Street					
Income (R1850-6700)	1 bedroom	1 200	1200	1300	1400
Income (R6701-22000)	2 Bedroom	3 000	3100	3300	3400
Legae Roodepoort					

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Income (R1850-6700)	1 bedroom	1 200	1200	1300	1400
Income (R6701-22000)	2 Bedroom	3 000	3100	3300	3400
PARKING SPACES					
80 Plein Street	Basemet	200	200	200	200
Hoek Street	Basemet	200	200	200	200
Kliptown Square	Open Parking	150	150	150	150
Roodepoort	Open Parking	150	150	150	150
Antea Hostel	Open Parking	150	150	150	150
City Deep	Open Parking	150	150	150	150
Fleurhof	Open Parking	150	150	150	150
Fleurhof Riverside	Open Parking	150	200	200	200
AA House	Basemet	200	200	200	200
Selby Village	Open Parking	150	150	150	150
Orlando Ekhaya	Open Parking	150	150	150	150
Turfontein	Open Parking	150	150	150	150
Dobsonville	Undercover	200	200	200	200
	Open Parking	150	150	150	150
COMMERCIAL TENANTING					
Union Square Commercial Spaces					
	Shop 1	6 746	7200	7600	8000
	Shop 2	10 601	11200	11900	12600
	Shop 3	12 476	13200	14000	14900
	Shop 4	9 170	9700	10300	10900
	Shop 5	5 237	5600	5900	6200
	Shop 6	6 746	7200	7600	8000
	Shop 7	7 801	8300	8800	9300
	Shop 8	5 496	5800	6200	6500
	Shop 9	5 043	5300	5700	6000
	Shop 10	51 607	54700	58000	61500

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Booyens Place					
	Office 22	3 300	3500	3700	3900
	Shop 102	10 700	11300	12000	12700
	Shop 104	24 000	25400	27000	28600
	Shop 105	6 700	7100	7500	8000
	Shop 106	10 000	10600	11200	11900
	Shop 107	10 600	11200	11900	12600
	Shop 108	5 000	5300	5600	6000
	Shop 109	8 200	8700	9200	9800
	Shop 110	5 800	6100	6500	6900
	Shop 112	6 100	6500	6900	7300
NBS					
	Storage Basement	16 800	17800	18900	20000
	Shop 1	51 900	55000	58300	61800
	Shop 2	1 800	1900	2000	2100
	Shop 3	59 100	62600	66400	70400
	Shop 4	22 200	23500	24900	26400
	Shop 5 (antenna)	11 100	11800	12500	13200
	Shop 6 (antenna)	11 100	11800	12500	13200
Raschers					
	Shop 1	4 500	4800	5100	5400
	Shop 2	10 100	10700	11300	12000
	Shop 3	10 300	10900	11600	12300
	Shop 4	6 200	6600	7000	7400
23 Kerk Street					
	Shop 1	15 500	8400	8900	9400
	Shop 2	8 900	8000	8500	9000
	Shop 3	8 900	8400	8900	9400
25 Kerk Street (Textile)					
	Shop 1(Saloon)	3 380	3600	3800	4000
	Shop 2	14 930	15800	16800	17800
	Shop 3	12 940	13700	14500	15400
	Shop 4	12 800	13600	14400	15200

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	Shop 5	19 000	20100	21300	22600
	Shop 6	4 900	5200	5500	5800
	Shop 7	4 900	5200	5500	5800
	Shop 8	25 200	26700	28300	30000
	Outdoor Advert Site	16 100	17100	18100	19200
16 Wolmarans (283)					
	Shop 01	7 200	7600	8100	8600
	Shop 2	8 500	9000	9600	10100
	Shop 03	9 200	9800	10300	11000
	Shop 04 (student TV Room)	0	0	0	0
	Shop 05	9 000	9500	10100	10700
AA House Retail					
	Shop 1	5 800	6100	6500	6900
	Shop 2	7 700	8200	8700	9200
	Shop 3	10 000	10600	11200	11900
	Shop 4	10 400	11000	11700	12400
	Shop 5	17 900	19000	20100	21300
	Shop 6	6 900	7300	7800	8200
	Shop 7	9 000	9500	10100	10700
	Shop 8	10 000	10600	11200	11900
	Shop 9	10 000	10600	11200	11900
	Shop 10	10 400	11000	11700	12400
	Shop 11	7 700	8200	8700	9200
PENSIONERS					
All Pensioners at SHRA and City own Projects	Pensioners who are already tenants	500	500	500	500

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.

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7. COMMUNICATIONS IMPLICATIONS

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

8. OTHER BODIES CONSULTED

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

IT IS RECOMMENDED

1 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) Commercial shops in 123 & 125 Kerk Street , have been re-measured and new tariffs submitted.**
- (4) That, tariff charges be published in the Provincial Gazette and be effective from 1 July 2024;**
- (5) Approval of new Tariffs for new projects in 2024/2025.**

2 That the report be submitted to the relevant Section 79 Committee for comment.

(JOHANNESBURG SOCIAL HOUSING COMPANY)

(Sthembele Pakade/Kenneth Mokono)

(Revenue Manager/Leasing Manager)

(tc)