

**MTHONJANENI MUNICIPALITY
PROPOSAL FOR LAND DEVELOPMENT**

**SELLING OF MIXED USED SITE ERF 1144
FOR BUSINESS PURPOSES MTHONJANENI**





MTHONJANENI MUNICIPALITY

INVITATION FOR THE SUBMISSION OF PROPOSALS: SALE OF LAND FOR DEVELOPMENT

Notice is hereby given in terms of Section 21 of the Local Government Systems Act, 2000 (Act 32 of 200) that Mthonjaneni Local Municipality hereby intends to dispose of its vacant site in terms of Section 14 (2) (a) (b) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) read with Sections 5, 6, and 7 of the Municipal Assets transfer Regulation of 2008, in accordance with the Mthonjaneni Municipality Supply Chain Management Policy. The Mthonjaneni Municipality wants to Dispose land for Commercial and medium Impact and mixed use in Mthonjaneni Town.

Land will be disposed in terms of the Councils Resolution at market related prices determined by the Municipals Professional Valuator. Documents pertaining to the conditions of sale of land details are available at the Mthonjaneni Municipal Website and payment for the documents will be paid at the Municipality Finance Department at number 21 Reinhold Street at a fee of R453.00 per document (receipt must be attached to the document). There will be no compulsory briefing as per MFMA Circular 102. However, the Senior Manager Planning Mr. M.Z. Kunene on 035-4502082/ 084 872 1189/ planner@mthonjaneni.org.za for clarity and the drawings are part of the terms of reference. For SCM related queries please contact Manager SCM, Mr. D. Mlondo on 035-4502082/ 076 434 8952/ scmmanager@mthonjaneni.org.za during office hours. Proposals must be clearly marked with the erf. number you are bidding for and submitted to the Municipal Manager through the tender box on 21 Reinhold street MELMOTH 3835 on or before 11 August 2020 at 12H00.

The proposals invited are for the following:

1. MIXED USE SITE, ERF 1144 FOR BUSINESS PURPOSES

SITE NO	MIN VALUE	EXT SQUARE METRES	ZONING
1144	R 410 000.00 (incl. V.A.T)	4055 m2	Business Purposes

EVALUATION CRITERIA

It must be noted that the evaluation of the proposal will be conducted in line with the scope of work, Indicated in these Terms of Reference. In order to qualify for further evaluation, the investor must score a minimum of 75 points.

CRITERIA	WEIGHT
Capital Funding	25
Investor with design property development, construction and management experience.	5
Proposal with a partnership model	10
Due diligence	5
Local Preference	10
Funding	15
Presentation	30
TOTAL	100

All prices should be inclusive of VAT. Each proposal shall be placed in **SEALED ENVELOPES, ENDORSED WITH THE SITE NUMBER** and be placed in the tender box at the municipal offices 21 Reinhold Street Melmoth next to Melmoth Library not later than 11 August 2020 at 12H00 (Closing date), at which time proposals will be opened in public.

Mthonjaneni Municipality does not bind itself to accept the highest or any offer and reserves the right to accept any offer.

PP Sibiya
Municipal Manager

1. LAND DETAILS - MTHONJANENI

- Description : Melmoth Town
- Locality : The properties fall within the Melmoth town.
A Town Planning Scheme Map is attached for ease of reference.
- Services : All services can be made available.
- Development : The development of the land must commence within twelve (12) from the Signing of the Purchase agreement.
- Proposal : A fully motivated land development proposal together with layout plans sketches must be provided.
The successful developer will be responsible for obtaining the necessary approvals from other sector departments
- The Council will consider the possible purchase of the area at a market related price until the land has been surveyed and transferred to the successful party. These will be signed once a successful developer has been appointed and informed.

2. PRE-QUALIFYING CRITERIA – commitment letters from anchor tenants of at least two of the following:

- Retail
- Bank
- Restaurant
- Clothing
- etc.

3. RETURNABLE DOCUMENTS

This document must be accompanied by the following documents:

- 3.1 Formal Proposal
- 3.2 Company Registration Documents
- 3.3 Certified Copies of Registered Members/ Directors of the business
- 3.4 Declaration of interest (MBD 4)
- 3.5 Tax Clearance Certificate and Tax Status Pin
- 3.6 BEE Certificate
- 3.7 Company Profile

4. EVALUATION CRITERIA

It must be noted that the evaluation of the proposal will be conducted in line with the scope of work, Indicated in these Terms of Reference. In order to qualify for further evaluation, the investor must score a minimum of 75 points.

CRITERIA	DISCRIPTION	WEIGHT	FUNCTIONALITY RATING	PORTFOLIO OF EVIDENCE
Capital Funding (25)	Participation in similar investment opportunity in the past five (5) years counting from the awarding of the project.	10	10 points: 5 years and more 7 points: 3-4 years 5 points: 1-2 years	Investment opportunity list with roles and period
	Audited financial statement should be attached.	10	10 points: Analysis and interpretation of Annual Financial Statements	Audited Annual Financial Statements
	Company profile indicating the relevant commercial and Industrial investments bidder has participated in.	5	5 points: Participated in two (2) or more investment deal; 2 points: Participated in one (1) investment deal.	Company profile indicating relevant commercial and industrial investment participation by the bidder.
Investor with design property development, construction and management experience. (5)	The team members to be involved and other team assistants should have a minimum of five (5) years' experience in the categories in line with the project. Submit a general curriculum Vitae/ profile for each of the key personnel which highlight experience that is relevant.	5	5 points – design, development construction and management experience	Team Members CV's certified copy of qualifications and organogram

Proposal with a partnership model (10)	A clearly defined Proposal including Investment partnership strategy which shows budgets, Proposed Construction Plan Proposed Design Proposed Development, Proposed investment life span and cash flows.	10	10 Points – Investment partnership strategy (incl. partnership model and budgets), Proposed Construction plan, Proposed Investment life span and cash flows	Investment Partnership strategy including budgets, Proposed Design, Proposed Development, Proposed Construction Plan, Clear Investment model and Proposed investment life span and cash flows
Due diligence (5)	Testimonials or references on investment partnerships including successes and failures. Provide the names of companies or investments, contact details and investment description. The testimonial or references should be on the official company letter head of the investment partner or project	5	5 points: 4 and more references; 3 points: 2-3 references; 1 point: 1 reference.	Testimonials or references on investment partnerships
Local Preference (10)	If the bidder demonstrates that Fifty Plus One (50+1) percent of the shareholders reside within District Municipality	10	10 points – Majority shareholders (50+1%) reside in King Cetshwayo District. 05 points – if minority	Shareholder certificates (The Mthonjaneni Municipality retains the right to verify the locality of shareholders through physical verification and / or

			shareholders reside in King Cetshwayo District. 01 point – if no shareholders reside within King Cetshwayo District.	municipal voters roll)
Funding (15)	Proof of funding support from a reputable funding institution	15	15 Points-Proof of funding support from a reputable funding institution	Letter/ contract from a reputable financial institution
Presentation (30)	Presentation of proposed development to the Land Disposal Committee	30	30 points – above 80 20 points – 60 to 80 10 points – 50 to 60	Presentation of the development and the plan to execute the development.
	Total Score	100		

5. MTHONJANENI TOWN PLANNING SCHEMES

LAND USES AND DENSITY CONTROLS

MTHONJANENI – COMMERCIAL/ MEDIUM IMPACT

Statement of Intent	Cov.	Height	Min. Erf Size	Front Building Line	Side Building Line	Rear Building Line
This zone makes provision for the development and management of land in and around the central business district of Mthonjaneni. The zone permits a wide range of land uses combining commercial, trade, office administration, cultural, residential and low impact industrial activities and developments to enable a special mix of development to occur.	70%	3	1144	7m	5m one side	7m

MTHONJANENI MUNICIPALITY

FORM OF TENDER

The Municipal Manager
Mthonjaneni Local Municipality
PO Box 11
Melmoth
3835

Sir,

I/We _____ offer to purchase the following erf / erven in accordance with the contract conditions for an amount of:-

ERF : _____

R _____

In words _____

This tender shall remain binding upon me and open for acceptance by the seller for a period of 90 days calculated from the closing time of bid.

For (Bidder) : _____

Address : _____

Contact Telephone : _____

Email Address : _____

I/We hereby acknowledge: -

1. that I/We have read and acquainted myself/ourselves with the terms and conditions of tender and understand the purpose thereof and agree that all such conditions shall form part of this tender;
2. I confirm that I am duly authorised to make this offer.
3. The purchase of the property will be secured by the payment of 10% of the purchase price within 7 days after the appointment and the balance to be settled within 30 days from the date of signing the sale agreement.
4. I/We understand that the Council is not bound to accept the lowest or any tender received.
5. I/We understand that the Council is not bound to accept the highest or any tender it may receive.

NAME & SURNAME : _____

ID. NO. _____

SIGNATURE OF BIDDER/ PROPOSER

DATE : _____