In this issue:

- Tenant Expectations
  What North Americans expect

- Development & Housing Board

- Regional Services Councils
  What they are and what they may become

- A Challenge for Excellence
Contents: Inhoud

TENANT EXPECTATIONS
by Vern Tatham 2

ESTATE AGENTS COMMISSION
7

INTEREST SUBSIDY ON HOUSING LOANS
8
Department of Public Works & Land Affairs

REGIONAL SERVICES COUNCILS
9
by P C Erasmus

ECONOMIC PROSPECTS
16
by Dr D C U Conradie

PRIVATISATION IN SOUTH AFRICA
18
Standard Bank Investment Corp.

THE DEVELOPMENT AND HOUSING BOARD
22
by Minister A A Venter

NEW LIFE FOR SATS LAND
24
by Basil Brink & Robert Downs

MANAGEMENT BUY-OUTS IN SOUTH AFRICA
27
by Business Day Editor, Chris Cairncross

PROPERTY CHALLENGE - A CHALLENGE
29
FOR EXCELLENCE by C F Moore

WORK CREATION PROJECTS
31
by The Department of Manpower

BURO VIR EKONOMIESE ONDERSOEK
32

LEGAL
34
- Cape Land Use Planning Ordinance
- Gazette News
- Court Reports

NEW DEVELOPMENTS - THE COST/VALUE
39
MARGIN by David Beattie

COMMITTEE REPORTS
41

DIARY OF EVENTS
45

Articles for inclusion in this Journal should be submitted to the Secretariat. They will be published in the language in which they are written. The articles herein do not necessarily reflect the views of the Association. All rights to this publication are reserved and no part may be reproduced without the written permission of SAPOA.

Artikels vir publikasie in hierdie Joernaal moet aan die Sekretariaat voorgeleê word en sal gedruk word in die taal waarin dit geskryf is. Artikels weerspieël nie noodwendig die mening van hierdie Vereniging nie. Alle regte tot hierdie publikasie word voorbehou en geen deel mag weergee word sonder VEESA se skriftelike toestemming nie.
NEW LIFE FOR SATS LAND

Basil Brink & Robert Downs

Preamble
This paper intends to focus attention on possibilities and processes in developing tracts of vacant, often unsightly and under-utilised transport land in our cities and suburbs.

Precedent
The term "transport land" refers to land which is owned by a transport authority, generally a public body, and includes the space above or below such land.

Combined commercial and transport development is not a new concept. Hotels have been built together with railway stations from the earliest days of steam travel (St Pancras, Liverpool Street, Charing Cross, Holborn Viaduct, Gare Montparnasse). Since the Second World War Japan National Railways has attracted private sector financing for reconstruction of station buildings. Looking further back in history we see shops incorporated with and over transportation routes as for example Ponte Vecchio (Florence), Rialto Bridge (Venice), housing integrated with bridges as in Paris's Pont Notre Dame and London Bridge.

Many examples exist of commercial development on transport land both abroad and in South Africa. Special emphasis has been given to railway land since the large concentration of passengers and the location within existing cities and towns makes this land particularly viable as a commercial area.

Examples include:
- Shops, offices and university buildings over rail terminal and tracks (Vienna)
- Dwellings over motorways (West Berlin)
- Shops adjacent to railway stations (Hamburg)
- Shops below elevated railway tracks (Japan)
- Offices over railway station (London)

The implications for urban revitalisation are considerable. The once popular Woodstock beach has effectively been cut off from the public, and similarly Joubert Park has been fragmented by the railway chasm in front of Lutyens' Art Gallery Building.

Development of transport authorities' city centre land serves the interest of landowner, developer and local authority, namely:

The significance for urban design is the possibility of injecting new facilities without the need to demolish existing buildings. This is a valuable selling point where passenger flows and established transport modes contribute to the viability of new ventures.

A desirable mix of buildings of varying age and condition is produced. In addition the possibility exists of connecting urban districts which have been separated by transport routes. In South Africa development under or over city streets has resulted in connecting individual buildings together (eg Carlton Centre in Johannesburg, Golden Acre and Adderley Street Underground Mall in Cape Town).
- Greater convenience for commuters which will encourage the use of public transport.
- Creation of new "land" in unique central locations allowing large scale development where it would otherwise be difficult to assemble privately owned plots.
- Provision of income for local authorities and land owners.

In South Africa the concept of private sector development on publicly owned land has been given impetus by:
- The need to improve and re-vitalize transport networks
- The lack of finance available to the Public Sector
- Market forces increasing the value of urban land
- The lack of developable land within cities
- Proposed legislation allowing for the taxation of public sector land
- Income incentives for land owners (lease income)

Profit/Income
A prime motivation for development is the incentive for profit or income.

In South Africa the rise in Black spending power, coupled with the high usage of public transport creates attractive opportunities for commercial development at transport termini.

Use of underutilised land
The transport authorities own prime land in city centres which is often under-utilised.

In South Africa the impending application of municipal rates and taxes on government land within cities has prompted serious consideration of the costs of allowing city centre land to lie fallow.

Feasibility
The development of transport land becomes more feasible as urban CBD space becomes limited. The economies of scale operate in favour of large structures because the technical constraints and requirements generally demand costly solutions.

Developers in high value CBD areas are usually large institutions capable of financing large long-term interests to make long-term investments.

Impact
Developments have a great impact on the urban environment incorporating the economic upgrading or re-vitalisation of the immediate environments, decreased load on existing infrastructure and services, as well as the creation of new landmarks. Where a transport facility is bridged the social character of the surroundings is often improved by reconnecting community districts which were previously separated.

Organisation
Because of the vested interests of many parties (landowner, developer, financier, city authorities, users, affected communities and taxpayers) and considering the technical requirements affecting construction without disrupting existing services and operations, a high degree of co-ordination is required.

The principle of developing transport land has been tried and tested. Japan has been successfully involved with private sector participation since the Second World War. Private investors were encouraged to finance station buildings in return for the use of space within the buildings for shopping facilities. These became known as "peoples stations".

With the present shortage of public sector finance in South Africa it is becoming more attractive to combine the assets and economic strengths of the public and private sectors, thereby revitalising our cities.

Examples of successful developments in other countries highlight the scope and potential of air-rights development:

Franz Joselsbahnhof, (Vienna), is Europe's largest structure over a railway terminal. The structure covers both parts of a dual station comprising a four-track passenger terminal and a bigger freight terminal. It consists of a 3-level concrete superstructure platform supporting a complex of
buildings. The structure joins together the two halves of the district which had been separated by the rails. This district is now growing together as a social unit because of improved accessibility and the provision of new amenities.

Hamburg-Altona Station (German Federal Railways) found it necessary to provide a "marketable" service to compete with vehicle transport. This included the close integration of shopping and transport facilities for the convenience of passengers. The scheme incorporates a restaurant and a 2000 m² department store adjacent to the new station building.

In South Africa public transport bodies can benefit from improved competitiveness by the provision of more attractive public transport termini.

In Sendai, Japan, (3500 m²) of shops were constructed below elevated railway tracks. The multilevel station incorporates the shinkansen (long distance "bullet train") on the 3rd floor, a narrow gauge (regional) line at street level, and a bus terminus. Parking is provided for 300 cars on the roof. In Japan land is very limited and radical approaches to accommodation are necessary. This type of vertical stacking of rail tracks might be a solution where extra track capacity is required in city centres but cost of land acquisition is prohibitive.

In London the Victoria Plaza (18 500 m²) of office space over Victoria Station occupies one of London's most convenient locations where the transport systems of the capital, the country and the world meet and intersect. A mainline rail terminus, three underground lines, bus and coach stations are all literally on its doorstep.

It is evident that human efforts and natural resources must be harnessed to develop transport land. The examples quoted above illustrate how diverse the development possibilities are and what can be achieved when people "cover their tracks".

The ideas and approaches put forward in this paper are solely those of the authors and do not reflect or intend to reflect the policy or envisaged procedures of the South African Transport Services.

Basil Brink and Robert Downs
South African Transport Services.