

## BUSINESS PLAN COMMENTS

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Our primary concern relates to what we see as a duplication between the CID's mandate and the mandate held by the Marina Da Gama Association. Marina Da Gama is one whole neighbourhood. With the Park Island CID already established, there is a risk that over time this whole neighbourhood will become fragmented and splintered, with multiple CIDs managing their own 'patch', with little or no coordination or cohesion between CIDs. This presents a scenario in which multiple CIDs operate in silos, with no coordination or integrated planning, thinking or action between the multiple parties. This will lead to duplication in efforts to essentially deliver results for one "neighbourhood".	Other	NO	Eastlake Island CID (EICID) is simply the natural progression of our 20-year-old ELISA public security initiative to newer technologies, an alternate, more robust, form of funding with better governance and more transparency. There are several guarding groups in the Marina, all with relationships with the MDGA, and the proposed EICID will be no different. EICID has been evolving for almost 2 decades and has successfully provided public safety to our community throughout this time. However, ELISA has become unsustainable, due to (1)insufficient income to fund its operations in the light of rapidly escalating costs and security threats & (2) The onerous, thankless task of fundraising, with the ELISA committee no longer able or willing to continue in the current model.The ELISA committee felt that it was an appropriate time to review ELISA operations. In particular, whether a CID would be a better vehicle for the future. The ELISA committee tapped into the experience of the Park Island CID, which has successfully addressed the collapse of Park Island Guarding by implementing a CID. Our Motivation Report makes it clear that the services provided by the EICID will be a supplement to those services currently provided by both the MDGA and the City of Cape Town - there is no substitution or duplication, the services are additional. EICID will embrace ELISA and the other initiatives to Eastlake Island only. Please refer to the Motivation Report on our website, where we detail the 4 initiatives, and how they interact with the City and MDGA. None of these initiatives have or will duplicate any of the work covered by the mandate of the Marina da Gama Association - we believe that they have and will continue to enhance the security of the Marina da Gama.		The Marina da Gama is a special overlay area. This relates primarily to the colour and the design of the homes in the area. The Marina da Gama is governed by the Marina da Gama Association (MDGA) - its mandate is to: (1)manage the collective interests' common to all its members and the collection of subscriptions for which members are liable; (2) promote and enforce standards for high density community living in the Township Area in such a way that members may derive the maximum collective benefit therefrom. The aforementioned standards shall extend to all services and amenities in the Township Area, and such facilities, including the facilitation of security services, commenting on business licences and rezoning applications, which will maintain the Township Area as a safe and attractive environment for its residents. (3) to promote acceptable aesthetic, environmental and architectural styles and design criteria for the Township Area in order to achieve harmonious development thereof and to control the design and development of all properties therein and the Association shall have the powers to do such acts as are necessary to accomplish these objects. As described in the Business Plan, the Eastlake Island CID will complement the services offered by tsh MDGA in the environmental space. The MDGA has installed LPR cameras on the M5, and cameras on the Northern Wall. Neither secure the geographical area of the Eastlake Island CID. Security has been paid for by the members for around 20 years and this is not going to change. We are hoping that the members will attend the second meeting so they can fully understand the objectives of the CID and that there is no overlap between th CID and the MDGA.
With these points in mind, we are concerned about the inadequate explanations about how the CID (and, in reality multiple CIDs) will operate in alignment with the MDGA. What steps will be taken to repair the relationship with the MDGA? In this respect, the MDGA still retains responsibilities for certain aspects of managing the MDG environment, particularly in respect of maintaining standards. The Marina has a unique character, and those standards help to protect that character. The notes from the meeting of 7 November state: "The MDGA cannot manage 1300 properties", which appears to be a justification for the splintering described above. However, the tasks outlined in the CID proposal do not address how the overall management of the neighbourhood will be carried out, beyond cleansing/beautification and public safety. It is well known in this area that certain members involved in the establishment of the CID have been vocal and unrelenting in their criticism of the MDGA. Is the creation of the CID simply an extension of this vendetta at the expense of the residents?	Management	NO	The movement to CIDs is general across Cape Town - there are 51 CIDs currently, with many more in the pipeline. It is a very powerful model for funding local initiatives and has been a great success in empowering citizens to improve their areas. The criticism of MDGA that you refer to was never about the MDGA, it was about a decision made by the then members of ExCom. The constitution of the MDGA was used to overturn that decision following the wishes of the residents. The role and validity of the MDGA have never been questioned or challenged. The implementation of a CID changes nothing in the running of the MDGA - the roles are separate but complementary. Your concern regarding fragmentation is unfounded, or, at worst, is no different to what we have today. The overall management of the Eastlake Island CID will be carried out by the directors of the CID. There is very little difference to how ELISA is currently managed, except for a more robust revenue stream, more transparency and communication between the members and the directors of the CID.		
3. In addition to this fragmentation, the lack of integration with the MDGA results in double charges for residents – many of whom already are unable to pay the nominal ELISA fee. While we accept that the ELISA levy is already in place, this seems to be an opportunity to streamline the financial demands on residents by integrating efforts into one managing body – that which already exists in the form of the MDGA. By contrast, the CID proposal imposes an additional financial burden on residents, since they will be paying higher fees in the CID levy, as well as the annual MDGA fee. We calculate that we will be paying more than R100 extra a month on the CID levy (based on the calculation included in the business plan). While it may not seem high, in a constrained economy, that additional cost could present significant difficulties for residents who are already unable to pay the ELISA levy.	Financial Impact	NO	Response to questions 3 & 4: the average amount payable to the Eastlake CID is comparable to the current amounts payable to ELISA. Whether it is funded by a CID or the current form of ELISA, the cost of the service is the same. The difference is in the source of funding. In its current form, ELISA would have been required to increase its levies substantially, to cover the costs of the security. In short, the R260 you are currently paying would have gone up already this year by about 10% to R290 and then next year to around R320. As at present, residents with financial difficulties can apply to the Council for rates relief. Residents receiving rates relief are exempted from the CID additional rate.		
4. If those residents are already unable to pay the ELISA levy, what support will they receive in the light of the increased costs of the CID levy? What penalties or sanctions will be applied in their failure to pay? The fact that the CID may exist does not alter the fact that they cannot afford the monthly levies.					
What will be the increase cycle in levies each year? Will they increase with each valuation round					
What will be the increase cycle in levies each year? Will they increase with each valuation round	Financial Impact	NO	The increase in costs over the next 5 years is detailed in the Motivation Report. Levies for the additional rates will be adjusted accordingly, based on the rateable value of each property.		

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6. We note that in the meeting notes from the gathering on 7 November, there is a statement that reads "CID will not replace ELISA. The CID is an umbrella organisation under which ELISA will continue to function, but under an improved financial structure." Please clarify what this means. If the CID is not to replace ELISA, that appears to be an extra administrative layer. In the documentation, there is an admission that ELISA cannot function in its current form. While the CID is a collection mechanism for the levies that ELISA is unable to collect on its own, what guarantee do we have that ELISA will be able to carry out its mandate as a sub-committee of the CID? Where does the CID end and ELISA begin? What other sub-structures will be created under the "CID umbrella", and who will manage or implement those sub-structured?	Management	NO	ELISA is a well-known and established brand and that is why we wanted to retain the name in the umbrella of the CID. The philosophy and management of the CID will be identical to ELISA. However, in practice, ELISA will disappear as a legal entity and be replaced by a not-for-profit company (NPC). The current members of ELISA are members of the CID Steering Committee. 85% of the budget of the CID will be going towards security. Each director will be given a portfolio to manage – and one will be security. So we can call it "Security" or we can call it "ELISA". The only difference between the current ELISA and the future ELISA/Security – all the directors will have to review the tenders for the service providers and agree to the appointment thereof (there will be a similar process for all the service providers, including the auditor and the bookkeeper)		
7. In the same vein, the CID board will be made up by a group of volunteers. The survey indicated that the majority of residents would not be interested in patrolling. This reluctance would be extended out to a lack of interest from residents in wishing to step up as volunteers for the CID's board and relevant sub-committees. How does the CID steering committee or board propose to entice/persuade/encourage residents to participate? A voluntary committee is only as good as the participation of its members. How does the steering committee propose to overcome this apathy or inertia to build a dynamic, functional and effective board of volunteers? What measures will the CID board implement to ensure residents who do step up are not vilified and abused – especially on social media – for any perceived failings? The reporting conditions for the CID board are far more onerous than the current ELISA administration. How will a board of volunteers maintain those reporting commitments, to secure the continued success of the CID if there already appears to be a seam of apathy among residents?	Management	NO	Most members are happy to pay for a service rather than put themselves in the line of danger, by patrolling the area at all hours of the day or night. The survey was very conclusive on this point. It does not mean that members will not be prepared to volunteer to assist as a director on the committee. From the feedback we have received, there is little apathy towards the formation of the CID and we have already had offers to assist in the running thereof. The formation of the CID in Park Island has resulted, already, in a more cohesive community, and we expect the same to happen in Eastlake Island. The reporting procedures may seem more onerous – but they are not. The only difference is that the management accounts have to be submitted to Council every month. The accounts of ELISA are reconciled every month, but there is no need for onward reporting. The accounting will be a lot simpler for the CID than for that of ELISA – there will be only a single amount paid into the account by the City.		