



ELUNDINI LOCAL MUNICIPALITY

REQUEST FOR PROPOSAL - DEVELOPMENT LEASE

Proposals are hereby invited from suitably qualified service providers with a proven track record for the development of commercial property on municipal owned land.

Interested service providers are requested to provide proposals to construct and manage a commercial property on municipal owned land, indicating the proposed lease period and the details of the proposed building on Erven 245 and 246 in Mount Fletcher.

Extent: The extent of the property is 2.2911 Hectares

Zoning: The property is zoned as "Commercial"

Improvements: The property has some old structures that will have to be demolished

Highest & best use: The highest and best use is considered to be commercial (Retail Shopping Centre)

Lease amount: To be proposed by the bidder and subject to negotiation

Lease period: To be proposed by the bidder and subject to negotiation

Escalation rate: Inflation plus 2% (subject to negotiation)

The property is located on the corner of the R56 and in Mount Fletcher adjacent to the newly developed taxi rank and the site is considered to be prime for Retail as the town services the local townships and various other rural villages within the area of Elundini Local Municipality.

Technical queries can be directed to **Mr. M. Skosana** on madodas@elundini.gov.za or (045)932-8212 and SCM queries to **Ms. H. Mduzulwana** on hlubikazi@elundini.gov.za on (045) 932-8101

Bid documents will be available from Monday, 17 October 2016 on a payment of R250.00. The document can be e-mailed to bidders on proof of payment. A detailed breakdown for evaluation criteria and banking details will be made available on the municipal website: www.elundini.org.za

Compulsory Briefing Session: Tuesday, 25 October 2016, 12:00 at the Mount Fletcher Municipal Offices

Completed Bid Documents in black ink, in a sealed envelope and clearly marked "BID NO: ELM-6/008/2016-2017: PROPOSAL FOR DEVELOPMENT LEASE – ERVEN 245 & 246 Mount Fletcher" must be placed in the Tender Box at Elundini Local Municipality No.1 Seller Street, Maclear which is in the Cashier Reception Area.

The closing date and time for submission of bids is 17 November 2016 at 12:00. Telegraphic, telex, facsimile, e-mail and late bids will not be accepted.

K. GASHI
MUNICIPAL MANAGER
ELUNDINI LOCAL MUNICIPALITY

Preferential procurement policy framework points of focus are as follows:

1. Evaluation Criteria

Functionality criteria

Qualifying Criteria	Evidence	Points
Minimum of 3 commercial property developments	Portfolio of evidence	20
Experience	Experience of Commercial Property Development working in partnership with a municipality or government department/entity.	10
Property leasing and management experience	Provide relevant documentation	10
Funding	Correspondence to proof aligned funding and audited financial statements for the past three years	30
Anchor tenants	Provide valid proof of intent to rent	15
Proposed Project and value of the building to be constructed	Plans and sketches with detailed costing of the project	15
Proposed Project plan	Clear project plan with approach, methodology and proposed time frames	10
Value addition by tenderer	Draft plans and sketches of value addition	10
	TOTAL	120

Bidders must score a minimum of 85 points out of the possible 120 of the above criteria in order to proceed to the next stage of the bid.

Submissions received will be assessed based on the 90/10 point system and preference will be given in accordance with points scored as follows:

DUE DATE FOR SUBMISSION OF PROPOSALS

Proposals not received by 12h00 on Thursday, 10 November 2016 will not be considered.

The remaining 10 points will be allocated for BBB-EE in terms of PPPFA as follows:

BBB-EE Status Level of Contributor	Number of Points (90/10 System)
1	10
2	9
3	8
4	7
5	6
6	5
7	4
8	3
9	2
10	1
Non-Compliant Contributor	0

Pricing:

All proposals will be evaluated on the feasibility of the proposed development. The monetary value will be measured against the local economy of scale and affordability of the cost per square meter. The proposal that adds the highest value will be considered. This value may not be measured in only monetary grounds but will also include the community beneficiation. Therefore the Elundini local Municipality holds the right not to award the bid to the highest monetary value or to any bidder should the proposals not comply with the criteria. **The pricing factor should be based on points and not monetary value**

Minimum details to be included in the proposal	
1. The value of the proposed buildings	
2. The proposed term of the lease agreement for the buildings	
3. The proposed development including the type of buildings to be constructed and value addition items, supported by draft plans and sketches	
4. Summarized project plan for the development and construction indicated critical timelines and the opening of the building	
5. Contactable references and track record of successful property development projects	
6. Letters from tenants indicating their willingness to occupy space within the building	
7. Confirmation of the availability of funding to undertake the project	
8. Demonstrate the ability to assist Small and Medium Enterprises on leasing retail or office space	
9. Demonstrate the ability to manage and maintain the property during the lease period	

BANKING DETAILS

ELUNDINI LOCAL MUNICIPALITY

BANK NAME : FIRST NATIONAL BANK

ACCOUNT NUMBER: 62159933772

BRANCH CODE : 250655

K. GASHI

MUNICIPAL MANAGER

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