



CITY OF JOHANNESBURG

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A City of Johannesburg Press Statement by
the MMC for Economic Development, *Cllr Leah Knott*

City clarifies issue of Pirates Sports Club lease agreement

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The City of Johannesburg wishes to provide clarity in relation to several media reports concerning the cancellation of the lease for Pirates Sports Club.

Pirates has a long-term lease from the City for the property which they currently operate from, for the purpose of providing sports facilities for the local community. As part of their lease they are expected to undertake programmes for the betterment of the community. However, they have incorrectly interpreted this to allow WastePreneurs to permanently occupy a portion of the property next to the Pikitup garden refuse site.

The City welcomes initiatives which aim to support and better the lives of reclaimers, who perform a valuable function in our society. This administration has always vowed to create a conducive environment for residents to empower themselves and for small businesses to thrive. We emphasise that ours is a pro-poor government committed to ensuring that opportunities are available for all.

However, we want to ensure that all businesses operate within the confines of the law.

Running a waste management facility requires proper environmental authorisation in keeping with both national legislation and municipal bylaws. The site which WastePreneurs operated from does not have this authorisation, and by allowing WastePreneurs to permanently occupy this site Pirates are in contravention of the Municipal Finance Management Act (MFMA), which prohibits sub-leasing of municipal property.

The Johannesburg Property Company (JPC) brought this to Pirates' attention three years ago, and gave them ample opportunity to remedy the breach of the lease rather than throwing the book at them. By 2018 this had still not taken place and so we called all parties together in order to find an amicable solution. Pirates was advised to ask WastePreneurs to vacate the site, and WastePreneurs were advised to apply to JPC so that the City could help them find a suitable piece of land, which would then be subject to an environmental impact assessment.

By April 2019 neither party had resolved this issue, and Pirates was issued with a notice to comply or their lease would be terminated. Again we sat down together in June to try and resolve this matter in a reasonable fashion. Pirates agreed to ask WastePreneurs to vacate the site within 90 days, which seemed fair. This was confirmed at a meeting of all Pirates Sports Club members who mandated the executive of the club to take any action necessary to restore Pirates' lease.

In August WastePreneurs sent in an application to JPC requesting the use of their current site, which they already knew was not possible. JPC responded that this request would not be considered, and that Pirates' lease had been effectively cancelled since they had not remedied the breach. In keeping with the requirements of the MFMA, the next process would be to place the property out on tender. At no point was Pirates given an eviction notice.

As of 2 September 2019, Pirates were given yet another 60 days to remedy the breach of their contract by asking WastePreneurs to vacate the site. We have not entered into any litigation against the Club as we remain hopeful that Pirates, with its remarkable history as a key sports institution in Johannesburg, will heed the request to comply with the law and the terms of our agreement.

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