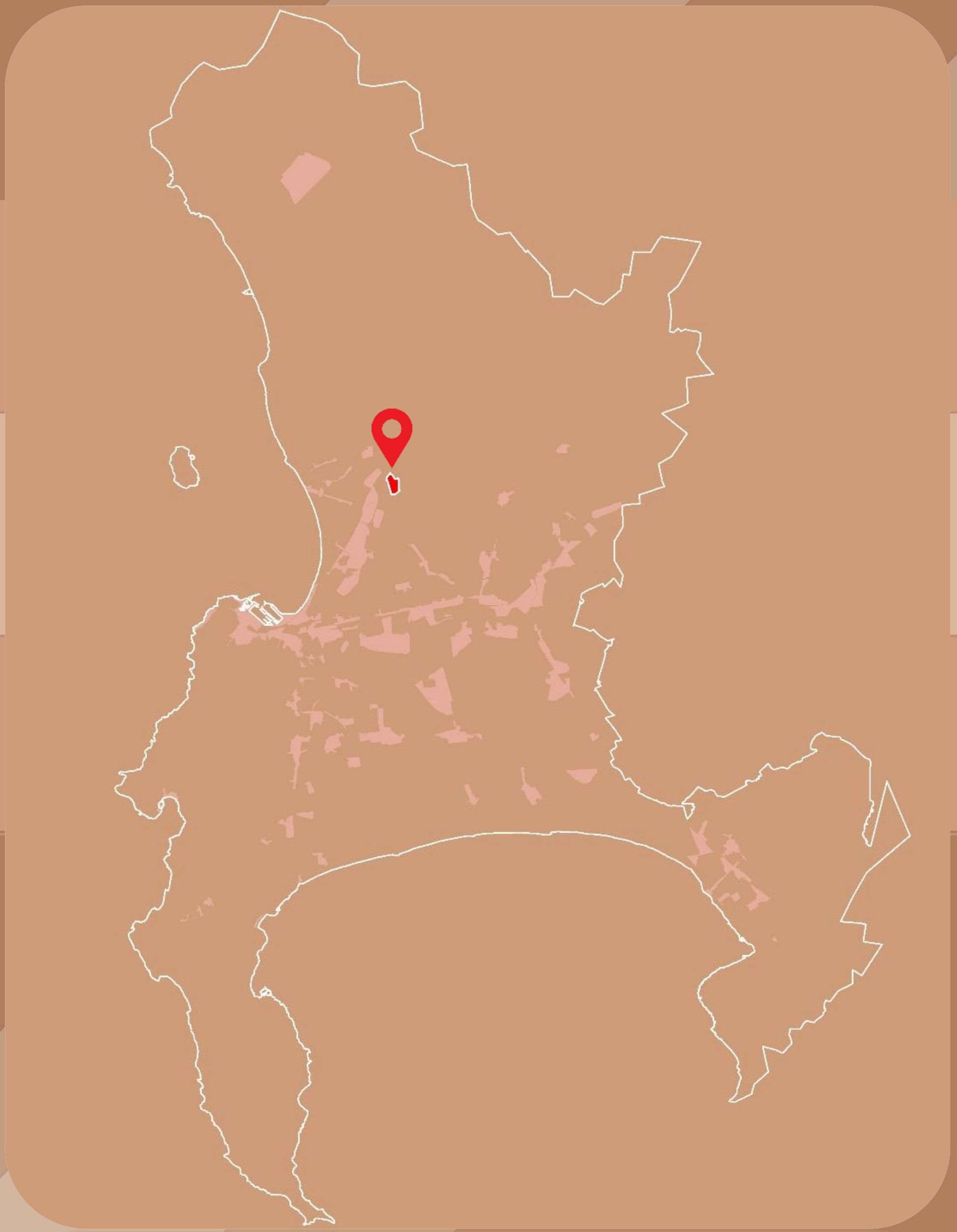
ATLAS PARK INDUSTRIAL ECONOMIC AREA PROFILE

TREND ANALYSIS 2012-2022

Image source: Google Earth



June 2025

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Making progress possible. Together.

ACKNOWLEDGEMENTS

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POLICY & REGULATORY CONTEXT

For the past decade, the global and national economic context has required regional economies to prioritise their investment decisions in space for greater efficiency. The Economic Areas Management Programme (ECAMP), as it was introduced, has therefore been considered a valuable economic data tool that provides valuable insights into the performance of the space economy at an area-specific level.

This update of ECAMP is further aligned with the Urban Planning & Design Department's business strategy to leverage spatial intelligence to unlock value within Cape Town's space economy by:

a) Tracking the performance and implementation of its spatial development framework policies
b) Developing the evidence base to inform and adjust said spatial policy
c) Supporting spatially targeted investment and decision-making
d) Providing a spatial lens of economic data within the Cape Town context

The following strategic objectives and programmes support the update of ECAMP:

INTEGRATED DEVELOPMENT PLAN 2022-2027

- Objective 1 (Increased jobs and investment in the Cape Town Economy): Targeted urban development programme
- Objective 15 (A more spatially integrated and inclusive city): Spatial strategy monitoring and evaluation project

INCLUSIVE ECONOMIC GROWTH STRATEGY (2021)

- Applying an economic lens to policy-making by integrating sustainable analysis into City Decision Making in alignment with the MSDF.
- The primary and most immediate scope of work must centre around economic recovery. To this end, implementation of this Strategy will be in the form of a three-phase recovery approach.

MUNICIPAL SPATIAL DEVELOPMENT FRAMEWORK (MSDF, 2023) POLICY & STRATEGY IMPLEMENTATION

- Table 5.1: Spatial strategy 1: Substrategies and policy guidelines (Policy 2, 4 and 5)
- Table A2: Spatial strategy 1: Policy guidelines, strategic and implementation intent (Policy 4,2 and 4,3)

DISTRICT SPATIAL DEVELOPMENT FRAMEWORK (DSDF, 2023): SUB DISTRICT GUIDANCE

- Northern DSDF - Subdistrict 5: Eastern N7 corridor area:
    - District Development Guidelines (page 62)
    - Subdistrict Development Guidelines (page 89)
    - Consolidated Subdistrict SDF (Figure 22: Subdistrict 5: Eastern N7 corridor)

CONCEPTUAL FRAMEWORK

Intended users
This profile provides a cohesive narrative to determine key trends across several data entry points to help inform decision-making. It also aims to help guide investment in cases where data is not readily available to the public.

Conceptual Framework
The reporting of updated time series microeconomic analysis on Cape Town's economic areas is informed by a conceptual framework, which aims to create spatial intelligence on *supply & demand factors according to the* 5 themes which have been identified. The 5 themes allow for an integrated narrative across area-based economic trends. The trends being reported throughout this profile are used to classify and assess the overall performance of Cape Town's economic areas.

Data preparation, sources, assumptions and limitations
The indicators reported in this profile feed off several automated data processes to add intelligence at a land parcel level which is then aggregated into economic areas. This profile draws across various datasets between 2012 and 2022 such as the General Valuation Roll, market reports, building plans, land use applications, property sales and SARS data. While many of the respective datasets are continuously refined over time, this profile will be updated as and when new data is available.

Contact details
Should you wish to make contact, please direct your feedback to the City of Cape Town's Metropolitan Spatial Planning and Growth Management branch via Future.CapeTown@capetown.gov.za.

MICRO-ECONOMIC DEMAND & SUPPLY FACTORS
This profile examines a range of micro-economic indicators to highlight trends in supply and demand specific to the economic area. The indicators include:

- Property sales per land use sector
- Building work completed
- Types of land use applications approved
- Vacant land per land use sector
- Built-up land and take up rate per land use sector
- Dominant land uses present in an area
- Building vacancy rate overtime
- Capitalisation rate over time
- Rental rate p/m² by land use sector
- Jobs per industry

MACRO-ECONOMIC REPORTS AND INDICATORS
For additional insights into the macro-economic factors affecting the regional economic condition, refer to the following reports for more information on macro-economic indicators related to Cape Town:

- Economic Performance Indicators for Cape Town
- Regional Market Analysis and Intelligence 2023/24
- Provincial Economic Review and Outlook (PERO)
- Municipal Economic Review and Outlook (MERO)

WHY

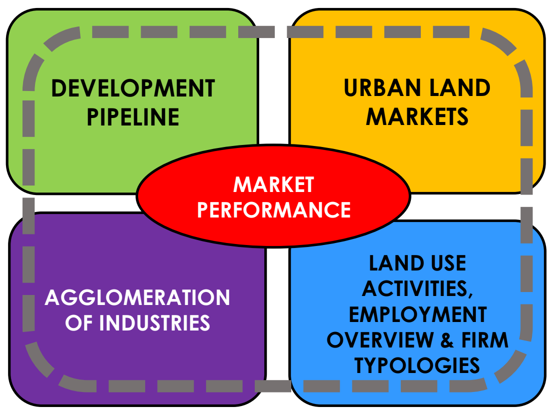
VALUE PROPOSITION	CHALLENGES /OBJECTIVES TO ADDRESS	AREAS OF APPLICATION
Promoting economic infrastructure in support of economic growth and job creation. Supports internal and external collaboration around data and spatial intelligence. Supports the spatially differentiated investment rationale of the MSDF and DSDFs.	**Urban Growth Planning (Non-res growth estimates)**: Determine where to accommodate non-res growth. **Spatial intelligence**: Location-based supply and demand factors. **Enhanced spatial policy**: Evidence-based analysis on Cape Town's space economy informing a policy framework.	Land Use Model 2050 update. Replacement of the static and dated ECAMP with an updated, automated economic analysis tool. Support: Business retention & expansion initiatives. Data foundation behind MSDF Policy Statement 4.

WHAT

Supply, Demand & Performance (S,D & P)

Building work under construction/completed **(S)**.
Land use approvals **(D)**.
Property sales by sector **(P)**.

Agglomeration and Co-agglomeration of major sectors/industries **(S)**



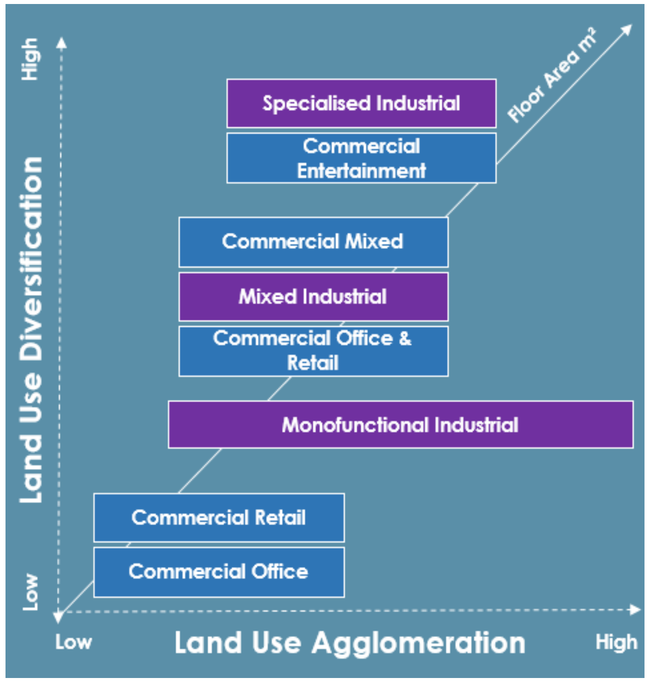
Built-up extent (m²) of land per sector **(S)**.
Vacant land (m²) per sector **(S)**.
Vacancy rate of buildings (%) per sector **(P)**.

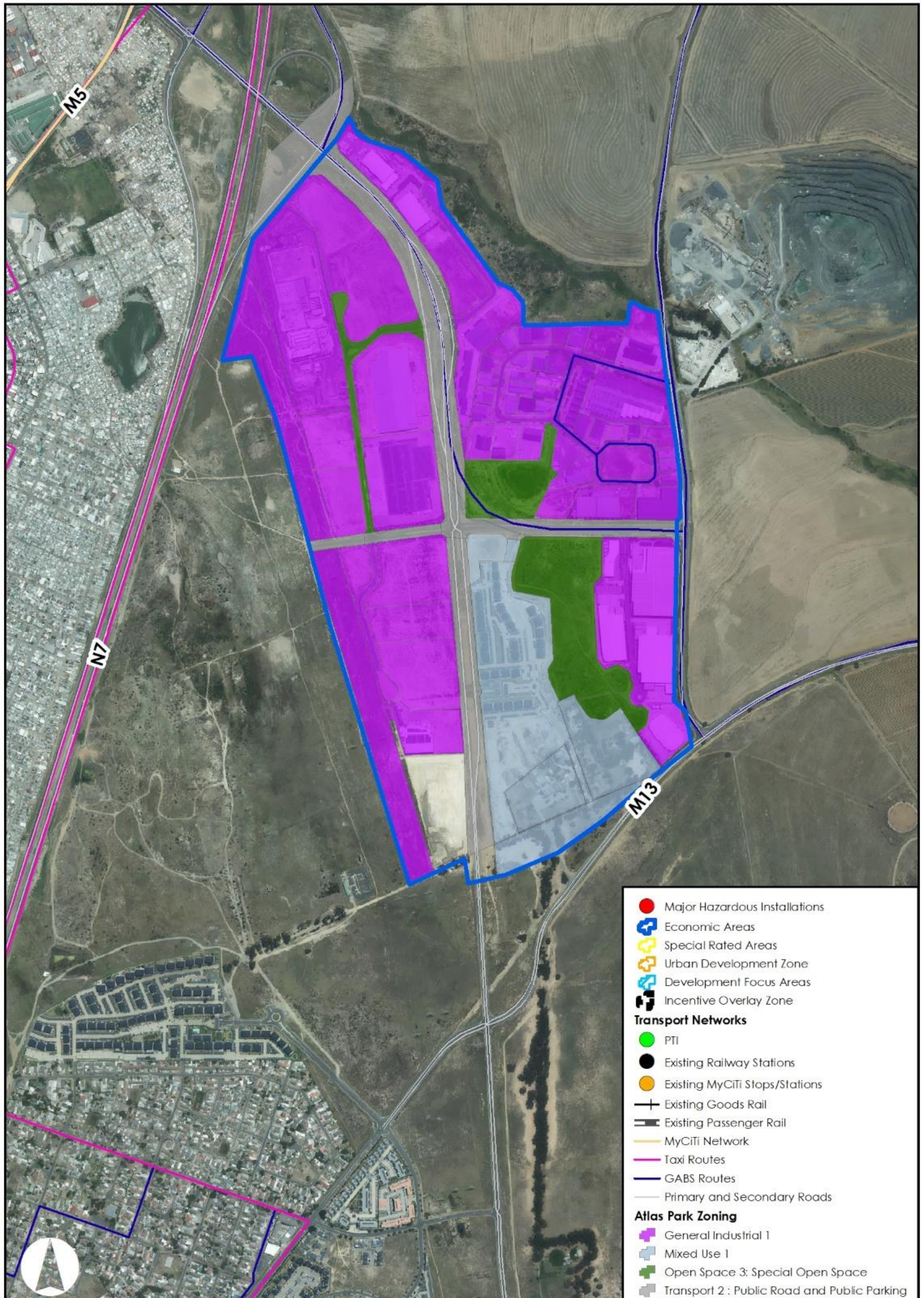
Dominant land use **(S)**
Propensity of industries at a Metro scale **(D)**.
Total jobs per industry & wage band **(D)**.
Firm size and count **(D)**.

Cap rates **(P)**
Rental rates per m² per sector **(P)**

HOW

At a metro scale, economic areas are classified as either industrial or commercial nodes. In the context of Cape Town's distinct space economy and the agglomeration patterns of industries, industrial nodes can be further characterised as being either specialised, mixed or Monofunctional. While the general understanding is that commercial nodes presents a more 'mixed use' environment, these nodes can be further characterised as being unique to either retail, office, entertainment, office & retail or mixed (where 3 or more land uses has a significant amount of floor area within an area).





ATLAS PARK

Location

- The area is approximately 25km northeast of Cape Town's Central Business District and the Port of Cape Town. Furthermore, it is located 21km from Cape Town International Airport.
- It is also situated near the N7 highway, but also nestled between Contermanskloof Road and Tygerberg Valley Road, providing easy access to areas across Cape Town.
- The area is mainly serviced by GABS.
- Access to a skilled workforce from surrounding areas, includes the broader Durbanville and Milnerton areas.

Zoning, land use and form

- The area is predominantly zoned for industrial purposes.
- The area is mainly characterised by light industrial uses, which include warehousing, workshops, storage units and industrial parks.
- The average land parcel sizes in the area mostly range between 2,500 and 5,000m², with larger land parcels extending beyond 10,000m².

Spatial planning mechanisms

- None

Key highlights of the area include:

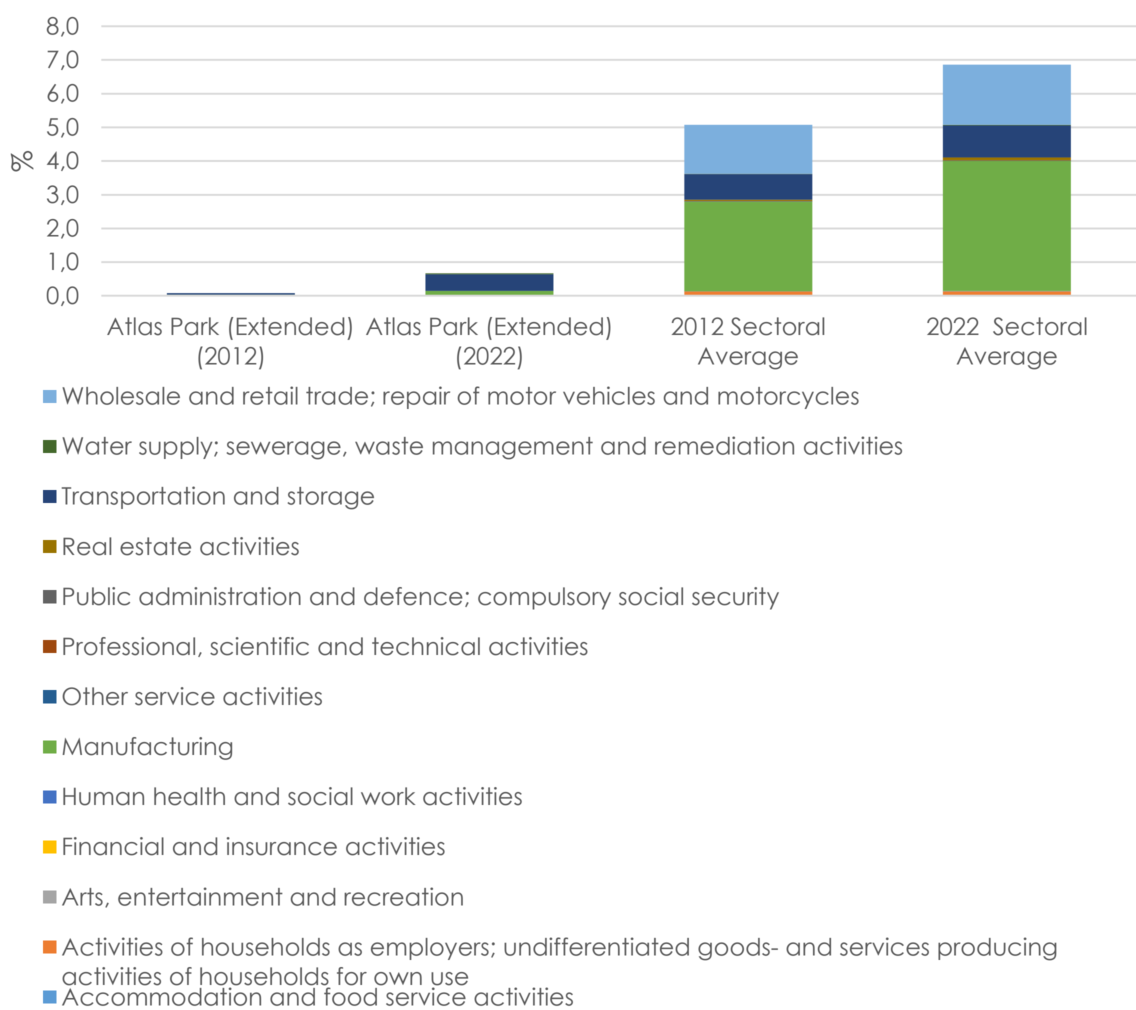
- The area began to establish itself in the 1980s and further expanded its boundary in 2018, which has developed into an industrial economic area.
- Puma South Africa's Head Office is located in the area.
- Ciolli Bros (quarry) is also located adjacent to Atlas Park along Contermanskloof Road.

LAND USE ACTIVITIES

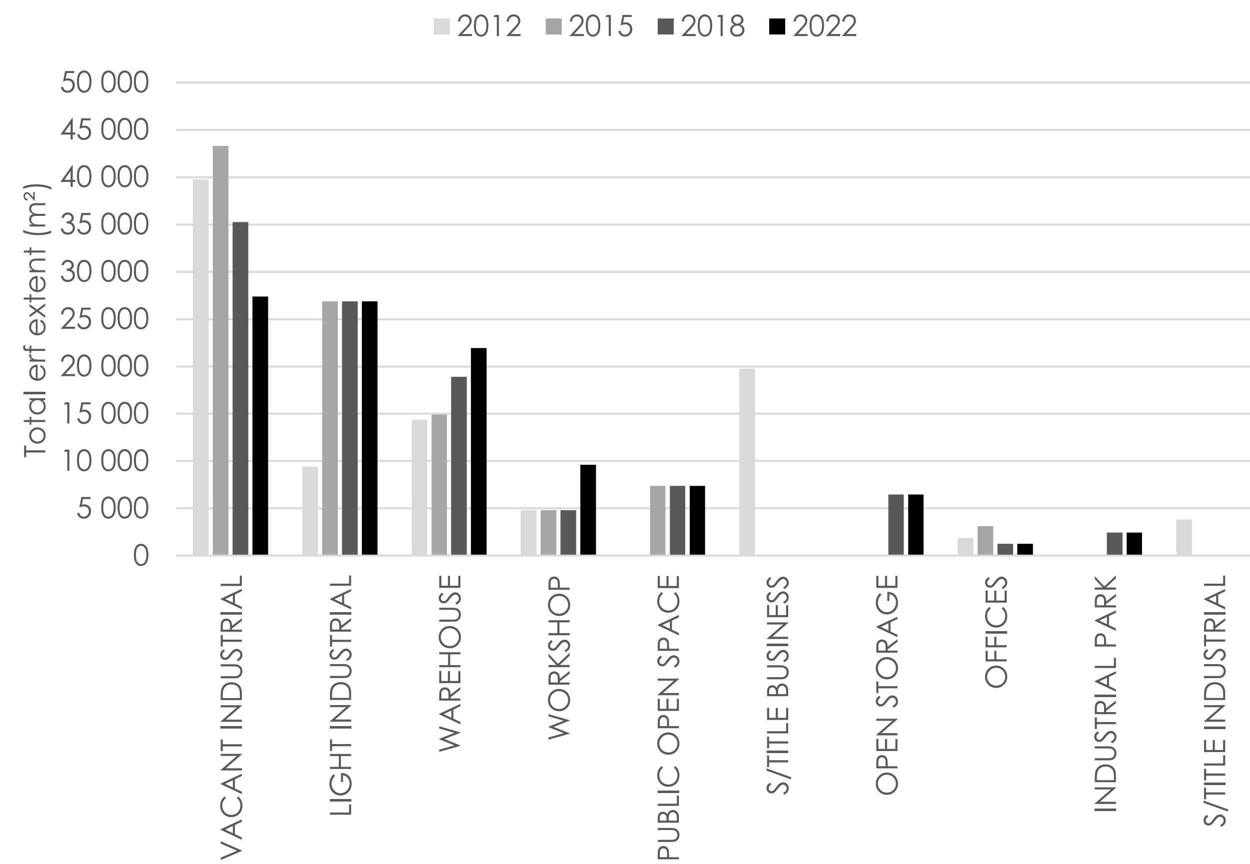
A recent analysis involved converting land use codes from the General Valuation Roll (GV Roll) into Standard Industrial Classification (SIC) codes. This was done to determine the prevalence of industries operating in areas with similar characteristics.

- Between 2012 and 2022, Atlas Park was mainly characterised by a greater propensity for transport & storage and manufacturing, as indicated by the **Nodal Typology**. This typology highlights the industries with the largest floor area (m²) operating within the economic area.
- The **Metroscale Benchmarking** positions Atlas Park as a significant contributor to transport & storage and manufacturing, which performs lower than the sectoral average when compared to other industrial areas across Cape Town.
- Additionally, the GV Roll supports the findings from the SIC data by showing the **dominant land use** over time. It details the cumulative floor area (m²) for light industrial, warehousing and workshops.

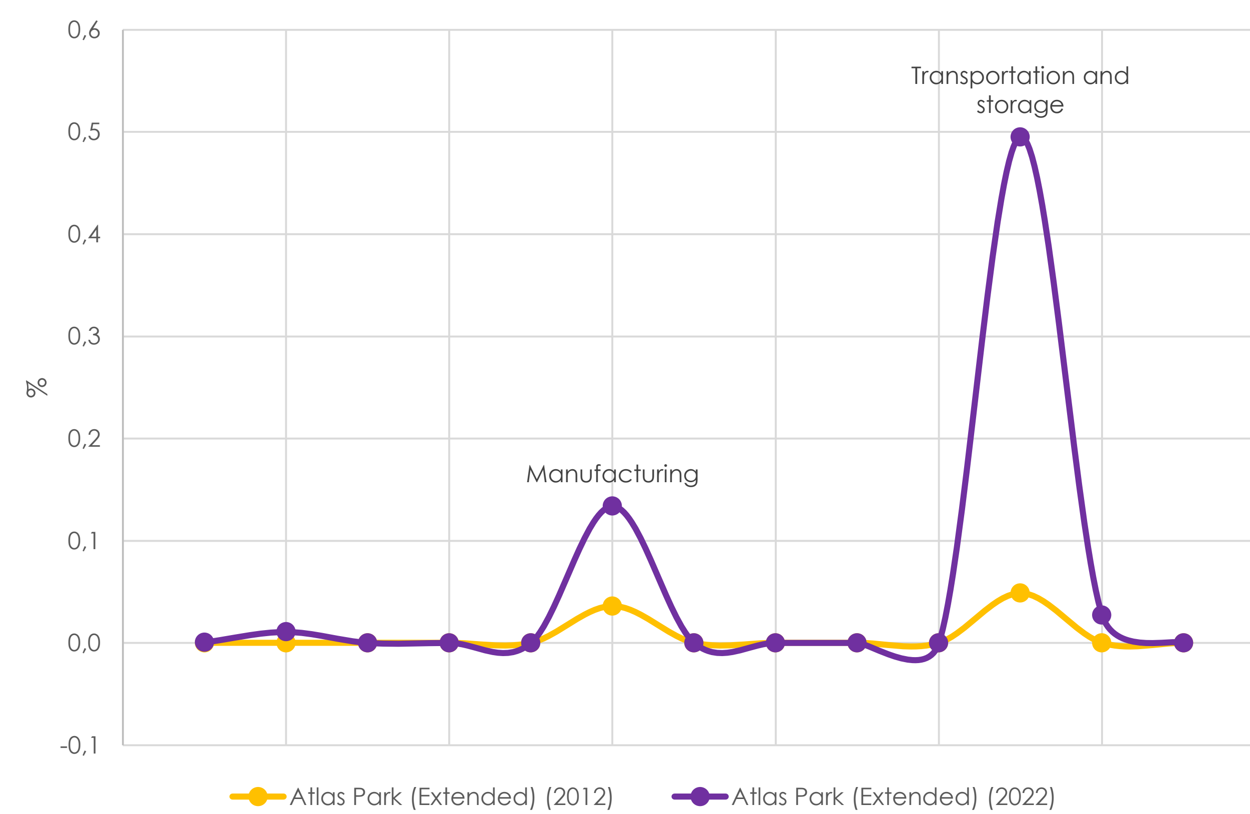
METROSCALE BENCHMARK



TOP 10 MOST DOMINANT LAND USES BETWEEN 2012 AND 2022



NODAL TYPOLOGY FOR 2012 AND 2022



Source: 2012 – 2022 land use codes converted to SIC codes (May 2024 analysis)

Policy & regulatory context
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Agglomeration of industries
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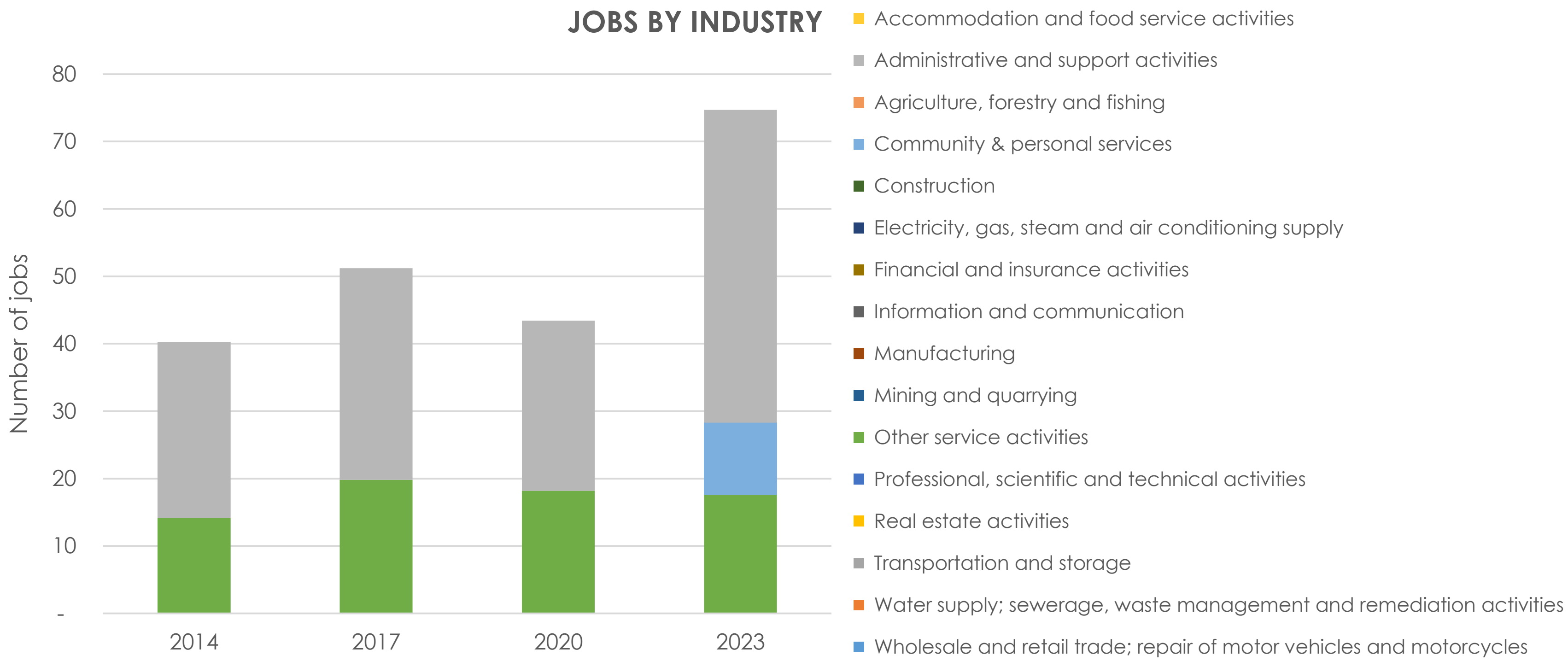
EMPLOYMENT OVERVIEW & FIRM TYPOLOGIES



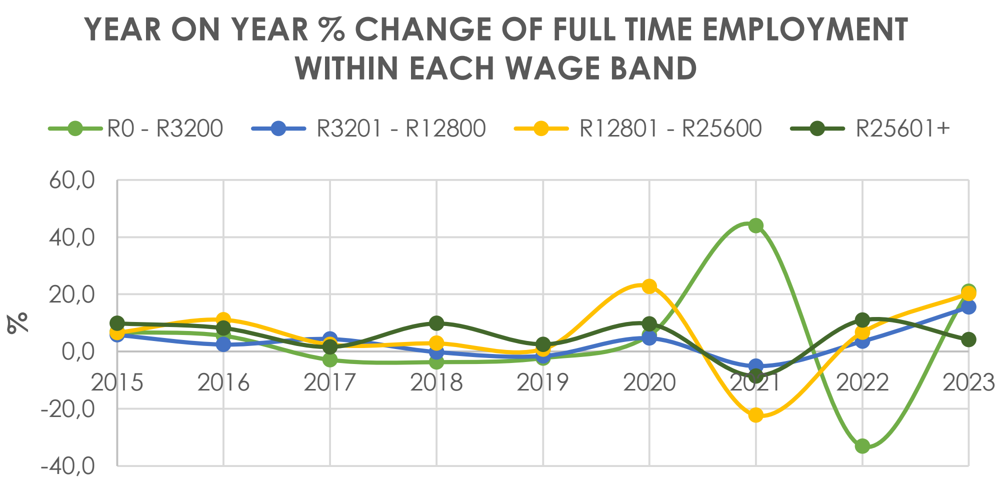
Jobs/Firms

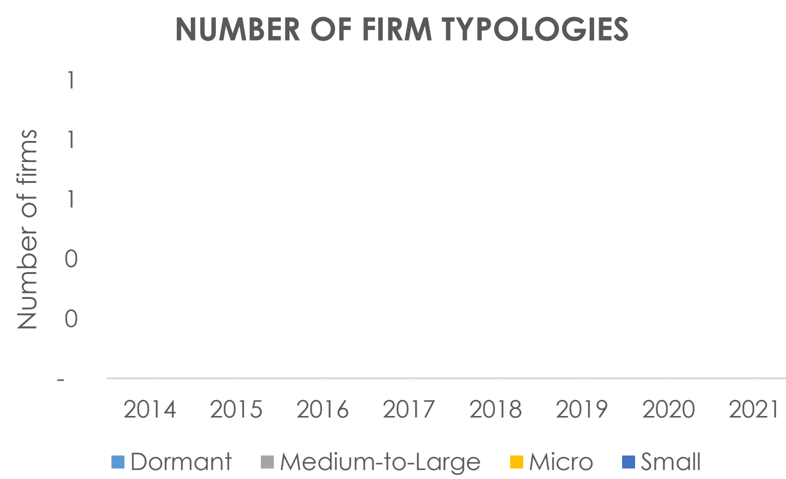
The number of job opportunities in the Atlas Park area was minimal but increased from 40 to 75 jobs between 2014 and 2023. This is one of the more recent and developing economic areas. Over time, most jobs have been concentrated in administrative services, community services and other services.

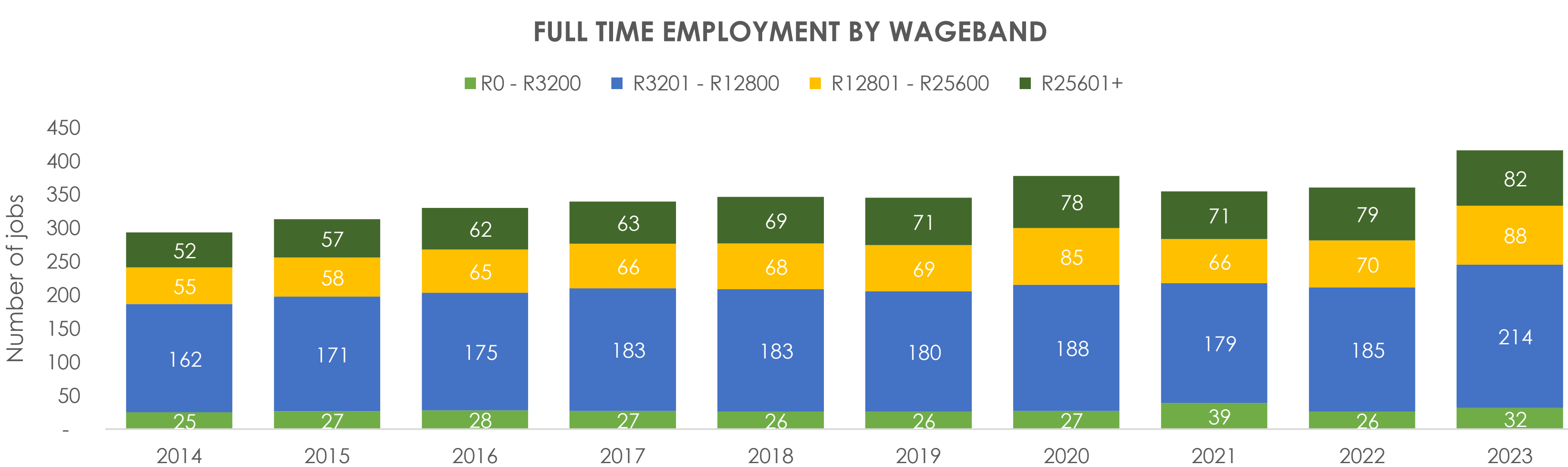
No firm data has been recorded for this area.

Income bands

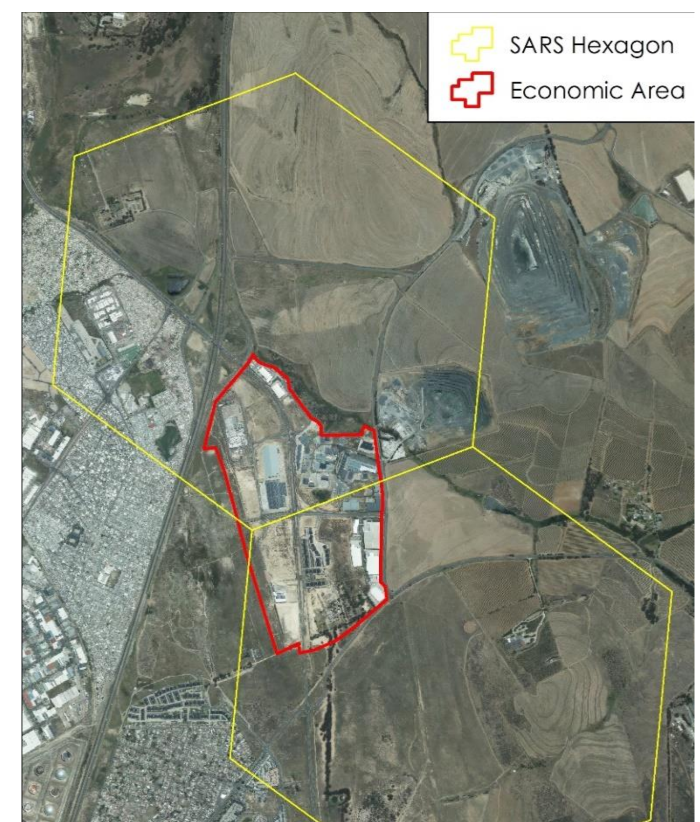
The income bands provide insights into the skill levels of employees in the area. The data indicates that a larger proportion of employees earn up to R12,800, with a limited number of employees earning above R12,800.







Source: SARS data extract for period between 2014 and 2023. Firm size data only available between 2014 and 2021.

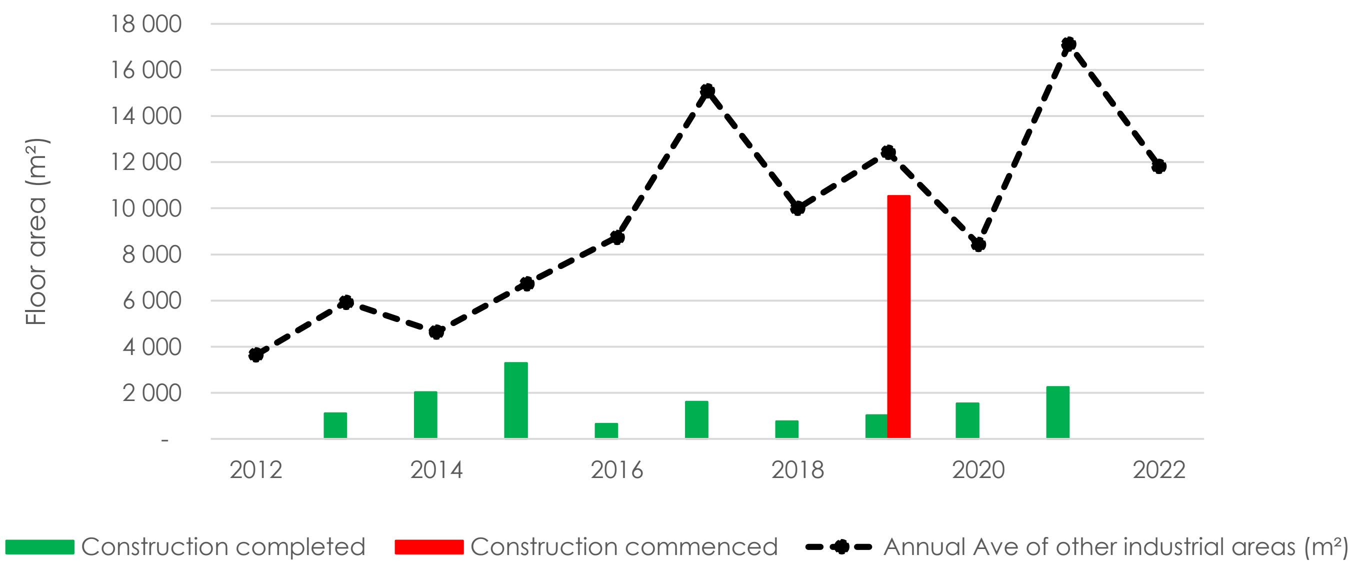


Spatial hexagons in which SARS data has been captured and overlaid with Atlas Park economic area.

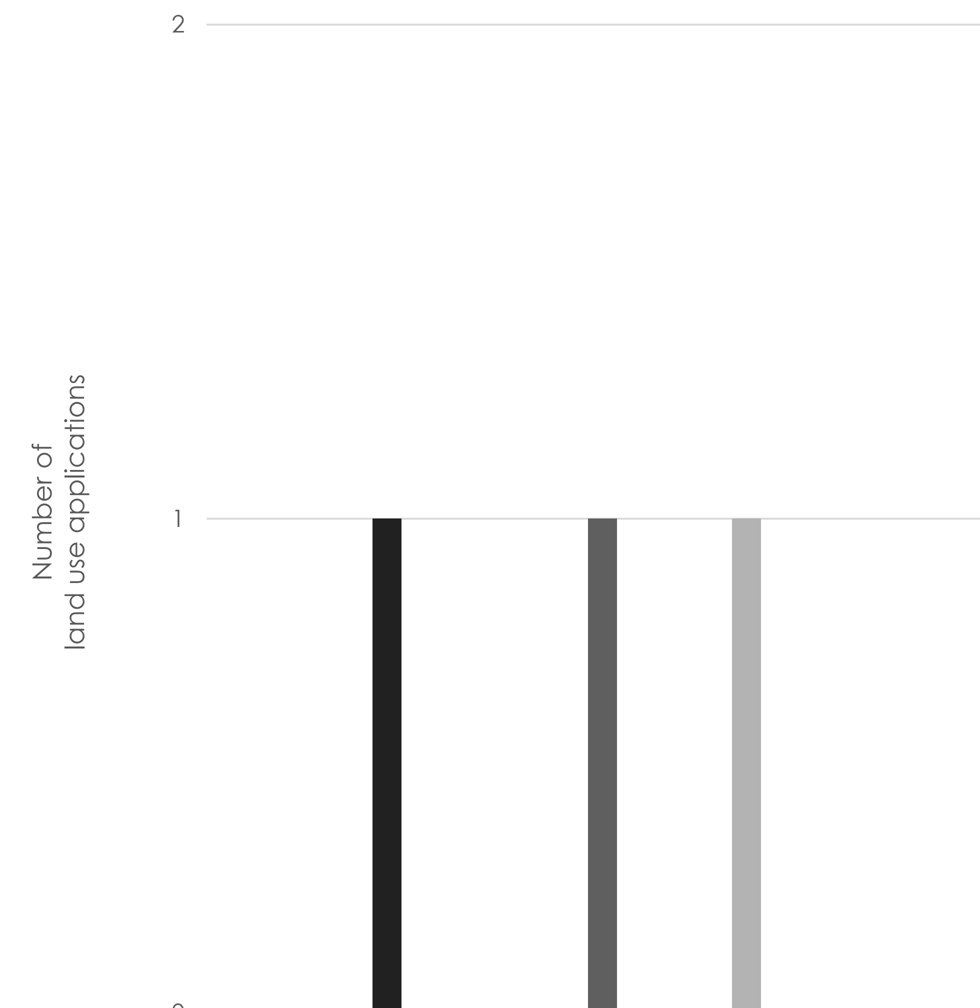
DEVELOPMENT PIPELINE

PROPERTY SALES BY SECTOR

BUILDING WORK COMPLETED/UNDER CONSTRUCTION RELATIVE TO AVERAGE OF AREAS WITH SIMILAR CHARACTER



APPROVED LAND USE APPLICATIONS



	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Temporary departures			-			-		-			
Subdivisions			1			-		-			
Rezonings			-			-		-			
Multiple applications			-			-		1			
Consolidations			-			1		-			

Property sales
Property sales in the industrial sector experienced the highest number of sales compared to other sectors; however, they mostly fluctuated between 2014 and 2022. Several vacant property sales also occurred, but not to the extent of industrial properties. Furthermore, vacant property sales varied between 2012 and 2022, with peaks observed in 2013, 2017, 2020 and 2022.

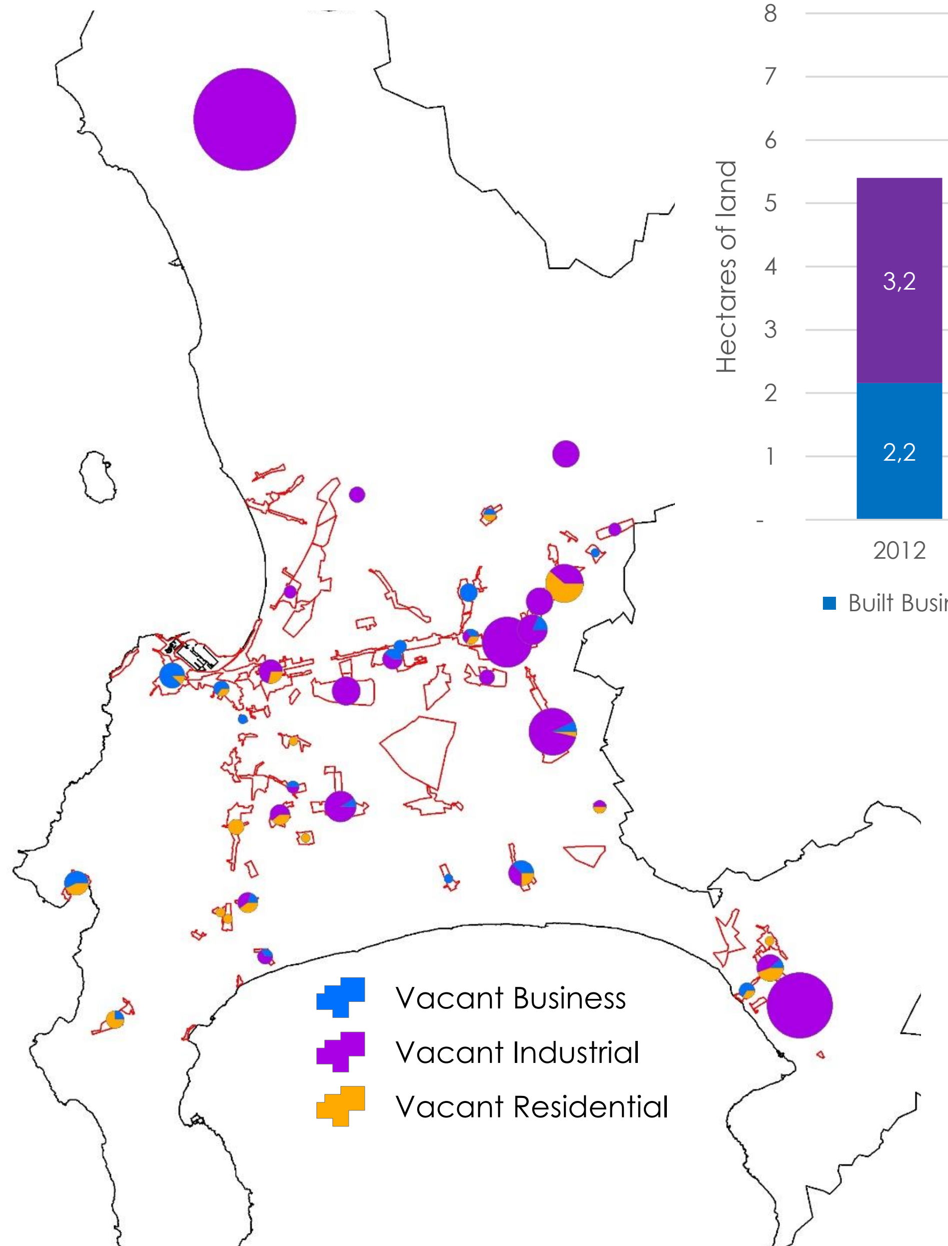
Land use applications
The area is predominantly zoned for industrial purposes, with only 3 land use approvals recorded and granted between 2012 and 2022.

Building plans
Following on from property sales and land use approvals, building work activity has been ongoing between 2013 and 2021, which has been lower than the metro's annual average when compared across other industrial areas. A significant spike was observed in 2019.

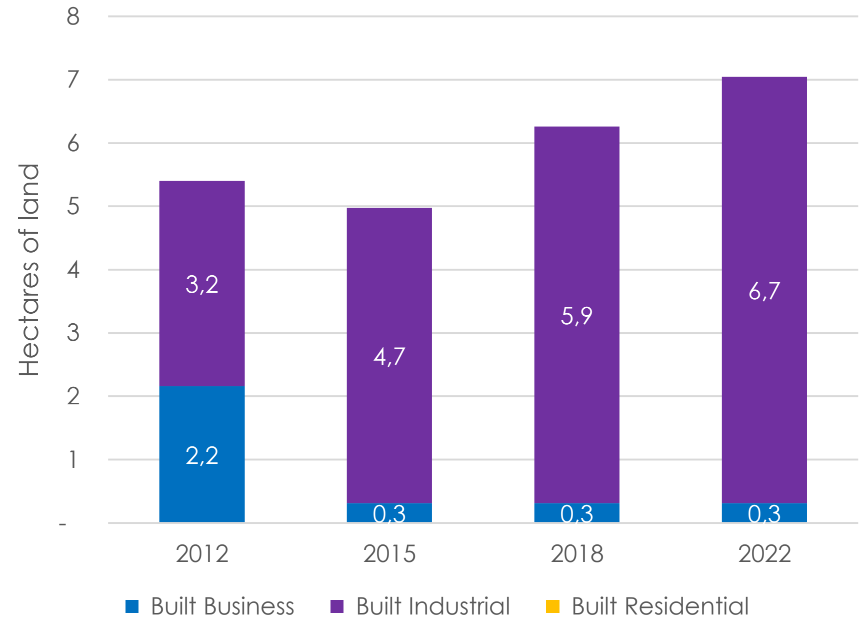
Source: City's DAMS (building plans and land use applications extract), General Valuation Roll.

URBAN LAND MARKETS

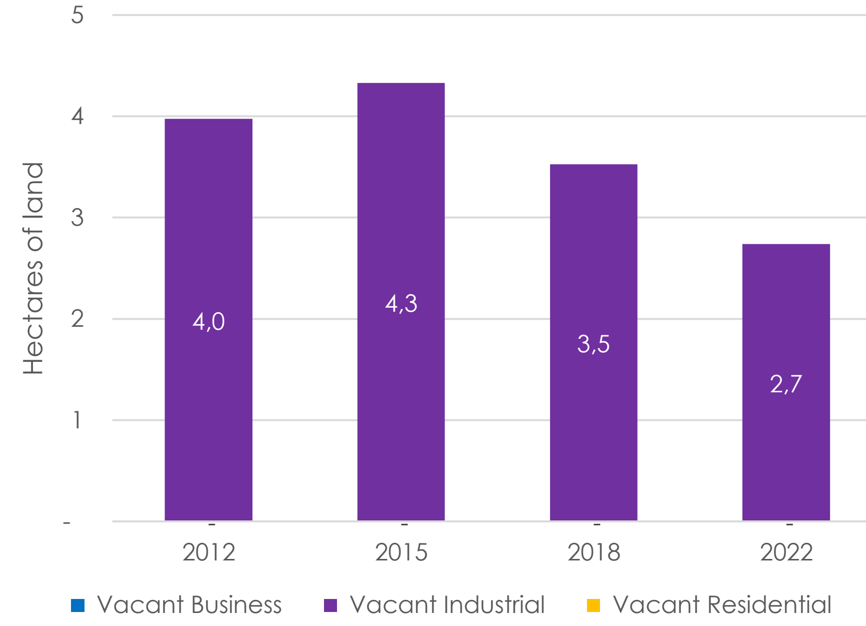
VACANT LAND ACROSS CAPE TOWN (GV 2022)*



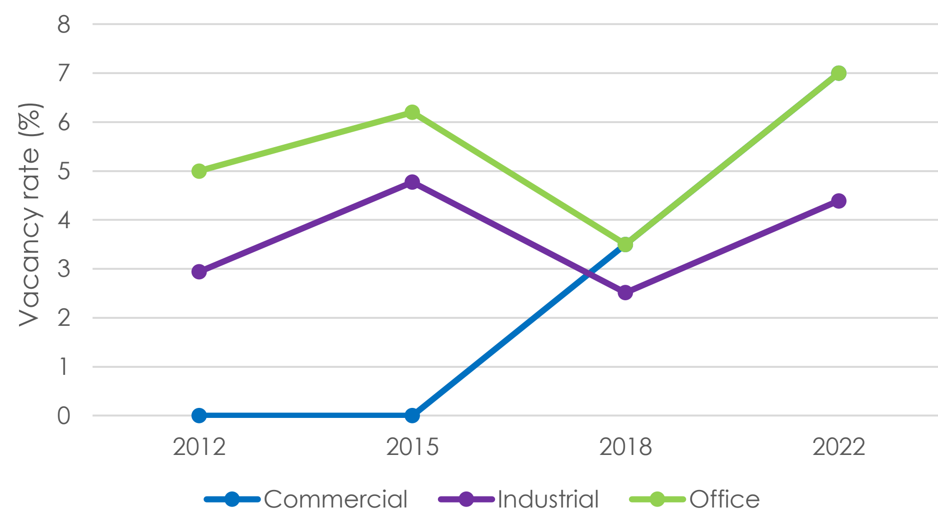
BUILT-UP LAND EXTENT BY SECTOR (TOTAL ERF EXTENT)



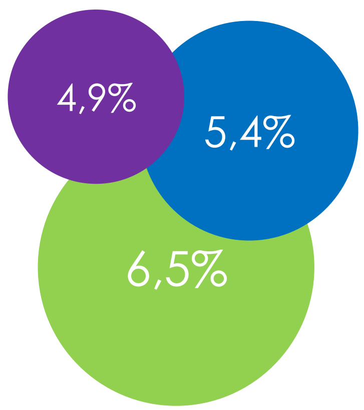
VACANT LAND EXTENT BY SECTOR (TOTAL ERF EXTENT)



AVERAGE VACANCY RATE OF EXISTING BUILDINGS



METRO AVERAGE: VACANCY RATES PER SECTOR FOR 2022*



Number of land parcels that are vacant by size

Erf Size	Commercial	Industrial	Residential
1) 1-250m²			
2) 251-500m²			
3) 501-1000m²			
4) 1001-2500m²		3	
5) 2501-5000m²		1	
6) 5001-10000m²		3	
7) >10000m²	1	2	

Source: City's General Valuation Roll and Market Reports

Vacant land

The map provides a representation of the latest GV Roll (2022) by illustrating cumulative vacant land across the metropolitan area, which supplements the graph on vacant land for the 2022 GV year. While the area has experienced a gradual growth in terms of the built-up land, there is minimal vacant land, as of 2022. Furthermore, the available vacant land is categorised based on the number and size of land parcels, as reflected in the accompanying table.

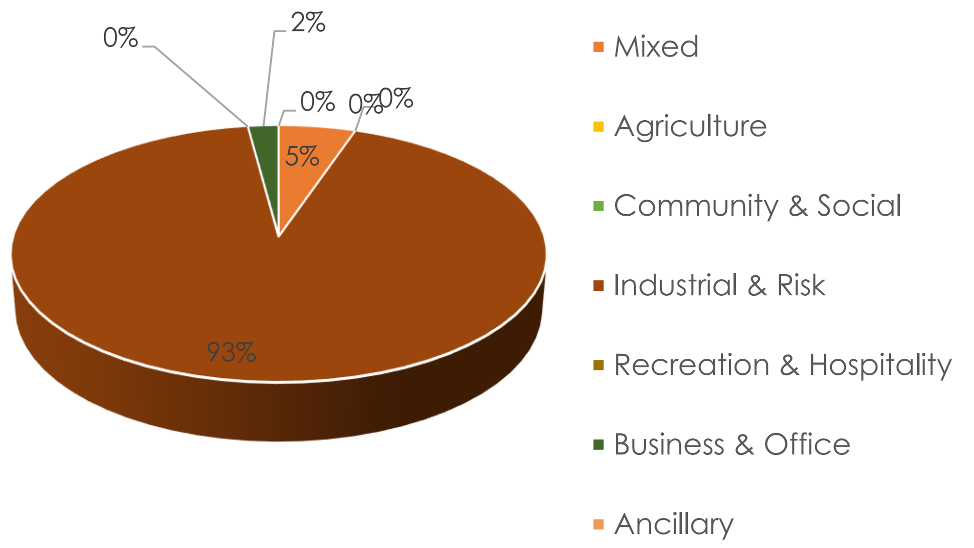
Vacancy rates

In addition to vacant land, the vacancy rates of existing buildings in the industrial sector increased from 2,9% in 2012 to 4,4% in 2022. The office sector increased from 5% in 2012 to 7% in 2022, while the commercial sector reports vacancy rates of 4%. However, the market report has not recorded complete data for this area.

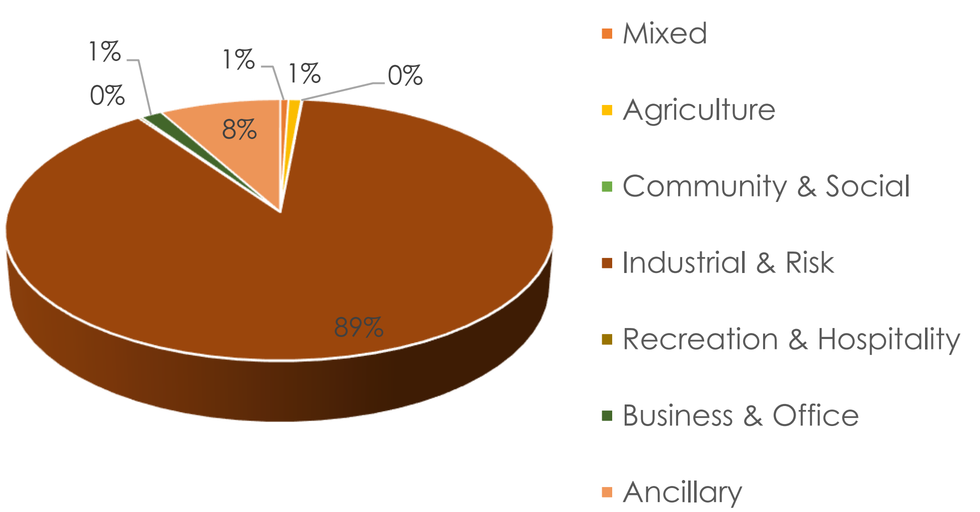
**A metro view that provides further context relative to this economic area.*

AGGLOMERATION OF INDUSTRIES

% OF LAND USE GROUPS (2012)



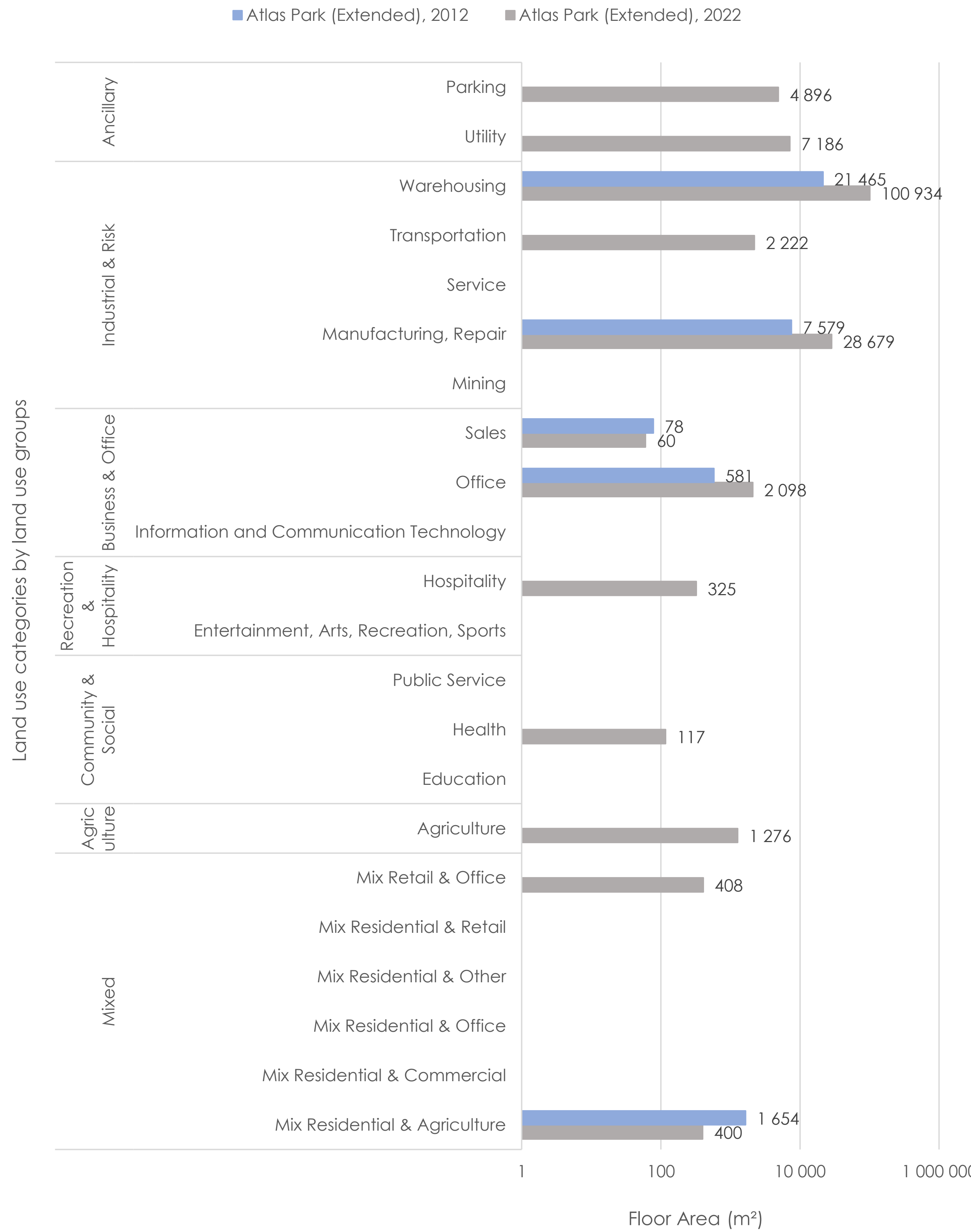
% OF LAND USE GROUPS (2022)



The pie charts illustrate the percentage distribution of land use groups in Atlas Park, based on the cumulative floor area (m²) across various land uses. As shown in the charts, the Industrial & Risks group has consistently been the dominant category in both 2012 and 2022, with other groups primarily supporting this leading land use.

Additionally, the bar graph provides a comparative analysis of land use categories between 2012 and 2022, highlighting the co-agglomeration of these categories within each land use group. In particular, the manufacturing, repairs, and warehousing sectors have shown significant growth over this period. Notably, the warehousing sector has quadrupled in size by 2022. There is also a presence of other land uses, which can be seen to be in support of the most dominant land uses.

FLOOR AREA PER LAND USE CATEGORY FOR 2012 AND 2022



Source: Analysis of GV data (May 2024)

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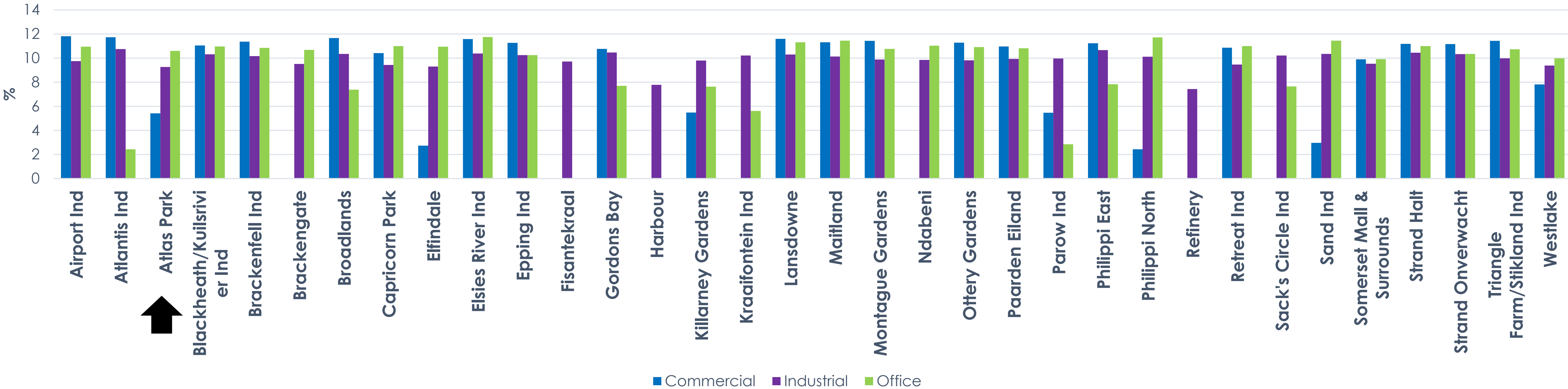
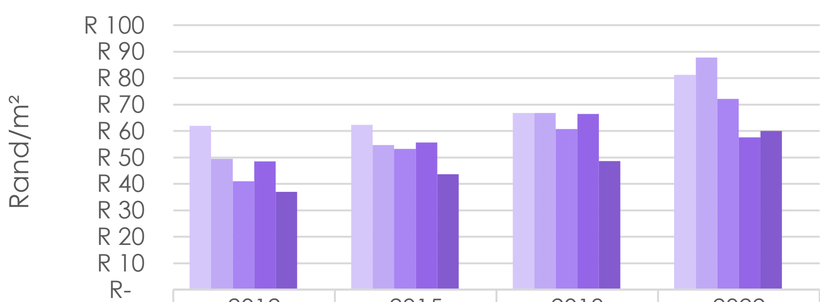
AVERAGE CAPITALISATION RATE OF ATLAS PARK IN RELATION TO OTHER INDUSTRIAL AREAS FOR THE PERIOD BETWEEN 2012 AND 2022

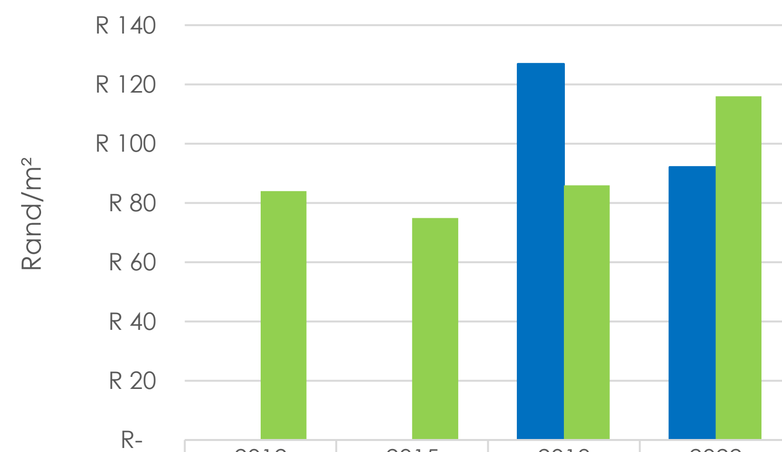


INDUSTRIAL RENTALS



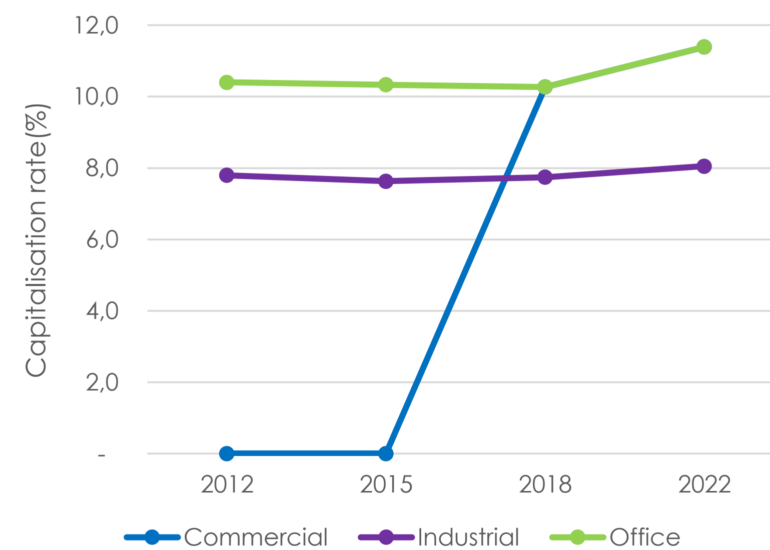
	2012	2015	2018	2022
1) 250m²	R 62	R 62	R 67	R 81
2) 500m²	R 50	R 55	R 67	R 88
3) 1000m²	R 41	R 53	R 61	R 72
4) 2500m²	R 49	R 56	R 67	R 58
5) 5000m²	R 37	R 44	R 49	R 60
6) 10000m²	R-	R-	R-	R-

COMMERCIAL AND OFFICE RENTALS



	2012	2015	2018	2022
Commercial	R-	R-	R 127	R 92
Office	R 84	R 75	R 86	R 116

CAPITALISATION RATES



Rental Rates

Rental rates across all industrial space gradually increased between 2012 and 2022, with higher rentals recorded for smaller property sizes.

Office rentals fluctuated periodically between 2012 and 2022, but experienced overall growth in rentals by 2022. While not a complete view of commercial rentals, rentals have been recorded for 2018 and 2022.

Comparative view on capitalisation rates

The average capitalisation rate between 2012 and 2022 for industrial, office and commercial sectors was 9,26%, 10,6% and 5,42%, respectively and further indicates its competitiveness relative to other industrial areas.

Year-over-year capitalisation rates for the industrial sector remained consistent around the 8% mark while the office sector increased from 10,4% in 2012 to 11,4% in 2022. Although incomplete for the commercial sector, capitalisation rates are recorded for 2018 as 10,3%.

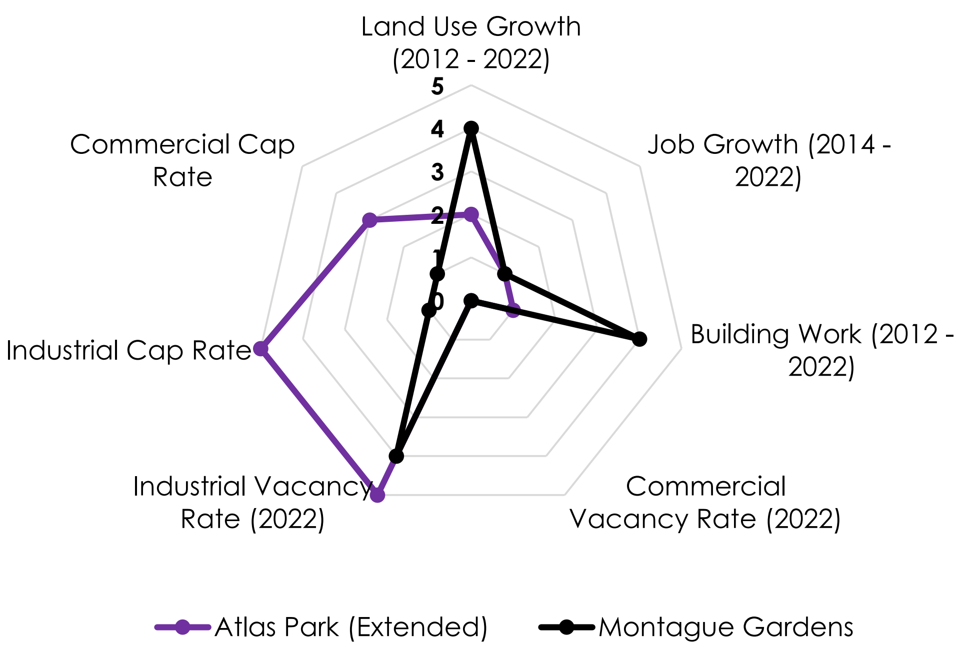
- *Higher cap rates = higher investment risk.*
- *Lower cap rates = lower investment risk.*

Source: 2012 – 2022 market reports

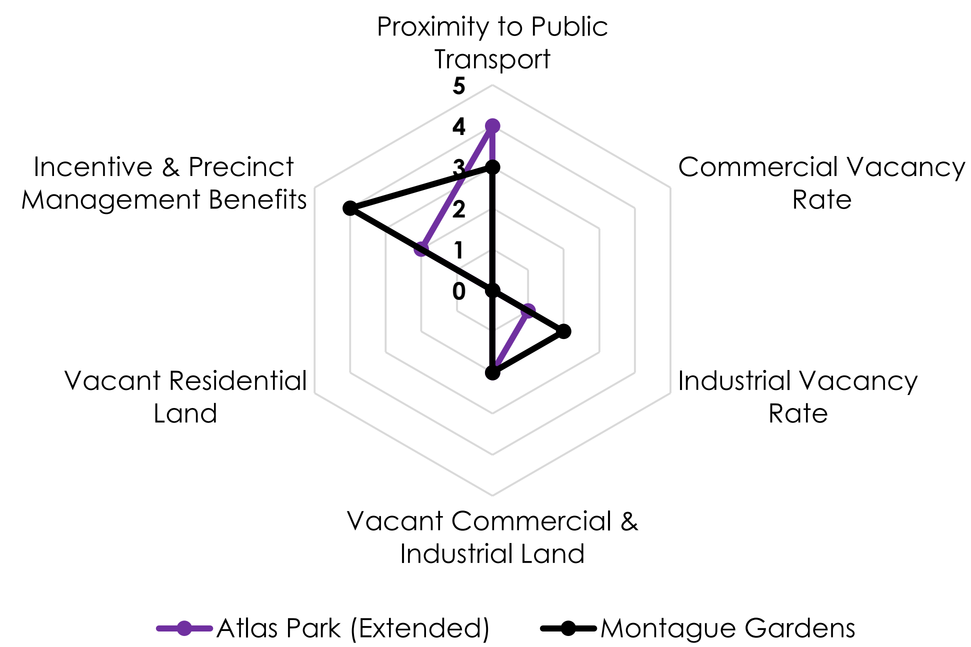
PERFORMANCE & POTENTIAL

The scores provided below summarise the detailed information presented throughout this profile. The method used to calculate Performance and Potential is based on several measurable individual indicators. The **scoring system ranges from 0 to 5, where 0 indicates low performance or potential and 5 indicates high performance or potential**. This profile compares either to Cape Town CBD (Commercial) or Montague Gardens (Industrial), depending on the classification of the economic area, as these two areas have attracted the most new floor area between 2012 and 2022 within their respective classifications.

PERFORMANCE



POTENTIAL



	Indicator	Description
Performance	Land Use Growth	Measures the growth of new floor area (m²) from 2012 to 2022 within an economic area, compared to other economic areas of similar classification. More growth indicates better performance. ***Source: General Valuation Roll.***
	Job Growth	Measures the percentage change in jobs within an economic area from 2014 to 2023, comparing this data against other economic areas of similar classification. A higher job prevalence indicates better performance. ***Source: SARS as of May 2024.***
	Building Work	Measures building work activity (new and improved m²) within an economic area from 2012 to 2022, compared to other economic areas of similar classification. Increased building work activity indicates better performance. ***Source: City's DAMS.***
	Vacancy Rate	Measures the average vacancy rates for the commercial and industrial sectors as of 2022, compared to other economic areas of similar classification. Lower vacancy rates indicate better performance. ***Source: City's Market Reports.***
	Capitalisation Rate	Measures the percentage change in capitalisation rates for the commercial and industrial sectors during the years 2012, 2015, 2018, and 2022, comparing them to other economic areas of similar classification. A lower average percentage change between these periods indicates greater maturity and consequently, higher performance. ***Source: City's Market Reports.***
Potential	Proximity to Public Transport	Assess the accessibility of various public transport modes near an economic area. Greater access to multiple transport modes indicates higher potential. ***Source: City's UPD, spatial analysis.***
	Vacant Land	Assess the availability of vacant land in the commercial, industrial and residential sectors. A higher amount of vacant land across these three sectors as of 2022 indicates greater potential. ***Source: General Valuation Roll.***
	Vacancy Rate	Measures the average vacancy rates for the commercial and industrial sectors as of 2022, compared to other economic areas of similar classification. Higher vacancy rates indicate greater potential. ***Source: City's Market Reports.***
	Incentive & Precinct Management Benefits	Evaluate the spatial overlap, whether partial or complete, of incentive areas and established precinct management tools within each economic area. A greater degree of overlap suggests increased potential. ***Source: City's UPD, spatial analysis.***