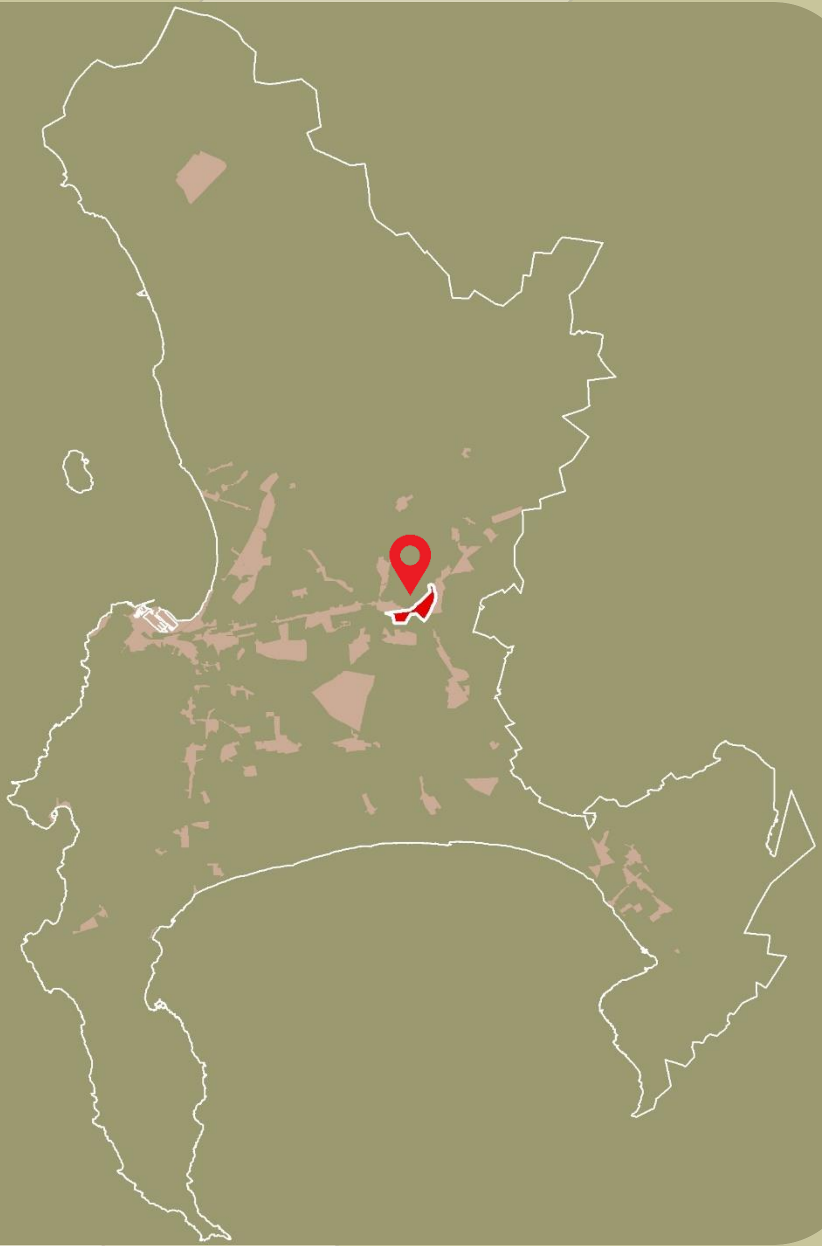
TRIANGLE FARM/STIKLAND INDUSTRIAL

ECONOMIC AREA PROFILE

TREND ANALYSIS 2012-2022



CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

June 2025

Making progress possible. Together.

ACKNOWLEDGEMENTS

SPATIAL PLANNING & ENVIRONMENT DIRECTORATE

Executive Director: Spatial Planning & Environment Directorate
Rob McGaffin

Director: Urban Planning & Design Department
Erika Naude

AUTHORS

Metropolitan Spatial Planning and Growth Management
Annelise de Bruin (Manager)
Ashleigh Manyara, Haleem Tambay, Lance Boyd & Obey Vhuma

SUPPORTED BY

Policy and Strategy: Economic Analysis
Paul Court, Kristoff Potgieter & Jodie Posen

Enterprise & Investment
Faith Kolala, Pauline Van der Spuy & Gerschwin Williams

District Planning and Mechanisms
Nigel Titus & team across the 8 Districts

DATA CUSTODIANS

Valuations, Development Management & Policy and Strategy

CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

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

- Tygerberg DSDF - Subdistrict 2: Goodwood, Parow West, Parow East, Boston, Bellville Central and East, Stikland (excluding Voortrekker Road corridor):
    - District Development Guidelines (page 60)
    - Subdistrict Development Guidelines (page 89)
    - Consolidated subdistrict SDF (Figure 18: Tygerberg subdistrict 2: Goodwood, Parow West, Parow East, Boston, Bellville Central and East, Stikland (excluding Voortrekker Road corridor))

Policy & regulatory context
Conceptual framework
Introduction
Land use activities, employment overview & firm typologies
Development pipeline
Urban land markets
Agglomeration of industries
Market performance
Performance & Potential

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

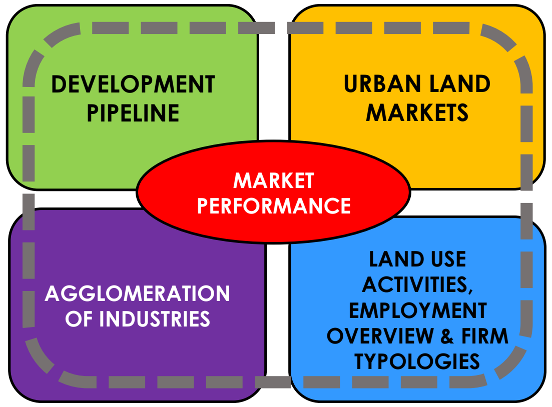
VALUE PROPOSITION	CHALLENGES /OBJECTIVES TO ADDRESS	AREAS OF APPLICATION
Promoting economic infrastructure in support of economic growth and job creation. Supports internal and external collaboration around data and spatial intelligence. Supports the spatially differentiated investment rationale of the 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)**



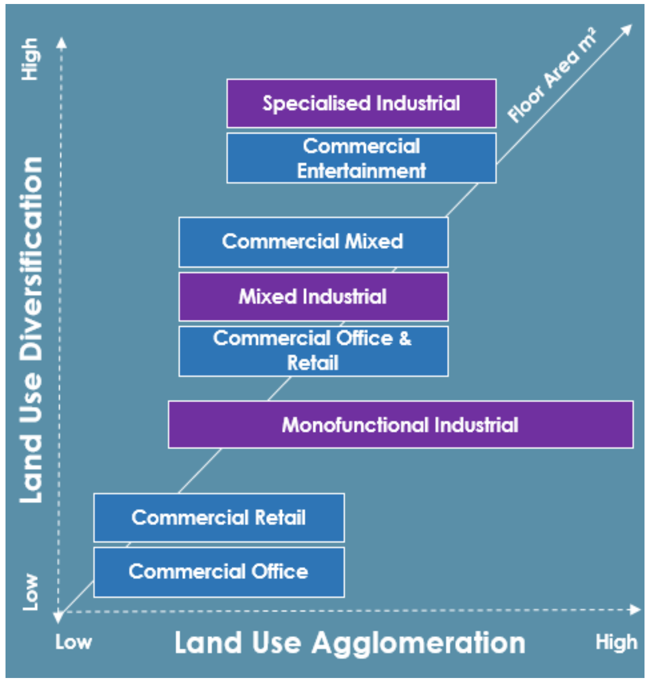
Built-up extent (m²) of land per sector **(S)**.
Vacant land (m²) per sector **(S)**.
Vacancy rate of buildings (%) per sector **(P)**.

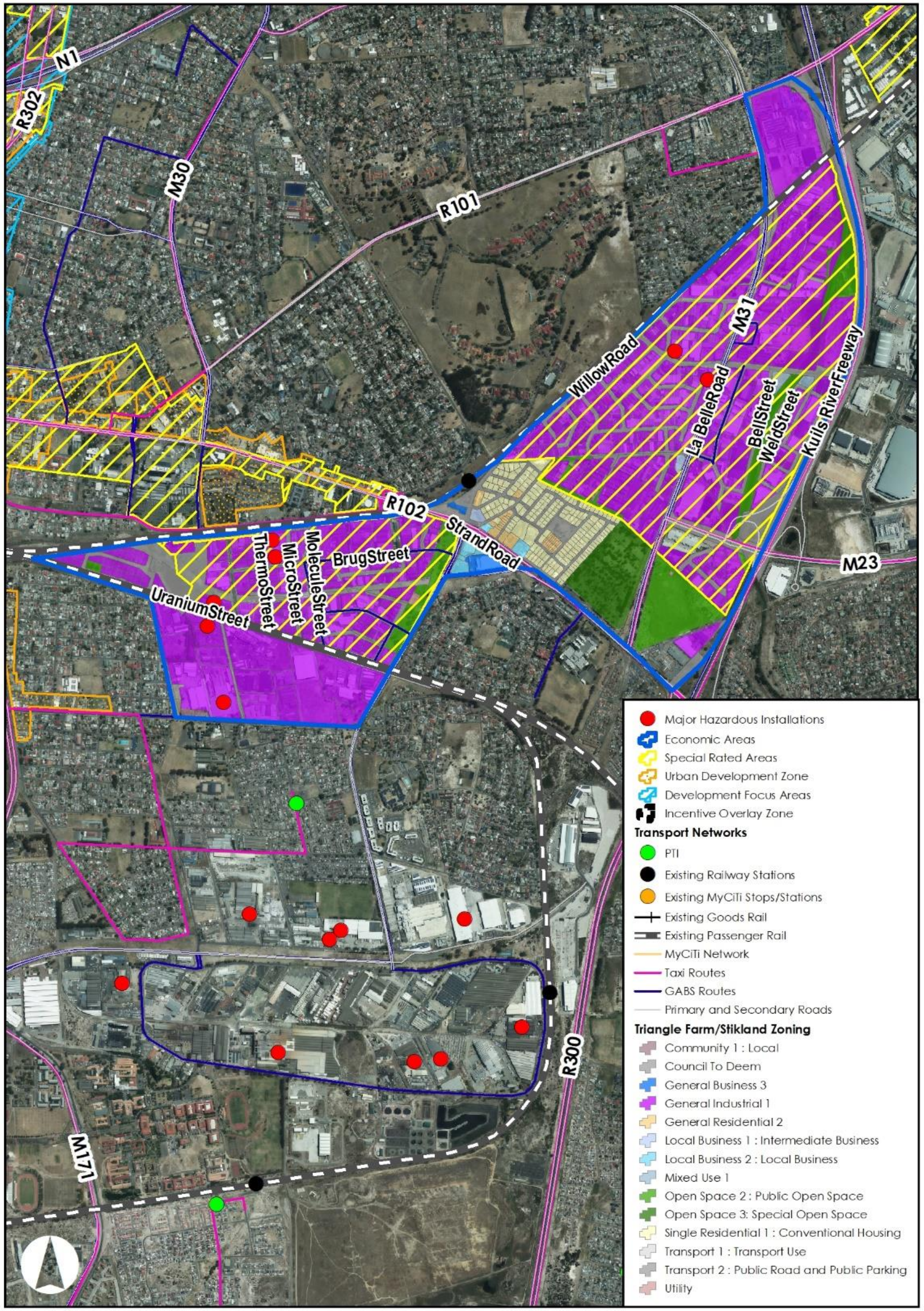
Dominant land use **(S)**
Propensity of industries at a Metro scale **(D)**.
Total jobs per industry & wage band **(D)**.
Firm size and count **(D)**.

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).





TRIANGLE FARM/STIKLAND INDUSTRIAL

Location

- The area is approximately 25km east of Cape Town's Central Business District and the Port of Cape Town. Furthermore, it is located 22km from Cape Town International Airport.
- It is also situated near the N1 and R300 highways, providing easy access across Cape Town and connecting to areas beyond Cape Town.
- The area is serviced by rail, GABS and taxis.
- Access to a skilled workforce from surrounding areas, includes the broader Kuilsriver, Brackenfell, Kraaifontein and Bellville areas.

Zoning, land use and form

- While the area is divided into two, namely, Triangle Farm and Stikland industrial, the area is predominantly zoned for industrial and commercial purposes, with a limited amount of residential zoning along Strand Road.
- The area is characterised by light and heavy industrial uses, which include warehousing, public service facilities, sales, manufacturing, repairs, office, public service, retail and education.
- The average land parcel sizes in the area range between 2,500 – 5,000m², with a limited number of land parcels greater than 5,000m².

Spatial planning mechanisms

- The area is mostly serviced by 2 separate Central Improvement Districts.
- The area has been identified as an industrial incentive area in terms of the City's Industrial Incentive Policy.

Key highlights of the area include:

- The area started to establish itself from the 1940s and has developed into an industrial economic area.
- The area has been identified as part of the City of Cape Town's incentive policy to be targeted for investment.
- Stikland City Improvement District was established in 2013.
- Triangle Farm City Improvement District was established in 2015.
- Extension of Cilmore Road across the R300 into Soca Street was completed in 2019. This boosted access throughput in the industrial area.

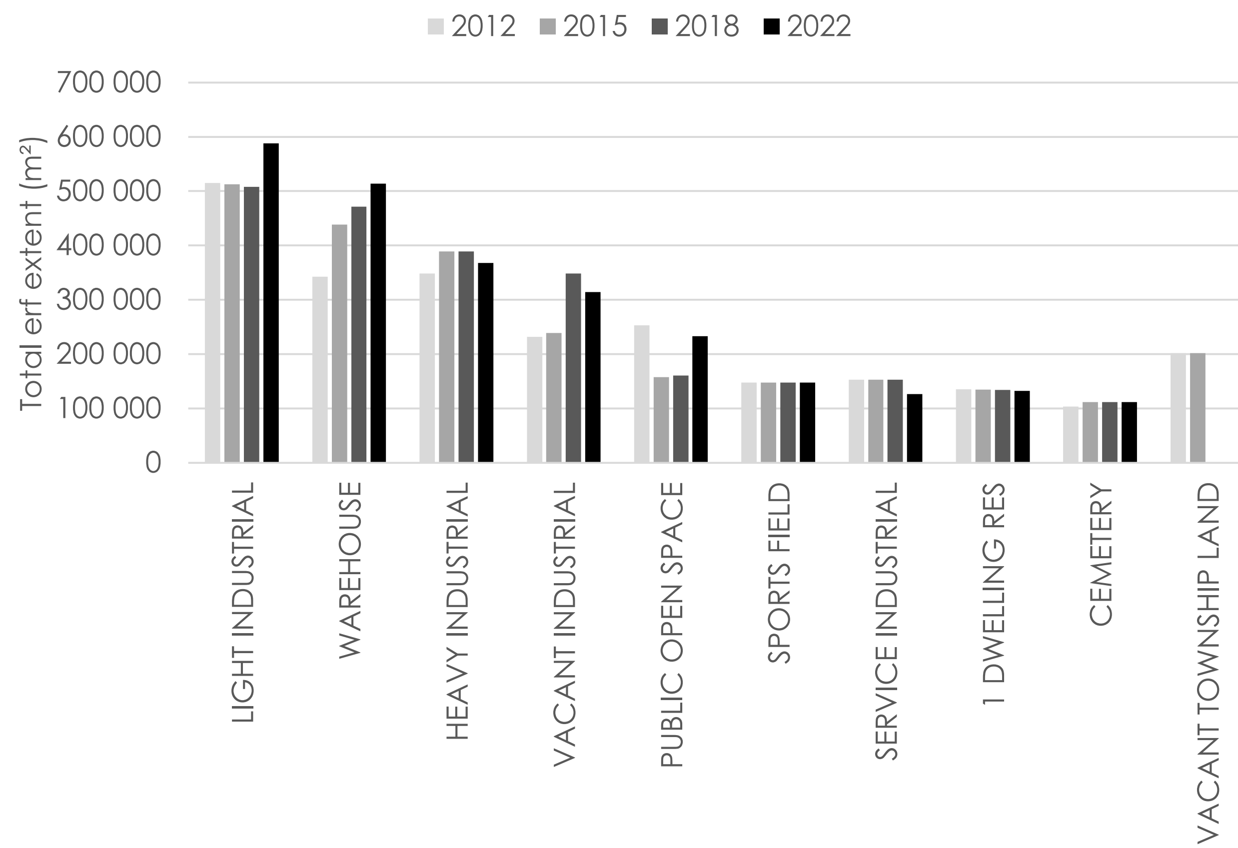
Policy & regulatory context
Conceptual framework
Introduction
Land use activities, employment overview & firm typologies
Development pipeline
Urban land markets
Agglomeration of industries
Market performance
Performance & Potential

LAND USE ACTIVITIES

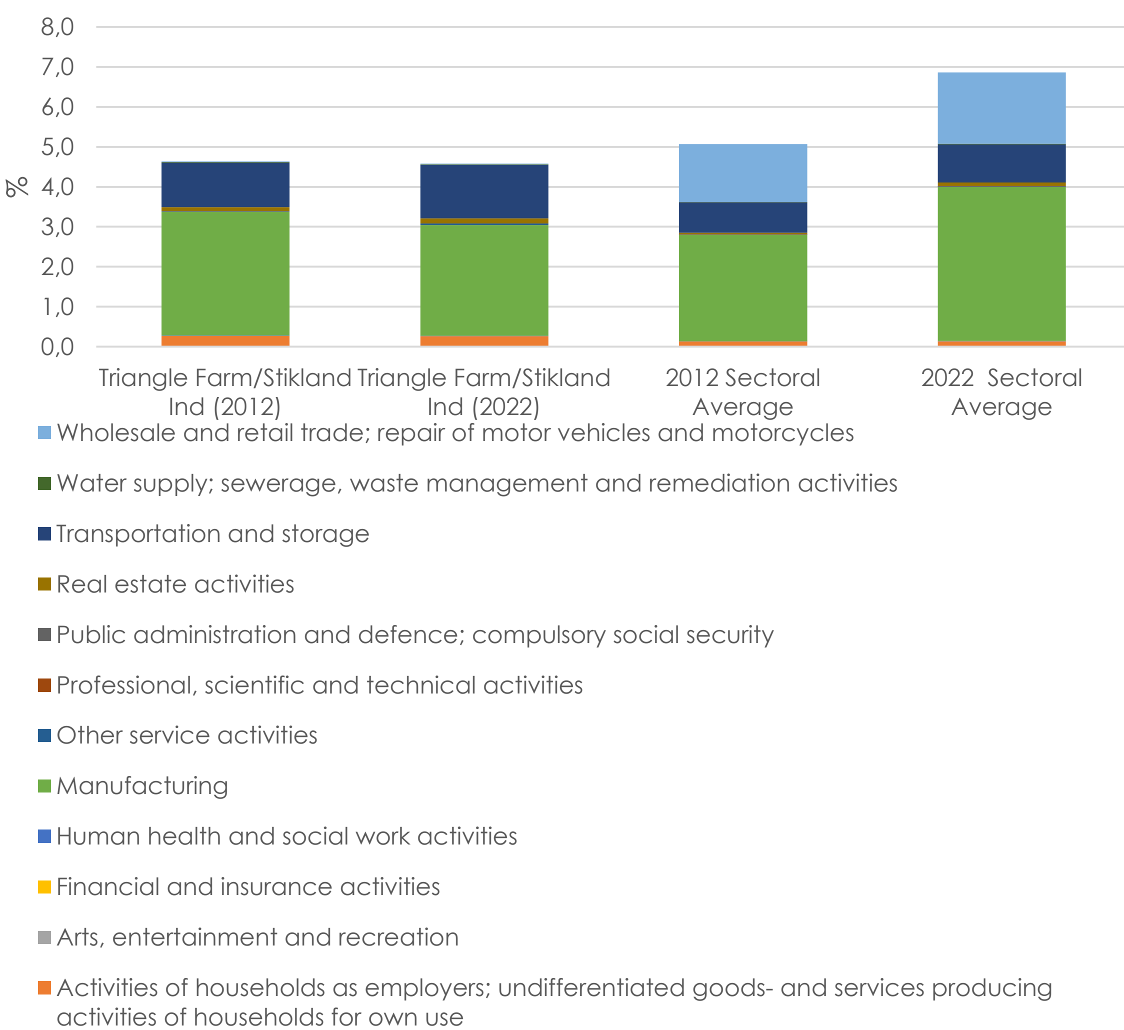
A recent analysis involved converting land use codes from the General Valuation Roll (GV Roll) into Standard Industrial Classification (SIC) codes. This was done to determine the prevalence of industries operating in areas with similar characteristics.

- Between 2012 and 2022, Triangle Farm/Stikland industrial was mainly characterised by a greater propensity for manufacturing, transport & storage and household activities, as reflected in the **Nodal Typology**. The nodal typology highlights industries with the most floor area (m²) operating within an economic area.
- The **Metroscale Benchmarking** positions Triangle Farm/Stikland industrial to being a contributor of manufacturing and transport & storage, which performs higher than that of the sectoral average when measured against 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 and heavy industrial including warehousing.

TOP 10 MOST DOMINANT LAND USES BETWEEN 2012 AND 2022

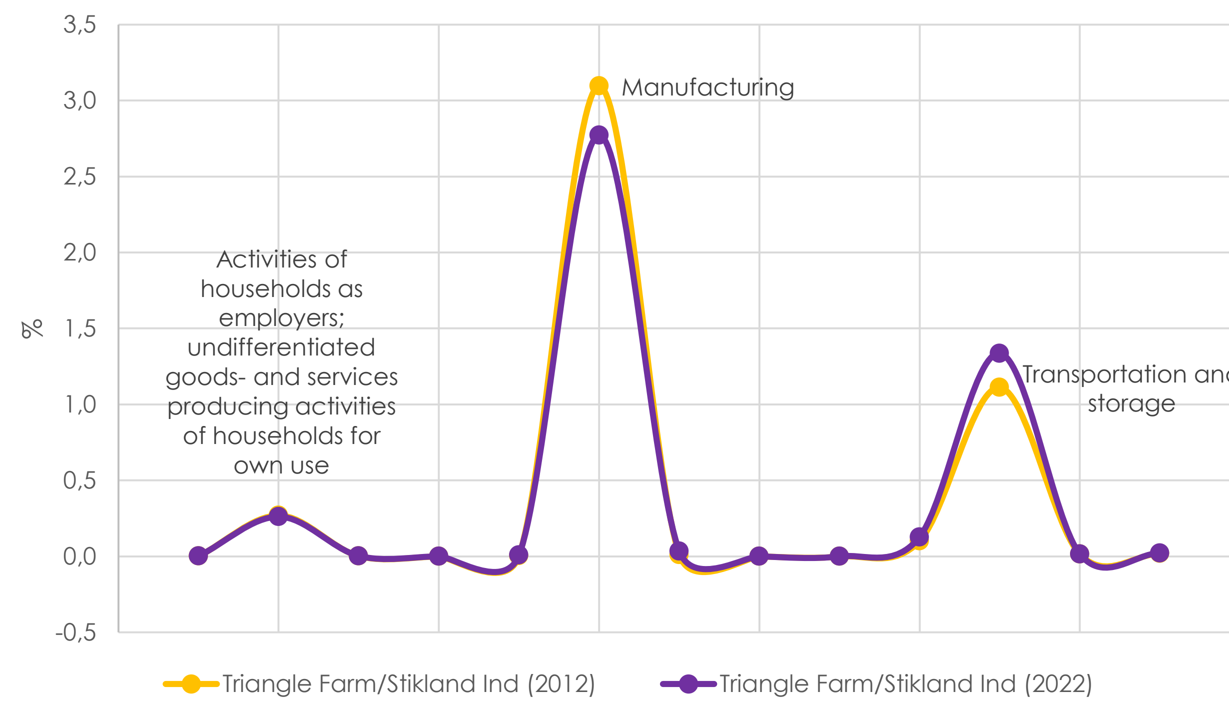


METROSCALE BENCHMARK



NODAL TYPOLOGY FOR 2012 AND 2022

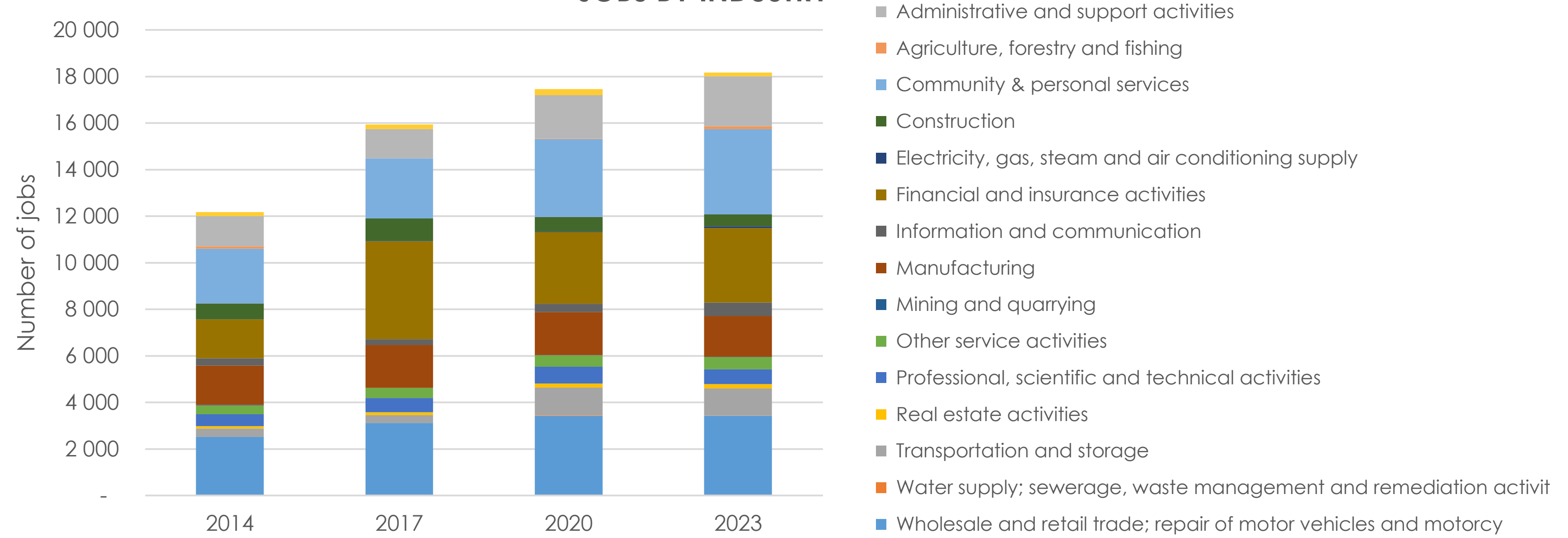
(Mixed Industrial)



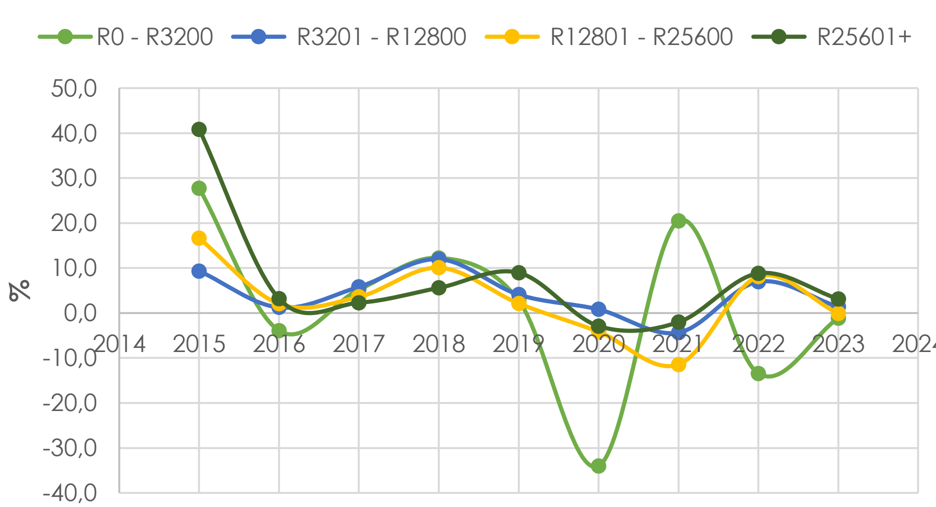
Source: 2012 – 2022 land use codes converted to SIC codes (May 2024 analysis)

EMPLOYMENT OVERVIEW & FIRM TYPOLOGIES

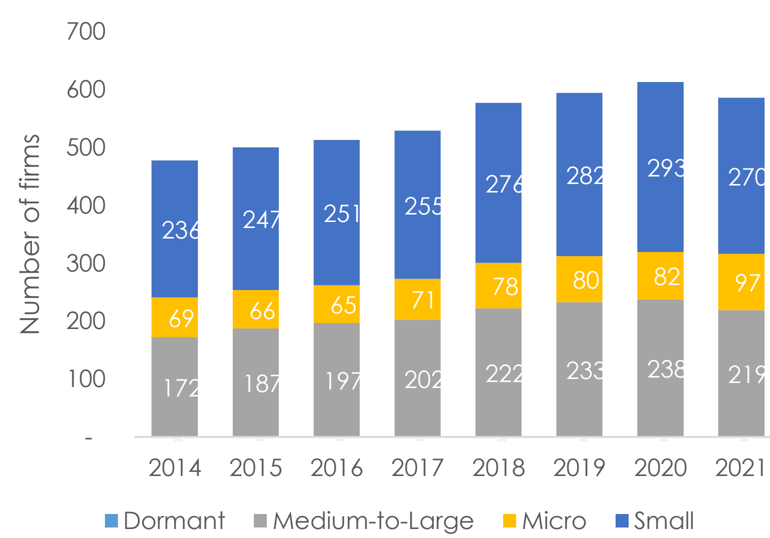
JOBS BY INDUSTRY



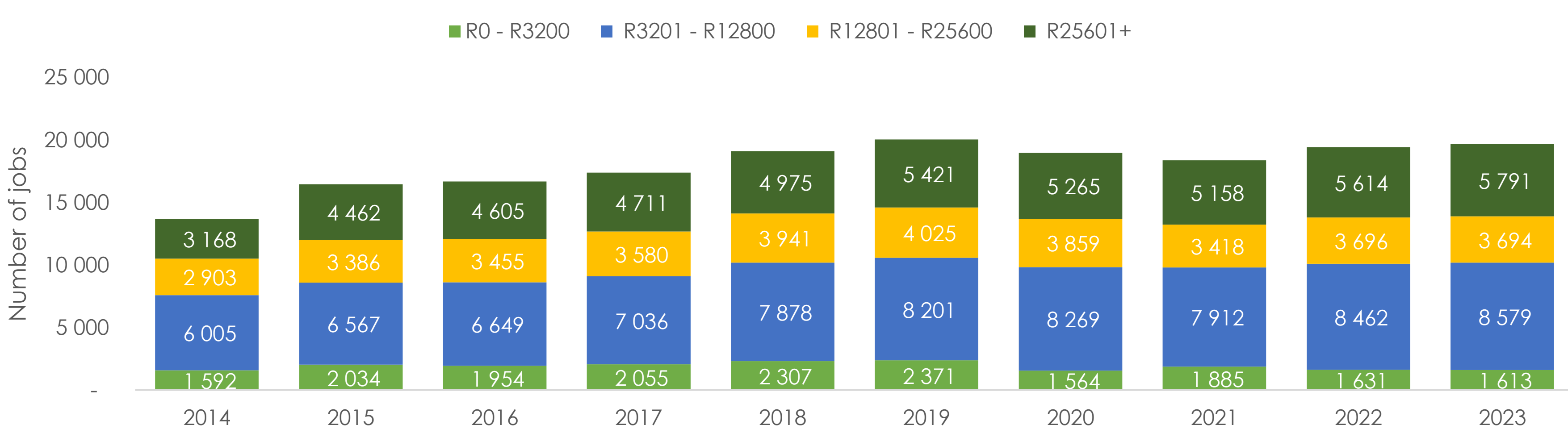
YEAR ON YEAR % CHANGE OF FULL TIME EMPLOYMENT WITHIN EACH WAGE BAND



NUMBER OF FIRM TYPOLOGIES



FULL TIME EMPLOYMENT BY WAGEBAND



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

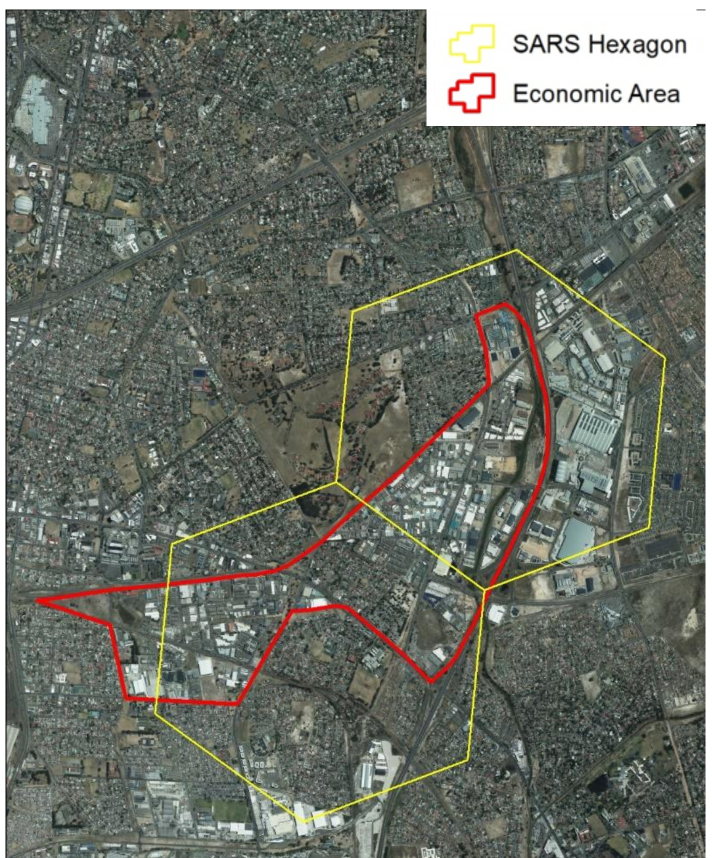
Jobs/Firms

The number of job opportunities in the Triangle Farm/Stikland Industrial area gradually increased from 12,000 to 18,000 jobs between 2014 and 2023. Over time, most jobs have been concentrated across a mix of industries, namely, community & personal activities, financial & insurance activities, wholesale & retail, manufacturing, transport & storage and also administrative activities.

The total number of firms in the area increased from 470 to 550 between 2014 and 2021. While small firms make up the majority, there is also a significant presence of medium to large firms, as well as micro firms.

Income bands

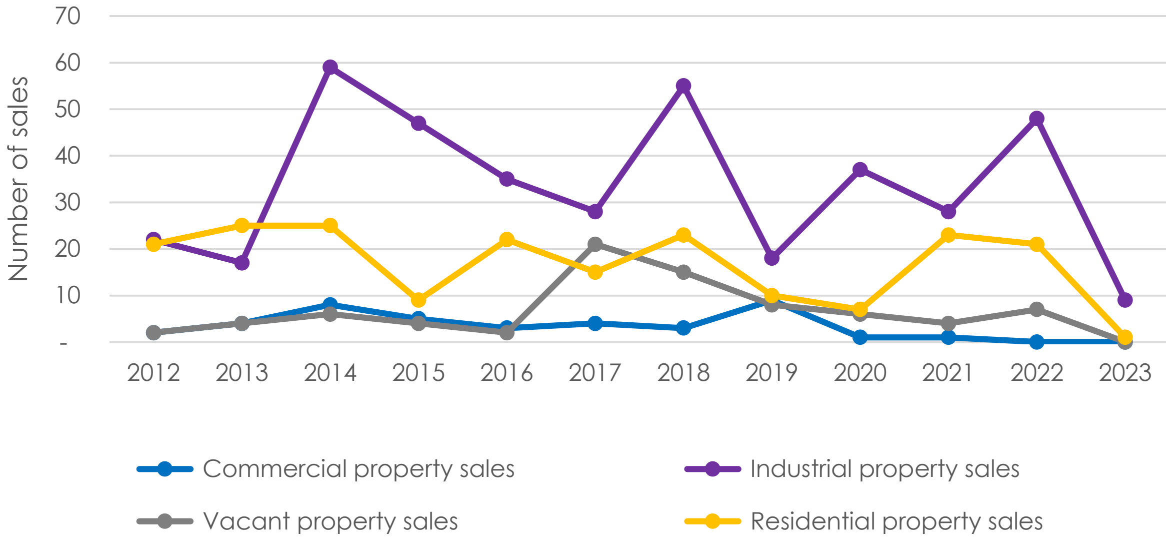
The income bands provide insights into the skill levels of employees in the area. The data indicates that a larger proportion of employees earn up to R12,800, with a significant number of employees earning in the 2 highest income brackets.



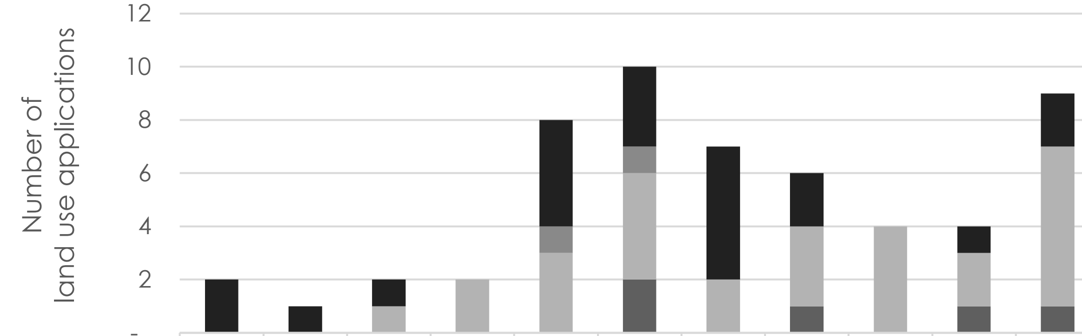
Spatial hexagons in which SARS data has been captured and overlaid with Triangle Farm/Stikland industrial economic area.

DEVELOPMENT PIPELINE

PROPERTY SALES BY SECTOR

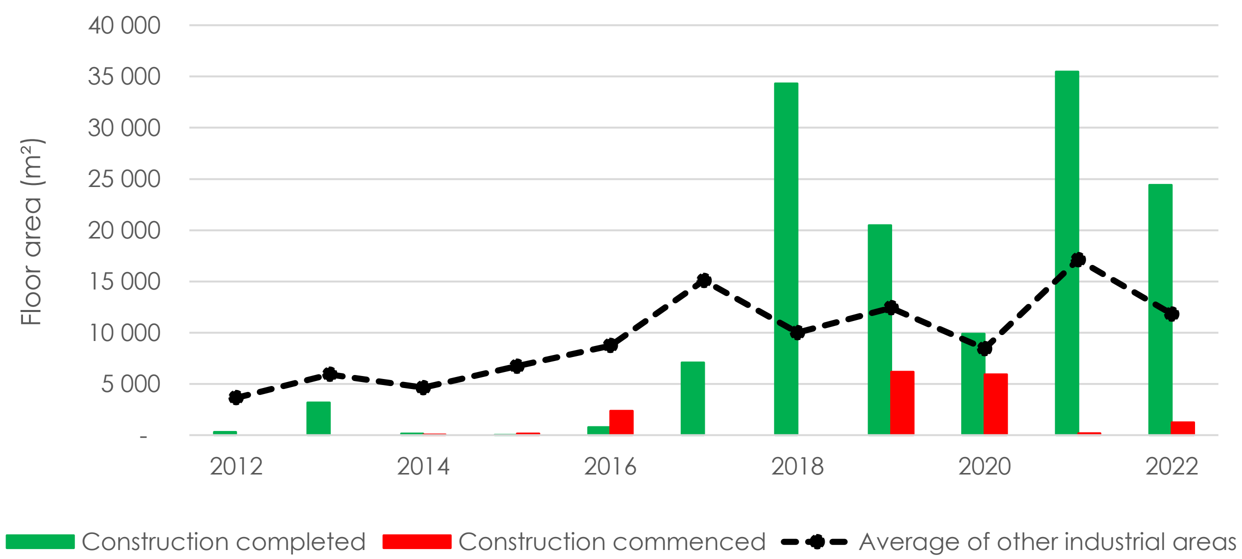


APPROVED LAND USE APPLICATIONS

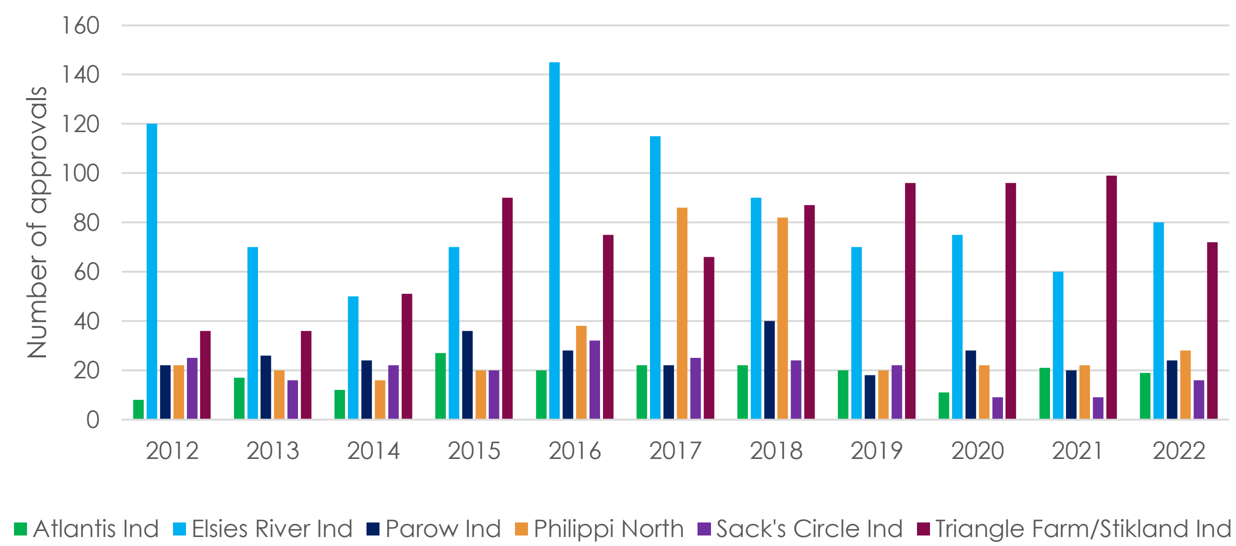


	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Temporary departures	-	-	-	-	-	-	-	-	-	-	-
Subdivisions	2	1	1	-	4	3	5	2	-	1	2
Rezonings	-	-	-	-	1	1	-	-	-	-	-
Multiple applications	-	-	1	2	3	4	2	3	4	2	6
Consolidations	-	-	-	-	-	2	-	1	-	1	1

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



COMPARATIVE VIEW OF BUILDING PLAN APPROVALS ACROSS THE 6 INDUSTRIAL INCENTIVE AREAS (EFFECTIVE AS OF 2018)



Property sales

Property sales of the industrial sector were the highest and mostly fluctuated between 2014 and 2022, with peaks experienced in 2014, 2018 and 2022. There have also been several residential property sales, which mostly fluctuated around the 25 sales per annum mark. Furthermore, property sales for vacant land have mostly occurred in 2017, 2018 and 2022.

Land use applications

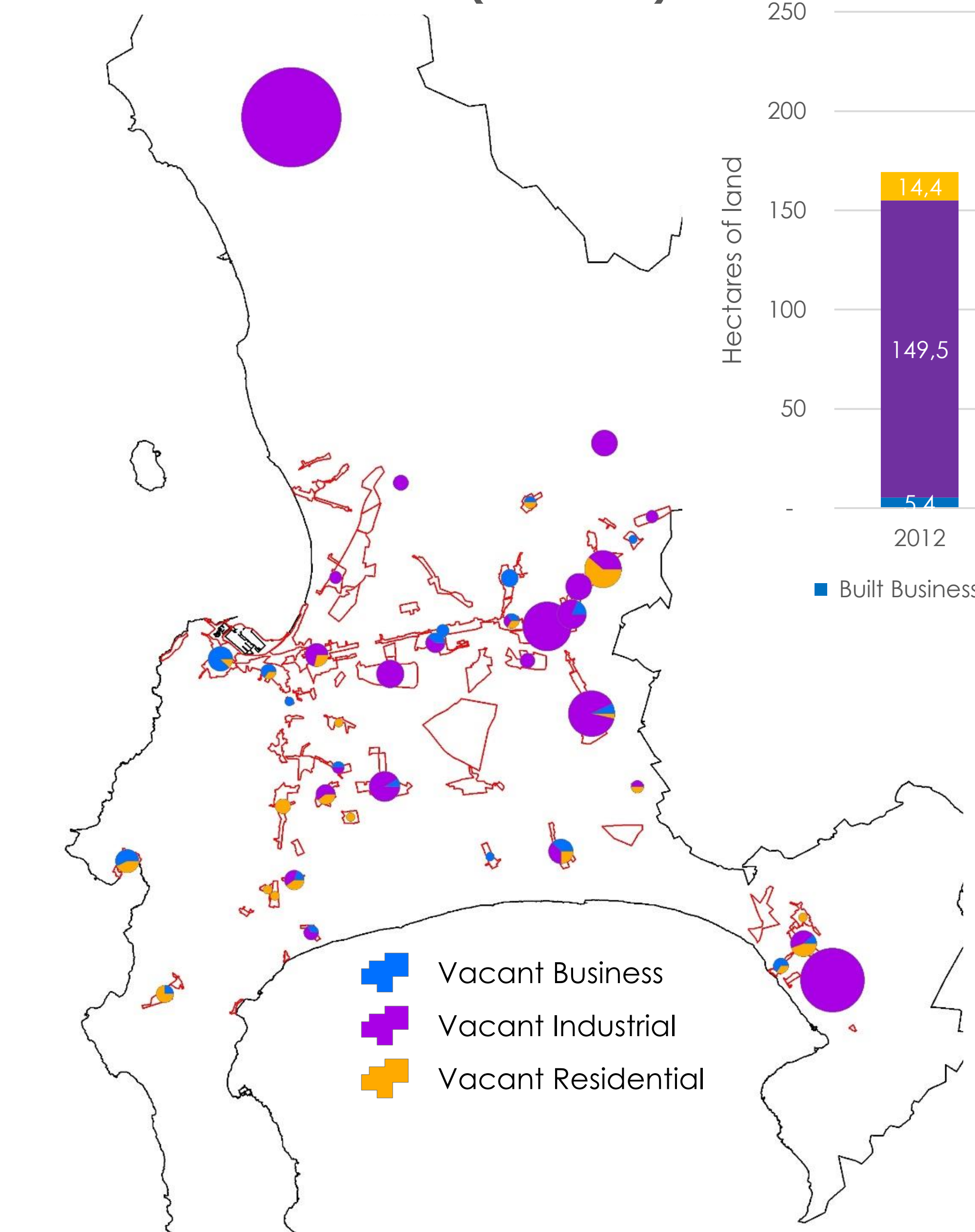
Triangle Farm/Stikland industrial is predominantly zoned for industrial purposes, with most approvals granted for subdivisions and multiple applications suggesting demand for a particular property size, while multiple applications may include a combination of the types seen in the graph.

Building plans

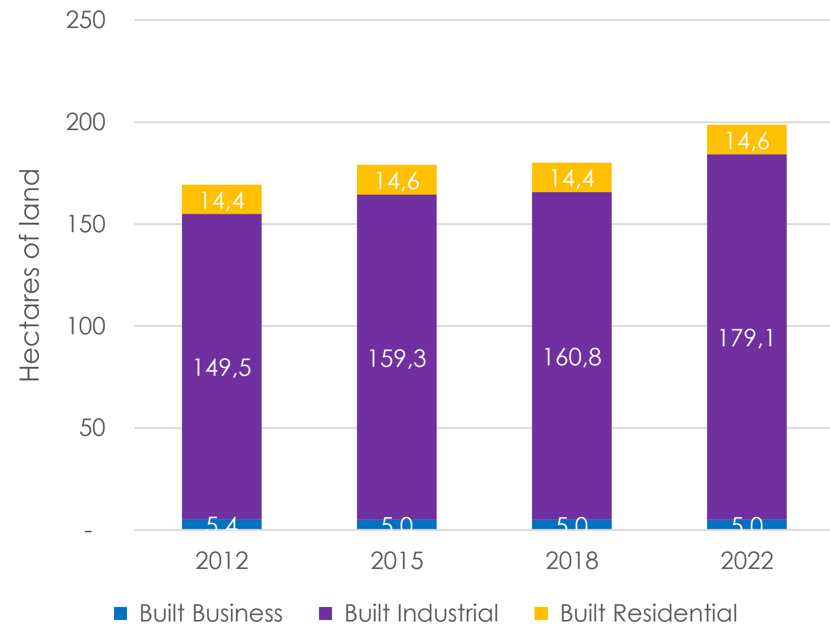
Following on from property sales and land use approvals, building work activity has mostly commenced since 2016. Building work also reflected higher than the metro's annual average between 2018 and 2022, when compared across other industrial areas. Furthermore, noting that Triangle Farm/Stikland industrial is also 1 of 6 industrial incentive areas, the graphs reflect its competitiveness with other incentive areas in terms of the number of building plan approvals granted.

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

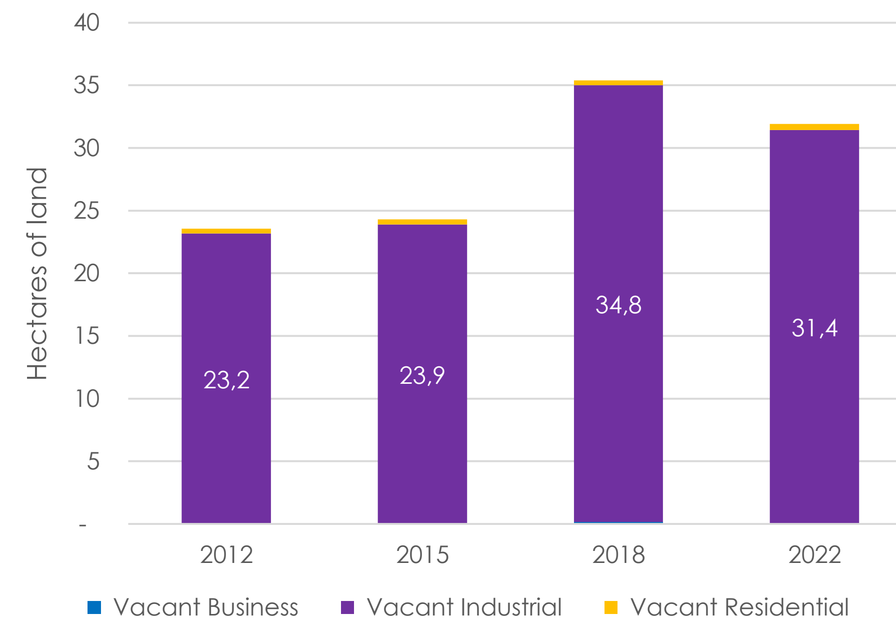
VACANT LAND ACROSS CAPE TOWN (GV 2022)*



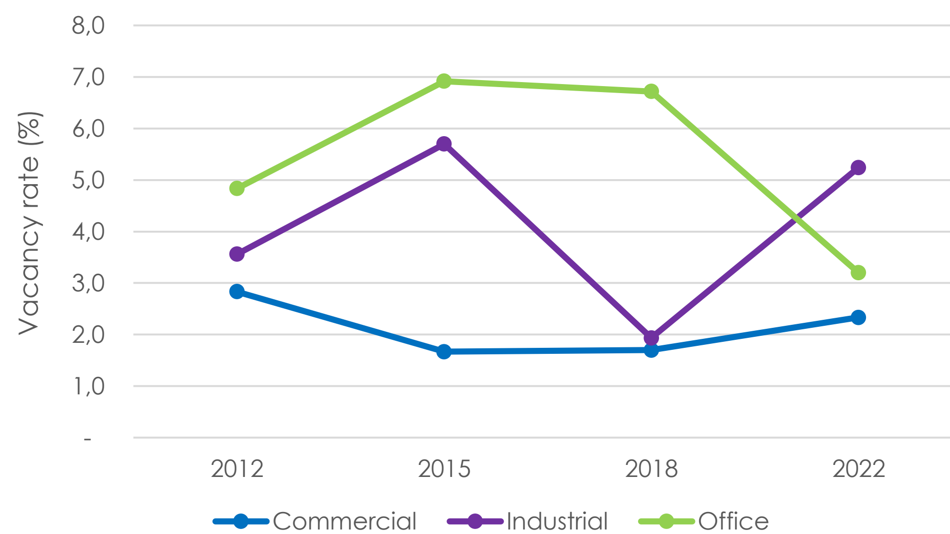
BUILT-UP LAND EXTENT BY SECTOR (TOTAL ERF EXTENT)



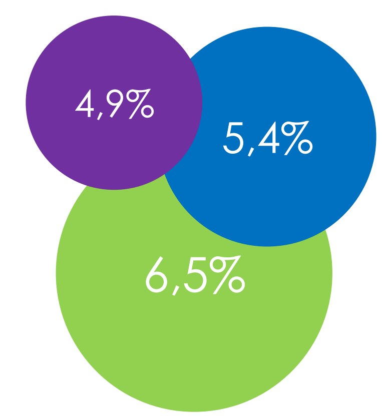
VACANT LAND EXTENT BY SECTOR (TOTAL ERF EXTENT)



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		1	
3) 501-1000m²			3
4) 1001-2500m²		9	1
5) 2501-5000m²		2	
6) 5001-10000m²		5	
7) >10000m²		3	

Source: City's General Valuation Roll and Market Reports

Vacant land

The map provides a representation of the latest GV Roll (2022) by illustrating vacant land across the metropolitan area and 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, additional vacant industrial land has been created between 2012 and 2022. Additionally, the remaining vacant land is categorised based on the number and size of the land parcels, as reflected in the accompanying table.

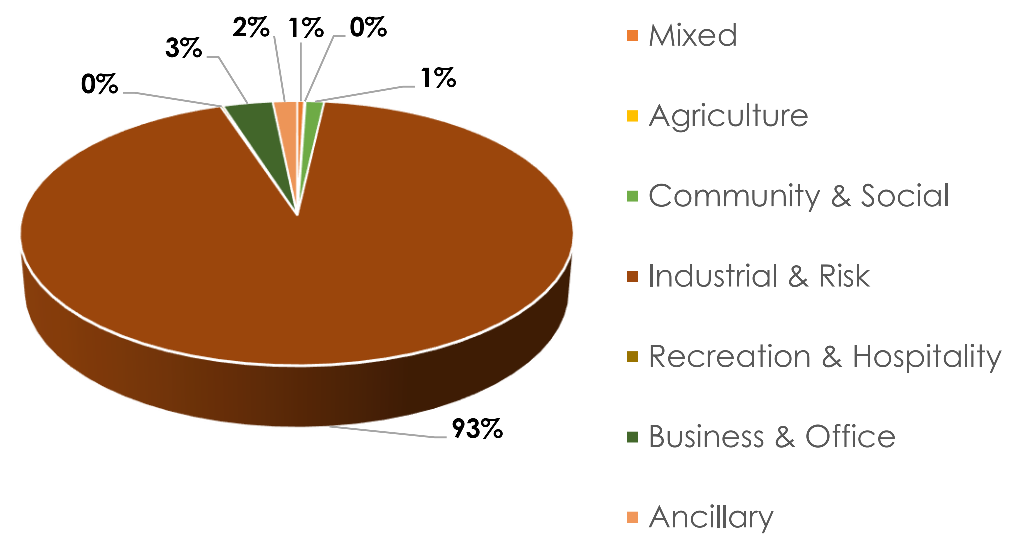
Vacancy rates

In addition to vacant land, vacancy rates for the industrial sector increased from 3,6% in 2012 to 5,2% in 2022. The commercial sector decreased from 2,8% in 2012 to 2,3% in 2022, while the office sector has also decreased from 4,8% in 2012 to 3,2%.

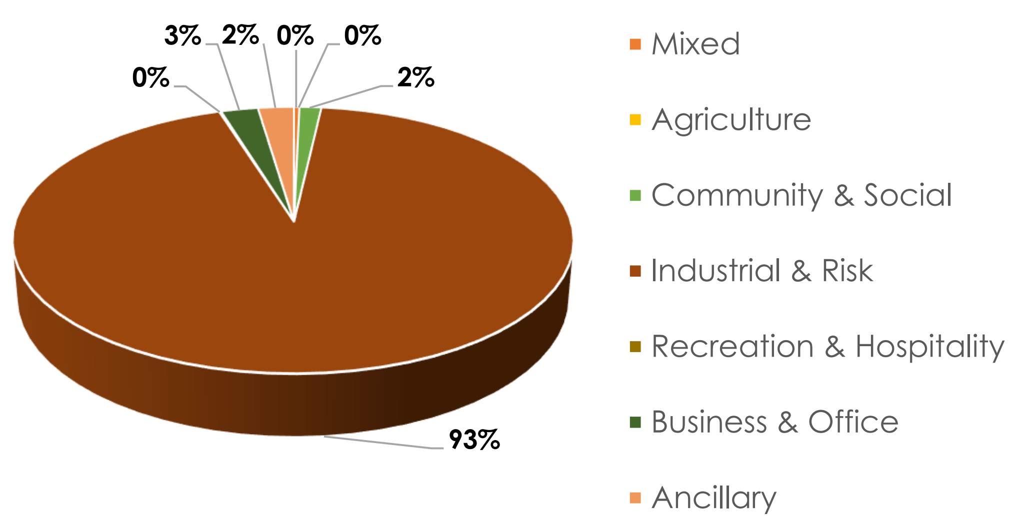
****A metro view that provides further context relative to this economic area.***

AGGLOMERATION OF INDUSTRIES

% OF LAND USE GROUPS (2012)



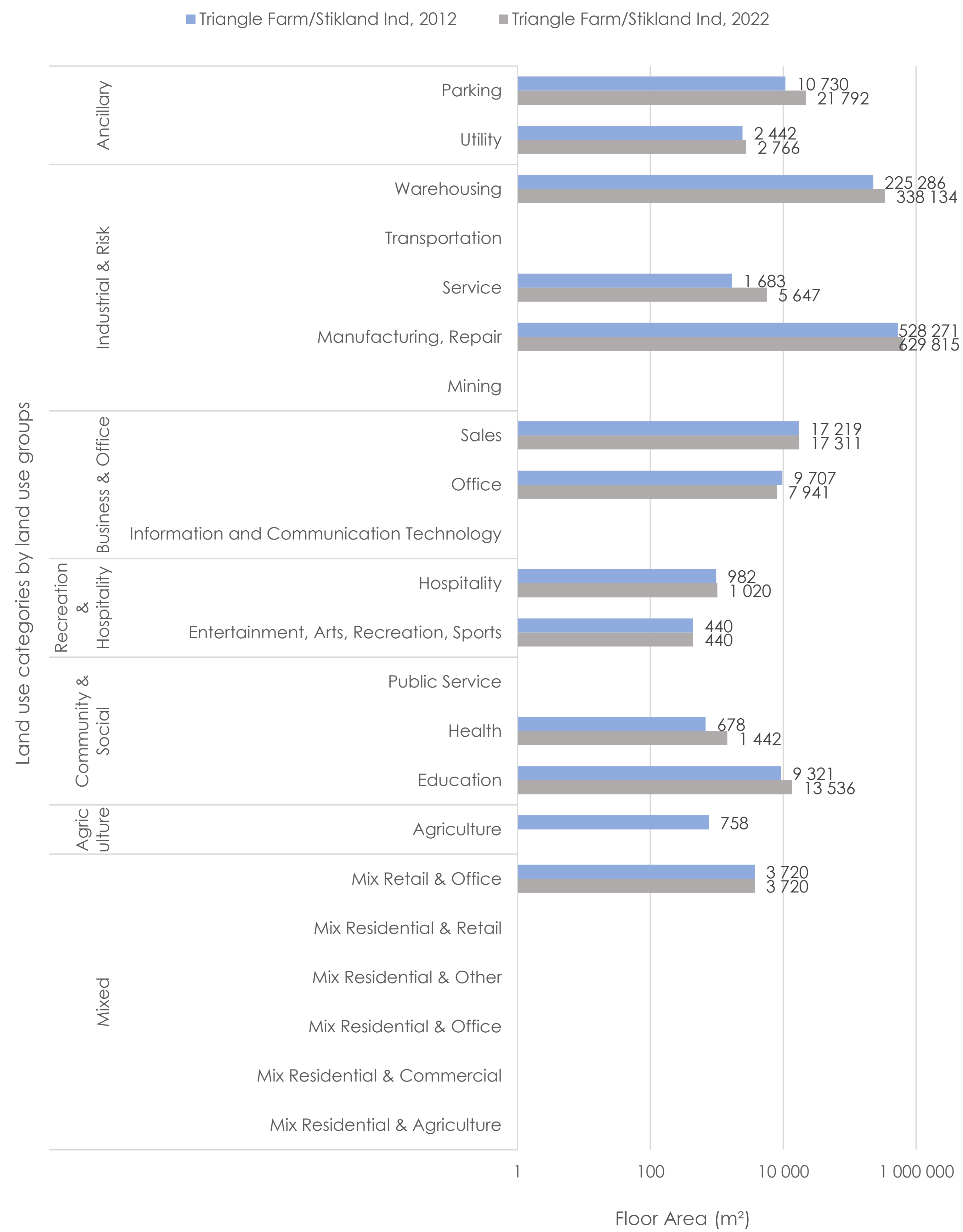
% OF LAND USE GROUPS (2022)



The pie charts represent the % split of land use groups agglomerated in Stikland/Triangle Farm industrial. This % is based on the cumulative floor area (m²) across the various land uses and as can be seen by the chart, the Industrial & Risks group has been dominant in both 2012 and 2022 compared to the other groups, which are mainly in support of the dominant land use group.

Furthermore, the bar graph represents a comparative view between 2012 and 2022 on the co-agglomeration of land use categories within each of the land use groups. The area shows the most dominance between 2012 and 2022 for manufacturing, repairs and warehousing. 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

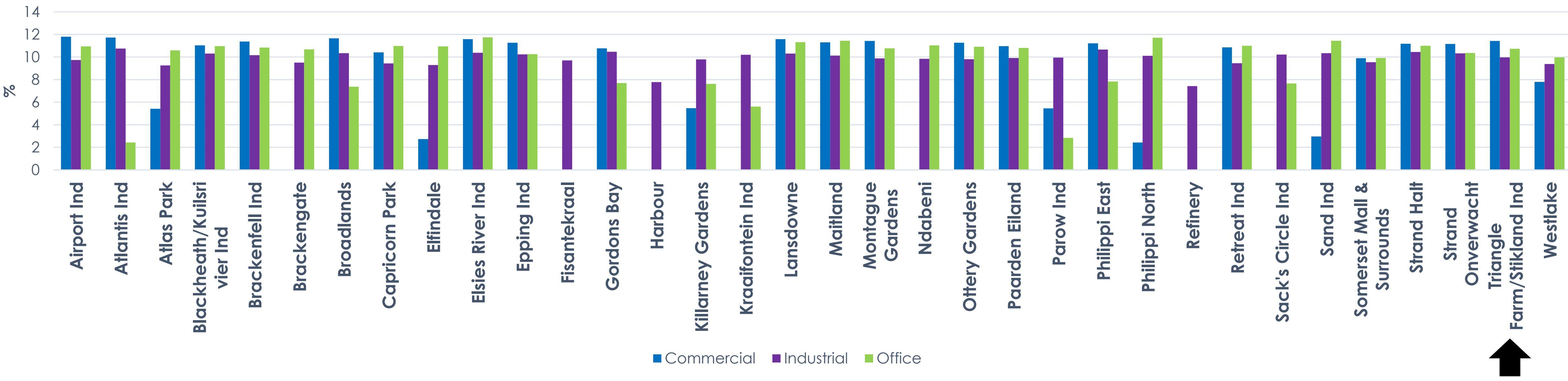


Source: Analysis of GV data (May 2024)

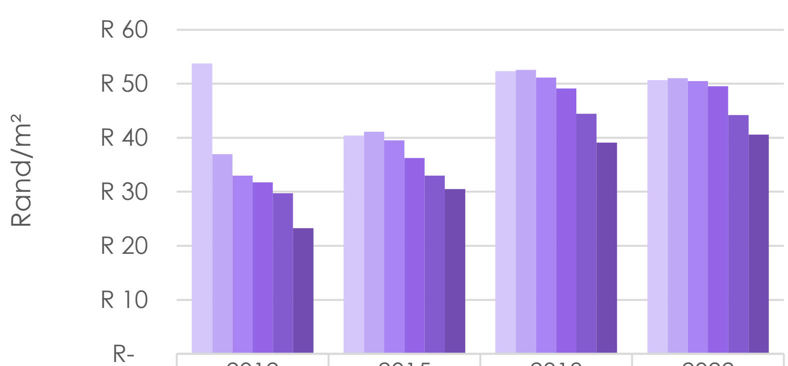
Policy & regulatory context
Conceptual framework
Introduction
Land use activities, employment overview & firm typologies
Development pipeline
Urban land markets
Agglomeration of industries
Market performance
Performance & Potential

MARKET PERFORMANCE

AVERAGE CAPITALISATION RATE OF TRIANGLE FARM/STIKLAND IN RELATION TO OTHER INDUSTRIAL AREAS FOR THE PERIOD BETWEEN 2012 AND 2022

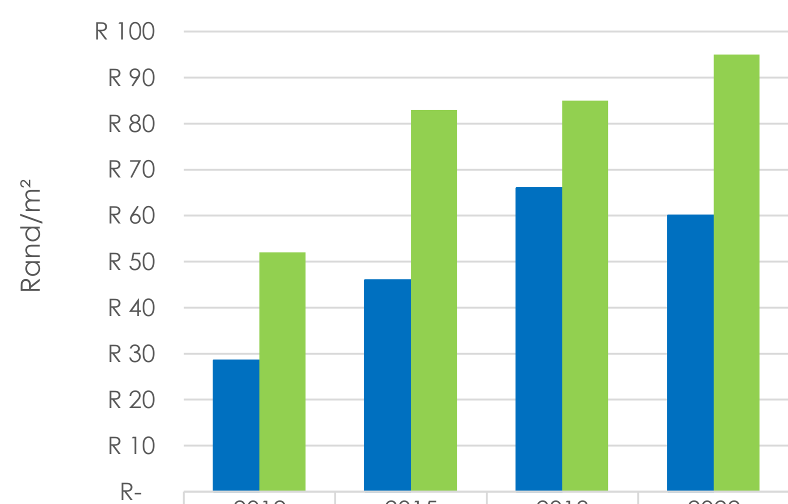


INDUSTRIAL RENTALS



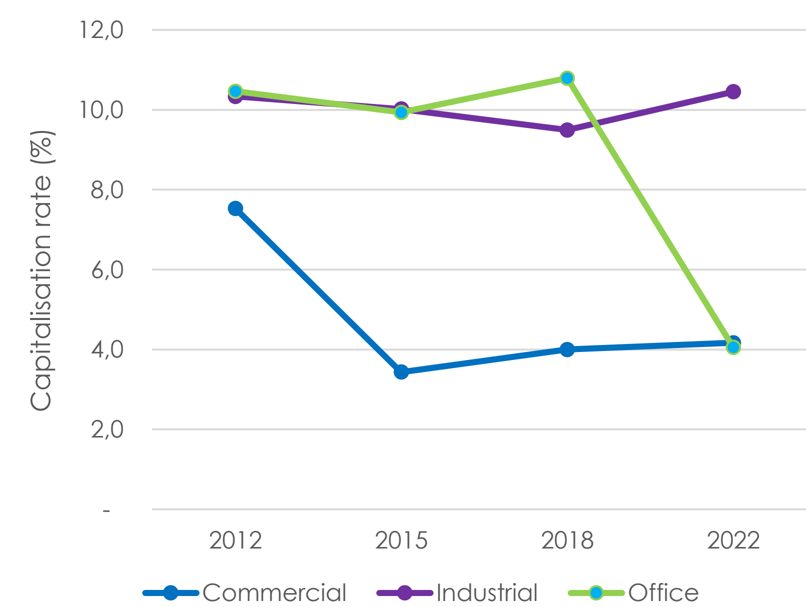
	2012	2015	2018	2022
1) 250m²	R 54	R 40	R 52	R 51
2) 500m²	R 37	R 41	R 53	R 51
3) 1000m²	R 33	R 39	R 51	R 51
4) 2500m²	R 32	R 36	R 49	R 50
5) 5000m²	R 30	R 33	R 44	R 44
6) 10000m²	R 23	R 31	R 39	R 41

COMMERCIAL AND OFFICE RENTALS



	2012	2015	2018	2022
Commercial	R 29	R 46	R 66	R 60
Office	R 52	R 83	R 85	R 95

CAPITALISATION RATES



Rental rates
Rental rates across all industrial property sizes increased between 2012 and 2018, but started to decrease in 2022.

Both office and commercial rentals have increased significantly between 2012 and 2022, with the office sector being higher and commercial decreasing in 2022.

Comparative view on capitalisation rates
The average capitalisation rate between 2012 and 2022 for industrial, office and commercial sectors has been 9,97%, 10,73% and 11,42%, respectively and further indicates its competitiveness relative to other industrial areas.

Year on year capitalisation rates for the industrial sector have remained consistent around the 10,5% mark while the office sector has decreased from 10,5% to 4%. There has also been a decrease in the commercial sector from 7,5% to 4,1%.

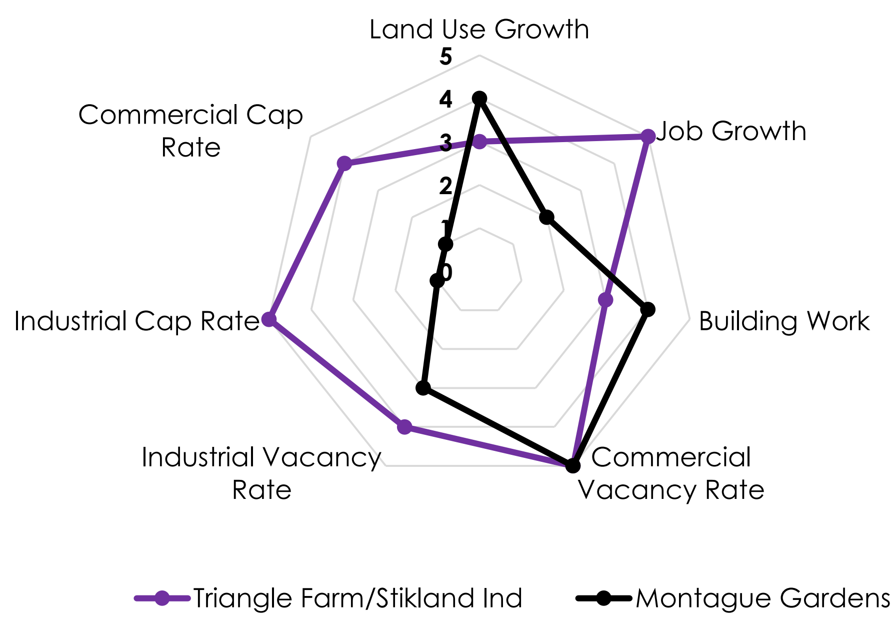
- *Higher cap rates = higher investment risk.*
- *Lower cap rates = lower investment risk.*

Source: 2012 – 2022 market reports

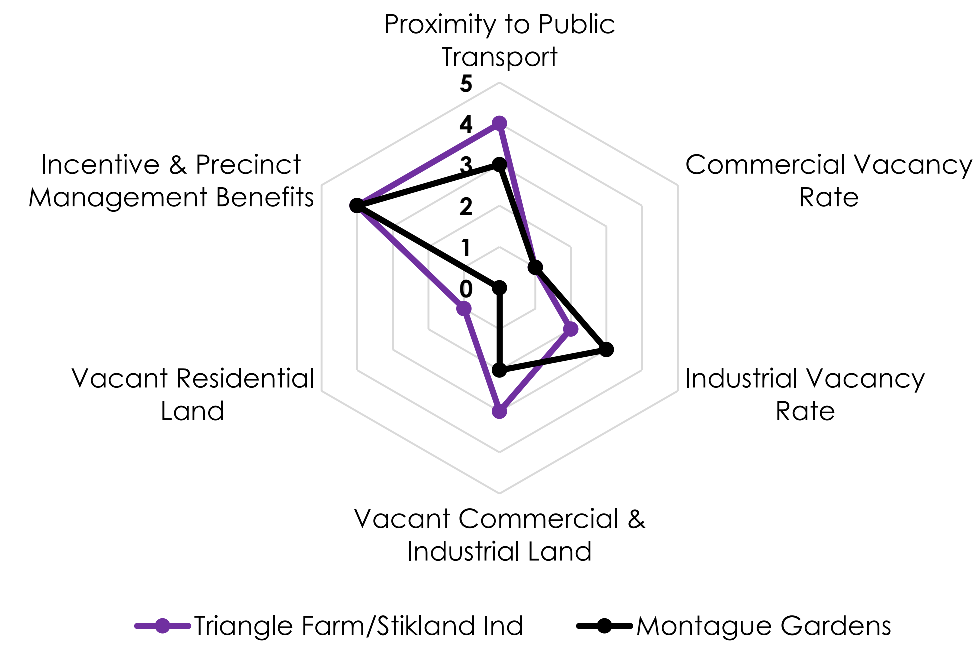
PERFORMANCE & POTENTIAL

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.***