

APPENDIX 1

PUBLIC PARTICIPATION REPORT

- 1. List of registered interested and affected parties**
- 2. Background Document provided at public meeting**
- 3. Record of the public meeting**
- 4. Correspondence received in the EIA process up to the compilation of the draft scoping report**
- 5. Correspondence received after the circulation of the draft scoping report.**

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EIA DC 28 / 0003 / 08 : MONDI MTUBATUBA DEVELOPMENTS ON REM OF FARM LOT 58 UMFOLOZI NO 15939 : N2 INTERCHANGE AND CBD EXTENSION DEVELOPMENT NODES

AGENDA FOR PUBLIC MEETING OF 10 JULY 2008

1. Introduction to the meeting and explanation of the EIA procedures : Guy Nicolson as the appointed independent Environmental Assessment Practitioner.
2. Description of the proposed development : LH – S Professional Planners
3. Discussion and questions : Guy Nicolson
4. Outline of the way forward in the EIA and conclusion of the meeting : Guy Nicolson.

BACKGROUND INFORMATION DOCUMENT

The reason for an EIA and an outline of the scoping process

Guy Nicolson Consulting cc has been appointed as an independent consultant by the Metallon – Mondi Joint Venture Group to implement the required Environmental Impact Assessment (EIA) procedures concerning their proposed rezoning and development of the affected properties, as described further below. The application to obtain the necessary Environmental Authorization (permit) is to undertake listed activities in terms regulations promulgated under the National Environmental Management Act, 1998.

This Background Information Document (BID) and the public meeting at which it is being circulated, is part of the EIA public scoping process. The purpose of the public scoping process is to provide information to all potential interested and affected parties (I & APs) about the proposed development and its associated environment, and to provide them with all reasonable opportunities for comment and raise any concerns that they may have.

Description of the proposed development sites

The two development sites both occur on the property owned by Mondi, Farm Lot 58 Umfolozi No 15939. It is intended to develop two development nodes close together along the development axis between the provincial road P235 and the new interchange of this road with the N2 highway. The two nodes are called the N2 interchange node and the Central Business District Extension Node, or CBD Extension Node. The Location Plan included in this BID shows the location of these two nodes.

The N2 Interchange Node : This is situated on the eastern, seaward side of the N2 Highway, on both sides of the P235 road and is 34.88 ha in area. The area is level and currently mainly covered by gum tree plantations. To the south it is bordered by an Eskom installation, to the west by the N2 highway, and to the north and east by open land.

The CBD Extension Node : This is situated to the north of the existing town of Mtubatuba and is 28.21 ha in area. The site is bordered to the west by the P235 road that runs from Mtubatuba Town to the new N2 interchange, to the north by open land, to the east by the

main railway line going northwards and to the south by the P237 road that goes from Mtubatuba to St Lucia. This site is also level and mainly covered by gum plantations and other forms of open land.

Description of the N2 Interchange Node : It is proposed to develop this node in three phases:

Phase 1 consisting of : A retail component on 6.2 ha comprising 20 000m²; petrol filling station and taxi rank of 1.7ha; truck stop on 3.6 ha; mixed land use on 2.74 ha.

Phase 2 : Retail component on 7.67 ha comprising 25000m².

Phase 3 : Mixed land use on 8.89 ha.

Description of the CBD Extension Node : It is proposed to develop this node in three phases

Phase 1 : Taxi and bus rank on 8.14ha; Commercial land use on 2.6 ha

Phase 2 : Mixed land use on 2.0 ha; Commercial use on 2.6 ha.

Phase 3 : Mixed land use on 2.0 ha; commercial land use on 0.5 ha; office use on 0.6ha.

Development process overview : It should be appreciated that the time horizons for the whole developments will extend over many years and, to an extent, will be dictated by demand and uptake. It is the intention of the applicant to obtain the development approvals for the land and provide infrastructure on a phased basis as required. Individual developers and institutions would acquire development sites to develop them within the overall planning framework and infrastructure provision that will then be in place, with the development incorporated into the Mtubatuba Local Municipality town planning framework.

Infrastructure provision : The provision of adequate civil infrastructure, such as water and sewerage, is identified as a critical issue for these developments, as the current provision is either absent, or lacking the additional capacity that would be required to service these developments.

These infrastructure provision issues are currently under investigation by the applicant's specialists, Goba Consulting Engineers. Preliminary investigations and interactions with the relevant service providers and authorities have already occurred. It is recognized that the demands of the proposed development on infrastructure services that need to be provided, and the consideration of the alternatives and issues involved, will be required to be properly investigated, reported on and assessed within the EIA process.

The next steps in the EIA process

As stated in the introduction, the purpose of the scoping process is to identify all potential environmental issues to be further investigated, reported on and assessed.

All issues identified will be included in the Scoping Report that will be made available to all I & APs, as will all specialist studies and any other relevant documentation produced in the EIA process.

Thank you for your attendance of the meeting, all those who have completed the register will be recorded as interested and affected parties for the purposes of the EIA process, unless I am advised otherwise.

Yours sincerely

Guy Nicolson Pr.Sci.Nat. M.S.A.I.E. & E.S.

**EIA 28 / 0003/08 : PROPOSED N2 AND CBD DEVELOPMENT NODES
ON FARM LOT 58 UMFOLOZI 15939**

**RECORD OF PUBLIC MEETING HELD ON 10 JULY 2008
IN MTUBATUBA TOWN HALL AT 17H30**

1. Introduction

Guy Nicolson introduced himself as the independent Environmental Assessment Practitioner, welcomed all those present and provided an explanation of the purpose and structure of the meeting as part of the EIA overall scoping process. He provided some background to this process and referred to the Background Information Document that had been made available to all attendees of the public meeting. He reminded all attendees to make sure that they had recorded their presence on the register.

2. Description of the proposed development

Isabel Hooyberg – Smut of the professional town planning firm of LH-S Consulting briefly described, with reference to various plans, the Mtubatuba IDP Spatial Development Framework (SDF) and the identification of developmental nodes within the municipal area, the Mtubatuba / Riverview / Nordale / Kwamsane area forming the primary commercial / service focus at the entrance to the Umkhanyakude District.

She also described that, in the most recent revision of the SDF, Council had identified an “urban edge” which circumscribes the Mtubatuba Primary Development Node, setting an outward boundary beyond which rural / agricultural land would be protected from unnecessary urban growth and development. The SDF accordingly reflects the intended broad land use development framework within the urban fence over the next 10 to 20 years, identifying broad land use categories for residential, commercial, mixed use, industrial, agricultural and conservation / open space use purposes.

She pointed out that the SDF has long reflected the intention of SANRAL to upgrade both of the Mtubatuba / Caltex service station and Mtubatuba / Somkele / Hlabisa intersections on the N2 into grade – separated interchanges, the latter having since been constructed. Based on this intention, the SDF identifies the land adjoining the Mtubatuba / Somkele / Hlabisa interchange (the Interchange Node) as a development focus for mixed use commercial type activities that would be orientated towards the N2 movement corridor and its broader hinterland.

It was also explained that the SDF shows that, in order to address the current constraints to the expansion of the current Mtubatuba CBD area, it would be encouraged to grow to the north and south, the former to link up with the Interchange Node through ongoing mixed use, industrial and residential developments between the N2 and the railway way line. To this end, and complementary to the Interchange Node, a CBD North Development Node (CBD Node) had been identified where development would be encouraged simultaneously with that of the Interchange Node.

It was pointed out that the land to the east of, and adjoining the N2 within the Interchange Node, as well as that of the CBD Node, is in the ownership of Mondi who had entered into a joint venture partnership with Metallon to facilitate the planning and development of the two nodes, the Interchange Node focusing on a regional shopping centre, mixed use, petrol filling station, hotel, bus and taxi terminus and

truck stop developments, the CBD Node providing for an administration precinct (land having been offered to the KZN Department of Health for a regional health care / ambulance / police mortuary facility), offices, mixed use development and taxi and bus rank facilities directly adjoining the existing CBD to the north of the St Lucia Road.

Also described was the SDF's longer term linkages between the Interchange and CBD Nodes by industrial (focused on clean, storage and warehousing type industries, possibly with rail sidings from the adjoining railway line), mixed use and residential development.

3. Questions and discussion

After the above description of the planning context and proposed development Guy Nicolson then chaired a questions and discussion session at the meeting, as recorded below.

During the discussion session the Mayor of Mtubatuba, Mr Chris Swartz, indicated concern that the type of planning initiative being proposed appeared to be taking place with little reference to all of those interested and affect parties who be involved in the scoping meeting and questioned why they were not present. There was also a question from the floor as to whom, exactly, Metallon is.

In introducing himself, Mr Welcome Shange, representing Metallon, apologised for his and Messrs LH-S Professional Planner's 10 minute or so late arrival, which he explained had been occasioned by his having to be collected at the Richards Bay airport and unanticipated heavy traffic volumes into and out of Richards Bay. He also drew attention to the fact that a telephonic message had been sent to Mr Nicholson via a municipal official to advise that he and LH-S would be some ten of so minutes late, as had turned out to be the case.

Mr Shange explained the structure of Metallon and which has, under the guidance of its Managing Director, Mr Neels Brink, been instrumental in facilitating many developments within KwaZulu – Natal, the most notable being the Point Redevelopment in Durban. He also explained that Mr Brink, a former director of the Tongaat Hulett Group, had been closely involved in the highly successful development of the new Umhlanga CBD and La Lucia Ridge by Moreland Properties.

Mr Lang drew the attention of the meeting to the fact that the Municipality was fully aware of LH-S's involvement in the project under discussion as Metallon had undertaken two presentations to the municipality's Technical and Planning Portfolio Committee. He also advised Metallon had set up a Project Steering Committee comprising representatives of the Municipality, the Umkhanyakude Municipality and the developer to deal with technical matters, one of the most notable of which is the lack of potable water.

A representative of Professor Jeff Hadebe, the owner of land to the west of, and directly adjoining, the N2 on both sides of the main road to Hlabisa, also situated in the development node identified in the SDF, pointed out that this land was being planned as a commercial node. He asked whether the project would include the Professor's land and why Mondi had not developed their land earlier, the impression being gained that Mondi was taking over the ideas already under way.

Mr Nicolson suggested that Mondi was following a due process of planning, consultation and approval at a point where it considered the moment was opportune,

Ms Hooyberg – Smuts emphasising that the project was not being conceived as focusing development only on the N2 node, pulling the commercial activities away from the Mtubatuba CBD, but rather to complement the CBD, addressing a different market range offered by the visibility of the node from the N2.

The Mayor pointed out that the communities on Professor Hadebe's land fall within the Hlabisa Municipality and asked what input had been sought from them or whether there had been any communication with the traditional authority. He also drew attention to the fact that the whole of the Mpukonyoni Traditional Authority area was in the process of being incorporated into the Mtubatuba municipal area and raised the issue that this, together with the proposed development, would have a significant impact on the current over – burdened water and sewerage disposal services. Ms Hooyberg – Smuts pointed out that this was not entirely accurate in that Professor Hadebe's land is situated outside of the area of the traditional authority and within the area of jurisdiction of the Mtubatuba Municipality.

Mr Shange advised that the traditional authority had been informed of the project and the meeting and that Metallon would be personally addressing the authority, which process had been delayed as a consequence of a death in the royal household.

A representative of Mr Morrison and Makakatana Lodge indicated that the proposed development was in the wrong place and would generate of the order of 45 000m² retail space, which is more than the whole of the existing Mtubatuba CBD. Mr Lang drew attention to the fact that the extent of the various components of the proposed development would have to be fully explained and motivated in the DFA application, together with the likely effect that it may have on the existing CBD and mitigating measure that would be put in place.

Mr Shange also informed the meeting that Metallon had met with the Mayor and Municipal Manager of the Umkhanyakude Municipality to brief them fully about the project and were in the process of setting up a formal meeting to explain possible water – upgrade solutions.

The Ward 5 representative asked how the meeting had been advertised, Mr Nicolson replying that this had been in the Zululand Observer and Isoleswe newspapers and that a copy of the notice being sent to every Councillor and all businesses and interested and affected parties identified by the Mtubatuba Municipality. Mr Lang also reminded the meeting that the project had been presented twice to the Council's Portfolio Committee with the request that it be given the opportunity to address Council, which opportunity was still awaited.

Mr. Nicolson explained the EIA process that has been, and must still be, followed and that there would be a 21 day period following the meeting for anyone who wishes to do so to provide written inputs. Thereafter a scoping report would be written describing the proposed development, the issues identified during the scoping exercise and how these would be addressed. The scoping report would be made available for comment, would be adjusted where necessary and then submitted to the KZN Department of Agriculture and Environmental Affairs for its consideration. He suggested that the Department would be likely to require a full EIA as a consequence of the scale of the project and would, thereafter, issue a decision. All in all, the process would involve several opportunities for consultation with interested and affected parties.

Professor Hadebe's representative made the point that Mondi is a company that trades in trees and asked whether there was any logic as to why it should now trade

in the development of commercial centres. Mr Shange drew attention to the fact that Mondi has a subsidiary called the Zimela Group which is in partnership with Metallon, Mr. Nicolson pointing out that any expansion of existing urban areas must move into rural / agricultural land and which has to be fully and properly evaluated before approvals are given for the proposed development, whatever it may be, to go ahead.

Mr. John Silver, a Mtubatuba resident, drew attention to the fact that he had been in the town for 5 years and has seen the battle that has been ongoing about the shortage of potable water, asking what is being done to address this and expressing the view that, without an adequate solution, the project should not be permitted to go ahead.

The Mayor advised the meeting that the Municipality had some years ago recognised the need to expand the town and had recognised that the interchange, then in its planning stage, was an appropriate catalyst. The Municipality was accordingly in the process of negotiating with Mondi to make land available for such purpose, the proposals of Metallon being a logical extension thereof. He suggested that the development of the N2 was indeed necessary, that it was part and parcel of the Municipality's IDP and SDF and that the existing businesses in Mtubatuba should be readying themselves to take up opportunities within the development when it begins rather than objecting to it.

Mr Shange concurred with the Mayor, pointing out that Metallon's intention was to provide the necessary developmental infrastructure and facilitate the take up of land for development by local and other entrepreneurs.

The Mayor emphasised that the development process must ensure that existing businesses are protected and reminded the meeting that it was, at this stage, merely a proposal that may not happen at all, there being many challenges ahead for the developer, the relevant point being that both the Municipality and the District need the inputs of developers in the growth of the town as a consequence of lack of funds and capacity to provide the essential infrastructure. He said that he was sure that the initiative before the meeting would provide further developmental opportunities much needed by the Municipality.

4. Outline of the way forward in the EIA and conclusion of the meeting : Guy Nicolson.

After the questions and discussion session Guy Nicolson explained that after the public participation process an environmental scoping report would be made available to all interested and affected parties in an appropriate manner for comments. The record of the public meeting would be provided in this report, and all comments received from interested and affected parties would be taken into account in the EIA process.

This report would be provided also to the other relevant authorities who were required to provide comments, as well as to the authorizing authorities, the KwaZulu – Natal Department of Agriculture and Environmental Affairs.

He then thanked all who had attended the meeting and declared the meeting closed.

**CORRESPONDENCE RECEIVED IN THE EIA PROCESS UP TO THE
COMPILATION OF THE DRAFT SCOPING REPORT**

(Excluding correspondence merely requesting to be registered as and interested and affected party of requesting to be further informed)

1. Letter from Bob Cheves of Norman Brauteseth and Associates : Attorneys representing certain registered interested and affected parties.

**CORRESPONDENCE RECEIVED IN THE EIA PROCESS UP TO THE
COMPILATION OF THE DRAFT SCOPING REPORT**

1. Ezemvelo Wildlife email letter of 18 December 2008
2. Norman Brauteseth and Associates Attorney letter dated 24 December 2008.
3. National Department of Agriculture letter dated 25th November 2008.