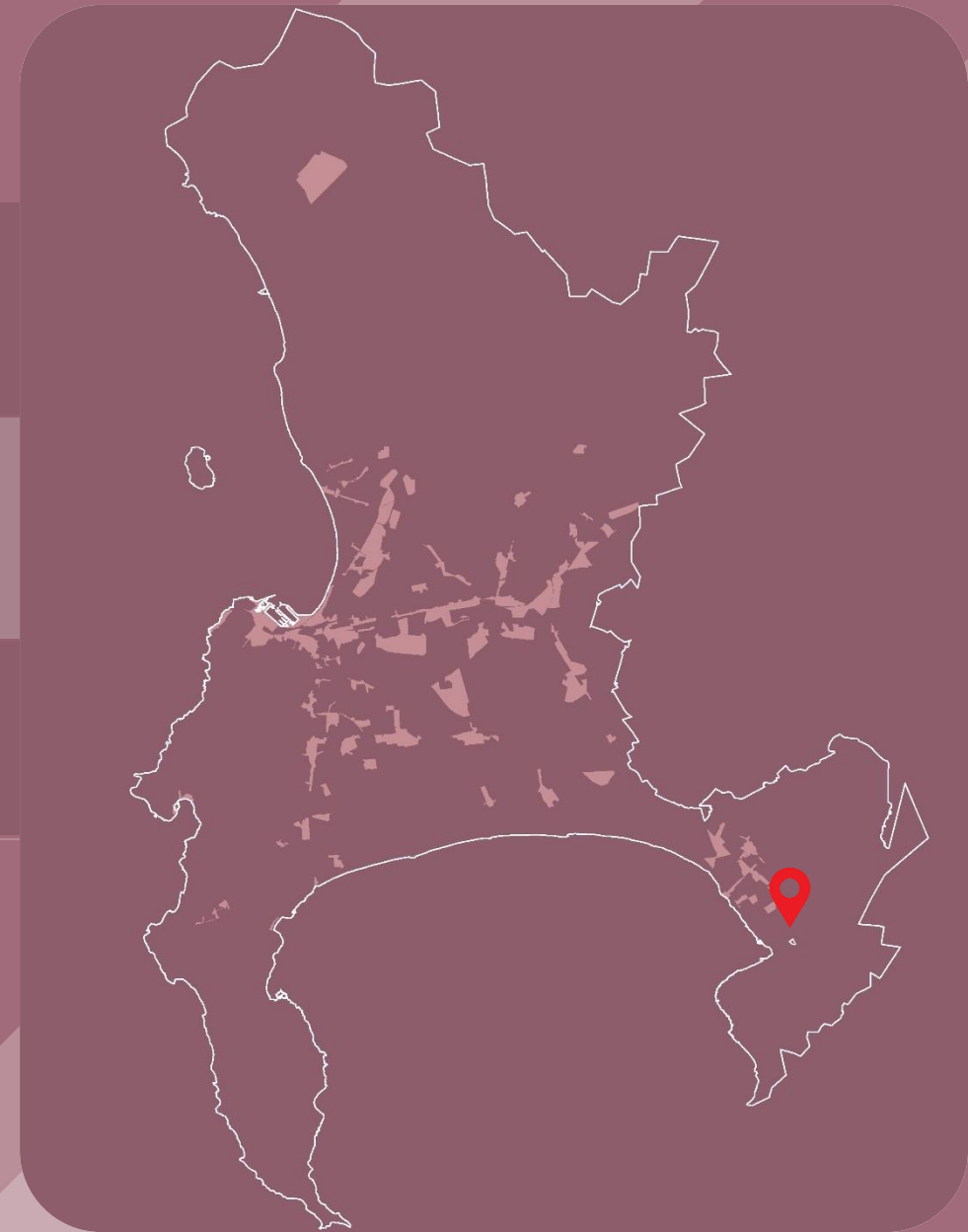


# GORDONS BAY INDUSTRIAL ECONOMIC AREA PROFILE

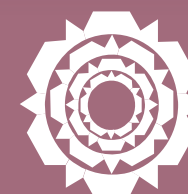
TREND ANALYSIS 2012-2022



*Image source: Google Earth*



June 2025



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Making progress possible. Together.

# ACKNOWLEDGEMENTS

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Valuations, Development Management & Policy and Strategy

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### DISCLAIMER:

The information contained herein is provided for general information only which is not intended to provide definitive answers and as such, is only intended to be used as a guide.

Whilst we strive to provide the best information at our disposal and take reasonable measures to ensure that it is up-to-date and correct, we make no representations or warranties of any kind, express or implied, about the completeness, accuracy, reliability, suitability or availability of information for any purpose. Any reliance you place on the information is at your own risk.

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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

- Helderberg DSDF - Subdistrict 4: Gordon's Bay:
  - District Development Guidelines ([page 64](#))
  - Subdistrict Development Guidelines ([page 93](#))
  - Consolidated Subdistrict SDF ([Figure 19: Subdistrict 4: Gordons Bay area](#))

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# 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](mailto:Future.CapeTown@capetown.gov.za).

## MICRO-ECONOMIC DEMAND & SUPPLY FACTORS

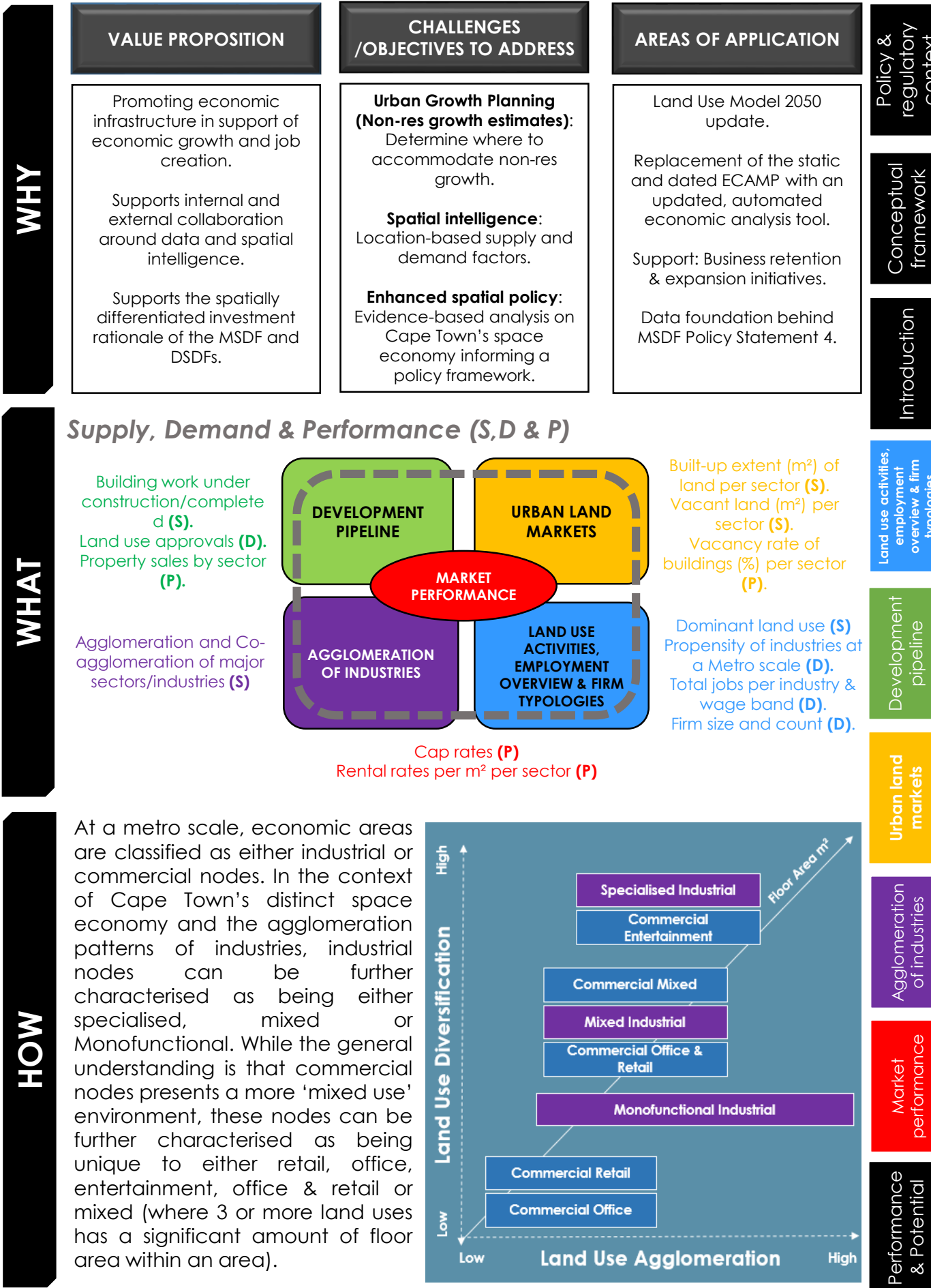
This profile examines a range of micro-economic indicators to highlight trends in supply and demand specific to the economic area. The indicators include:

- 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/m<sup>2</sup> by land use sector
- Jobs per industry

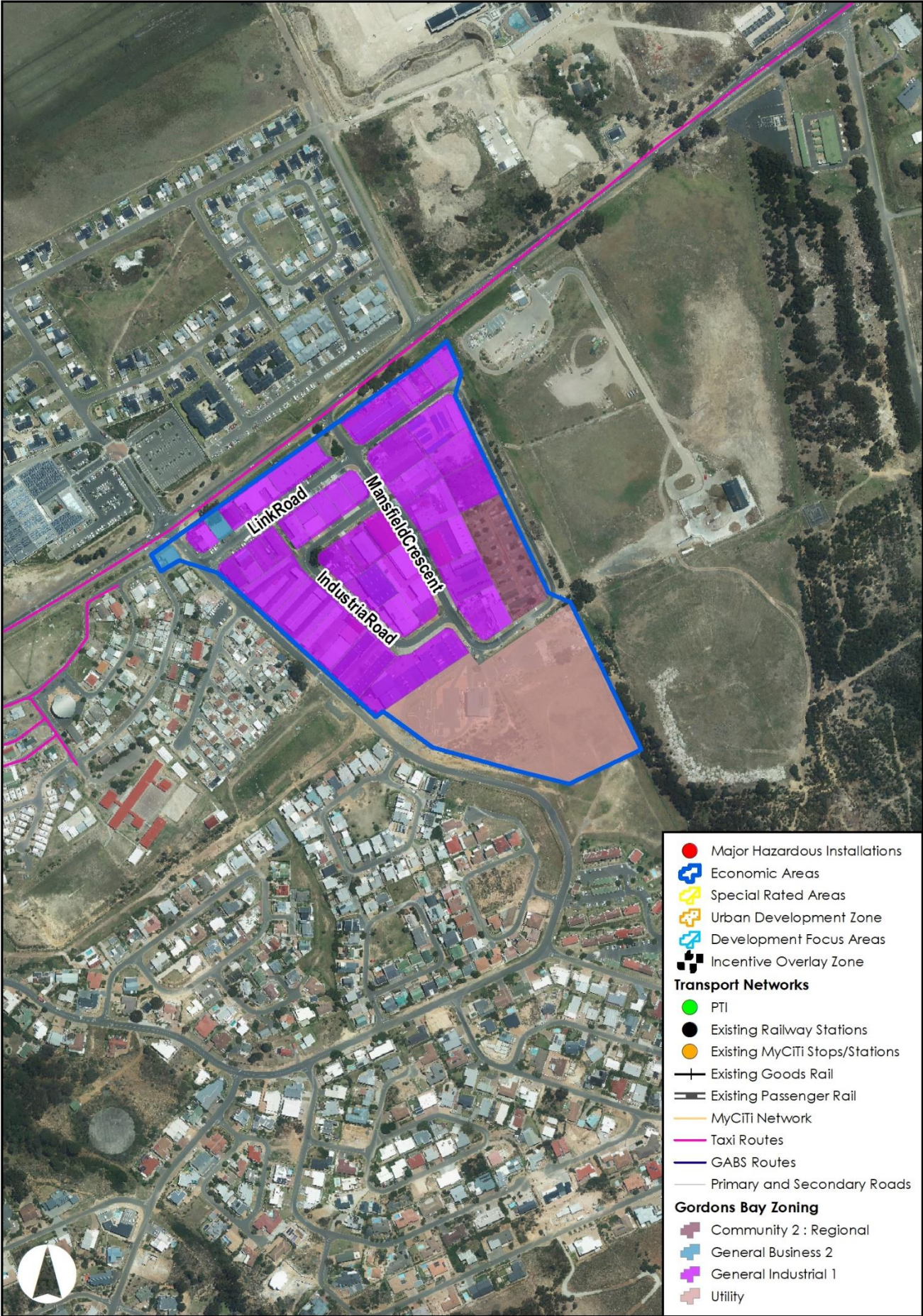
## MACRO-ECONOMIC REPORTS AND INDICATORS

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 \(MERO\)](#)







GORDONS BAY INDUSTRIAL

Location

- The area is approximately 55km southeast of Cape Town's Central Business District and the Port of Cape Town. Furthermore, it is located 43km from Cape Town International Airport.
- It is also situated near the N2 highway, which connects to areas across Cape Town and also beyond, approaching the Grabouw area.
- The area is mainly serviced by taxis.
- Access to a skilled workforce from surrounding areas, includes the broader Gordons Bay, Somerset West and Strand 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 and storage facilities.
- The average land parcel sizes in the area mostly vary between 750 and 1,500m², with a limited number of properties extending beyond 5,000m².

Spatial planning mechanisms

- None

Key highlights of the area include:

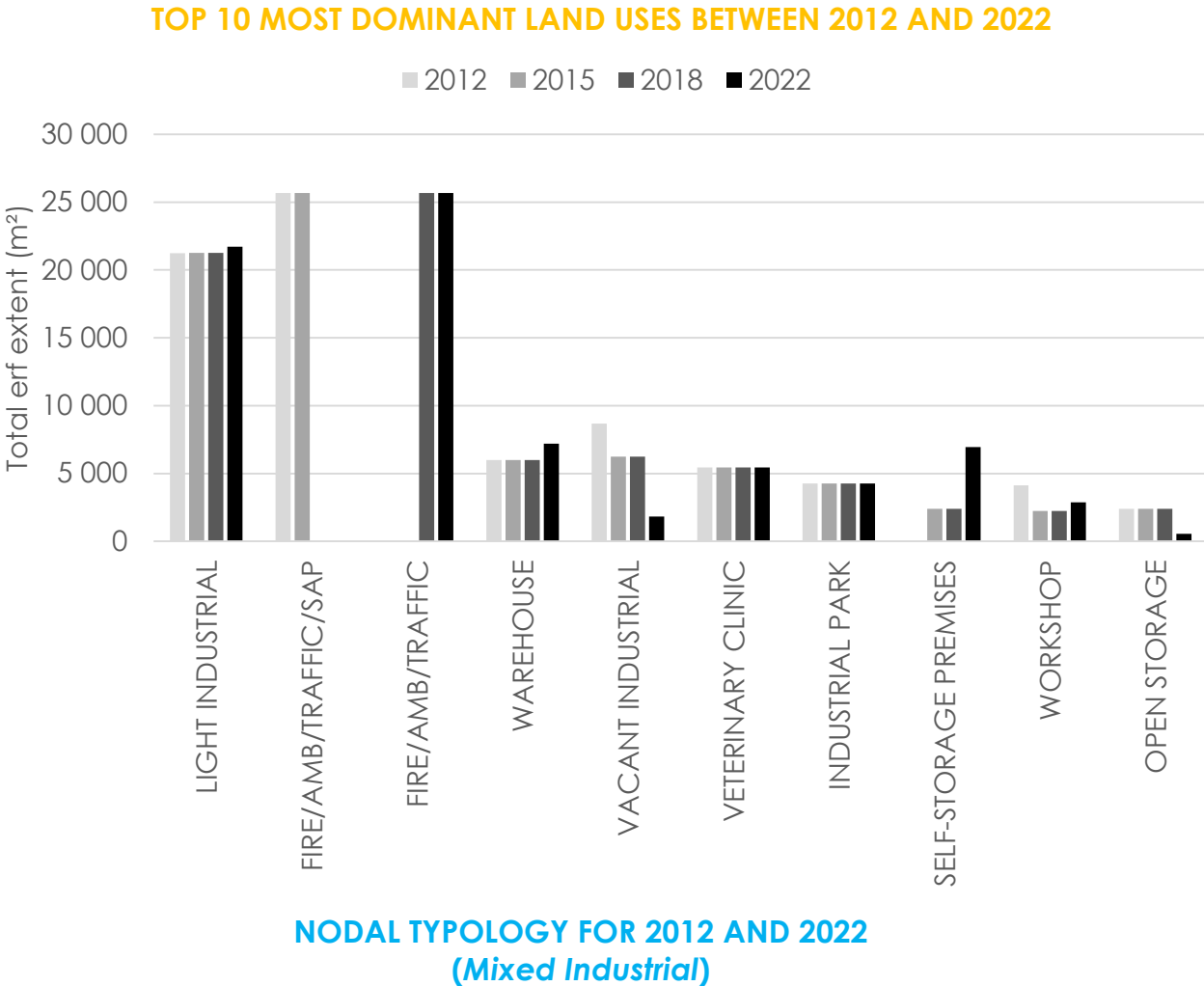
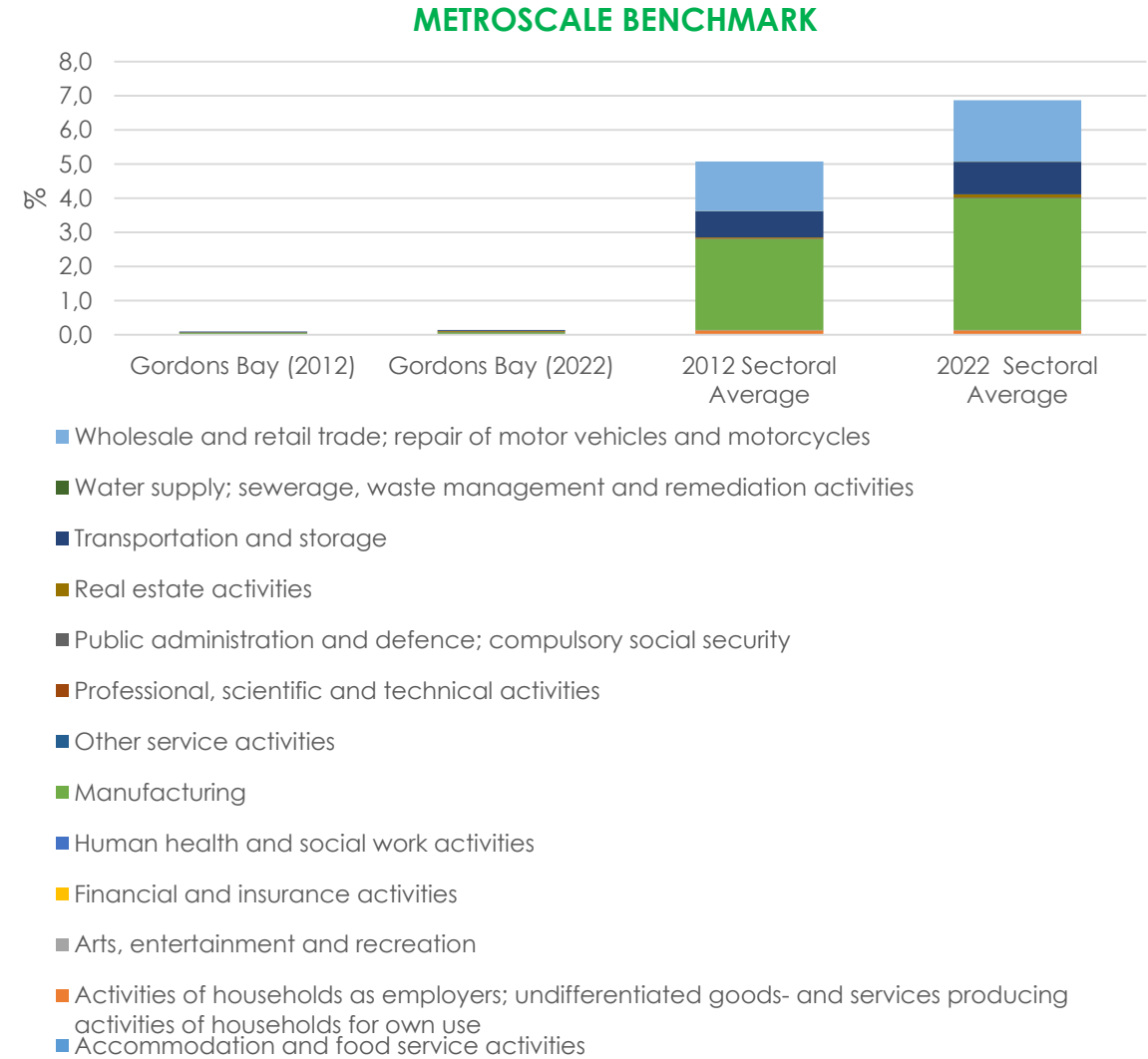
- The area started to establish itself in the early 1990s and has developed into an industrial economic area.
- The area is well-suited within the Helderberg region, which connects to areas within and beyond Cape Town.



# LAND USE ACTIVITIES

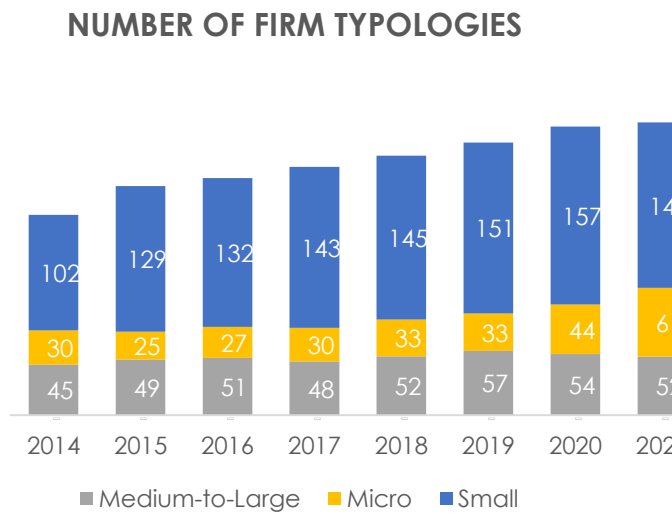
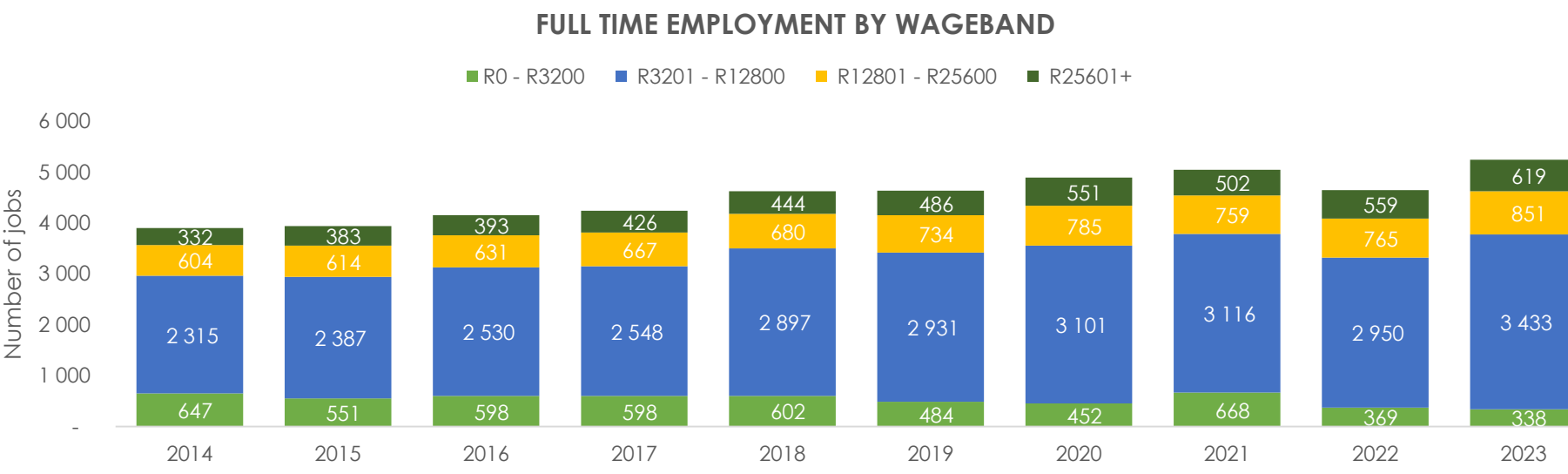
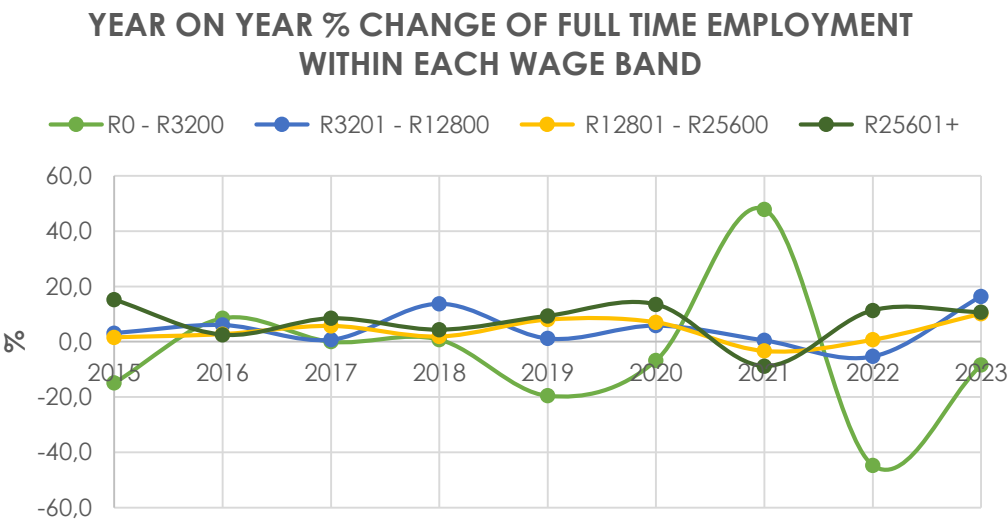
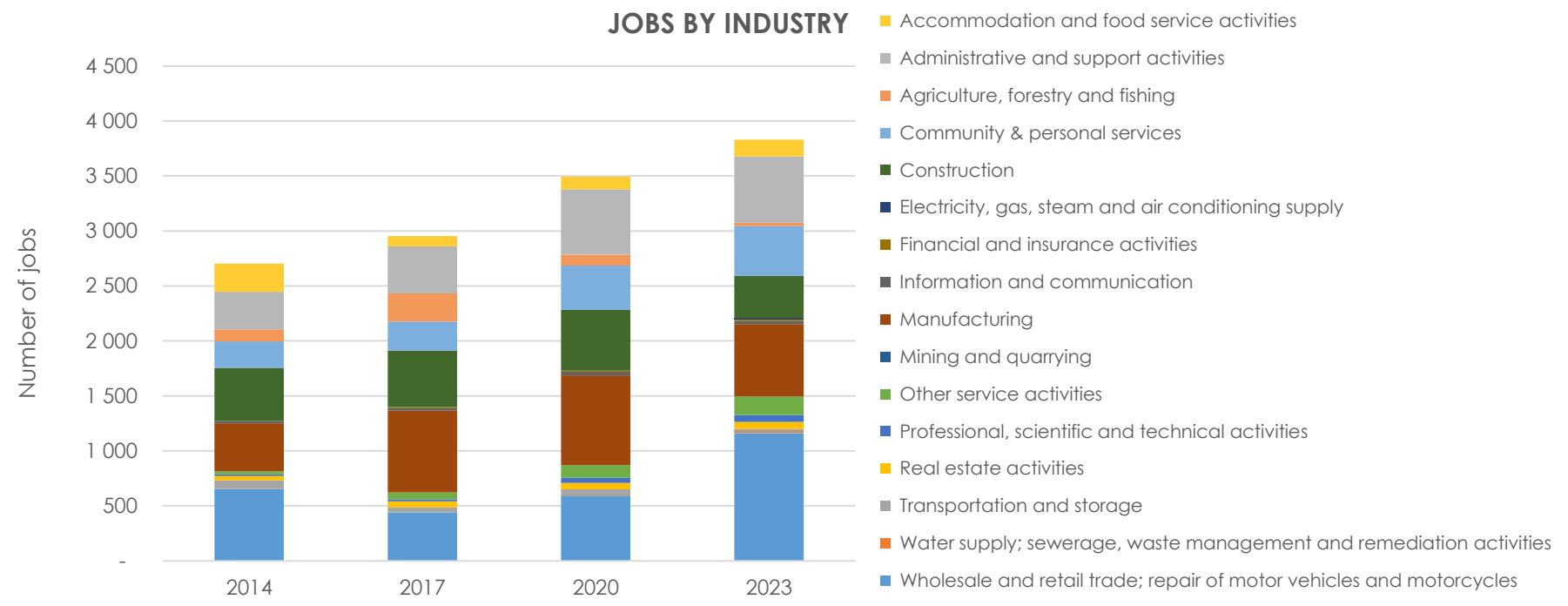
A recent analysis involved converting land use codes from the General Valuation Roll (GV Roll) into Standard Industrial Classification (SIC) codes. This was done to determine the prevalence of industries operating in areas with similar characteristics.

- Between 2012 and 2022, Gordons Bay was mainly characterised by a greater propensity for manufacturing, transport & storage, real estate activities and professional activities, as indicated by the **Nodal Typology**. This typology highlights the industries with the largest floor area (m<sup>2</sup>) operating within the economic area.
- The **MetroScale Benchmarking** positions Gordons Bay as a significant contributor to manufacturing, transport & storage, real estate activities and professional activities, 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 (m<sup>2</sup>) for light industrial, warehousing, workshops, industrial parks, storage and workshops.



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

# EMPLOYMENT OVERVIEW & FIRM TYPOLOGIES



### Jobs/Firms

The number of job opportunities in the Gordons Bay area increased from 2,600 to 3,800 jobs between 2014 and 2023. Over time, most jobs have been concentrated in wholesale & retail, with equal concentrations in community & personal services, administrative services and manufacturing.

### 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.

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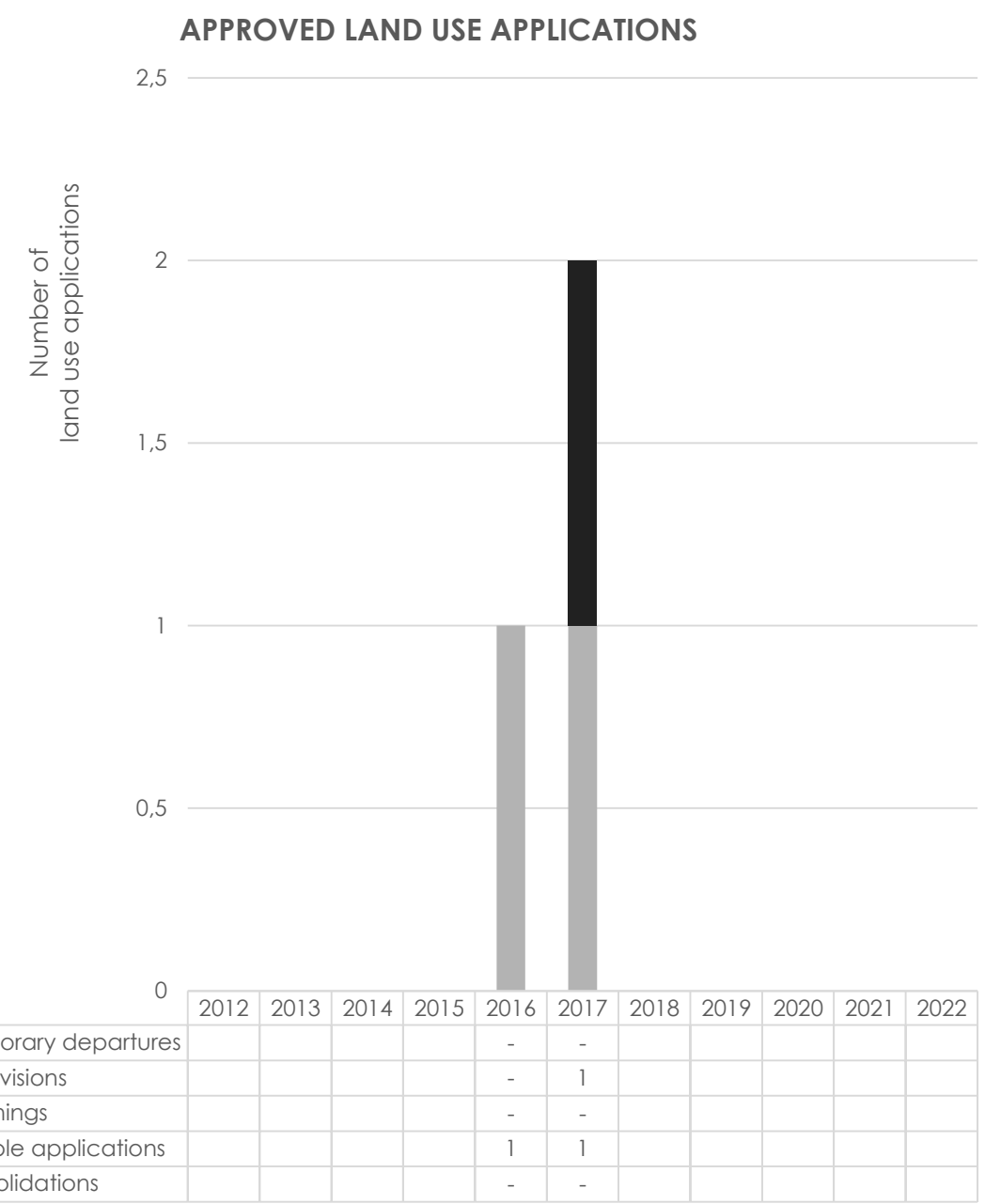
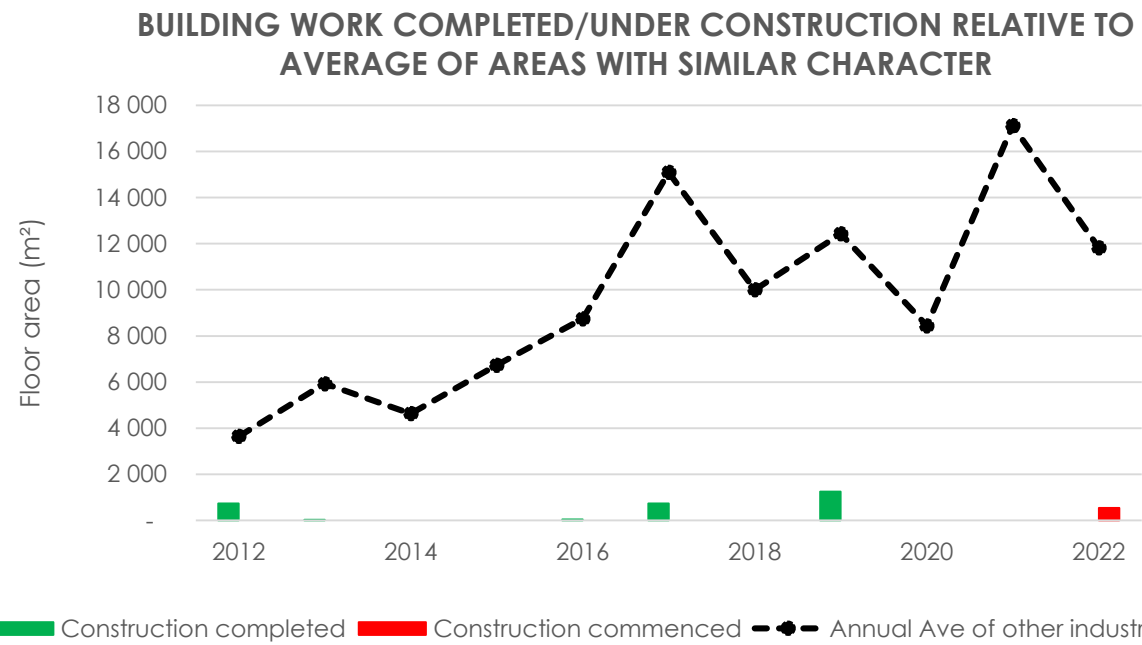
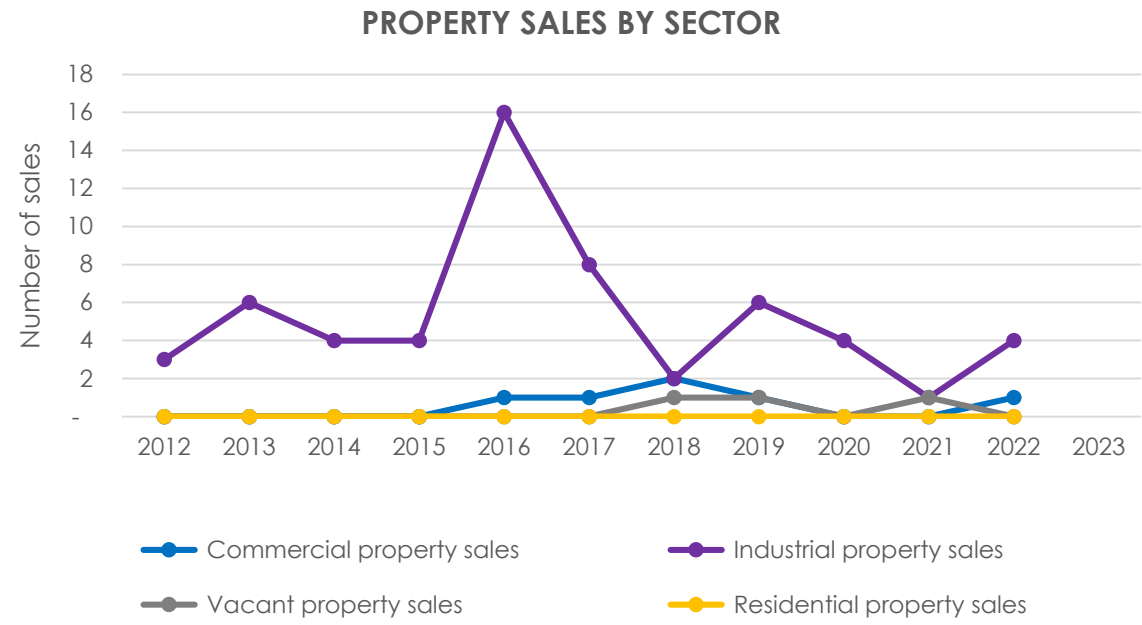
Urban land markets

Agglomeration of industries

Market performance

Performance & Potential

# DEVELOPMENT PIPELINE



**Property sales**  
Property sales were more prominent in the industrial sector, where sales mostly fluctuated but experienced their highest amount of sales in 2016. There has also been a fluctuation in the vacant property and commercial sales between 2015 and 2020.

**Land use applications**  
While the area is predominantly zoned for industrial purposes, the area experienced minimal land use approvals, which were granted for subdivisions and multiple applications. 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 throughout the past decade was mostly for small amounts and lower than the metro annual average when compared to other industrial areas.

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

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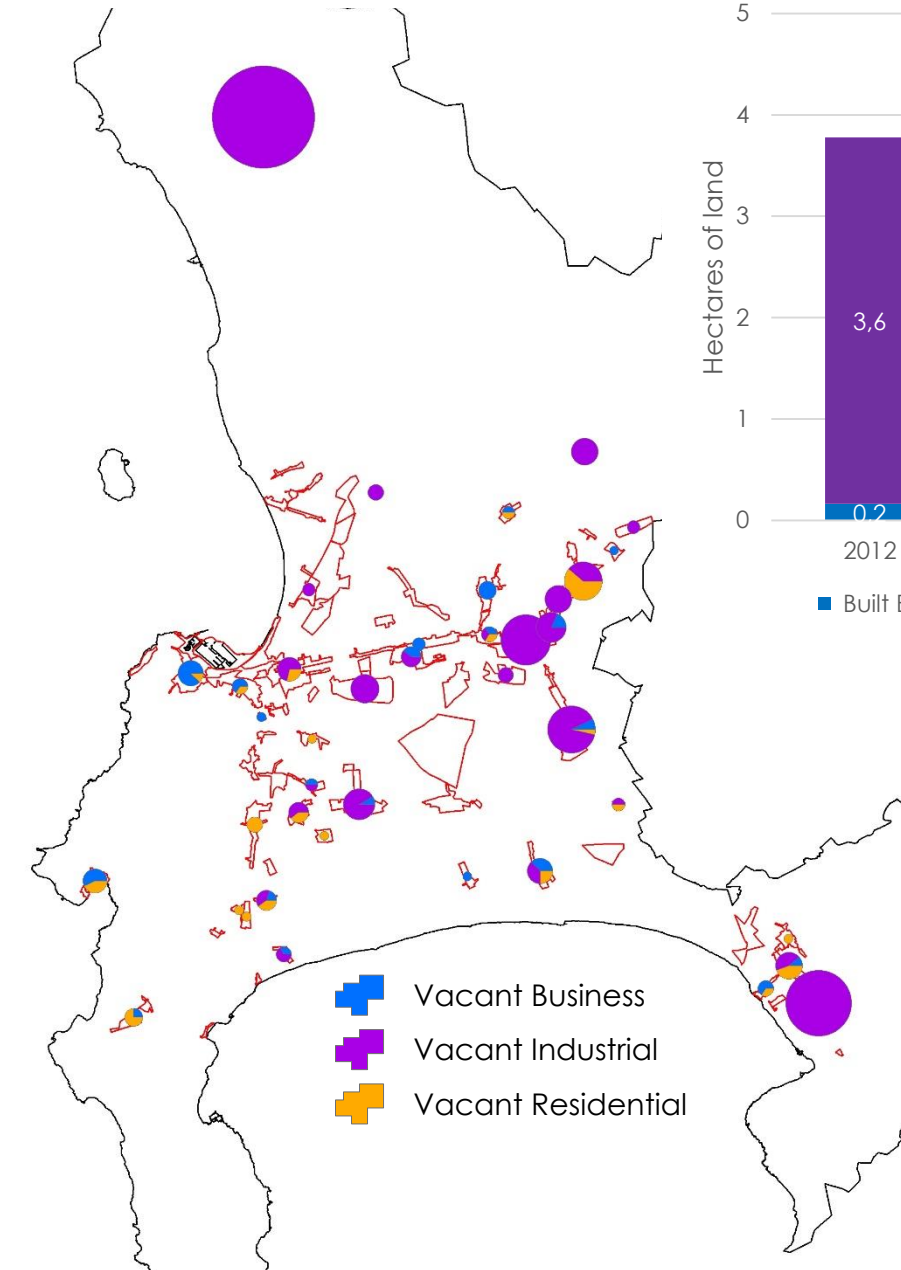
Agglomeration of industries

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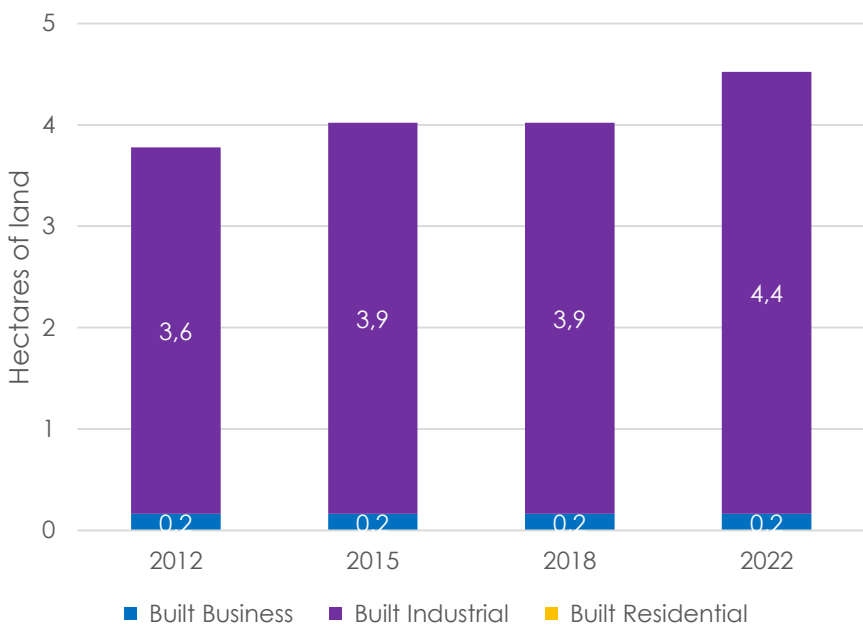
VACANT LAND ACROSS CAPE TOWN (GV 2022)\*



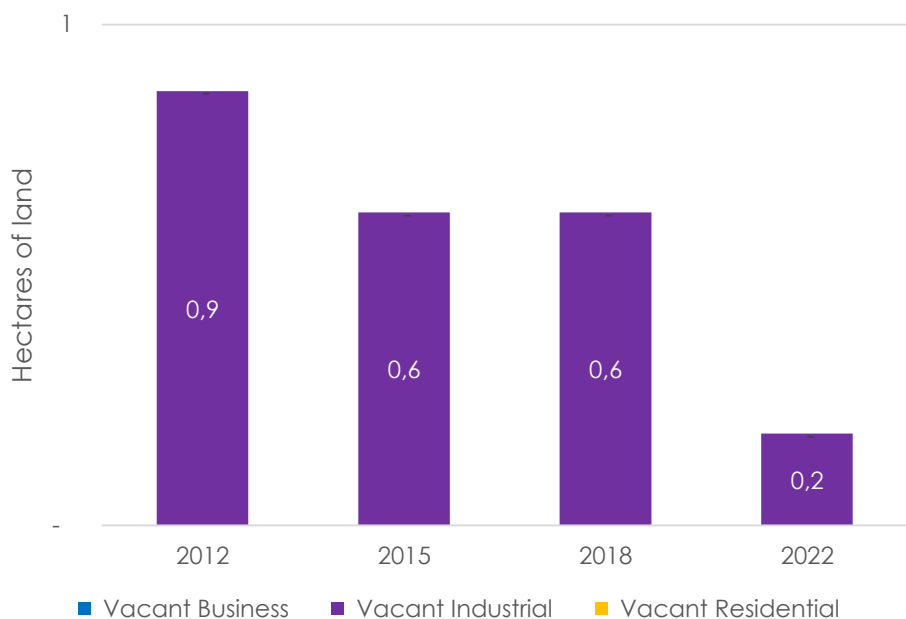
Number of land parcels that are vacant by size			
Erf Size	Commercial	Industrial	Residential
1) 1-250m²			
2) 251-500m²			
3) 501-1000m²			
4) 1001-2500m²		1	
5) 2501-5000m²			
6) 5001-10000m²			
7) >10000m²			

Source: City's General Valuation Roll and Market Reports

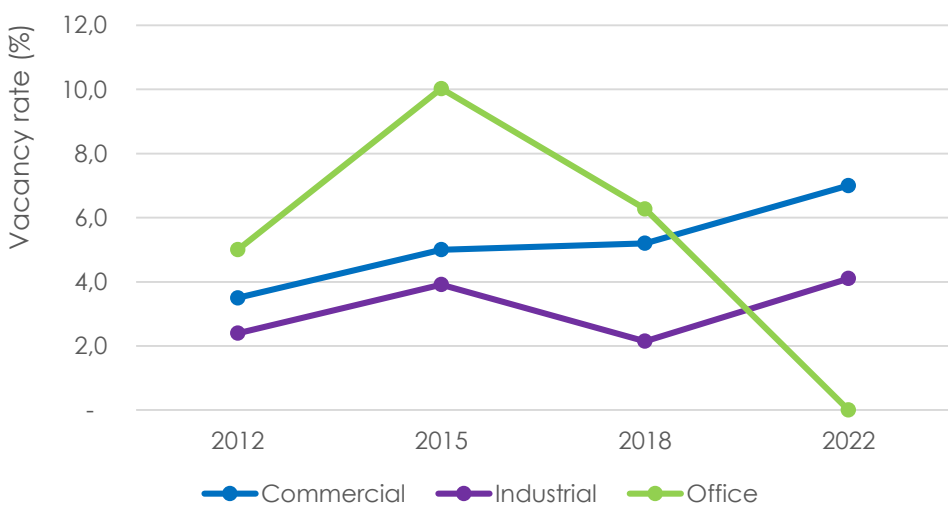
BUILT-UP LAND EXTENT BY SECTOR (TOTAL ERF EXTENT)



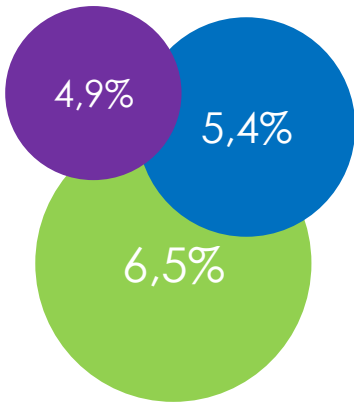
VACANT LAND EXTENT BY SECTOR (TOTAL ERF EXTENT)



AVERAGE VACANCY RATE OF EXISTING BUILDINGS



METRO AVERAGE: VACANCY RATES PER SECTOR FOR 2022\*



Vacant land

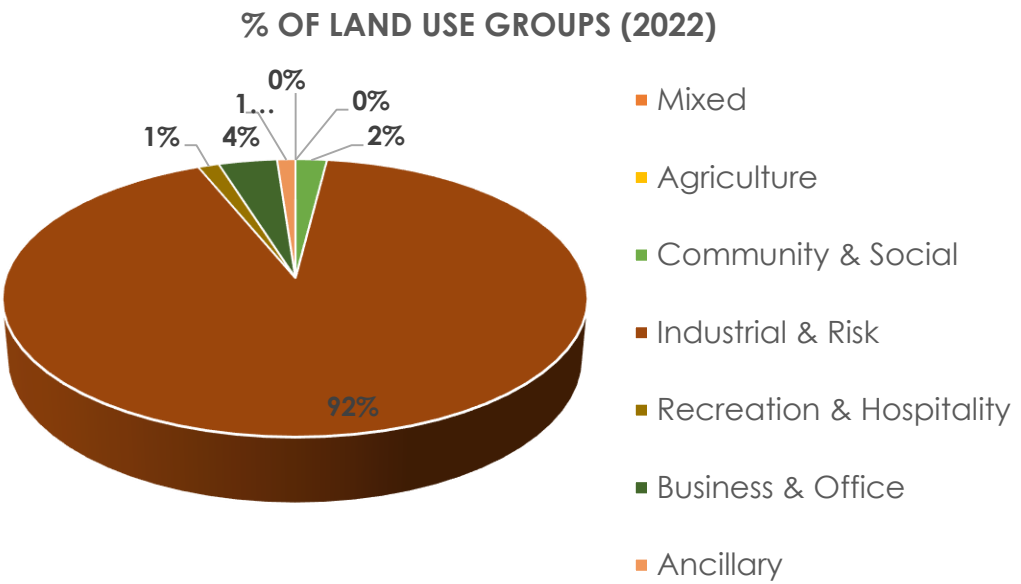
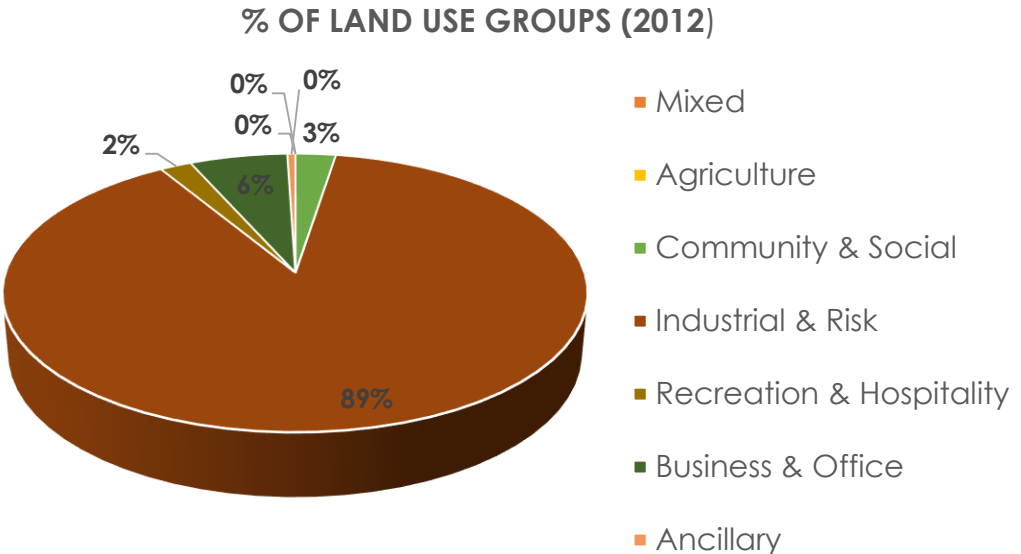
The map provides a representation of the latest GV Roll (2022) by illustrating cumulative vacant land across the metropolitan area, which supplements the graph on vacant land for the 2022 GV year. While the area has remained stable in terms of the built-up land, there is also a limited amount of vacant 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 average vacancy rates of existing buildings for the industrial sector increased from 2,4% in 2012 to 4,1% in 2022. The commercial sector increased from 3,5% in 2012 to 7% in 2022, while the office sector mostly increased from 5% in 2012 to 6,3% in 2018.

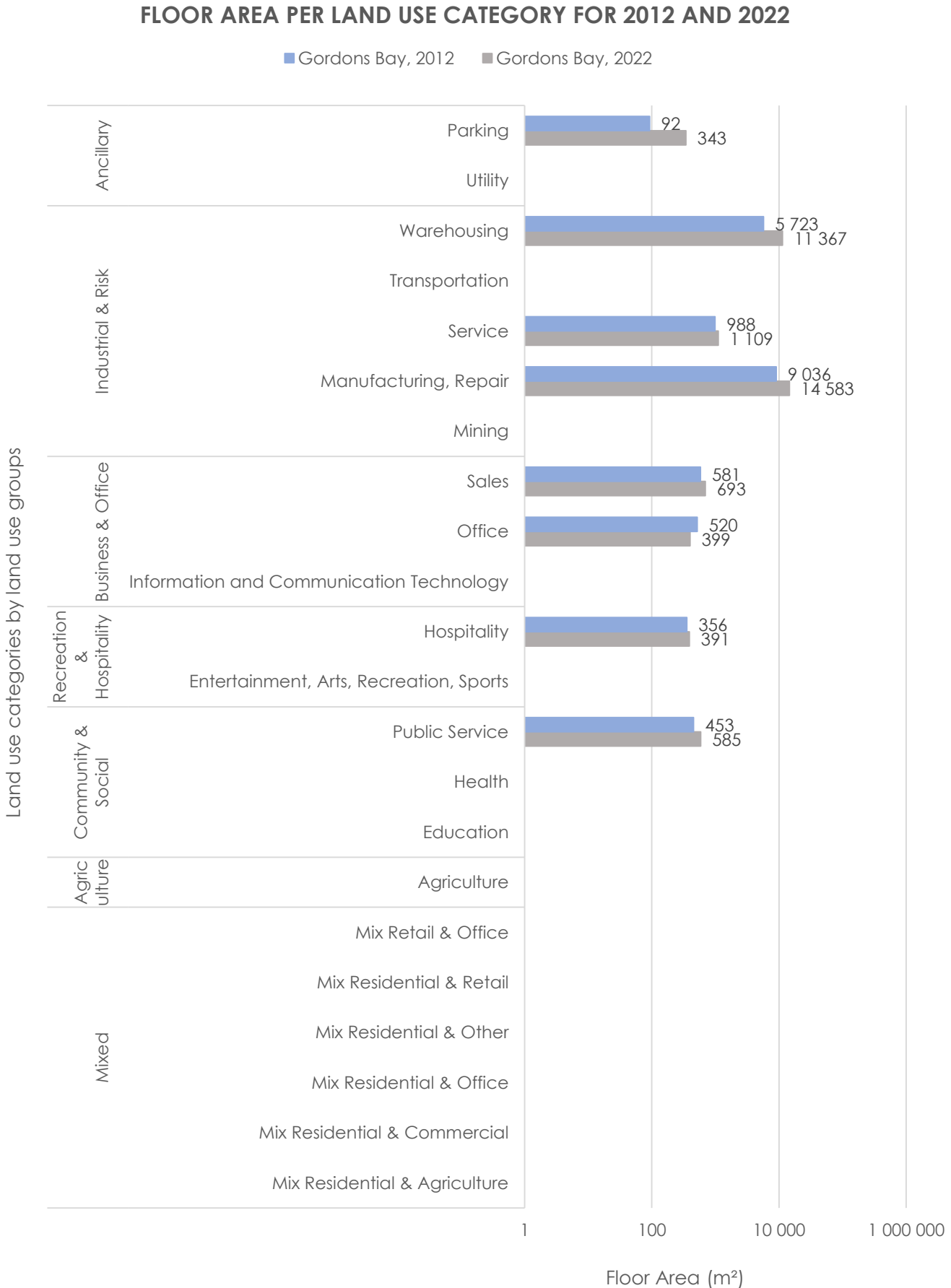
AGGLOMERATION OF INDUSTRIES

SECTORAL AGGLOMERATION AND CO-AGGLOMERATION RELATIONSHIPS



The pie charts represent the % split of land use groups agglomerated in Gordons Bay. 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 growth and dominance in manufacturing and warehousing land use categories between 2012 and 2022. There is also a presence (minimal) of other land uses, which can be seen to be in support of the most dominant land uses.



Source: Analysis of GV data (May 2024)

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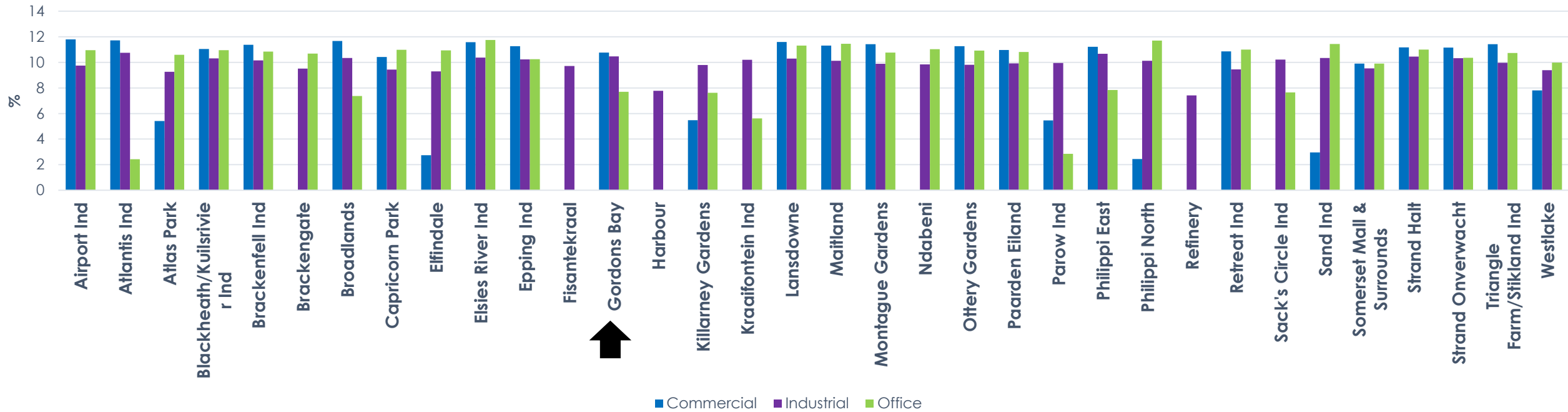
Agglomeration of industries

Market performance

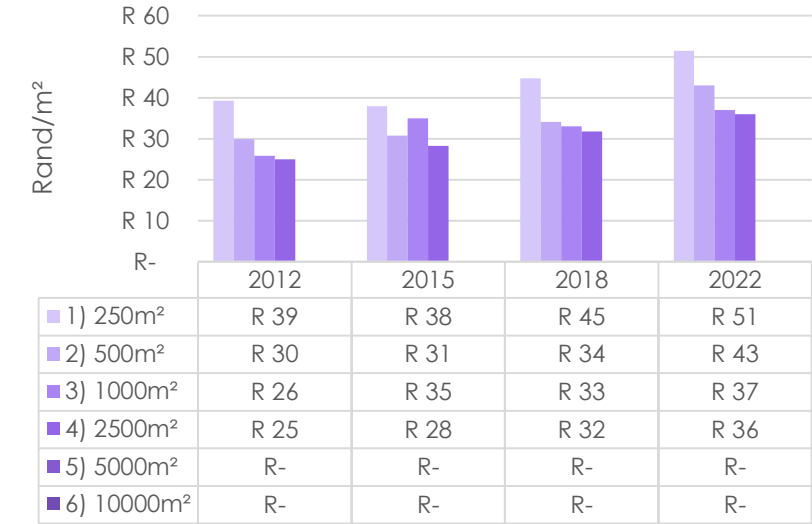
Performance & Potential



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



INDUSTRIAL RENTALS

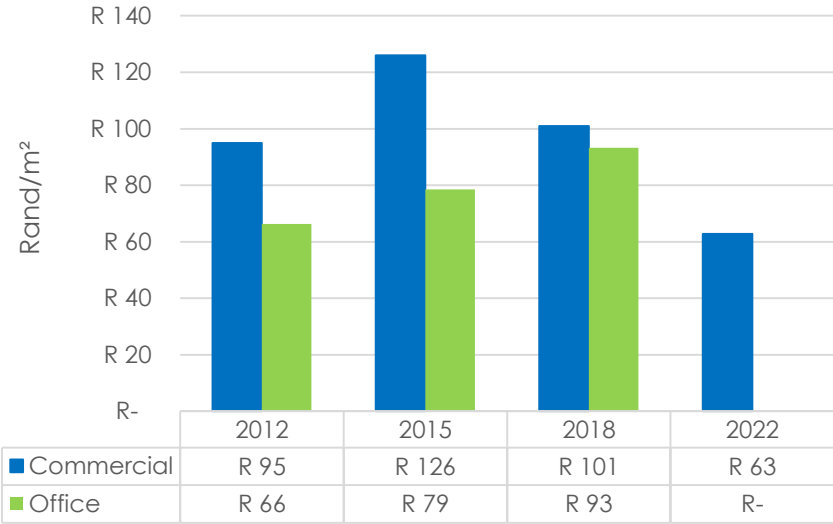


Rental Rates

Rental rates across all industrial spaces gradually increased from 2012 to 2022, with higher rentals recorded for smaller spaces.

Commercial rentals initially increased between 2012 and 2015, but have experienced a decrease since 2015. Office rentals recorded in the market reports indicate a gradual increase between 2012 and 2018.

COMMERCIAL AND OFFICE RENTALS



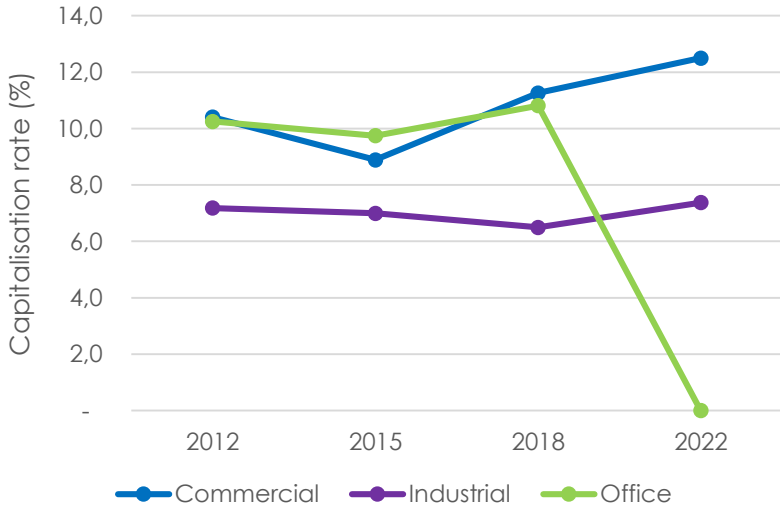
Comparative view on capitalisation rates

The average capitalisation rates from 2012 to 2022 for the commercial, industrial and office sectors were 10,76%, 10,46%, and 7,7%, respectively and further indicate its competitiveness relative to other industrial areas.

Year-over-year, capitalisation rates for the industrial sector have remained constant around 7,2%, while the commercial sector increased from 10,3% in 2012 to 12,5%. The office sector also increased from 10,3% in 2012 to 10,8% in 2018.

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

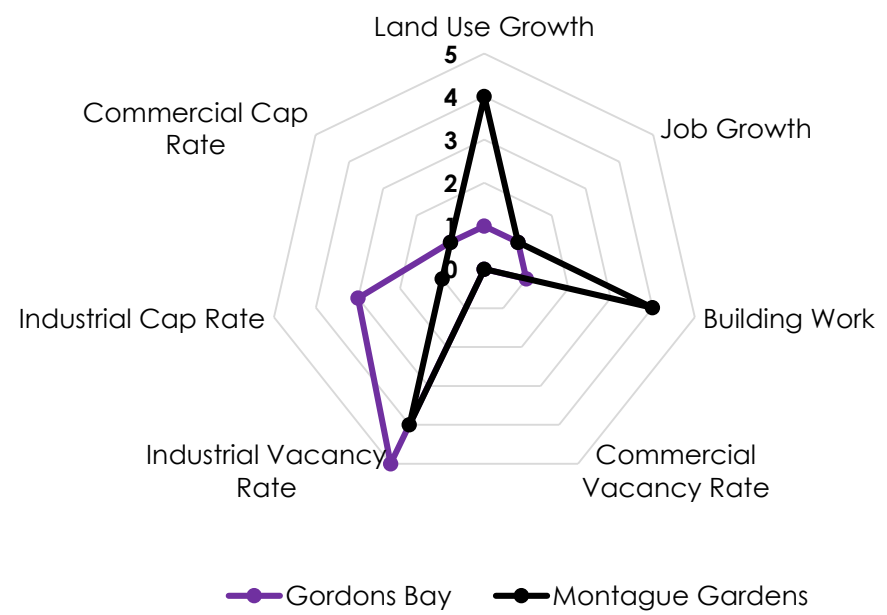
CAPITALISATION RATES



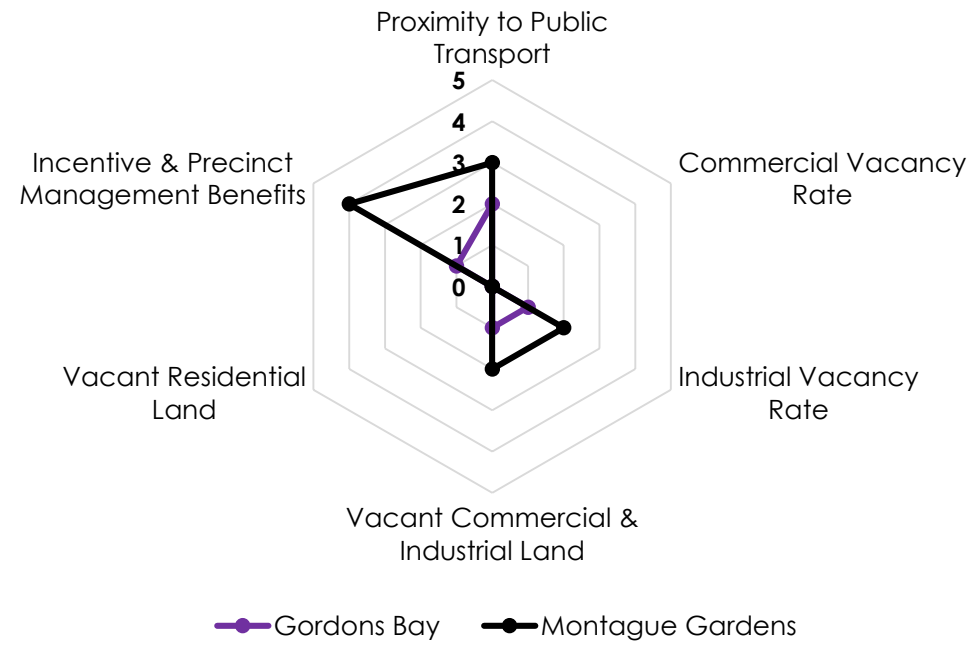
# PERFORMANCE & POTENTIAL

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. <b>Source: General Valuation Roll.</b>
	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. <b>Source: SARS as of May 2024.</b>
	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. <b>Source: City’s DAMS.</b>
	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. <b>Source: City’s Market Reports.</b>
	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. <b>Source: City’s Market Reports.</b>
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. <b>Source: City’s UPD, spatial analysis.</b>
	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. <b>Source: General Valuation Roll.</b>
	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. <b>Source: City’s Market Reports.</b>
	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. <b>Source: City’s UPD, spatial analysis.</b>

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