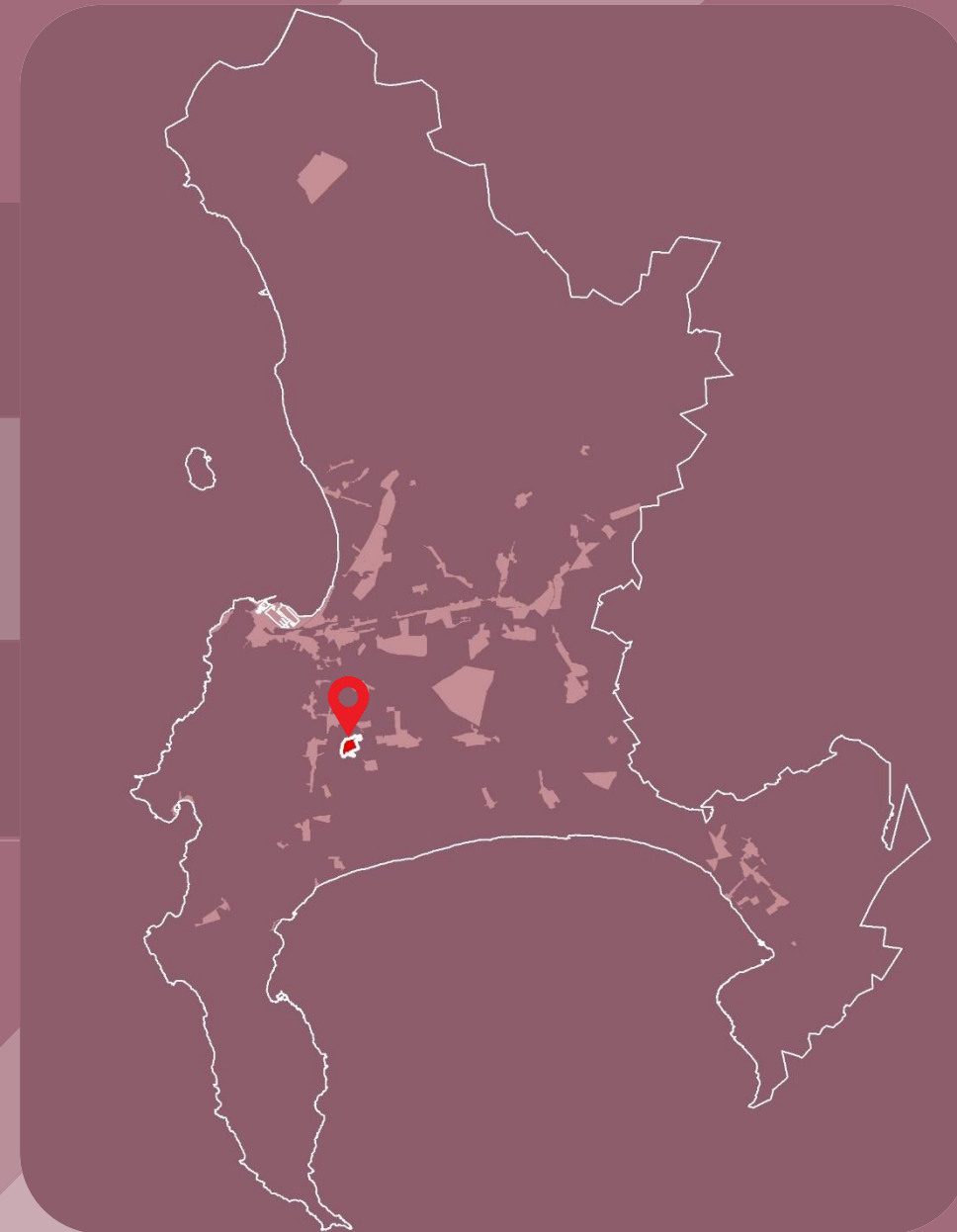# OTTERY GARDENS INDUSTRIAL ECONOMIC AREA PROFILE
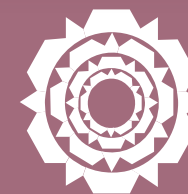
TREND ANALYSIS 2012-2022

Image source: City of Cape Town

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ISIXEKO SASEKAPA
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June 2025

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

- Cape Flats DSDF - Subdistrict 3: Grassy Park/ Ottery and environs:
  - District Development Guidelines (page 64)
  - Subdistrict Development Guidelines (page 93)
  - Consolidated subdistrict SDF (Figure 18: Grassy Park – Ottery and environs subdistrict)

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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

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.

CHALLENGES /OBJECTIVES TO ADDRESS

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.

AREAS OF APPLICATION

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).

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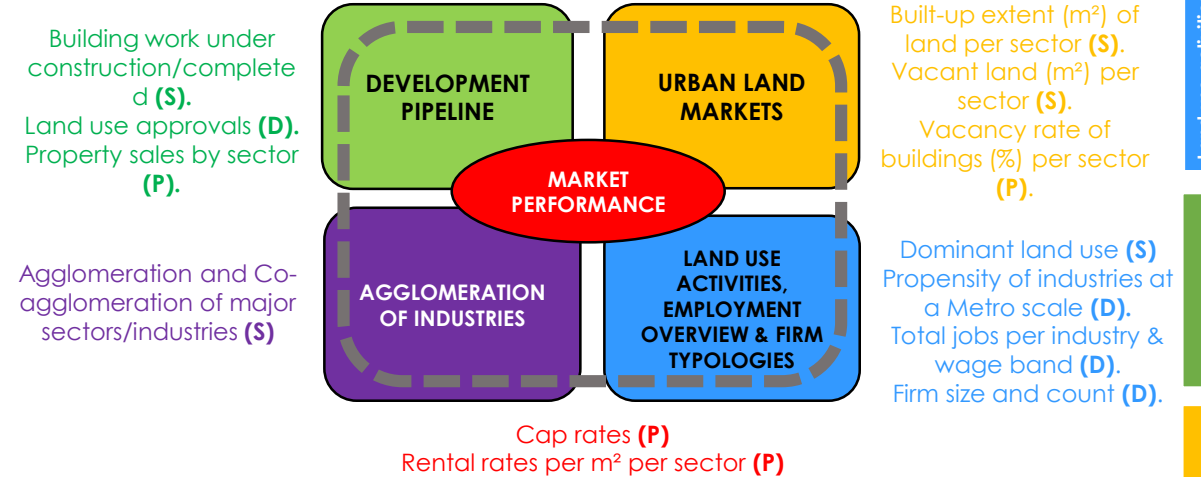Land use activities, employment overview & firm typologies

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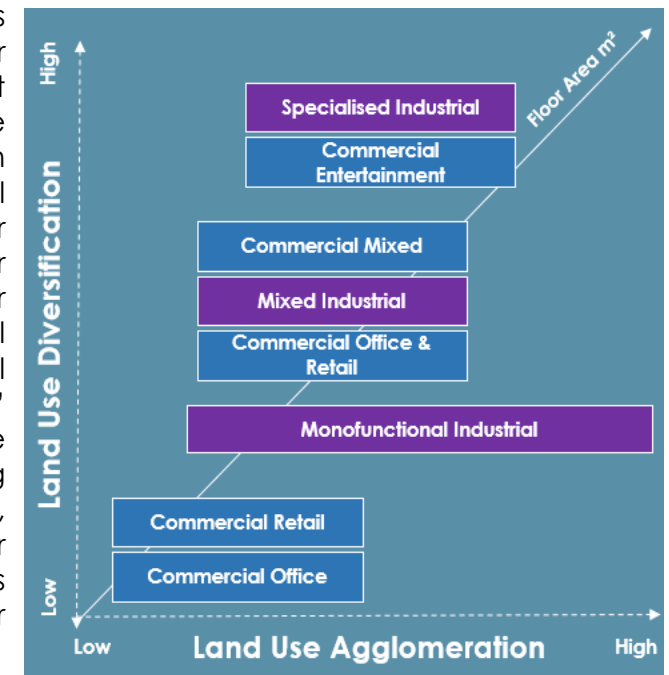
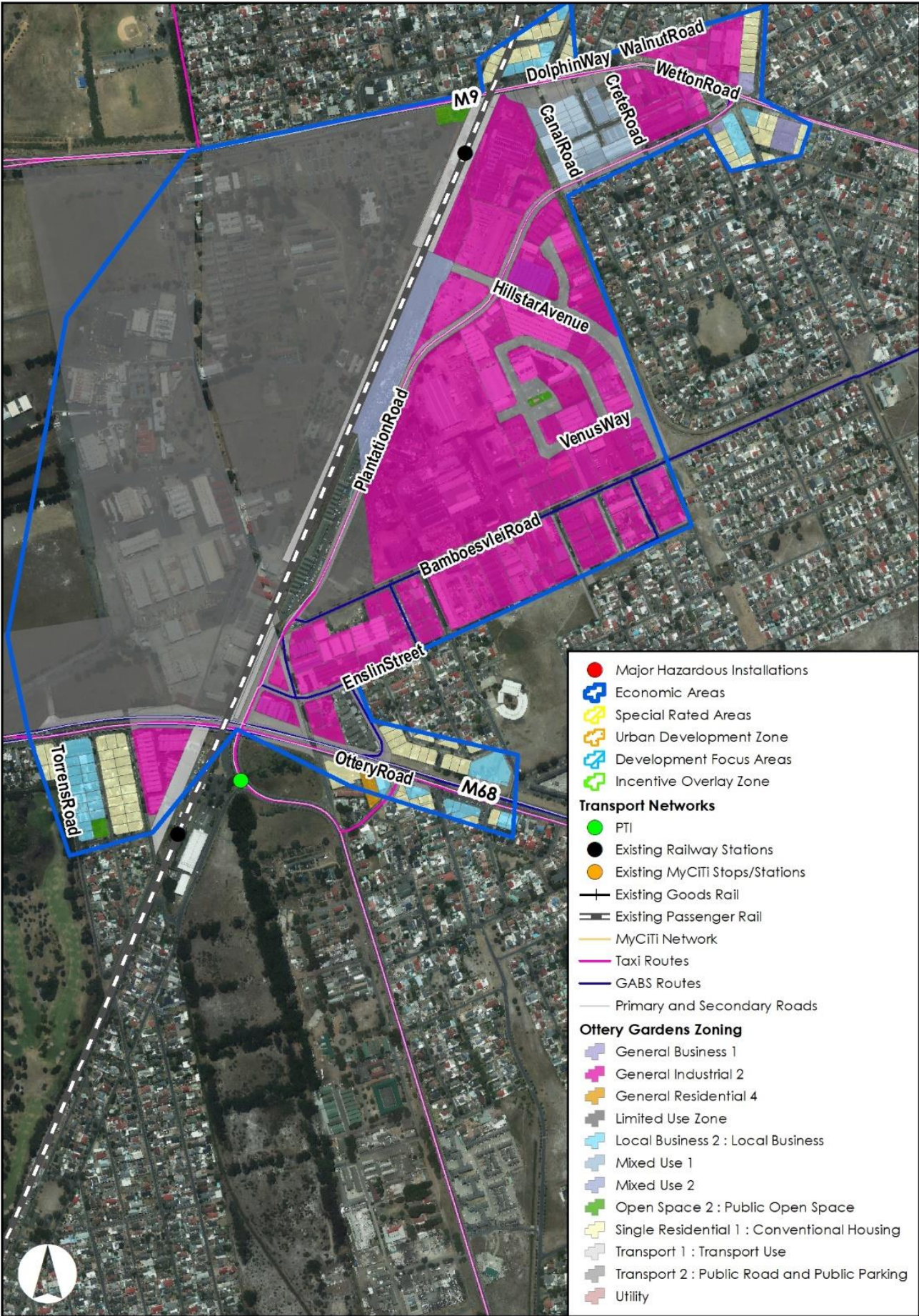Agglomeration of industries

Market performance

Performance & Potential

OTTERY GARDENS

Location

- The area is approximately 15km southeast of Cape Town's Central Business District and the Port of Cape Town. Furthermore, it is located 12km from Cape Town International Airport.
- The area can be accessed via the M5 freeway, which connects to Cape Town CBD and other areas across Cape Town.
- The area is serviced by mini bus taxis, GABS and rail.
- Access to a skilled workforce from surrounding areas, includes the broader Plumstead, Hanover Park and Grassy Park areas.

Zoning, land use and form

- The area is predominantly zoned for industrial and transport purposes.
- The area is mainly characterised by light industrial uses, which include warehousing, storage, manufacturing, repairs, office and municipal depots.
- The average land parcel sizes in the area range between 2,200 – 15,000m², with a limited number of land parcels ranging between 1,000 – 2,000m².

Spatial planning mechanisms

- None

Key highlights of the area include:

- Significant presence of City of Cape Town depot functions operating within the area, which includes the traffic department, attracting a significant amount of movement daily.

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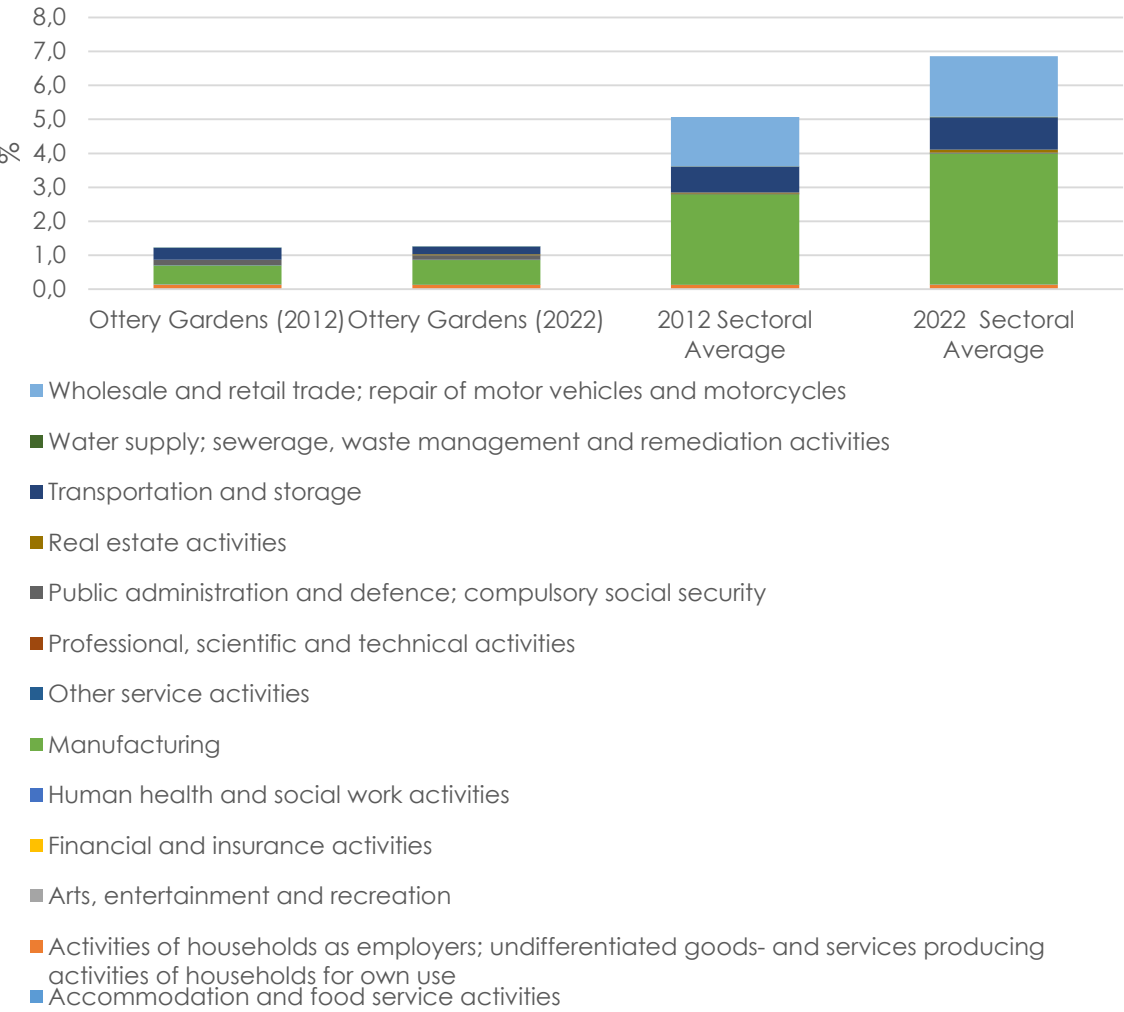Agglomeration of industries

Market performance

Performance & Potential
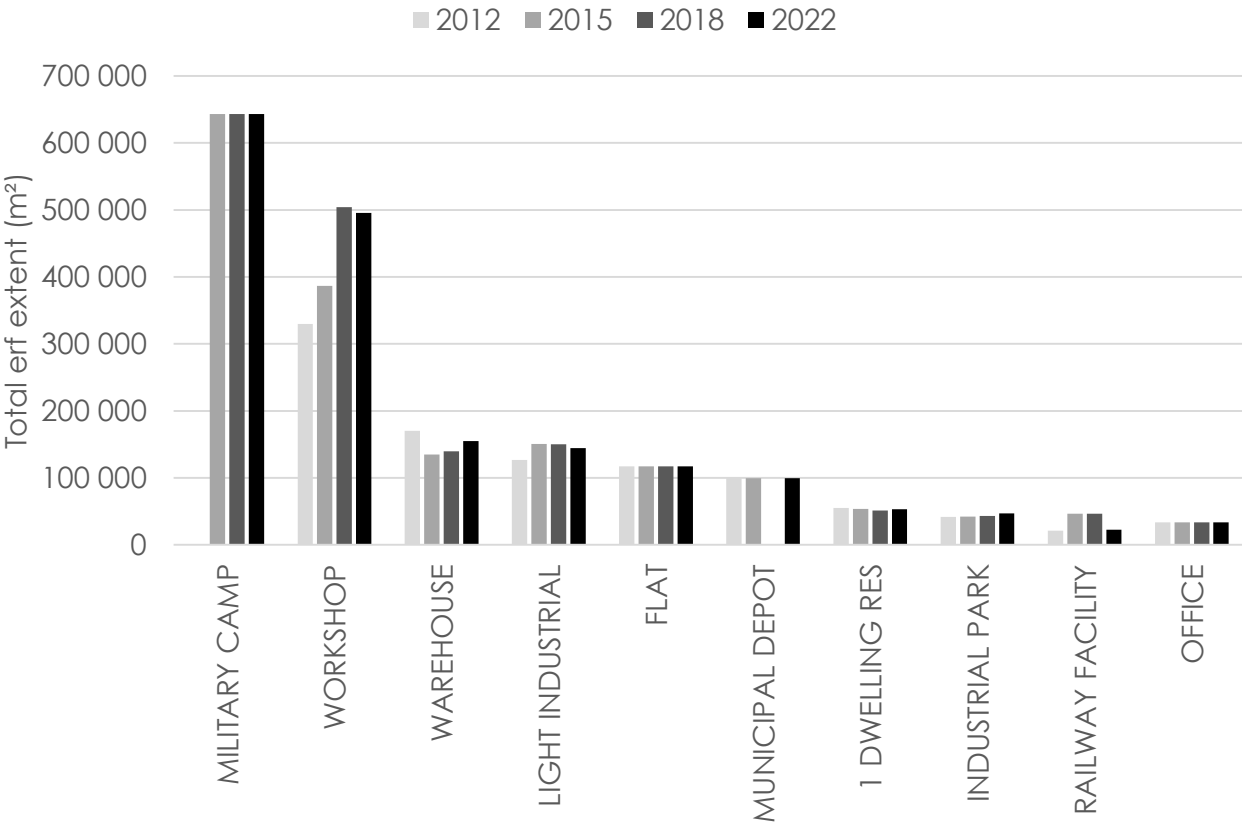
LAND USE ACTIVITIES

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, Ottery Gardens was primarily characterised by a greater propensity for manufacturing, transport & storage, public administration services and household activities, 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 Ottery Gardens as a significant contributor to manufacturing and transport & storage, which performs lower than that of the 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 military functions, workshops, warehousing and light industrial uses.

TOP 10 MOST DOMINANT LAND USES BETWEEN 2012 AND 2022

Legend: 2012, 2015, 2018, 2022

Y-axis: Total erf extent (m²)

X-axis: MILITARY CAMP, WORKSHOP, WAREHOUSE, LIGHT INDUSTRIAL, FLAT, MUNICIPAL DEPOT, 1 DWELLING RES, INDUSTRIAL PARK, RAILWAY FACILITY, OFFICE

METROSCALE BENCHMARK

X-axis: Ottery Gardens (2012), Ottery Gardens (2022), 2012 Sectoral Average, 2022 Sectoral Average

- Wholesale and retail trade; repair of motor vehicles and motorcycles
- Water supply; sewerage, waste management and remediation activities
- Transportation and storage
- Real estate activities
- Public administration and defence; compulsory social security
- Professional, scientific and technical activities
- Other service activities
- Manufacturing
- Human health and social work activities
- Financial and insurance activities
- Arts, entertainment and recreation
- Activities of households as employers; undifferentiated goods- and services producing activities of households for own use
- Accommodation and food service activities

NODAL TYPOLOGY FOR 2012 AND 2022
(Mixed Industrial)

Labels: Manufacturing, Activities of households as employers; undifferentiated goods- and services producing activities of households for own use, Public administration and defence; compulsory social security, Transportation and storage

Legend: Ottery Gardens (2012), Ottery Gardens (2022)

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

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EMPLOYMENT OVERVIEW & FIRM TYPOLOGIES

JOBS BY INDUSTRY

Number of jobs

(Bar chart years: 2014, 2017, 2020, 2023; y-axis 0 to 25 000)

Legend:
- Accommodation and food service activities
- Administrative and support activities
- Agriculture, forestry and fishing
- Community & personal services
- Construction
- Electricity, gas, steam and air conditioning supply
- Financial and insurance activities
- Information and communication
- Manufacturing
- Mining and quarrying
- Other service activities
- Professional, scientific and technical activities
- Real estate activities
- Transportation and storage
- Water supply; sewerage, waste management and remediation activities
- Wholesale and retail trade; repair of motor vehicles and motorcycles

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

Legend: R0 - R3200, R3201 - R12800, R12801 - R25600, R25601+

(Line chart, y-axis % from -40,0 to 40,0; x-axis 2014 to 2024)

NUMBER OF FIRM TYPOLOGIES

Number of firms

Year	Small	Micro	Medium-to-Large
2014	386	106	271
2015	420	112	304
2016	428	115	321
2017	440	116	303
2018	441	116	326
2019	460	131	340
2020	465	144	340
2021	419	163	297

Legend: Medium-to-Large, Micro, Small

FULL TIME EMPLOYMENT BY WAGEBAND

Legend: R0 - R3200, R3201 - R12800, R12801 - R25600, R25601+

Number of jobs

Year	R0 - R3200	R3201 - R12800	R12801 - R25600	R25601+
2014	1 984	9 830	3 483	2 896
2015	2 358	10 739	3 490	3 032
2016	2 394	10 801	3 693	3 286
2017	2 522	11 337	3 875	3 408
2018	2 388	11 612	3 980	3 595
2019	2 244	11 425	3 945	3 797
2020	2 137	11 565	4 063	4 093
2021	2 767	10 663	3 539	3 720
2022	1 954	10 533	3 707	3 859
2023	2 657	10 402	3 706	3 828

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 surrounding the Ottery Gardens area increased from 15,000 to 18,000 between 2014 and 2023. While the area experienced a decrease between 2020 and 2023, the overall number of jobs as of 2023 was higher than that recorded in 2014. Over time, most jobs have been concentrated in wholesale & retail, community & personalised services, administrative services and manufacturing.

The total number of firms fluctuated around the 850 mark between 2014 and 2021. While small firms have been the most dominant, there has also been a significant presence of medium-to-large and micro firms.

Income bands

The income bands indicate the skill levels of the employed workforce. The data suggests that a larger proportion of employees earn up to R12,800. However, there is also a considerable number of employees earning more than R12,800.

Legend: SARS Hexagon, Economic Area
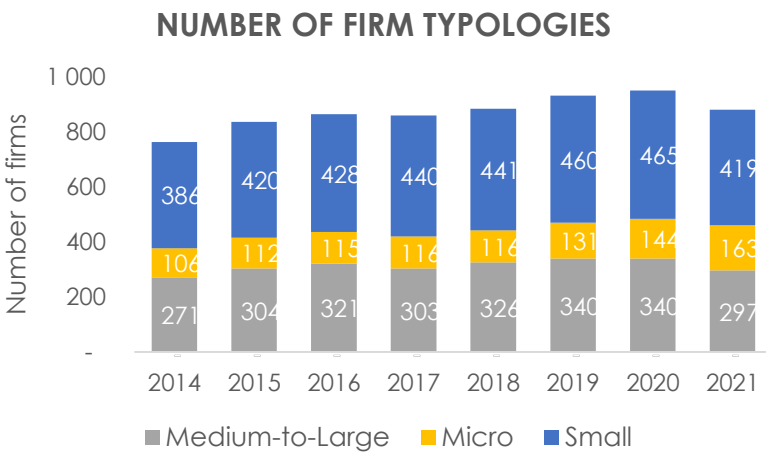
Spatial hexagons in which SARS data has been captured and overlaid with Ottery Gardens industrial economic area.

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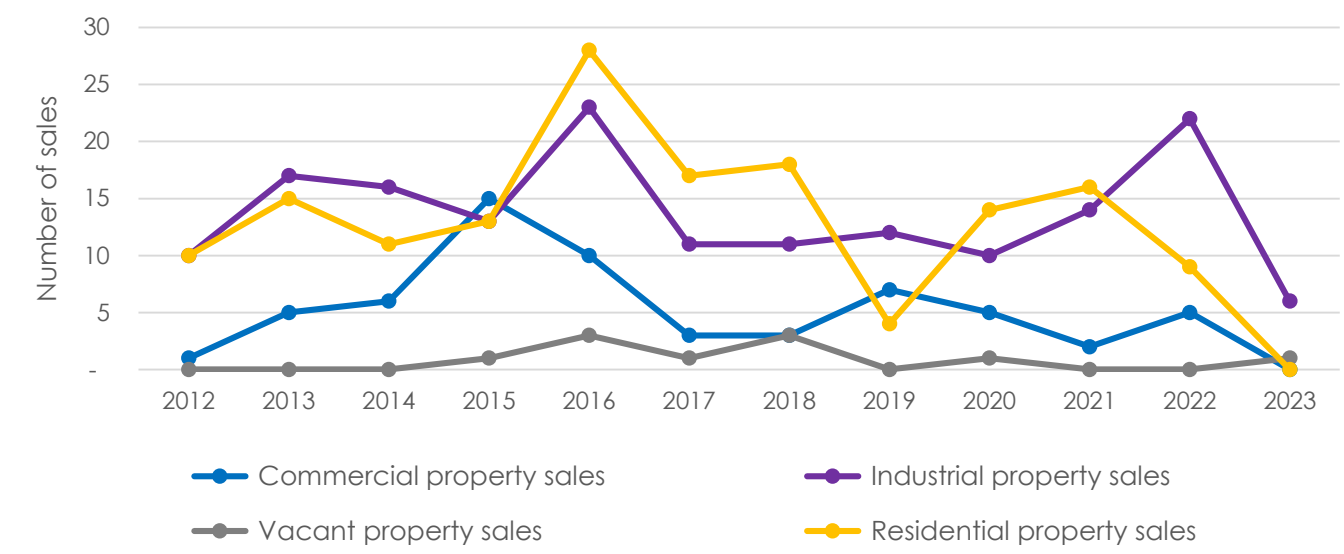Development pipeline

Urban land markets
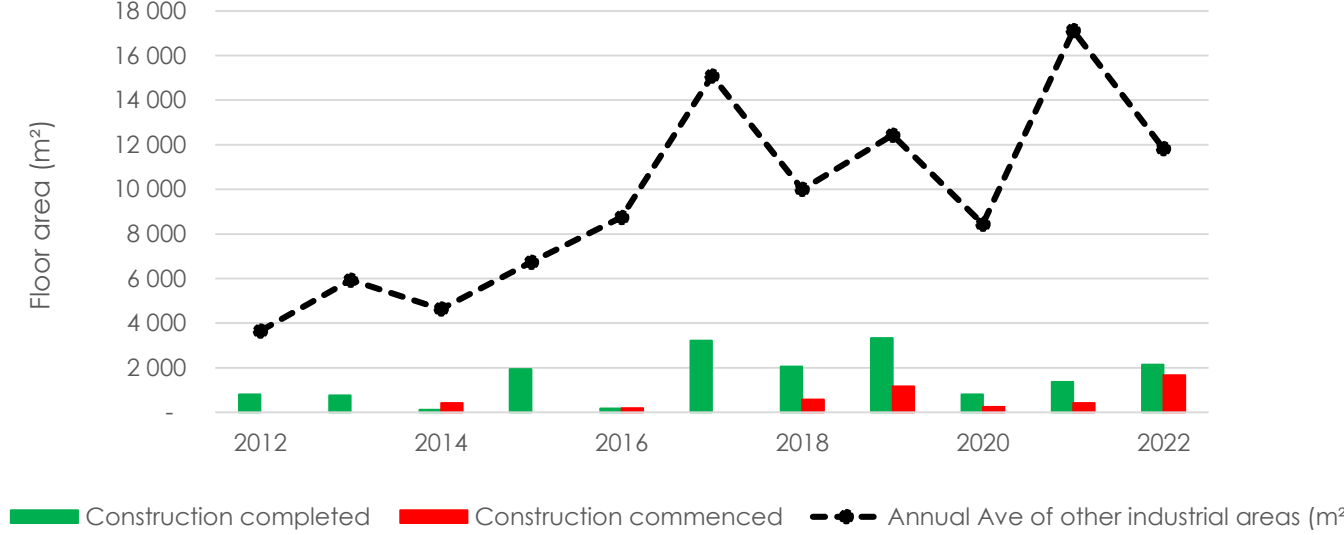
Agglomeration of industries

Market performance

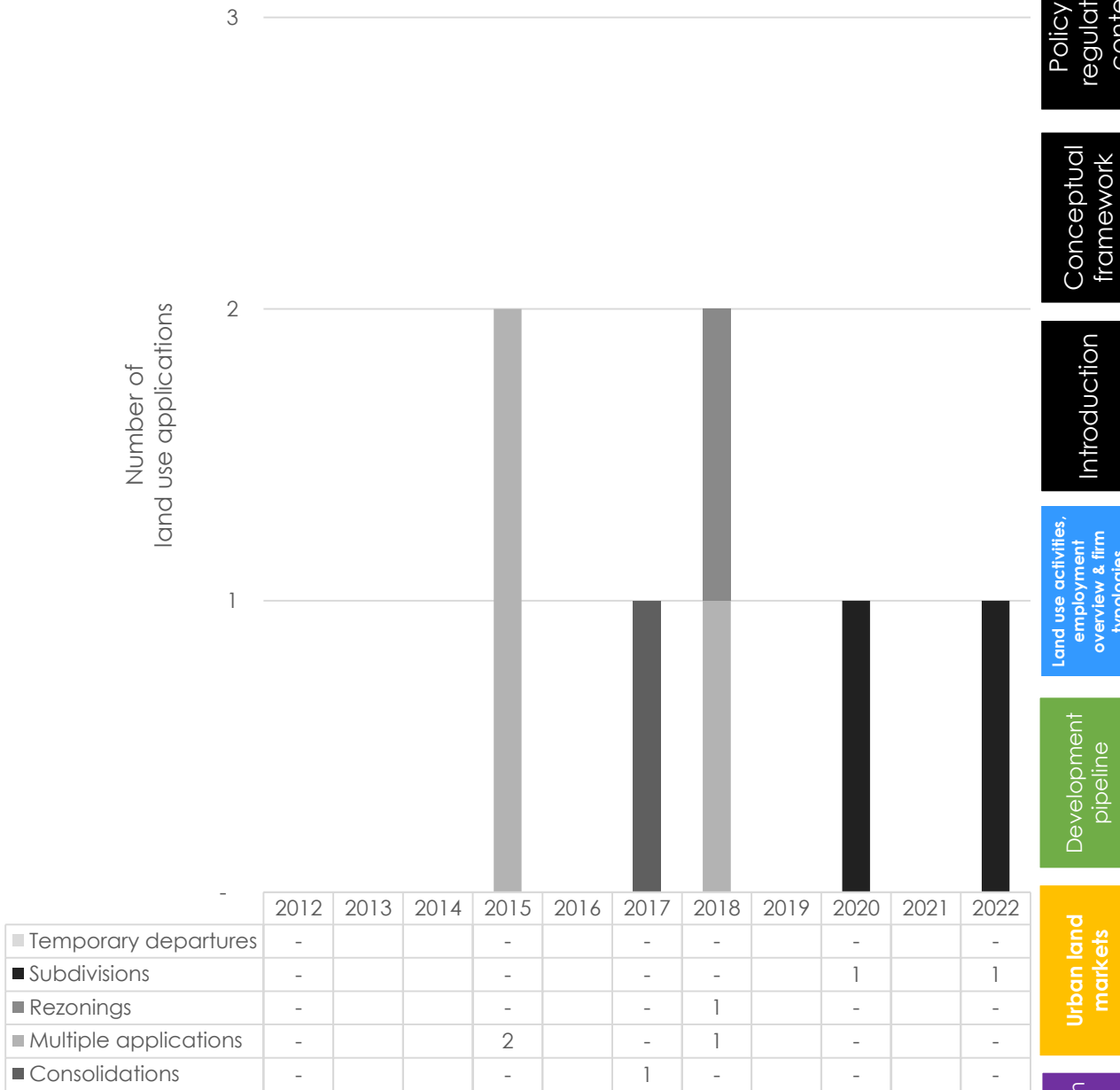Performance & Potential

DEVELOPMENT PIPELINE

PROPERTY SALES BY SECTOR

Legend:
- Commercial property sales
- Industrial property sales
- Vacant property sales
- Residential property sales

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

Legend:
- Construction completed
- Construction commenced
- Annual Ave of other industrial areas (m²)

APPROVED LAND USE APPLICATIONS

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

Property sales
Both industrial and residential property sales were the highest and fluctuated between 2012 and 2023. There was a notable amount of commercial sales, which experienced a spike in 2015, exceeding the residential and industrial sales at the time. There were minimal vacant property sales, which continued between 2015 and 2020.

Land use applications
There were no significant land use approvals granted, indicating that the area did not experience any change in the overall land use character between 2012 and 2022.

Building plans
There was minimal building work activity observed between 2012 and 2022, which has been positioned below the metro annual average of building work activity when compared to other industrial areas.

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

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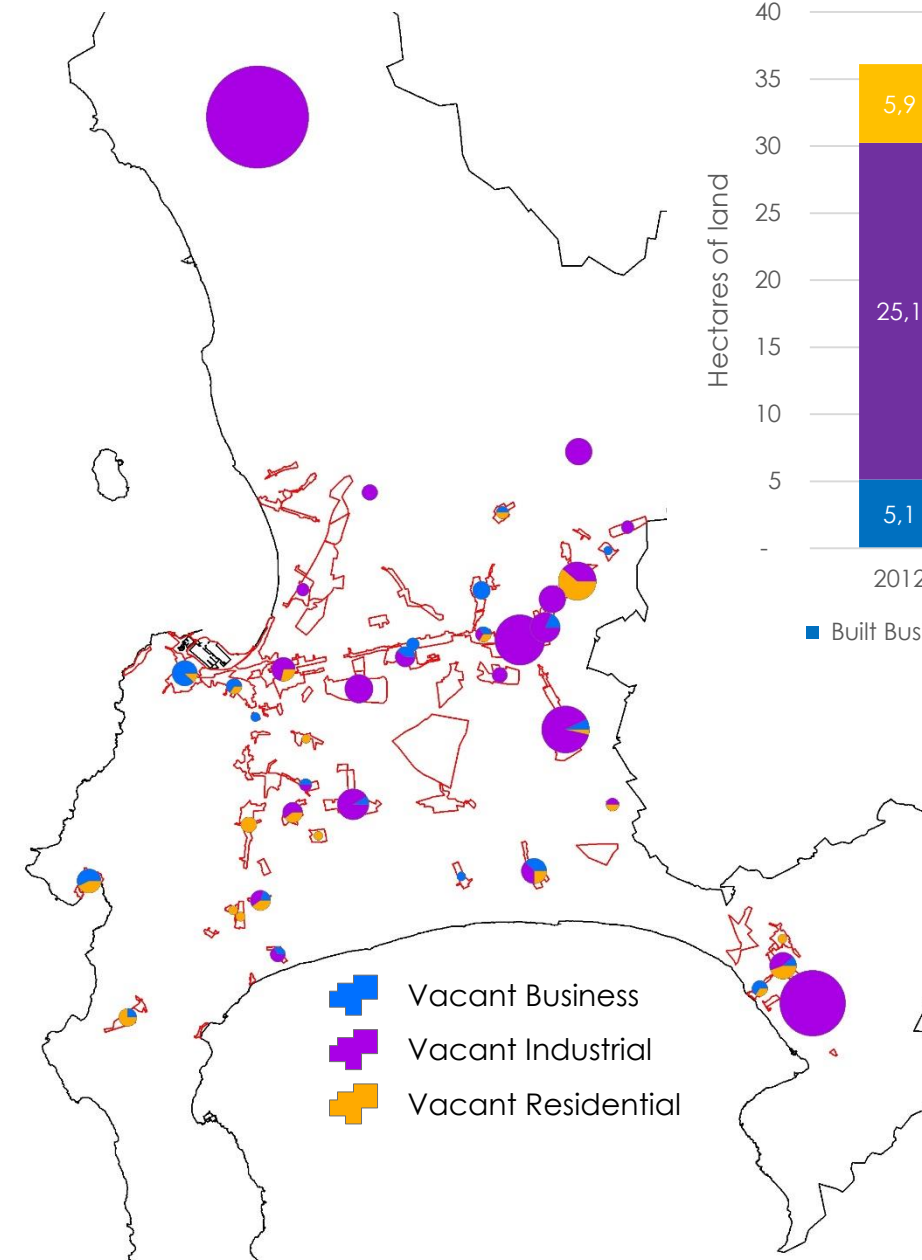Development pipeline
Urban land markets
Agglomeration of industries
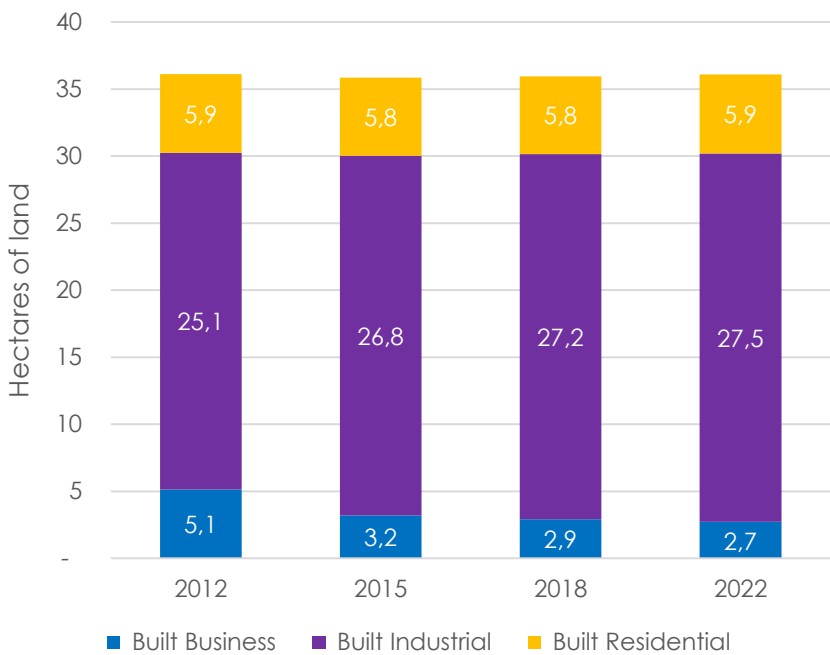Market performance
Performance & Potential

URBAN LAND MARKETS

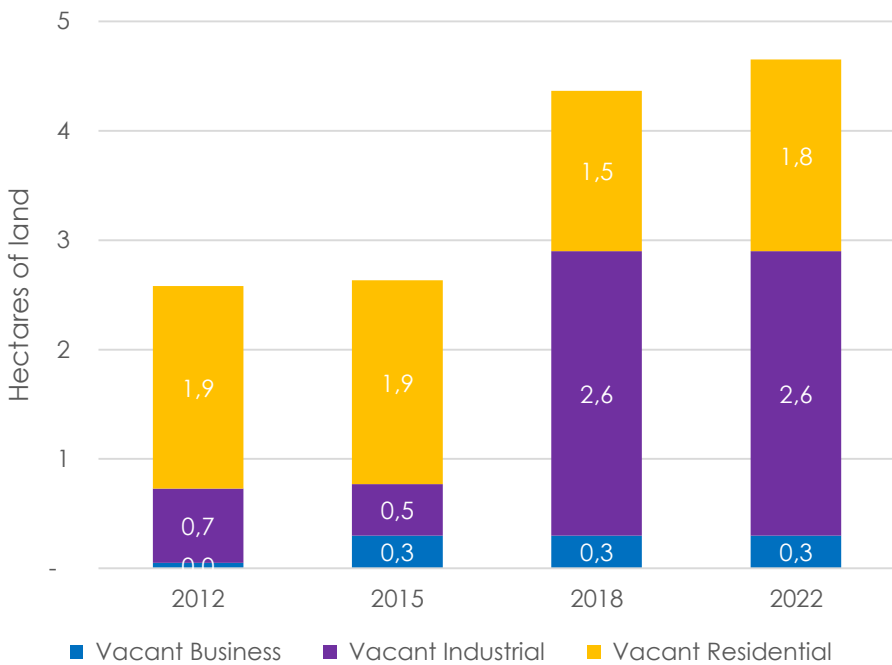## VACANT LAND ACROSS CAPE TOWN (GV 2022)*

Legend:
- Vacant Business
- Vacant Industrial
- Vacant Residential

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

Hectares of land

Year	Built Business	Built Industrial	Built Residential
2012	5,1	25,1	5,9
2015	3,2	26,8	5,8
2018	2,9	27,2	5,8
2022	2,7	27,5	5,9

- Built Business
- Built Industrial
- Built Residential

VACANT LAND EXTENT BY SECTOR (TOTAL ERF EXTENT)

Hectares of land

Year	Vacant Business	Vacant Industrial	Vacant Residential
2012	0,0	0,7	1,9
2015	0,3	0,5	1,9
2018	0,3	2,6	1,5
2022	0,3	2,6	1,8

- Vacant Business
- Vacant Industrial
- Vacant Residential

AVERAGE VACANCY RATE OF EXISTING BUILDINGS

Vacancy rate (%)

- Commercial
- Industrial
- Office
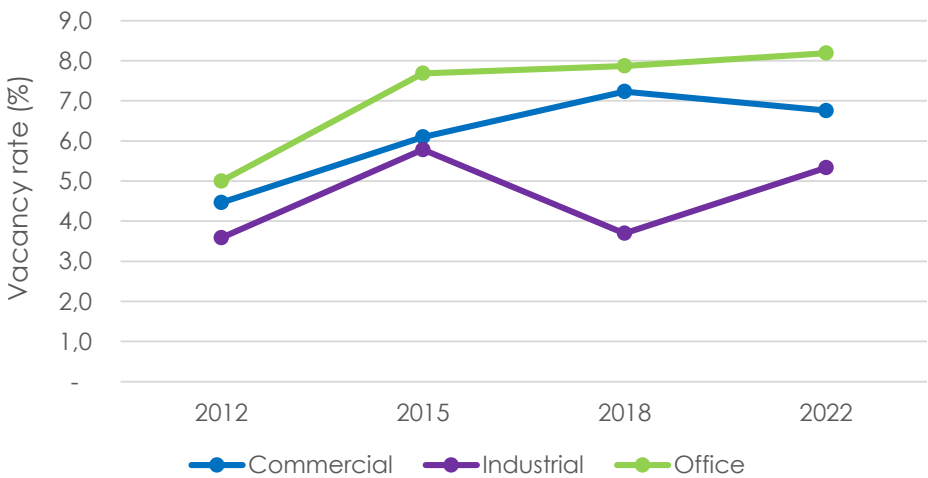
METRO AVERAGE: VACANCY RATES PER SECTOR FOR 2022*

- 4,9%
- 5,4%
- 6,5%

Number of land parcels that are vacant by size

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

Source: City's General Valuation Roll and Market Reports
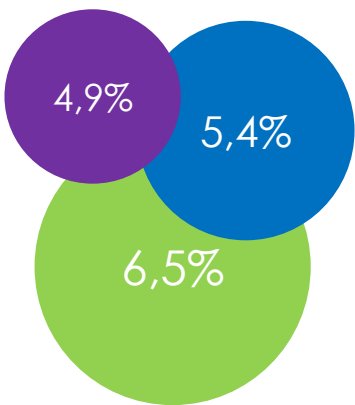
Vacant land
The map illustrates the latest GV Roll (2022) by showing vacant land across the metropolitan area and complements the graph on vacant land for the 2022 GV year. Although the area has seen minimal growth in the built-up land, there has been an increase in available vacant land, as of 2022. 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, the vacancy rates of existing buildings in the industrial sector increased from 3.6% in 2012 to 5.3% in 2022. The commercial sector increased from 4.5% in 2012 to 6,8% in 2022, while the office sector also experienced an increase in vacancy rates from 5% in 2012 to 8,2% in 2022.
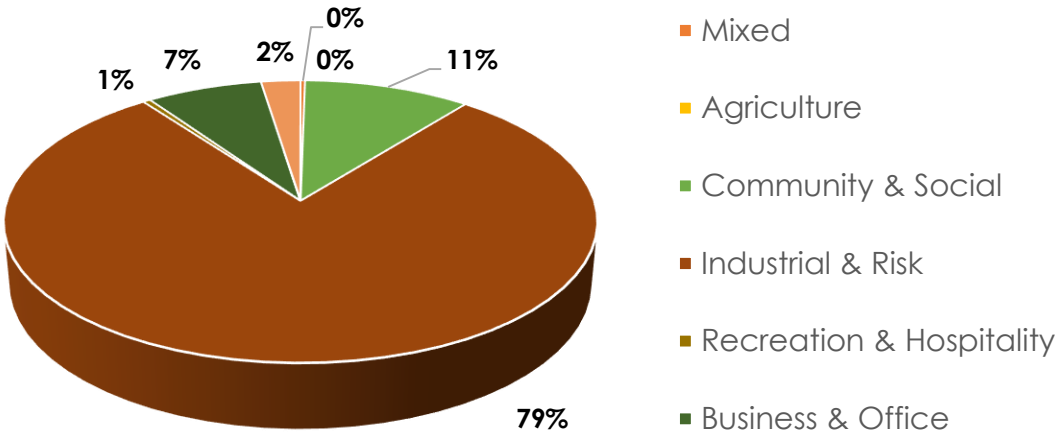
*A metro view that provides further context relative to this economic area.

AGGLOMERATION OF INDUSTRIES

% OF LAND USE GROUPS (2012)

- Mixed
- Agriculture
- Community & Social
- Industrial & Risk
- Recreation & Hospitality
- Business & Office
- Ancillary

0% · 11% · 2% · 7% · 1% · 79% · 0%

% OF LAND USE GROUPS (2022)

- Mixed
- Agriculture
- Community & Social
- Industrial & Risk
- Recreation & Hospitality
- Business & Office
- Ancillary

0% · 8% · 3% · 7% · 1% · 81% · 0%

The pie charts illustrate the percentage distribution of land use groups in the Ottery Gardens area, based on the cumulative floor area (m²) across various land uses. As shown in the charts, the Industrial & Risks group has been dominant in both 2012 and 2022 when compared to other groups. The Industrial & Risk group also experienced an increase of 2% between 2012 and 2022.

Additionally, the bar graph provides a comparative view of land use categories co-agglomerating between 2012 and 2022. The data indicates that manufacturing and repairs have mostly dominated, with warehousing and public service land uses having a considerable amount of floor area for both 2012 and 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

- Ottery Gardens, 2012
- Ottery Gardens, 2022

Land use group	Category	2012	2022
Ancillary	Parking	5 040	6 820
	Utility	237	191
Industrial & Risk	Warehousing	67 242	63 954
	Transportation		51
	Service	1 532	1 806
	Manufacturing, Repair	99 849	154 220
	Mining		
Business & Office	Sales	4 615	11 124
	Office	10 878	7 241
	Information and Communication Technology		48
Recreation & Hospitality	Hospitality	1 011	1 710
	Entertainment, Arts, Recreation, Sports		
Community & Social	Public Service	22 299	22 373
	Health	62	62
	Education		206
Agriculture	Agriculture		
Mixed	Mix Retail & Office	604	539
	Mix Residential & Retail		
	Mix Residential & Other		
	Mix Residential & Office		
	Mix Residential & Commercial		
	Mix Residential & Agriculture		

Floor Area (m²)

Source: Analysis of GV data (May 2024)

MARKET PERFORMANCE

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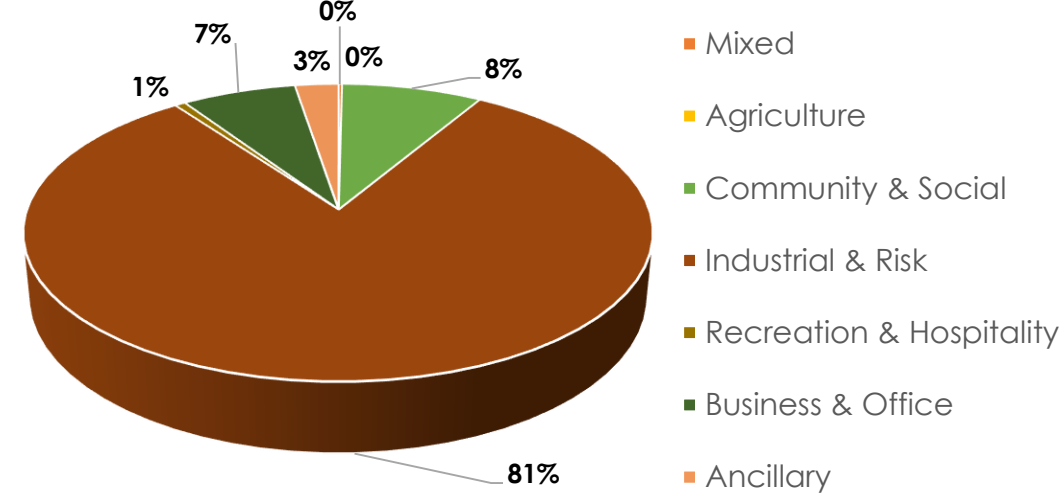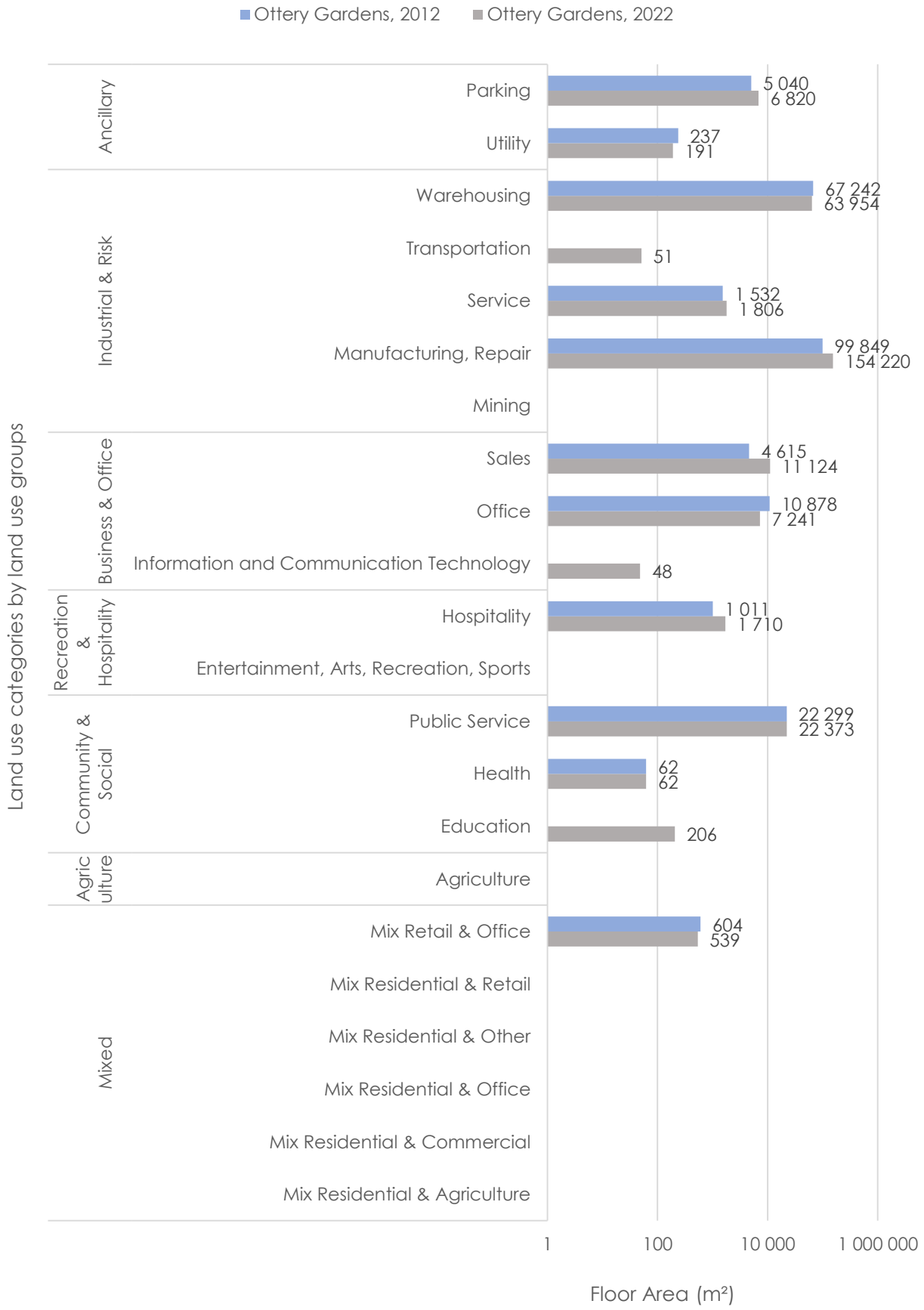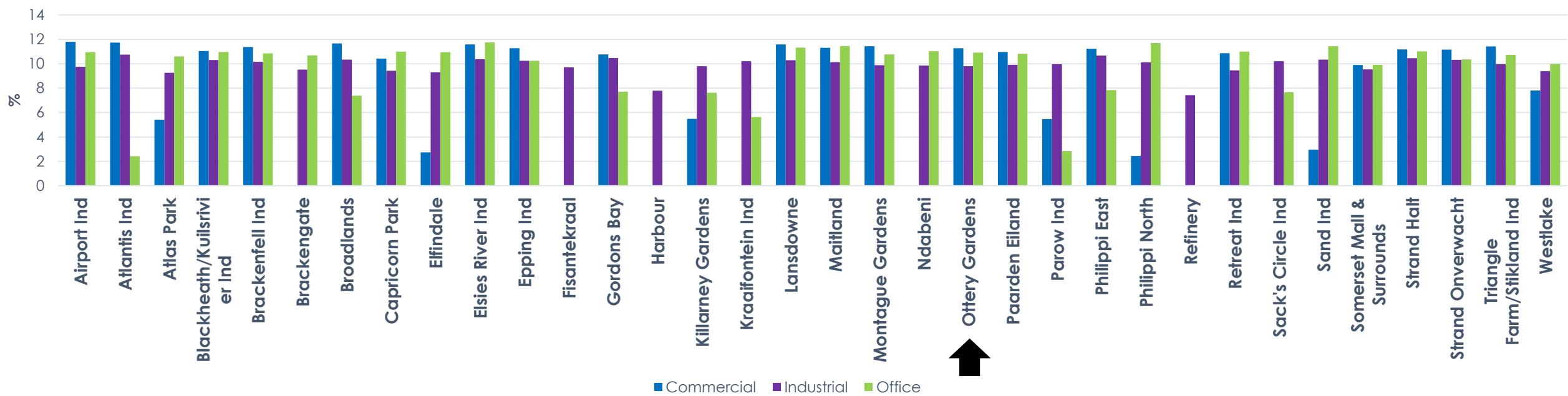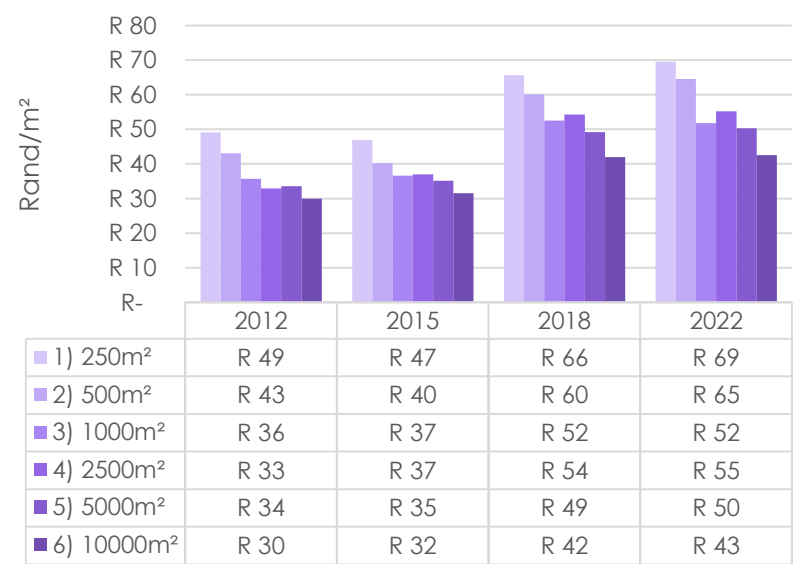Market performance

Performance & Potential

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

■ Commercial ■ Industrial ■ Office

INDUSTRIAL RENTALS

	2012	2015	2018	2022
■ 1) 250m²	R 49	R 47	R 66	R 69
■ 2) 500m²	R 43	R 40	R 60	R 65
■ 3) 1000m²	R 36	R 37	R 52	R 52
■ 4) 2500m²	R 33	R 37	R 54	R 55
■ 5) 5000m²	R 34	R 35	R 49	R 50
■ 6) 10000m²	R 30	R 32	R 42	R 43

COMMERCIAL AND OFFICE RENTALS

	2012	2015	2018	2022
■ Commercial	R 45	R 67	R 65	R 78
■ Office	R 83	R 76	R 129	R 166

CAPITALISATION RATES

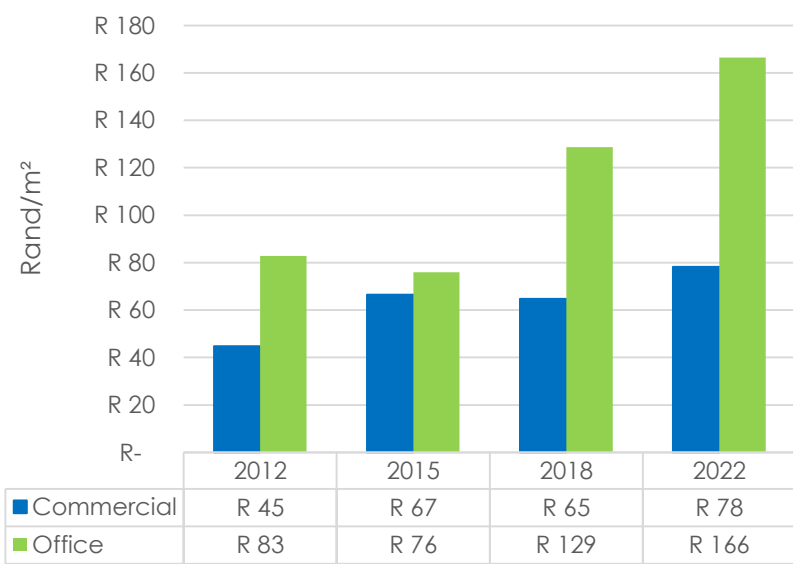● Commercial ● Industrial ● Office

Rental rates

Rental rates across all industrial spaces gradually increased between 2012 and 2022, with higher rentals seen for the smaller spaces.

Office rentals increased between 2012 and 2022 while commercial rentals remained consistent.

Comparative view on capitalisation rates

The average capitalisation rates from 2012 to 2022 for commercial, industrial and office sectors were 11,27%, 9,81%, and 10,92%, respectively and further indicate its competitiveness relative to other industrial areas.

Year-over-year, capitalisation rates for the industrial sector have remained consistent at around 10%. Both the office and commercial sectors increased from 10,8% to 11,7% and 12,3%, respectively, for the period between 2012 and 2022.
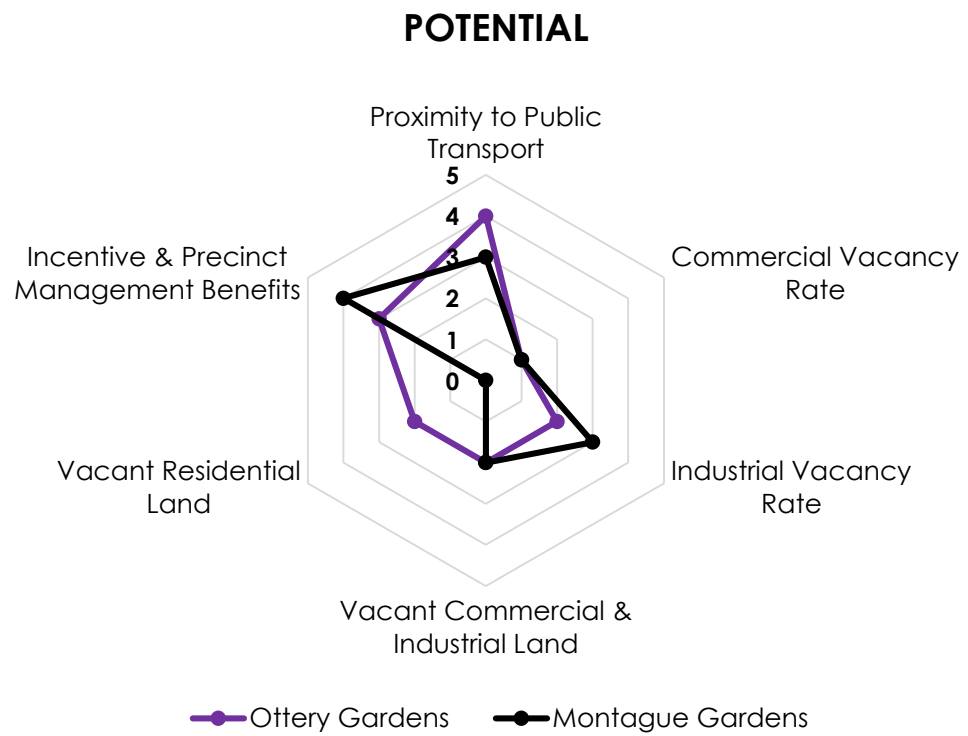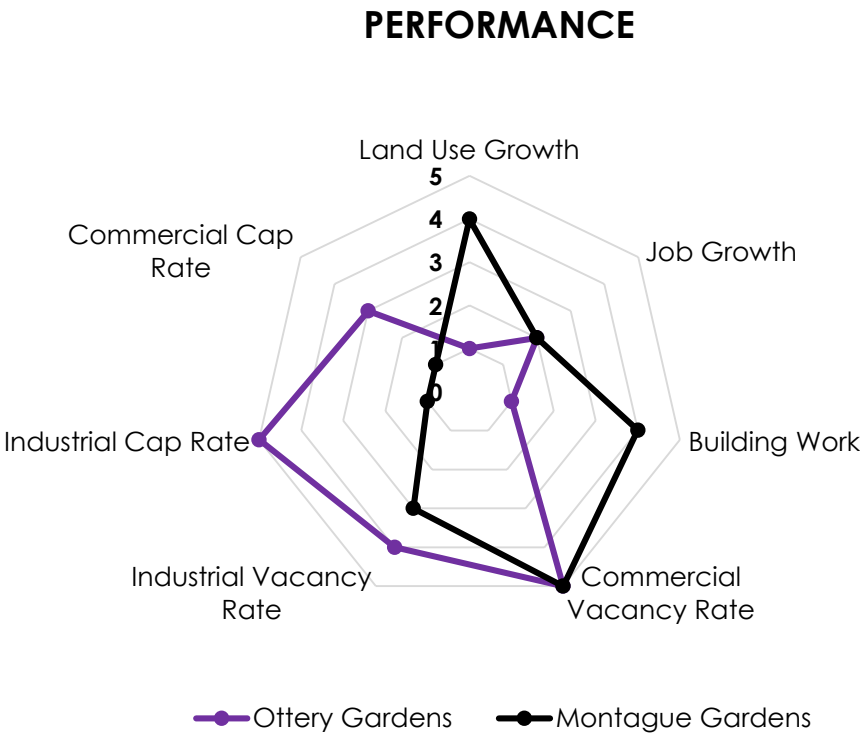
- *Higher cap rates = higher investment risk.*
- *Lower cap rates = lower investment risk.*

Source: 2012 – 2022 market reports
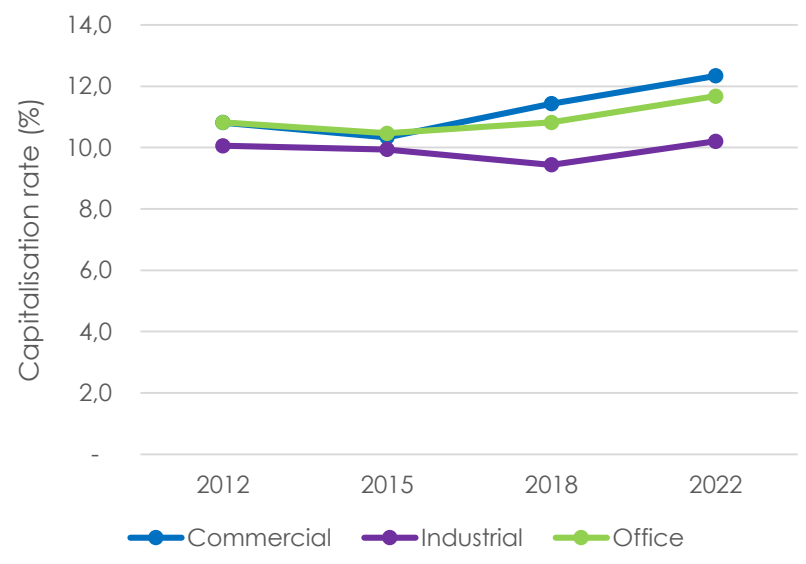
PERFORMANCE & POTENTIAL

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.

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Agglomeration of industries

Market performance

Performance & Potential

PERFORMANCE

Radar chart axes: Land Use Growth, Job Growth, Building Work, Commercial Vacancy Rate, Industrial Vacancy Rate, Industrial Cap Rate, Commercial Cap Rate. Legend: Ottery Gardens, Montague Gardens.

POTENTIAL

Radar chart axes: Proximity to Public Transport, Commercial Vacancy Rate, Industrial Vacancy Rate, Vacant Commercial & Industrial Land, Vacant Residential Land, Incentive & Precinct Management Benefits. Legend: Ottery Gardens, Montague Gardens.

	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.***