

Joscho develops R200 million Dobsonville housing project creating more than 700 jobs

Tuesday, 31 March 2015: The [Johannesburg Social Housing Company \(JOSHCO\)](#) has begun work on a housing development valued at R200 million in Dobsonville, Extension 2, Soweto to be completed by June 2016.

As part of its ongoing attempts to alleviate the housing shortage in the city, Joscho is building 502 rental housing units. The project is expected to deliver 152 one-bedroom units and 350 two-bedroom homes for the rental market and create more than 700 jobs during the construction phase.

The labour for construction will be drawn from the surrounding communities. In this way, residents of the area are involved in the development of their community and they also benefit financially and acquire additional skills.

“There is a critical gap in the housing market,” says Rory Gallocher, Joshco CEO. “There are a huge number of people living in Johannesburg who do not qualify for RDP housing at the lower end and also many who cannot afford a bond at the higher end. The provision of rental housing ensures that residents who do not qualify for government-subsidised or bonded houses are also catered for.”

He continues, “It is Joshco’s mandate to increase low cost rental housing so that people who earn between R3 500 and R7 000 can have a roof over their heads and eventually move into bonded houses once their economic situation improves.” Joshco’s rental housing scheme is aimed at benefiting only South African citizens living in Johannesburg.

In addition to the provision of housing, the development in Dobsonville has a number of important benefits. Of the R200 million, about R52 million has been allocated for empowerment

purposes. These funds will be channelled towards the creation of local suppliers, skills training and small and medium enterprise development.

“It is our hope that, at the end of the project, the beneficiaries can start their own income-generating businesses,” Gallocher says.

“Such projects enable the city to tackle the triple challenge of unemployment, poverty and inequality identified in our 2040 Growth and Development Strategy.”

Part of the Dobsonville project is funded by the Social Housing Regulatory Authority (SHRA). These units will be subsidised and aimed at people who earn less than R3 500 a month. For a one-bedroom unit with a kitchen, lounge and bath, a pre-qualified renter will be expected to pay anything from R750 to R2 000 monthly rent.

“The Dobsonville project adds to the City of Johannesburg’s growing portfolio of housing initiatives. These include Lufhereng, Fleurhof and South-Hills developments,” says Gallocher.