

# INSTRUCTIONS TO CALL FOR APPLICATIONS FOR STRATEGIC PARTNERS

# TABLE OF CONTENTS

A. PRELIMINARY INFORMATION .....	3
B. INFORMATION TO STRATEGIC PARTNERS .....	4
C. APPENDICES .....	12
APPENDIX A: SPECIALLY PERMITTED PROCUREMENT METHOD .....	13
APPENDIX B: APPLICATION ROUNDS SCHEDULE .....	14
APPENDIX C: CONTACT INFORMATION .....	15

## A. PRELIMINARY INFORMATION

The Government of Kenya (GoK) has committed to deliver a series of ambitious social programs to promote long-term economic development for Kenyan citizens through its Big Four agenda: (1) affordable housing; (2) universal health coverage; (3) enhancing manufacturing; and (4) food security and nutrition.

The housing pillar in the Big Four agenda will facilitate the development of 500,000 low cost homes, together with the supporting infrastructure, using innovative funding mechanisms and technologies by 2022 ("Affordable Housing Programme" or "AHP"). The State Department of Housing and Urban Development ("SDHUD") is championing the realization of the AHP through establishment of a robust project delivery and financing framework that will leverage on private sector funding.

SDHUD now invites applications from interested and eligible Strategic Partners, including developers, investors, financiers, and/or consortiums, both local and international, with expertise in development of affordable mass housing to undertake projects under the AHP within the cycle period 2018 – 2022 through a Specially Permitted Procurement Method as provided under Section 57 of the Finance Act 2017 and Section 114(A) of the Public Procurement and Asset Disposal Act ("PPADA"). Interested parties should be well versed with the AHP Development Framework Guidelines (DFGs), the list of projects in the AHP Project Pipeline, as well as the guidelines and requirements set forth in the Instructions to AHP Call for Applications for Strategic Partners, available on the SDHUD website at [www.housingandurban.go.ke/affordable-housing](http://www.housingandurban.go.ke/affordable-housing), the National Housing Corporation website at [www.nhckkenya.co.ke](http://www.nhckkenya.co.ke), as well as the Affordable Housing Portal at [www.bomayangu.go.ke/ahp](http://www.bomayangu.go.ke/ahp). Interested parties are advised to familiarize themselves with these documents as they form part of the requirements for submission and evaluation.

This Call for Applications for Strategic Partners applies to the AHP Project Pipeline as well as other affordable housing projects which meet the criteria set forth in the DFGs whether on private or public land. Private land owners willing to strategically partner for affordable housing projects in line with the DFGs are also invited to apply.

The AHP Application Form for Strategic Partners is now available online at the Affordable Housing Portal at [www.bomayangu.go.ke/strategic\\_partners](http://www.bomayangu.go.ke/strategic_partners). Applications are to be submitted via this web form only.

Interested parties are advised to consult the SDHUD for any clarifications, inquiries and questions in writing via email to [enquiries@bomayangu.go.ke](mailto:enquiries@bomayangu.go.ke).

**PS Charles Hinga Mwaura**  
**Principal Secretary, State Department of Housing and Urban Development**

## B. INFORMATION TO STRATEGIC PARTNERS

### 1.1. Introduction

- 1.1.1. The State Department of Housing and Urban Development (“SDHUD” or the “Client” or the “Procuring Entity”) will select Strategic Partner(s), including developers, investors, financiers, land owners, and/or consortiums of the aforementioned parties, both national and international, with expertise in development of affordable mass housing projects, in accordance with the Specially Permitted Procurement Method (“SPPM”) detailed in Appendix A: Specially Permitted Procurement Method.
- 1.1.2. Strategic Partners are invited to submit the Affordable Housing Program (AHP) Application Form, as specified on the web forms and available online at [www.bomayangu.go.ke/strategic\\_partners](http://www.bomayangu.go.ke/strategic_partners), which provides information on the Strategic Partner’s technical and financial capacity to undertake projects in the Affordable Housing Program (AHP) in line with the AHP Development Framework Guidelines (DFGs).
- 1.1.3. There are five categories of Strategic Partners that will be considered, and each category has a separate AHP Application Form. These include:
  - A. Private land owners  
This refers to land owners who have sizeable tracts of land that they would like to develop for affordable housing.
  - B. Financier  
This refers to investors with financial capability to provide equity and debt to affordable housing projects, but do not have access or sight of existing projects.
  - C. Developer  
This refers to turnkey investors who have financing, technical capability including contracting ability, to undertake affordable housing projects either on their own land or on land provided through the AHP pipeline.
  - D. Consortiums  
This refers to associations by two or more parties falling in any of the other categories of Strategic Partners who would like to enhance their capability to undertake projects by pursuing affordable housing projects together.
  - E. Building Technology Owners  
This refers to owners of building technology that can be used to produce housing units at scale.

- 1.1.4. Strategic Partners are advised that they must submit their applications using the AHP Application Form that corresponds to the category of Strategic Partners that describes them most fully.
- 1.1.5. The AHP Application Form will be the basis for evaluating Strategic Partners for suitability to deliver on AHP projects while the DFGs, together with published draft agreements, will be basis for contract negotiations and ultimately for a signed Contract with selected Strategy Partner(s).
- 1.1.6. To qualify for contract awards, the Applicants shall have the following:
  - (a) Necessary qualifications, capability experience, services, equipment and facilities to provide what is being procured.
  - (b) Legal capacity to enter into a contract for procurement
  - (c) Shall not be insolvent, in receivership, bankrupt or in the process of being wound up and is not the subject of legal proceedings relating to the foregoing.
  - (d) Shall not be debarred from participating in public procurement.
- 1.1.7. Strategic Partners who are developers and/or consortiums will be classified into two major categories:
  - Category A:  
Strategic Partners with capacity to develop greater than 1,000 affordable housing units
  - Category B:  
Strategic Partners with capacity to develop between 100 and 1,000 affordable housing units.

The AHP Application Form will require Strategic Partners to identify which category they fall under as applications will be considered separately. Interested parties are advised that only local investors/developers/consortiums/landowners will be considered for projects with number of housing units below 1,000.

- 1.1.8. Strategic Partners must familiarize themselves with the Development Framework Guidelines as published on the SDHUD website at [www.housingandurban.go.ke/affordable-housing](http://www.housingandurban.go.ke/affordable-housing), the National Housing Corporation website at [www.nhckenyaco.ke](http://www.nhckenyaco.ke), as well as the Affordable Housing Portal at [www.bomayangu.go.ke/ahp](http://www.bomayangu.go.ke/ahp), as well as local conditions and take them into account in preparing their Application Forms.
- 1.1.9. The Client has published on its website at [www.housingandurban.go.ke/affordable-housing](http://www.housingandurban.go.ke/affordable-housing), the National Housing Corporation website at [www.nhckenyaco.ke](http://www.nhckenyaco.ke), as well as the Affordable Housing Portal at [www.bomayangu.go.ke/ahp](http://www.bomayangu.go.ke/ahp), the Affordable Housing Program Pipeline ("AHP Pipeline") which lists the current projects to be undertaken within the including the Flagship Projects on national government land,

Flagship Social Housing Projects, among others. Strategic Partners are invited to familiarize themselves with the AHP Pipeline which will be updated from time to time.

- 1.1.10. This Call for Applications applies also to projects on private land, provided they comply with the Development Framework Guidelines, for which Strategic Partners would like support from the Government of Kenya either in providing bulk infrastructure to site, providing offtake for units constructed, and/or other needs which will facilitate the delivery of affordable housing to Kenyans. If successful, these projects would be added to the AHP Pipeline.
- 1.1.11. To obtain first-hand information on the AHP projects and on the local conditions, Strategic Partners are encouraged to liaise with the Client regarding any information that they may require before submitting an application and to attend an informational conference, where applicable. Strategic Partners should contact the offices of the Client as provided in Appendix C: Contact Information to arrange for any visit or to obtain additional information on the informational conference. Strategic Partners should ensure that these offices are advised of any visits in adequate time to allow them to make appropriate arrangements.
- 1.1.12. As provided in the summary on the AHP Specially Permitted Procurement Method (SPPM), the Procuring Entity will make available relevant project data and reports for those projects in the AHP Pipeline that have completed feasibilities, studies, assessments, and/or appraisals. For projects on the AHP Pipeline without information, Strategic Partners will be required to establish this information as part of the entire Project undertaking.
- 1.1.13. Please note that (i) the costs of preparing the Application Form and of negotiating the Contract, including any visit to the Client are not reimbursable as a direct cost of the assignment; and (ii) the Client is not bound to accept any of the Application Forms submitted.
- 1.1.14. The Procurement Entity's employees, committee members, board members and their relatives (spouse and children) are not eligible to participate.
- 1.1.15. The Procuring Entity shall make available the **Instructions to Call for Applications for Strategic Partners, Development Framework Guidelines, AHP Pipeline, AHP Application Form**, and other related AHP project documents, free of charge through its website [www.housingandurban.go.ke/affordable-housing](http://www.housingandurban.go.ke/affordable-housing), the National Housing Corporation website at [www.nhckenyaco.ke](http://www.nhckenyaco.ke), as well as the Affordable Housing Portal at [www.bomayangu.go.ke/ahp](http://www.bomayangu.go.ke/ahp).

## 1.2. Clarification and Amendment of AHP Application Form and Related Documents

- 1.2.1. Strategic Partners may request a clarification of any of the AHP Application Form and related documents in writing by paper mail, cable, telex, facsimile or electronic mail to the Client's address indicated in the Appendix C: Contact Information. The Client will respond by cable, telex, facsimile or electronic mail to such requests and will send written copies of the response (including an explanation of the query but without identifying the source of inquiry) to the querying party. Where applicable, the Client will include such queries in Frequently Asked Questions (FAQs) which will be posted on the Client's website [www.housingandurban.go.ke/affordable-housing](http://www.housingandurban.go.ke/affordable-housing), the National Housing Corporation website at [www.nhckenyaco.ke](http://www.nhckenyaco.ke), as well as the Affordable Housing Portal at [www.bomayangu.go.ke/ahp](http://www.bomayangu.go.ke/ahp) for the benefit of others intending to submit AHP Application Forms.
- 1.2.2. At any time, the Client may for any reason, whether at his own initiative or in response to a clarification requested by potential Strategic Partners, amend the AHP Application Forms. Any amendments shall be issued in writing and posted on the [www.housingandurban.go.ke/affordable-housing](http://www.housingandurban.go.ke/affordable-housing), the National Housing Corporation website at [www.nhckenyaco.ke](http://www.nhckenyaco.ke), as well as the Affordable Housing Portal at [www.bomayangu.go.ke/ahp](http://www.bomayangu.go.ke/ahp).
- 1.2.3. Interested parties may register on the Client's website to receive information and updates on the Client's website at [www.housingandurban.go.ke/affordable-housing](http://www.housingandurban.go.ke/affordable-housing), the National Housing Corporation website at [www.nhckenyaco.ke](http://www.nhckenyaco.ke), as well as the Affordable Housing Portal at [www.bomayangu.go.ke/ahp](http://www.bomayangu.go.ke/ahp).

## 1.3. Preparation of the AHP Application Forms

- 1.3.1. The AHP Application Form shall be written and submitted in the English language. Any requested and/or other supporting documentation provided in any other language must be accompanied by certified translations.
- 1.3.2. In preparing the AHP Application Form, Strategic Partners are expected to examine the documents related to the AHP including DFGs, AHP Pipeline, and other documents provided. Material deficiencies in providing the information requested may result in rejection of an application.
- 1.3.3. While preparing the AHP Application Form, if a Strategic Partner considers that it does not have all the expertise for the assignment, it may obtain a full range of expertise by associating with individual consultant(s) and/or other firms or entities in a consortium or sub-consultancy as appropriate.

- 1.3.3.1. For the purposes of this Call for Applications for Strategic Partners, the term “Consortium” means an association with or without a legal personality distinct from that of its members, of more than one firm where one member has the authority to conduct all business for and on behalf of any and all the members of the consortium, and where the members of the consortium are jointly and severally liable to the Client for the performance of the Contract.
- 1.3.3.2. Strategic Partners applying as a consortium and/or associating with individual consultants and/or other firms must provide a letter of intent or a copy of an existing Consortium Agreement (in the case of a Consortium) or Teaming Agreement (in the case of a Sub-consultancy).
- 1.3.3.3. In the case of a Consortium, a registered power of attorney for the authorized representative of each consortium member, and a registered power of attorney for the representative of the lead member to represent all consortium members.
- 1.3.4. In preparing the AHP Application Form, Applicants are advised of requirement to include at least 40% local content for provision of goods, services, and labor, in their project plans and provide evidence of the same in the AHP Application Form.
- 1.3.5. The Strategic Partners shall provide the information requested in the AHP Application Form provided as a webform online at the Affordable Housing Portal at **[www.bomayangu.go.ke/strategic\\_partners](http://www.bomayangu.go.ke/strategic_partners)**. The Client will only accept applications as per Section 1.4 below.
- 1.3.6. The Application Form must be signed by the authorized signatory on the provided area. For all applicants, there must be an accompanying power of attorney allowing the signatory to sign on behalf of the applicant. In the case of a Consortium, a registered power of attorney for the authorized representative of each consortium member, and a registered power of attorney for the representative of the lead member to represent all consortium members.
- 1.3.7. The Application must remain valid for 90 days after the submission date. Where applicable, during this period, the Strategic Partner is expected to keep available, at his own cost, the key personnel staff proposed for the assignment. The Client will make his best effort to complete the process within this period. If the Client wishes to extend the validity period of the Applications, the Strategic Partners shall agree to the extension.



#### **1.4. Submission and Receipt of AHP Application Forms**

- 1.4.1. Applicants shall access AHP Application Form online at the Affordable Housing Portal at [www.bomayangu.go.ke/strategic\\_partners](http://www.bomayangu.go.ke/strategic_partners).
- 1.4.2. In order to fill in the AHP Application Form, applicants will be required to create an online account.
- 1.4.3. For each AHP Application Form, the Applicant shall upload supporting documents as required within the Application Form.
- 1.4.4. AHP Application Forms, along with supporting documents, shall be submitted online via the webform provided at [www.bomayangu.go.ke/strategic\\_partners](http://www.bomayangu.go.ke/strategic_partners), according to the Application Rounds Schedule provided in this document as Appendix B: Application Rounds Schedule and posted on the SDHUD website [www.housingandurban.go.ke/affordable-housing](http://www.housingandurban.go.ke/affordable-housing), the National Housing Corporation website at [www.nhckenyaco.ke](http://www.nhckenyaco.ke), as well as the Affordable Housing Portal at [www.bomayangu.go.ke/ahp](http://www.bomayangu.go.ke/ahp).
- 1.4.5. A completed AHP Application Form will be submitted when the Applicant has digitally signed the AHP Application Form and accepted the terms and conditions as published within the application portal.
- 1.4.6. Once an Application Form is successfully submitted as per Section 0 above, on or before the Submission Deadline, SDHUD shall register the following information in relation to the AHP Application Form and the Application on the AHP SPPM Ledger:
  - a. The Application name, address and the contact information for the representative responsible for filing the AHP Application Form;
  - b. The date and time of receipt of the AHP Application Form as per the digital time stamp;
  - c. The Project in respect of which the Applicant has submitted an AHP Application Form including the Round Number, the Lot Number, and Project Name; and
  - d. The Applicant's Identification Number.
- 1.4.7. After the deadline for submission of AHP Application Forms, all submissions shall remain with the Procurement Unit of the Client up to the time for evaluation of the AHP Application Forms.

#### **1.5. Evaluation of AHP Application Forms**

- 1.5.1. From the time the AHP Application Forms are opened to the time contracts are awarded, if any Applicant wishes to contact the Client on any matter related to his AHP Application Form, he should do so in writing at the address indicated in the

Appendix C: Contact Information. Any effort by the firm to influence the Client in the Application Form evaluation, Application Form comparison or Contract award decisions may result in the rejection of the Applicant's submission.

- 1.5.2. The evaluation committee appointed by the Client shall evaluate the applications on the basis of completeness of information provided by the Applicant as well as responsiveness to the criteria set out in the Development Framework Guidelines, and other relevant project information provided to applicants.
- 1.5.3. Where multiple applications have been received for a particular project listed in the AHP Pipeline, the Client shall institute a competitive process and invite interested Strategic Partners to bid for the project. The bidders will be evaluated according to the criteria set out in the competitive process and the most responsive bidder, who meets the requirements set out in the competitive process, will then be invited for negotiations.
- 1.5.4. The Client shall notify Applicants, both successful and non-successful of the evaluation outcome.
- 1.5.5. The Client shall notify successful Applicants through a Letter of Invitation of the intent to proceed to negotiations. The negotiations start date shall not be sooner than seven (7) days after the notification date. The letter of invitation may be sent by registered letter, cable, telex, facsimile or electronic mail.

## **1.6. Negotiations**

- 1.6.1. The Procuring Entity shall appoint a team for the purpose of the negotiations.
- 1.6.2. Negotiations will be held at the same address as "address to send information to the Client" indicated in the Appendix C: Contact Information. The aim of which will be to review and negotiate project plans and agreements and sign a contract.
- 1.6.3. To complete negotiations the Client and the selected Applicant will sign and initial the agreed legal agreements which form the Contract between the parties.
- 1.6.4. Where multiple applications were received with respect to a particular Project, the Client will negotiate with the successful bidder following the conclusion of the competitive process as provided in Section 1.5.3. Should negotiations fail with the first successful bidder, the bidder with the second highest score will be invited to negotiate a contract.

## **1.7. Award of Contract**

- 1.7.1. The Contract will be awarded following negotiations. After negotiations are completed, the Client will promptly post on its website and the Affordable Housing Portal of the award of contract.
- 1.7.2. The successful Applicant is expected to commence the assignment within 30 days of finalizing and signing of the Contract with the Client.
- 1.7.3. The Procuring Entity may at any time terminate procurement proceedings before contract award and shall not be liable to any person for the termination.
- 1.7.4. The Procuring Entity shall give prompt notice of the termination to the Applicant(s) and on request give its reasons for termination within 14 days of receiving the request from any Applicant.

## **1.8. Confidentiality**

- 1.8.1. Information relating to evaluation of AHP Application Forms and recommendations concerning awards shall not be disclosed to the Applicants who submitted the AHP Application Forms or to other persons not officially concerned with the process, until the process is completed up to Contract Award.

## **1.9. Corrupt or fraudulent practices**

- 1.9.1. The Procuring Entity requires that the Applicants observe the highest standards of ethics during the selection and award of the AHP Contract and also during the performance of the assignment. The Applicants shall sign a declaration that he has not and will not be involved in corrupt or fraudulent practices.
- 1.9.2. The Procuring Entity will reject a contract award if it determines that the Applicant recommended for award has engaged in corrupt or fraudulent practices during the process of application.
- 1.9.3. Further, an Applicant who is found to have indulged in corrupt or fraudulent practices risks being debarred from participating in public procurement in Kenya.

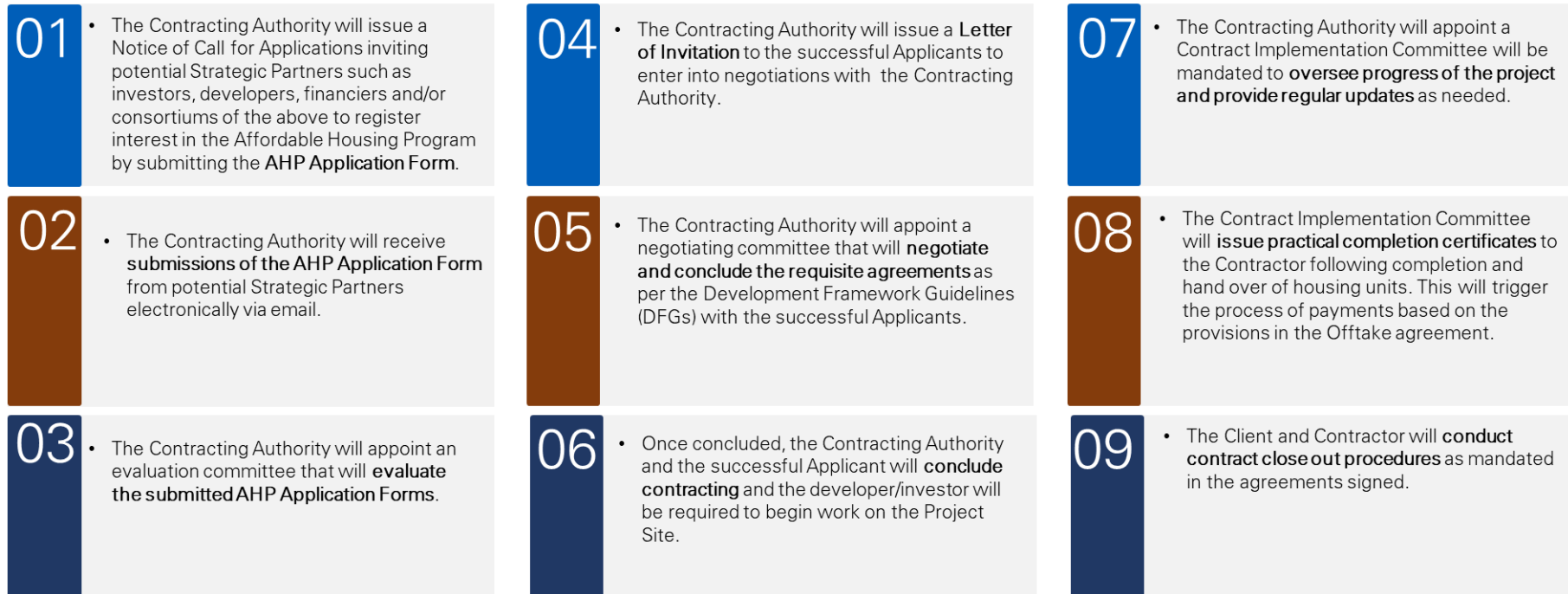
## C. APPENDICES

Appendix A: Specially Permitted Procurement Method

Appendix B: Application Rounds Schedule

Appendix C: Contact Information

## APPENDIX A: SPECIALLY PERMITTED PROCUREMENT METHOD



*Figure 1: AHP Specially Permitted Procurement Method*

## APPENDIX B: APPLICATION ROUNDS SCHEDULE

The Affordable Housing Program (AHP) shall accept applications for eligible and interested strategic partners, including developers, investors, financiers, and/or consortiums of parties, both national and international, with expertise in development of affordable mass housing projects to undertake projects under the AHP within the cycle period provided.

Interested parties submitting applications should be well versed with the AHP Development Framework Guidelines (DFGs) as well as the guidelines and requirements set forth in the **Instructions to AHP Call for Applications for Strategic Partners** document.

This Call for Applications applies to the Affordable Housing Pipeline as well as other affordable housing projects which meet the criteria set forth in the DFGs whether on private or public land.

Interested parties are advised that the Call for Applications for projects in the AHP will be processed by rounds and according to the schedule provided below. Applications received prior to the opening date or after closing date will not be considered.

ROUNDS	BRIEF DESCRIPTION	ROUND COMMENCEMENT DATE	CLOSING DATE
ROUND 1A	Lot 1A: Flagship Projects	Jan 14 2019	12.00 noon Feb 14 2019
ROUND 1B	Lot 1B: Flagship Social Housing Projects	Jan 14 2019	12.00 noon Feb 14 2019
ROUND 1C	Lot 1C: All Other Projects	Jan 14 2019	12.00 noon Feb 14 2019
ROUND 2	Lot 2: All other projects	Apr 2 2019	12.00 noon Apr 30 2019
ROUND 3	Lot 3: All other projects	Jun 2 2019	12.00 noon Jun 30 2019
ROUND 4	Lot 4: All other projects	Aug 12 2019	12.00 noon Aug 30 2019
ROUND 5	Lot 5: All other projects	Oct 1 2019	12.00 noon Oct 30 2019
ROUND 6	Lot 6: All other projects	Nov 1 2019	12.00 noon Nov 30 2019
ROUND 7	Lot 7: All other projects	Jan 2 2020	12.00 noon Jan 31 2020
ROUND 8	Lot 8: All other projects	Apr 1 2020	12.00 noon Apr 30 2020
ROUND 9	Lot 9: All other projects	Jul 1 2020	12.00 noon Jul 30 2020
ROUND 10	Lot 10: All other projects	Oct 1 2020	12.00 noon Oct 30 2020
ROUND 11	Lot 11: All other projects	Jan 2 2021	12.00 noon Jan 31 2021
ROUND 12	Lot 12: All other projects	Apr 1 2021	12.00 noon Apr 30 2021
ROUND 13	Lot 13: All other projects	Jul 1 2021	12.00 noon Jul 30 2021
ROUND 14	Lot 14: All other projects	Oct 1 2021	12.00 noon Oct 30 2021
ROUND 15	Lot 15: All other projects	Jan 2 2022	12.00 noon Jan 31 2022
ROUND 16	Lot 16: All other projects	Apr 1 2022	12.00 noon Apr 30 2022

## APPENDIX C: CONTACT INFORMATION

### A. General Information

The Principal Secretary  
State Department for Housing and Urban Development  
P.O Box 30119-00100  
NAIROBI, KENYA  
Tel: +254-20-2713833  
Email: [info@housingandurban.go.ke](mailto:info@housingandurban.go.ke)  
Web: [www.housingandurban.go.ke/affordable-housing](http://www.housingandurban.go.ke/affordable-housing)

### B. For questions on the Affordable Housing Program Development Framework Guidelines, Affordable Housing Program Pipeline and Site Information, and other program features

The Affordable Housing Program  
State Department for Housing and Urban Development  
P.O Box 30119-00100  
NAIROBI, KENYA  
Tel: +254-20-2713833  
Email: [enquiries@bomayangu.go.ke](mailto:enquiries@bomayangu.go.ke)  
Web: [www.bomayangu.go.ke/ahp](http://www.bomayangu.go.ke/ahp)

### C. For questions on the Affordable Housing Program Application Process and Rounds Scheduling

Procurement and Supply Chain Management Services  
State Department for Housing and Urban Development  
P.O Box 30119-00100  
NAIROBI, KENYA  
Tel: +254-20-2713833  
Email: [procurement@bomayangu.go.ke](mailto:procurement@bomayangu.go.ke)  
Web: [www.bomayangu.go.ke/ahp](http://www.bomayangu.go.ke/ahp)