



REQUEST FOR PROPOSAL FOR SERVICED APARTMENTS FOR:

1. CONCEPT DESIGN CONSULTATION

AND/OR

2. OPERATION OF SERVICED APARTMENTS, FOR,

SERVICED APARTMENTS BRAND SPONSORED BY CYTONN INVESTMENTS MANAGEMENT LIMITED

CYTONN INVESTMENTS
3RD FLOOR, LIAISON HOUSE, STATE HOUSE AVENUE,
P.O. BOX 20695 – 00200
NAIROBI – KENYA

SECTION A: Purpose

The purpose of this "Request for Proposal" (RFP) is to solicit professional firms (hereinafter called "Consultants") for (i) the concept design and development of a Serviced Apartment Brand for the Nairobi area, and / or (ii) the operation of The Serviced Apartment Brand. The Proposal can either be for the the concept design & development or just the operation, or for both.

Cytonn Real Estate (the "Client") will review the Proposals based upon an evaluation of the following criteria: recent related project experience, personnel assigned to project (Project Team), understanding of the project, the schedule for completion, consulting and / or operational experience with hospitality developments, including serviced apartments (where applicable) and estimate of hours.

Background

- Research from Cytonn Real Estate has identified a gap in the provision of quality serviced apartments in the Nairobi area,
- Opportunity in this sector lies in creating a serviced apartment offering with a strong local brand, which is operated to the highest global standards,
- The Proposed Serviced Apartment Brand is it to meet the demand for serviced apartments in Nairobi. The potential locations include, and are not limited to, Upperhill, Westlands, Gigiri and Kilimani, of which there is already a location in the Westlands area of Nairobi County. The site is located approximately 4 kilometres West of the Nairobi CBD, along Westlands road,
- Key to note however is that the assignment is to develop a brand and concept for several sites in Nairobi / operation of several sites in Nairobi, and eventually the greater East African region.

Serviced apartments have become a preferred form of accommodation as multinational companies seek to cut down on accommodation expenses, and also look for high-quality offerings, in attractive locations, with affordable prices, while offering all amenities needed. As such, the target market is:

- Business travelers;
- Short to medium-stay professionals who have recently relocated to Kenya, and,
- MICE segment with the availability of meeting and conferencing space.

SECTION B: Terms of Reference for Design Advisory & Operations of Serviced Apartments

Principles

Business tourism is gaining popularity in the Kenyan market as the hospitality industry is slowly evolving away from the traditional beach and safari tourism. Cytonn Real Estate is interested in developing a brand of serviced apartments that will tap into this market. The competitive edge shall be standardization of the product, and quality service offering, which is yet to be achieved in the country as evidenced by the lack of an international serviced apartment brand or a dominant local brand, with most of the local brands being run with little understanding of the consumer market for professional and / or business travelers.

When analyzing the data on serviced apartments, the serviced apartment offering has grown at a 23.6% CAGR over the last five-years and are expected to continue with the same trajectory. Even though the offering has grown, when compared to hotels, serviced apartments have the highest revenues and occupancies in the market which average at 127 USD and 90.0%, respectively

The Client desires to develop mid-end serviced apartments (equivalent of a 3 or 4-star rated hotel offering), which must be unique, flexible and easy to integrate in the preferred office environments without diluting the brand. The development must capture the feel of a home away from home and provide a low maintenance structure. The desire of the Client is to achieve a rich mix of facilities, room amenities and services in all the serviced apartments that will be developed. Thus, even with the constraints of any possible site to be developed in the future, the design proposed must be flexible enough for replication and easier integration with the surrounding for both high and middle class clients, while retaining the brand theme.

1: CONCEPT DESIGN CONSULTANCY:

Scope:

The Consultant will be expected to advise the Client on, but not limited to, the areas below;

- i. To define the appropriate target offering for a business traveler serviced apartment offering;
- ii. To advise on the look and feel of the apartments, including the general layout of the serviced apartment offering and the specific unit design;
- iii. To propose the most appropriate going to market strategy and advise on the amenities provided, and their best positioning towards the target market;
- iv. To advise on the functionality and the suitability of the development to the target clients;
- v. Advise on the naming and logo design for the apartments;
- vi. Advise on colour schemes and furnishing of the apartments; and,
- vii. To advise on the most appropriate expansion strategy in the region.

All the above concept designs are to be briefed to the project architect for the proposed developments, starting with the site identified in Westlands.

2: OPERATION OF SERVICED APARTMENTS:

Scope:

Upon completion of construction or even acquisition, the winning operator for this part of the RFP will be expected to run the facility / the Brand, which shall entail but not be limited to the following responsibilities:

- i. Provision of full support at the equipping stage and procuring all the general suppliers and service providers;
- ii. Management of operations through integration of the necessary technology, practices and systems including, but not limited to: front office services, housekeeping, apartments management, food and beverage outlet(s), security, and other operational matters the Consultant may see necessary for the Proposed Development;
- iii. Continuous monitoring of the development's standards through audits;
- iv. Managing sales and booking through constant search for corporate clients through advertising, well laid out brand awareness programs and Public Relations;
- v. Human Resource Management (HRM) involving the hiring and training of service personnel and managerial staff;
- vi. Overseeing the finance and accounting of the facility in readiness for financial audits; and,
- vii. Maintain and manage the common areas of the facility;

The services shall be required from the day the contract is awarded for a period to be agreed, but we expect it to be for a minimum of three (3) years, and shall be subject to performance.

SECTION C: Submission Requirements

The Firm's/Consortiums requirements

- a) A Certificate of Compliance from the Relevant Tax Authority;
- b) Proof of Physical address (a trade licence);
- c) PIN certificate of the firm;
- d) VAT certificate of the firm;
- e) A List of previous clients and their contacts.

The above documents must be submitted together with the proposals.

Technical Proposal

Firms are required to submit a proposal giving attention to the following:

- a) A brief description of the firm organization;
- b) An outline of recent experience on assignments of a similar nature; Project description, value and location. It will also be important to include a summary of the challenges experienced and how they were resolved;
- c) A description of the methodology to be used and work plan for performing the assignment. The consultants are expected to demonstrate their capability in delivering this tasks smoothly as well as cover all the client requirements needed;
- d) The list of the proposed project staff by specialty, the tasks to be assigned to each staff team members, and their timing;
- e) CVs recently signed by the proposed professional staff and the authorized representative submitting the proposal. Key information should include number of years working for the firm/entity and degree of responsibility held in various assignments during the last ten (10) years; and,
- f) Estimates of the total staff input (professional and support staff; staff time) needed to carry out the assignment, supported by bar chart diagrams showing the time proposed for each professional staff team.

Financial Proposal

In preparing the financial proposal, consultants are expected to consider all costs associated with the assignment, including but not limited to:

- a) Remuneration for all staff required for the assignment. A breakdown of the costs by activity and timing should be provided; and,
- b) The financial proposal should clearly identify, as a separate amount, the local taxes, duties, levies and other charges imposed by the law on the consultants, sub-consultants and their personnel.

The Consultants shall express their price in Kenya Shillings, while those in percentage shall be applicable in Kenya Shillings as well.

The Proposals must remain valid for 60-days after the submission date. During this period, the Consultant is expected to keep available the professional staff proposed for the assignment. The Client will complete negotiations during this period.

SECTION D: Agreement

The Consultant selected to provide the above-referenced services will be expected to enter into a contract as denoted in Section A of this RFP.

The Consultant has the options: -

- a) Bidding for either the design consultancy or operation of serviced apartments as highlighted in Section B of this RFP; and,
- b) Bidding for provision of both the design consultancy and operation of serviced apartments.

SECTION E: Insurance

The Consultant shall provide their Professional Indemnity.

SECTION F: Rejection Of Proposals

Cytonn Real Estate reserves the right to reject any and all of the responses received as a result of this RFP. Cytonn Real Estate does not intend to award a contract solely on the basis of responses to this RFP or otherwise pay for the information solicited or obtained in response to this RFP.

SECTION G: Incurred Cost

Cytonn Real Estate will not be liable for any cost incurred by the Consultant for any work performed through and including the execution of a contract for professional services, prior to the execution of a contract.

SECTION H: Completeness Of The Submitted Proposal

The proposal shall address all items completely and thoroughly, and shall be signed by an officer of the firm authorized to bind the Consultant to its provisions.

SECTION I: Consultant Responsibilities

The Consultant shall be capable of providing all professional services as described under the Scope and to maintain those capabilities until notification that their proposal was unsuccessful. Exclusion of any service for the project may serve as cause for rejection.

SECTION J: Acceptance of RFP Content

The proposals presented will be evaluated by Cytonn Real Estate. The proposals will be scored based on the following:

- Portfolio of the Consultants (previous projects);
- A list of the current projects being undertaken;
- Listing personnel to be assigned to this work;
- Consultant's understanding of the project;
- The proposed time frame for completion scope of services; and,
- The financial proposal as presented

SECTION K: Compensation:

Cytonn Real Estate and the selected consultant will formalize the scope of services and negotiate a fee. A breakdown of the fee for the Consulting in the design phase, consulting during the construction phase and operation of the serviced apartments shall be developed separately.

SECTION L: Schedule Dates

The following is an anticipated schedule for the RFP process. Cytonn Real Estate reserves the right to modify any part of this schedule. During the period to the deadline, we can be contacted for consultation and for questions related to the Scope, through res@cytonn.com.

	Activity	Date
1.	Sending RFPs	16 th January, 2017
2.	Deadline for Submission of Proposal	31 st January 2017
3.	Evaluation of Proposal	31 st January 2017
4.	Compilation of Tender Results	1 st February 2017
5.	Shortlisting of Proposals	3 rd February 2017
6.	Presentation of Shortlisted Proposals to Cytonn*	Week of 6 th February
7.	Award of Contract	14 th February 2017

**May be done by electronic means if needed.*

SECTION M: Responses

To be considered, a hard copy of the proposal must be submitted to Cytonn Real Estate offices located at The Chancery, 6th Floor, Valley Roads or alternatively a softcopy addressed to procurement@cytonn.com with res@cytonn.com cc'd will also be acceptable not later than the above-mentioned date:

SECTION N: Non-Collusion

It is understood that you/your firm understand that the business discussions between yourself, ourselves and our Client may contain sensitive and proprietary information and which shall need to be kept confidential at all times, other than where; the information is or becomes public knowledge (without fault of the Party concerned); or if and to the extent that information is required to be disclosed by a Party to a regulatory or governmental authority or otherwise by law (in which case that Party shall keep the other Party informed of such disclosure). This obligation is not limited in time, and shall continue even after these business discussions cease to exist. In addition, each Party shall use all reasonable efforts to ensure that its employees, agents and representatives (and those of its Affiliates) comply with these confidentiality obligations.

Contact Details:

For any clarifications and questions, please reach out to the below:

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