

ADDENDUM 1/CLARIFICATION 1

**TENDER DESCRIPTION:** REQUEST FOR PROPOSAL FOR THE PREPARATION, ESTABLISHMENT AND DEVELOPMENT OF THE AFFORDABLE HOUSING BOARD OFFTAKE AND FINANCIAL POLICY.

**TENDER NUMBER:** AHB/RFP /02/2025-2026

**DATE ISSUED:** 10<sup>TH</sup> APRIL 2026

Pursuant to section 75 of the PPADA 2015 The Affordable Housing Board wishes to clarify and notify the interested bidders as follows.

S N	ISSUE	CLARIFICATION
1.	Lot 1: Provision of Consultancy Services to develop the Procurement and Offtake manual	This lot is as follows lot 1A, lot 1B Lot 1A: Provision of Consultancy Services to develop the Procurement manual LOT 1B: Provision of Consultancy Services to develop the Offtake manual and the Agreement with private institutions and persons manual  Bidders may apply for one or more lots up to a maximum of two lots. Awards will be made on a lot-by-lot basis.
2	Recommendation of Award	The consultant with the highest combined technical and financial score FOR THE SELECTED LOT will be recommended for consideration of award
3.	Terms of reference for LOT 1B: Provision of Consultancy Services to develop the Offtake manual and the Agreement with private institutions and	The Affordable Housing Act,2024 makes provision for private sector engagement in the delivery of affordable housing. Section 44 enables the Board to enter into agreements with private institutions for the development and construction of affordable housing units and associated infrastructure, as well as for the supply of goods and materials. Item 8 of the First Schedule allows private sector agencies to be approved by the Board as implementing agencies. Section 50 empowers the Board to off-take affordable housing units from approved housing schemes that meet policy and statutory requirements.

persons manual	<p>However, the current legal framework is primarily Board-initiated: the Board publishes tenders (Section 44(2)), approves implementing agencies (First Schedule), and decides which schemes to off-take (Section 50). There is no structured pathway for a private developer to approach the Board with a project proposal, seek scheme approval, and enter into an off-take agreement. This limits the program’s ability to leverage private sector land, capital, and construction capacity to supplement the Board’s own project pipeline.</p> <p>The Board has identified the need to develop a policy framework that creates a structured mechanism for private developer engagement through Board-led off-take, within the provisions of the Affordable Housing Act, 2024 and the Affordable Housing Regulations, 2025. These Terms of Reference set out the scope, objectives, and deliverables for a consulting assignment to develop this framework.</p> <p><b>1. Objectives</b></p> <p>The primary objective of this assignment is to develop a comprehensive policy framework for private developer offtake under the Affordable Housing Act, 2024, that enables the Board to systematically engage the private sector in the development and delivery of affordable housing while maintaining oversight, price discipline, and alignment with program priorities.</p> <p>The specific objectives are to:</p> <ul style="list-style-type: none"><li>i. Conduct a comprehensive review of the legal provisions governing private sector engagement in the Affordable Housing Act, 2024 and the Affordable Housing Regulations, 2025, identifying enabling provisions, gaps, and areas requiring additional regulation or guidelines</li><li>ii. Analyze the current AHP pricing schedule and assess its applicability and commercial viability for private developer-delivered projects across different housing categories, locations, and land tenure arrangements</li><li>iii. Develop a policy framework for private developer off-take that includes developer eligibility and registration criteria, scheme proposal and approval processes, pricing methodology, off-take agreement structures,</li></ul>
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		<p>staged commitment and disbursement mechanisms, quality assurance requirements, and beneficiary allocation procedures</p> <ul style="list-style-type: none"> <li>iv. Design mechanisms to ensure the off-take framework aligns with the Board’s five-year and annual investment programs, achieves geographic and typology balance, and targets housing delivery across all income categories including social housing</li> <li>v. Prepare draft guidelines, procedures, and template documents required to operationalize the framework, including any draft forms to complement the existing Forms 1–4 in the Regulations</li> <li>vi. Prepare recommendations for any additional regulations or legal instruments that may be required under Section 59 of the Act to fully implement the framework</li> <li>vii. Develop a stakeholder engagement plan for the rollout of the framework to private developers, financial institutions, county governments, and the public</li> </ul> <p><b>2. Scope of Work</b></p> <p>The Consultant shall undertake the following tasks:</p> <p><b>2.1. Legal and Regulatory Analysis</b></p> <ul style="list-style-type: none"> <li>i. Conduct a detailed analysis of all provisions in the Affordable Housing Act, 2024 relevant to private sector engagement, including but not limited to Sections 44, 45, 46, 47, 50, and 59, and the First Schedule (Item 8)</li> <li>ii. Analyze the Affordable Housing Regulations, 2025, particularly Part IV (Off-Take), Regulations 14–16, Regulation 21 (Categorization), Regulation 28 (Agreement with Private Institution), and Forms 3 and 4</li> <li>iii. Map each relevant provision against its role in the proposed off-take framework, identifying what the provision enables, where gaps exist, and what additional guidelines or regulations are needed</li> <li>iv. Review the regulatory-making powers under Section 59(2), particularly subsections (h) (off-take provisions), (k) (typology and dimensions), and (l) (off-take procedural guidelines), and advise on the scope and content of any additional regulations</li> </ul>
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inputs received and their integration into the framework

- vi. **Final Off-Take Policy Framework** (within 10 working days of receiving final comments from the Board) incorporating all revisions
- vii. **Draft Operational Documents** (submitted alongside the final framework) including all forms, templates, guidelines, and tools listed in Section 3.5
- viii. **Summary Presentation** for the Board and key stakeholders summarizing the framework, its legal basis, key design choices, and implementation roadmap

#### 4. Duration

The assignment shall be completed within a period of twelve (12) weeks from the date of contract signing. The indicative timeline is as follows:

Phase	Duration	Weeks
Inception and mobilization	1 week	Week 1
Legal and pricing analysis	3 weeks	Weeks 2–4
Client review of analysis reports	1 week	Week 5
Draft framework development	2 weeks	Weeks 6–7
Stakeholder consultations	2 weeks	Weeks 7–8
Client review of draft framework	1 week	Week 9
Finalization and operational documents	2 weeks	Weeks 10–11
Final presentation and handover	1 week	Week 12

#### 5. Required Expertise

The Consultant (individual or firm) should demonstrate the following qualifications and experience:

- i. Strong knowledge of Kenya’s affordable housing policy and legal framework, particularly the Affordable Housing Act, 2024, the Affordable

		<p>Housing Regulations, 2025, and the operational context of the Affordable Housing Program</p> <ul style="list-style-type: none"> <li>ii. Demonstrated experience in housing finance, real estate economics, or public-private partnership structuring, with the ability to conduct pricing and financial viability analysis</li> <li>iii. Experience in policy development, regulatory design, or development of operational frameworks for government agencies or statutory bodies</li> <li>iv. Strong legal analysis capability, with the ability to map statutory provisions to policy design choices and identify regulatory gaps</li> <li>v. Familiarity with Kenya’s public finance management framework, procurement legislation, and land administration processes</li> <li>vi. Excellent writing, communication, and presentation skills, with the ability to produce professional documents suitable for Board-level decision-making</li> <li>vii. Stakeholder engagement experience, including facilitation of consultations with government, private sector, and civil society actors</li> </ul> <p><b>6. Reporting Arrangements</b></p> <p>The Consultant will report directly to the Chief Executive Officer through the designated Project Manager at the Affordable Housing Board. Regular progress updates will be required as per the agreed timeline. A mid-assignment review meeting with the Board Chair and advisory team will be scheduled at the draft framework stage (approximately Week 7).</p> <p><b>7. Budget and Payment Schedule</b></p> <p>Noting that stakeholder consultation logistics and any Board-organized workshops will be borne by the Client, the Consultant shall provide a detailed budget breakdown covering:</p> <ul style="list-style-type: none"> <li>1. Professional fees</li> <li>2. Research and analysis costs</li> <li>3. Travel and subsistence for stakeholder consultations</li> <li>4. Any other relevant costs</li> </ul> <p>Payments will be made according to the following schedule:</p> <ul style="list-style-type: none"> <li>▪ 20% upon submission of the inception report</li> </ul>
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4	Extension of the closing/opening date	The Closing/opening date of the tender has been extended to be closed/ opened on 23 <sup>rd</sup> April 2026 at 10.00 Am Kenyan Local time.
5	Tenders submitted	The bidders who had already submitted their tenders are free to withdraw and modify and resubmit before the new closing date of 23 <sup>rd</sup> April 2026
6	All the other terms and conditions of the consultancies remain the same	

**AG. CHIEF EXECUTIVE OFFICER**