



Terwilliger Center for Innovation in Shelter

Kenya's +254 ShelterTech Accelerator
REQUEST FOR PROPOSAL
March 1, 2018

Background

Recent statistics show that Kenya experiences annual demand for housing, exceeding 250,000 units in the urban areas against a supply of 50,000. Access to both prime and virgin land for housing provides a perfect opportunity for investors in the sector, however, the country still experiences housing challenges especially with the expansive growth of slums and informal settlements, distorted access to land, high cost of finance, existence of rigid building laws and regulations and the deterioration of housing stock due to lack of a maintenance framework that has seen the country's building stock dilapidating.

Rural areas are not spared; the aspirations of many Kenyans to own a decent dwelling of their own; one that is reasonably presentable; a good roof, a desirable number of rooms, space, a cooking area, a decent bathroom and toilet, hygienic floor and walls, durable etc; largely remain an unattainable dream. Many reasons contribute to this ranging from financial difficulties, cost of land, land tenure issues, high costs of building materials and inadequate or costly labour etc, forcing many to live in substandard and unhygienic dwellings.

Established in 1976, Habitat for Humanity International (HFHI) has a vision of a world where everyone has a safe and decent place to live. HFHI collaborates with local communities in more than 70 countries and has supported four million people to gain access to decent shelter through a number of housing initiatives.

Habitat's Terwilliger Center for Innovation in Shelter (TCIS) works with housing market systems by supporting local firms and expanding innovative and client-responsive services, products and financing so that households can improve their shelter more effectively and efficiently. The ultimate goal of the TCIS's market systems and entrepreneurship program is to increase economic empowerment and significantly reduce the adequate housing deficit thereby improving the quality of life for low-income households.

The +254 Shelter Tech Accelerator

TCIS is launching the **+254 ShelterTech Accelerator** initiative to identify, nurture and accelerate early-stage companies in Kenya that are bringing shelter solutions to the market in a way that serves low-income people. Our experience in promoting low income housing solutions demonstrates that many well-meaning indigenous Kenyan companies lack the capacity to attract/raise capital to grow their business and meet the growing demand of the low-income housing segment sustainably. Entrepreneurs supported by the **+254 ShelterTech Accelerator** will focus on innovative solutions to construction, land and property ownership, residential water and sanitation, housing renewable energy, or other challenges that constrain residential living conditions of low-income people.

Participating entrepreneurs are expected to undertake a 3-6-month journey in the accelerator. The **+254 ShelterTech Accelerator** includes the possibility of seed-funding (equity and/or debt) to invest in those participating early-stage companies that demonstrate promise during the course of this journey.

TCIS seeks an **Anchor** to work with a Host institution to mobilise and mentor a minimum 30 early-stage entrepreneurs representing an array of low-income housing solutions through Accelerator.

Purpose and Scope of work

The Anchor will be an organisation or individual with a proven track record of understanding and facilitating similar accelerator programs. They will have the ability to network with participating entrepreneurs, mentors, potential investors, and other key stakeholders in the Kenyan context. The Anchor will be primarily responsible for the overall program management, including program design, identification and recruitment of early-stage entrepreneurs, mentors, and investors, relationship creation and management including with other entrepreneur networks, government, academia, media etc.

Interested companies and individuals are required to submit proposals (not exceeding 5 pages¹) covering the following details.

Qualification and experience

1. Proven record and accomplishment to understand, facilitate and manage the different parts and functions of the accelerator including the ability to:
 - mobilize early-stage entrepreneurs;
 - review business documents of the small but growing businesses to gain understanding of the businesses and their investment needs to select the highest potential participants; and
 - develop a curriculum, mentor schedule etc to be used for the entrepreneurs over the duration of the acceleration.
2. Proven record in promoting and facilitating investment partnerships between entrepreneurs and investors including a demonstrated ability to:
 - understand working with impact investors;
 - analyse potential investors and determine matches with entrepreneurs in **The +254 ShelterTech Accelerator**;
 - understand investor needs, investment opportunity identification, deal structuring and investment screening;
 - coach and advise entrepreneurs on structuring investments including due diligence of investors, developing and refining requisite investment documents including pitch decks and financial summaries, and
 - facilitate actual linkages between entrepreneurs, mentors, potential investors, and other stakeholders.
3. Demonstrate understanding of the Kenyan context related to the economy, low-income housing, investment and/or the MSME sector;
4. Have a BSc or MSc in finance, accounts, economics or related field from a reputable institution for the individual or lead consultant from the bidding institution,
5. Proven report writing skills, and
6. Provide two recent similar assignments undertaken with reference contacts

¹ Additional documents/testimonials should be attached

Expected Deliverables

1. Mobilize and on-board a minimum 30 low-income housing oriented early-stage entrepreneurs in the accelerator;
2. Firm a working relationship with the Host for the accelerator; and
3. Run the accelerator program for entrepreneurs meeting agreed criteria and milestones with TCIS

Proposal Evaluation Criteria

Proposals will be evaluated based on their technical soundness and financial viability. The criteria will include,

1. Alignment with TCIS goals for the program: support early-stage entrepreneurs that have solutions to issues that constrain housing for low-income households and help improve their quality of life;
2. Proposed design and strategy for the accelerator;
3. Ability to attract viable accelerator candidates;
4. Ability to attract shelter venture investors;
5. Quality of personnel assigned to run this program;
6. Previous experience in successfully running similar programs;
7. Project schedule & work breakdown structure, that identifies timelines, key milestones, project phases, or other project plan information;
8. Relationship management and communication plan;
9. Budget/breakdown of costs related to the program²
10. Companies applying should additionally include formal company registration and proof of statutory compliance

Project Schedule

Milestones	Deadline
Detailed RFP delivered to applicants	March 2nd, 2018
RFP Q&A period closes	March 9 th , 2018
RFP submission date by applicants	March 23 rd , 2018
Proposal evaluation and negotiations	April 6 th , 2018
Award contract to successful applicant	April 11 th , 2018

This project schedule is based on our current timelines and might be subject to change

Interested candidates (companies and individuals) should send their questions (*during the Q&A window ending March 9th 2018*) and final applications (*by March 23rd 2018*) via procurement@hfhkenya.org with a copy to LVallusova@habitat.org

² Costs include, but are not limited to, fixed pricing & deliverables, billable hours, travel expenses, etc. Firm must agree to keep the quoted pricing in their proposals for a minimum of 90 days after proposal submission.