

Life

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Page 27



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Hilton replies to hotel rivals with 45-floor Nairobi tower

Twin tower property also primed to be Africa's tallest building with a 67-level business arm

BY GIDEON KIARIE AND SANDRA CHAO

Real estate developers Jabavu Village Limited and White Lotus Projects are the names behind plans to build Nairobi's tallest building, which will be the new home of the city's Hilton Hotel.

The Sh11 billion twin towers building, whose construction has begun in Nairobi's Upper Hill, is scheduled to be completed by 2020.

Developers of the property were thrown into the limelight earlier in the week when Hilton Worldwide announced that it would be setting up its third shop under a franchise agreement with its owners.

Hotel Bed Night Occupancy (in millions)

	Total Occupied	Total Available	Occupancy Rate %
2011	7	17.4	40.3
2012	6.8	18.8	36.4
2013	6.5	18.2	36.1
2014	6.2	19.8	31.6
2015	5.8	20.1	29.1

SOURCE: KNBS

When complete, Hass Towers will be one of the largest and most modern properties in Nairobi's Upper Hill area and will be located about 200 metres from The Montave - another **TOWERS, Page 4»**

Hilton replies to hotel rivals with 45 storey Nairobi tower

»From Page 1 upmarket mixed development

property financed by Dubai investors. Both are expected to reaffirm Nairobi's position as Africa's prime real estate investment city. The 67-storey Hass Towers is set on a three-acre plot and will dwarf other buildings in Nairobi, including the 43-storey complex that Chinese firm Avic is building in Westlands and the recently completed UAP Towers.

The 255 guest-room hotel will be located in the shorter of the twin towers while the taller arm will be an office block.

The mixed use development consists of a business hub and a four level basement car parking facility with automated car parking solutions.

It will also house a four level retail and entertainment segment with a central atrium on which the 45 level five-star suite hotel will be built.

Hilton hopes to tap into the large number of local and international visitors to Upper Hill area, which has rapidly evolved into Nairobi's business hub and

the preferred location for diplomatic missions. "The property will pierce the skyline of Upper Hill and will be well placed to meet the growing demand for quality living in one of Nairobi's most exciting locations," said Patrick Fitzgibbon, senior vice president, development, EMEA, Hilton Worldwide.

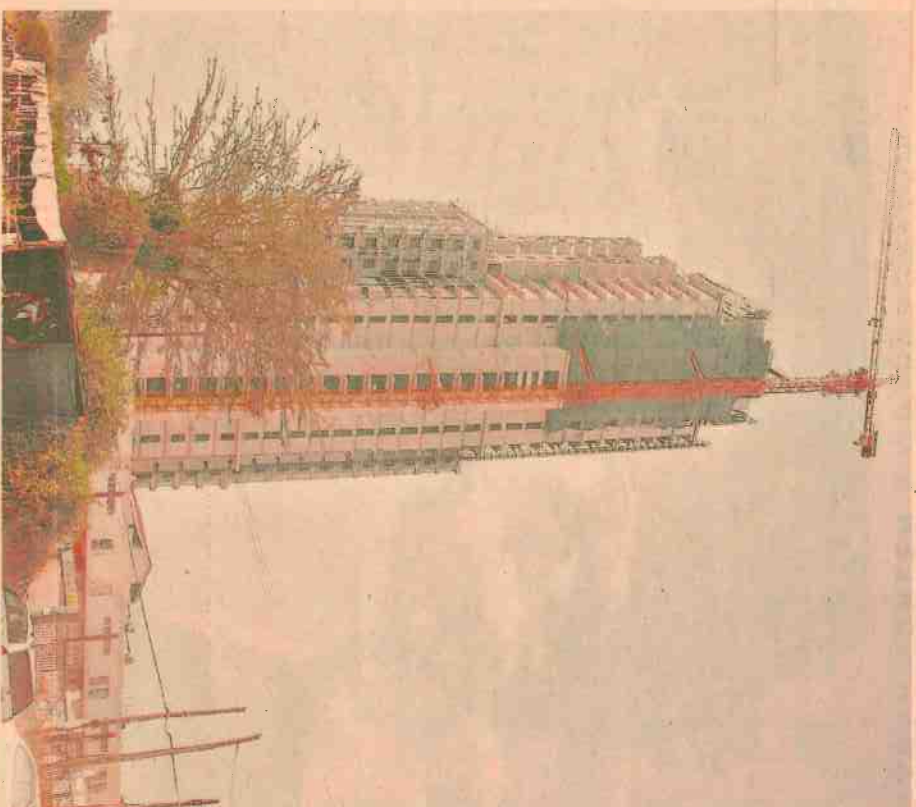
The Upper Hill hotel will be Hilton's third in Kenya besides the pioneer one in Nairobi's Central Business District that was opened in 1969 and the Hilton Garden Inn located two kilometers from the Jomo Kenyatta International Airport.

Hilton's decision to upgrade its presence in Kenya with a modern facility is seen as being part of the ongoing battle for control of Kenya's growing hospitality industry. "Occupancy rates in Nairobi and Mombasa remain high and international companies such as Marriott, Sheraton, Ramada, Hilton Garden Inn, Mövenpick Hotel and Four Points by Sheraton are planning new hotels in Kenya in the next five years," PricewaterhouseCoopers (PwC) said in a Hotels Outlook report released last month.

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The UAP Tower when it was under construction at Upper Hill, Nairobi. The new Hass Tower will be the tallest building in the city upon completion.

PwC said the planned hotel investments reflect confidence in the Kenya's growth trajectory, the expanding middle class, urbanisation, devolution and positioning as a hub for multinational businesses.

The *Business Daily* has learnt that Hass Petroleum Group is among the investors associated with the twin tower that is currently under construction. The petroleum retailer has a sig-

nificant stake in White Lotus Projects, which is a co-developer of the Upper Hill property whose cost is estimated at Sh11 billion.

Hass has partnered with American real estate firm White Lotus Group on the project.

Hass Petroleum country manager Abdirizak Ahmed confirmed that his company is part of the project but did not divulge any further information.

Muhoro: Ex-NYS boss password not stolen

»From Page 1

chine had no anti-virus, meaning it was at risk of attack. However, we did not find any malicious software threat that could have been used to hack the password," said Simon Kipruto, head of the cybercrime unit at the DCI.

The cybercrime team, however, recovered from Mr Harake's machine several payments with transaction numbers he had approved between May 21 and 22, 2015.

"From his browser history, we were able to tell that it is Mr Harake who approved the payments. It was an afterthought to say that the password was stolen since the IFMIS system is solidly secure," Mr Kipruto said.

Mr Harake has maintained that his IFMIS password was stolen and his account used to approve payments amounting to millions of shillings without his knowledge.

The DCI officers told the House committee that the IFMIS system relies on the internet and that a password can be used to access it from a remote location provided the machine in use is configured to the system.

The committee heard that theft of the Sh3.5 billion allocated to the youth development programme started barely two days after the money was allocated to the Ministry of Devolution and Planning.

Mr Harake's appointment to the NYS also came under scrutiny after it was established that it was done before the position was actually created by the Public Service Commission (PSC).

On Tuesday, PSC secretary Alice Otwala said the commission had declined to approve the creation of the position of senior deputy director-general of NYS, but sacked Devolution and Planning principal secretary Peter Mangiti

went ahead to create it.

"Despite the commission writing to the PS on numerous occasions declining creation of such a position, he went ahead and created the same with impunity. He unilaterally established a non-existent position that was and has never been recognised in the public service," Ms Otwala told the PAC.

She said that as far as PSC is concerned, Mr Harake served as a deputy secretary at the NYS and not senior deputy director-general.

"Despite his new position, he remained in the salary scale of a deputy secretary. Mr Harake had no basis to run around with that new title," she said.

Ms Otwala was asked to explain why the commission had abdicated its responsibilities by allowing a PS to appoint persons to offices that are not recognised

Global engineering group Meinhardt Group is the lead engineering and structural services provider for the property whose construction is expected to last four years.

Nebraska based White Lotus Group however said it was difficult to put an overall price on the project that will include Africa's tallest tower.

"Site excavation was 80 per cent complete as of October 5 and will pave the way for subsequent works. The project cost is pending the contract award to the General Contractor," White Lotus said in a statement.

"We are not looking to borrow. The project is wholly owned and funded by White Lotus and Jabavu," the American developer said.

Regulatory filings with National Environmental Management Authority show that Jabavu Village had initially intended to develop the commercial building tower alone at a lower scale.

The Environmental Impact Assessment Report prepared in September 2014 shows that Jabavu had proposed to construct a mixed property development with a combined 75 floors at a cost of Sh3 billion.

A year later, as the company recruited a project manager for the development designed jointly by Archgroup and Meinhardt Group plans had changed to a 45 storied luxury hotel and a 65 floors office tower at an estimated cost of \$180 million.

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Rural Agency for community development and assistance (RACIDA) in partnership with Diakonie Katastrophenhilfe (DKH) invites sealed tenders for Supply and delivery of Treated Mosquito Nets & Bar Soaps for Mandera whose specifications are detailed in the Tender Documents. Interested and eligible may inspect, review and submit the same free of charge. Bidders should submit their application to the procurement department.

Bidding documents can be obtained by interested parties from:

**The Procurement Office,
Rural Agency for Community Development and Assistance
- (RACIDA)
Email Address: admin@racida.org**

Or at the below address:

**Nairobi Office: Kirichwa Road, off Argwings Kodhek Road (From Yaya-Turn Right at Kilimani Primary School),
Between 8 am - 4 pm East African time.**

Rural Agency for Community Development & Assistance does not bind itself to award the tender to the lowest tender or any bid and reserves the right to accept the whole or part of the tender.

The deadline for submission of tenders is deadline date **12th October 2016** at 10am East African time.
Local suppliers are encouraged to apply.

in the public service.

Ms Otwala said the PSC had delegated its powers to various ministries and departments. In the case of NYS, the powers were delegated to former Devolution and Planning secretary Anne Waiguri and the then NYS director-general, Nelson Githinji.

Ms Otwala was at pains to explain why Mr Harake was still earning his full salary and all other perks attached to his position despite having been interdicted on grounds of fraud.

Upon interdiction, Mr Harake was supposed to be on half pay and Ms Otwala blamed the NYS human resources department for failing to put the officer on half pay, pending conclusion of his case. The MPs directed Ms Otwala to report the action taken on the payments.

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