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| **TERMS OF REFERENCE FOR CONSULTANCY**  Consultancy for the Development of a Housing Project Proposal for the Saint Lucia Development Bank (SLDB) to Facilitate the Provision of Affordable Shelter and Sustainable Settlements. |
| **1. BACKGROUND** |
| **1.01**  The Saint Lucia Development Bank (SLDB) is a body corporate re-established under the Saint Lucia Development Bank Act 2008 (the SLDB Act), whose issued shares are owned one hundred percent (100%) by the Government of Saint Lucia (GOSL). The mandate of SLDB is to mobilize and provide finance for and promote and facilitate the expansion and strengthening of the economic development of Saint Lucia. This is achieved through normal development banking activities; negotiating and accepting loans and credits; making loans and credits for development enterprises in priority areas; providing technical assistance (TA) to development enterprises; and such other things considered necessary in the pursuit of socio-economic and capital market development in Saint Lucia and the sub-region. Reports on the Poverty Assessment in Saint Lucia, suggest that there is a huge deficit in the housing stock, particularly at the low and middle-income levels. Given that affordable housing is a critical development priority, the SLDB is expected to play a pivotal role in developing an innovative and transformative housing program that will make housing more affordable and provide improved access to housing for the vulnerable.  **1.02**  The Bank has developed a Strategic Plan to guide its operations over the next three (3) years and is committed to delivering on its mandate in a viable and sustainable manner. Aligned with its current Strategic Plan (2022-2025), SLDB is taking steps to refocus the organization to meet its objective of becoming a more viable and competitive entity within the next three years. One of the Bank’s immediate focus is to roll out a resilient, affordable housing program to the citizens of Saint Lucia. Despite the number of players in the mortgage market and the adversarial impact of loan migration on the Bank’s income streams, there is still a considerable need for affordable housing for the vulnerable, underserved and excluded segments of the population. Affordability continues to be a major challenge for those desirous of land and home ownership. The unaffordability stems from the increasing cost of residential lots and construction. Cognizant of this binding constraint, the St. Lucia Development Bank ("SLDB") is seeking to develop a low to middle-income housing project to target the most vulnerable and those of lesser economic means. The Bank in **September of 2023** got approval for a line of credit of USD 20 million from the Republic of China, through the Taiwanese Exim Bank. The approved funding is expected to have three major effects:   * Enhancing the Banks’ ability to provide affordable opportunities for housing for low   to middle-income earners.   * Enhancing the Bank’s financial performance * Preserving the Bank’s Housing portfolio   As such, the Bank is currently reviewing strategies and designs for the use of funds to achieve the maximum social and economic returns. |

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| **2. OBJECTIVES** |
| The overall objective of this assignment is the provision of technical and financial advice to the SLDB to develop an affordable, resilient housing program that is efficient and transparent which will effectively engage the private sector and other stakeholders. |
| **3. SCOPE OF SERVICES** |
| The Consultant shall be engaged primarily as an independent third-party consultant to provide technical and financial advisory services,  The scope of services includes the following:   * 1. **Technical**   Drafting three (3) housing concepts for the utilization of resources available from the line of credit from the Taiwanese Exim Bank. Consideration should be given to a starter housing project as one of the options. At a minimum, the concepts shall include the following:   * + - An overview of the local housing market with demand and supply considerations incorporated in the review.     - A developed business case/model for each proposed concept based on sound research and data and creating an optimal financial structure model that would be suitable and palatable for internal and external investors.     - Provide each concept with a detailed technical review that should incorporate an assessment   of the following areas: |

1. Location/site analysis
2. Site suitability, access to basic amenities
3. Existing land use and ecological impact (if any)
4. Density
5. Proposed housing /construction methodologies
6. Infrastructure
7. Infrastructure provision and maintenance
8. Water supply
9. Sanitation
10. Energy
11. ICT
12. Mobility
13. Regulatory requirements- Development Control Authority (DCA)
14. Solid Waste Management
15. Greening and Environmental Conservation Measures (ECM)
16. Redress Mechanisms

17. Other social and environmental impact

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| * Provide a detailed breakdown of each project cost. Identify lessons learned from previous housing programs and identify and package the most cost-effective interventions. * Assess the commercial viability and bankability for each concept incorporating the financial model assumptions, the modelling techniques, and sensitivity analysis in the evaluation. This assessment shall take the form of a cash flow analysis which should be presented in a reader- friendly excel file. The assessment should also include a written description of the financial analysis inclusive of the assumptions and outcomes. * Conduct a high-level assessment of the project risks and mitigation methods for each concept and provide a detailed assessment of de-risking methodologies to address any such matters.   1. Implementation- Create and develop an implementation framework.      + Develop and map out the approach to carry out each concept in a cost-effective manner.      + Provide a stakeholder engagement implementation plan where applicable.      + Present a detailed monitoring plan for the outputs and outcomes of each concept.      + Provide recommendations on the integration required across government and the private sector for each concept for the successful rollout of the project. |
| **4. DELIVERABLES** |
| The Consultant will be required to prepare and submit two copies (one hard copy and one electronic copy in Microsoft Word) of the following documents to the SLDB within the time periods indicated:   1. Inception Report within fifteen (15) days of signing the contract. 2. Within thirty (30) days of submission of the inception report the Consultant shall submit the three draft concept notes that cover the technical scope of works as detailed in section **3** for review and approval by the Board of Directors. 3. The consultant shall submit the final project concept notes within fifteen (15) working days after Board review. |
| **5. SPECIFICATION OF THE CONSULTANCY** |
| * 1. Type of consultancy: **Individual consultant or Consulting Firm**.   2. Duration: The assignment is expected to be completed within sixty (60) working days. |

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| **6. OBLIGATIONS OF THE SLDB** |
| SLDB commits to the following:   * Participate in structured dialogue(s) with the consultant to address any questions or concerns on the Assignment. * Assist in identifying the lands for the development. * Provide any additional documents and information required by the Consultant. * Provide a level of agreed support to the Consultant in the process of the conduct of this undertaking. * Review draft reports within 7-10 working days of submission, providing feedback to the consultant. * Assign the requisite resources- personnel, time, access to pertinent documentation etc. |
| **7. QUALIFICATIONS, EXPERIENCE AND KEY EXPERTISE** |
| This consultancy requires an individual or firm with the following qualifications:   * The Consultant(s) or Consulting Firm should be familiar with current best practices related to housing and the financial sector. * The Consultant(s) or Consulting Firm must also have a proven track record of producing high-quality written documents. * Can demonstrate among the expert(s) designated to perform the assignment, the availability of the expertise and skills set needed to undertake the various stipulated assessments and facets of the assignment. * The individual consultant or key staff of the consultant firm must have a postgraduate degree or equivalent education and training in Civil, Structural or Construction Engineering, Project Management, Finance or related discipline, and at least 5 years of experience in projects related to buildings/infrastructure and land developments. * Appropriate involvement and/or demonstrated experience in housing projects and land developments or similar projects in St. Lucia; experience working in developing countries in general and in the OECS region is a plus. * Experience in/with the current housing regulatory and legal framework of Saint Lucia. |
| **8**. **ADDITIONAL KNOWLEDGE, SKILLS AND ABILITIES REQUIREMENTS** |
| * Ability to communicate effectively in written and oral formats and to prepare reports. * Functionally computer literate, possessing operational skills in word-processing and spreadsheet application, including software programs such as Word, Excel, PowerPoint,   Microsoft Project, Microsoft Teams, or other video conferencing software. |

# IMPLEMENTATION ARRANGEMENTS

* + The consultancy is to be executed over a period of Sixty (60) working days, through the Office of the Managing Director of the SLDB.
  + Where the Consultant or Consulting firm is foreign-based, the assignment will be undertaken “remotely and will travel to St. Lucia as appropriate to complete the engagement.
  + The SLDB will assign a member of staff within the organization to assume the role of the Project Coordinator (PC).
  + The PC will be responsible for coordinating and monitoring all aspects of the implementation of the Consultancy.
  + The PC will also be responsible for managing the engagement of the consultant and for supervising this consultancy.
  + The PC will make available all relevant policies, project development information, financial statements, portfolio information and other documentation to facilitate the completion of the consultancy and will function as a liaison between SLDB and the Consultant.

# REPORTING ARRANGEMENTS

The Consultant will report to the Managing Director of the SLDB and will work closely with the Project Coordinator.

# PAYMENT ARRANGEMENTS

The following output-based payment schedule is presented:

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| **Activity** | **Payment** |
| Task 1: Inception report and work plan | 10% |
| Task 2: Three (3) Draft Housing Project Concept Notes | 40 % |
| Task 3: Final Housing Project Concept Notes | 50% |

# PAYMENT SCHEDULE

Payment terms will be based on the project deliverables or milestones based on a fixed budget. Where the Consultant is based overseas, air travel to and from Saint Lucia, per diem, hotel will be covered as per the SLDB policies.

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# COMMENTS BY THE CONSULTANT

The Consultant is encouraged to make comments on and provided suggestions for improvements to these Terms of Reference.

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