

The logo for Actis, featuring the word "actis" in a bold, lowercase, orange sans-serif font. The background of the entire page is a photograph of a modern, multi-story apartment building with white facades and yellow accents, situated next to a swimming pool with a blue cover. The pool is surrounded by a stone-paved deck and greenery. The sky is blue with some clouds.

Garden City

Changing the
face of real estate
in Nairobi

July 2016

Garden City

Garden City is a \$500m mixed use, greenfield development comprising retail, leisure, office and residential segments. Located on a prime plot, adjacent to the Thika Superhighway, it incorporates one of the largest shopping malls in East Africa.

Context

Most urban development in Nairobi comprises high-density construction that covers the entire footprint of the land parcel – with few, if any, public green spaces. Actis identified the Garden City site as early as 2007, cultivating a relationship with owner, EA Breweries.

This area of the city had previously lacked any form of retail provision. However, in 2009 the Kenyan government began construction of the Thika Superhighway – transforming it from a two-lane road to a 12-lane highway and opening up new development opportunities.

The Actis approach

Actis has a successful track record of real estate projects in Kenya. This site provided us with an irresistible opportunity to create an innovative, ambitious development; one that would embody the principles of urban sustainability and become a destination of choice for people from all over Nairobi. Uniquely, it would have a public open space at its heart. Other developers regard green space as a waste of money; at Actis we see it as adding value.

Also, from a residential perspective, the appealing location and surroundings meant that the proposed town-houses and apartments would attract premium prices.

What we did

Actis acquired the site in December 2011. From the project's outset, we adopted a 'green by design' approach, which incorporated environmental measures under the seven LEED (Leadership in Energy and Environmental Design) Sustainability Principles.

The first step involved the creation of a masterplan, which set aside over 10% of the land parcel for public open space. The second step focused on maximising natural light and ventilation throughout the building frame, reducing the need for full air conditioning. The third element involved turning the roof of the shopping mall car park into Africa's largest solar photovoltaic (PV) carport.

The development phase was managed by UK-based property development company Aspire and construction by Mentor Management.

How did we do?

Garden City Mall officially opened in September 2015. With 33,500 sq m of retail space across three floors, it is home to over 120 stores, offering a range of international and the best Kenyan brands. It has three acres of landscaped green space; with extensive planting of indigenous trees and gardens designed for families to enjoy, incorporating play fountains, a playground and an art installation.

The retail space is now almost fully let. Design development for the 15,000 sq m second phase is now underway. On the Residential side, 250 units are under construction and 75% sold 18 months prior completion. The residential component comprises a mix of town-houses and apartments and is taking place in three phases, with particular attention given to the quality of finishing.

In common with other Actis projects, Garden City has sustainability at its core and was the first mixed-use development in East Africa to gain LEED's green certification. Whilst this project has undoubtedly raised the bar in terms of environmental design in East Africa, it was not without its difficulties. Obtaining the required high level of finish and quality we required proved challenging for our contractors and we had to work very closely with them to ensure our high standards were met. These standards were recognized in 2016 when Garden City was shortlisted for the Financial Times and IFC, a member of the World Bank Group, Transformational Business Awards.

Responsible investment

Garden City incorporates multiple environmental measures under LEED Sustainability Principles. For example the site is close to public transport links and provides facilities to encourage cyclists. It also employs water-efficient sanitation facilities – of vital importance in the Nairobi area, where the regional environmental priority is water security.

Some 15% of the building materials comprised recycled content and materials were purchased locally where possible, with approximately 60% of construction materials sourced domestically.

The solar panels generate 1,256MWh per year. The innovative 'dual-mode' technology is perfectly suited to locations where land is at a premium, yet energy needs to be supplied close to demand. It also reduces energy bills for tenants and ensures consistency of supply.

Shortly after breaking ground in July 2013, the project was awarded Vision 2030 status by the Kenyan Government in recognition of its economic growth impact and it was the first mixed-use development in East Africa to pre-qualify as Gold Standard under LEED's green certification. In 2016 Garden City was also nominated for The Financial Times and IFC award for Achievement in Low-Carbon Urban Transformation.

The project has also delivered tangible socio-economic benefits. Notable amongst these have been job creation and training – during both the construction and operational phases, which are of vital importance when viewed in the context of Kenya's high levels of youth unemployment. A monthly average of 1,075 jobs were created over the 21-month construction period of the retail and residential components. This ranged from 600 to a peak of 1,400, and on average 91% of the construction labour force were local people. During the operational phase, it is estimated that approximately 1,000 jobs have been created, and 70% of the shopping mall tenants are local firms. Likewise, training and upskilling has benefited many workers, as they learned to integrate new technologies and building styles in the development. Some 65% of the construction spend benefited local suppliers.

Garden City has also established a partnership with local NGO Maji na Ufansi to address water and sanitation issues in local communities and is helping local schools and universities access employment opportunities.

The future

A new Business Park is planned on an additional 15 acres adjacent to the shopping mall and residential site. Situated 9km from the Central Business District (CBD), with excellent transport links, it brings the total of modern executive offices potential to 40,000 sq m – with market-leading parking ratios.

A four-star 150-key business hotel and a hospital are also planned, with a pedestrian boulevard linking the Business Park to the mall and park. When complete, the entire Garden City site will extend to 47 acres.