



**THE UNITED REPUBLIC OF TANZANIA
PRESIDENT'S OFFICE
REGIONAL ADMINISTRATION AND LOCAL
GOVERNMENT**



THE CITY COUNCIL OF DODOMA

CONTRACT DOCUMENT

CONTRACT NO: LGA/20/2021-2022/NCS/21

FOR

LEASING OF THE DODOMA CITY HOTEL

Between

The City Council of Dodoma
P. O. Box 1249,
DODOMA.

and

Eclipse Hotel Limited
P. O. Box 3222
DAR ES SALAAM

JUNE, 2022

Form of Agreement

This agreement is made the the day of,2022.

Between

THE COUNCIL OF DODOMA of Dodoma of P.O. Box 1249, Dodoma. (Hereinafter called “the Lessor”), of the one part.

And

M/s ECLIPSE HOTEL LIMITED, P.O. Box 3222, Dar Es Salaam (hereinafter called “the Lessee”), of the other part:

WHEREAS the Lessor invited Tenders for the leasing of **Dodoma City Hotel** hereinafter called the **(ASSET)** and Lessee has accepted to utilize the Asset for Hotel purpose and willing to pay Sum of **Tanzanian Shillings Fifty Millions (TZS 50,000,000.00) only** Per Month VAT Exclusive, (hereinafter be referred as “rent payment”).

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this Agreement, words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract herein after referred to; and they shall be deemed to form and be read and construed as part of this Agreement.
2. The following documents shall be deemed to form and be read and construed as part of this Agreement:
 - a) This Form of Agreement;
 - b) Letter of Acceptance;
 - c) Minutes of Negotiations;
 - d) Lessee’s Form of Tender and Price schedule;
 - e) List and description of assets;
 - f) Special Conditions of Contract;
 - g) General Conditions of Contract; and
 - h) Power of Attorney,
 - i) BRELA (Business Registration Agency)
 - j) License to carry on the Business
 - k) Tax Clearance Certificate
 - l) BOQ and Drawing for Construction of Fence and paving Blocks
 - m) CVS of Key Personnel,
 - n) [Other relevant: document(s): List if any.

3. That, the Contractual duration of this contract shall be 10 years, and may be renewed upon the written agreement of both parties.
4. The Lessee hereby covenants to pay rent the Lessor in consideration of the provision of the Assets in the manner prescribed by the Contract.
5. The Lessee hereby covenants to pay the Lessor in consideration of the using the asset sum of **Tanzanian Shillings Fifty Millions (TZS ZS 50,000,000) only** per month being monthly rent.
6. Notwithstanding the terms in clause 5 above the Lessor shall pay rent for the period of three months lump sum and shall be paying the same after every three months from the dated of signing this contract.
7. That, the Lessor shall pay rent of the period of three months within seven days after signing this agreement.
8. The rental fee will be reviewed after every Five (5) years with rental increment of 10 – 20% of the current rent.
9. The Lessee shall submit the detailed investment cost report to Lessor the report shall include cost of furniture's, ornament and other movable items that will be temporary fixed and are subject to removal by the Lessee after expiration of this tenancy agreement and all cost incurred in such investment shall be nonrefundable.
10. The Lessee before commencing hotel business shall construct a fence, swimming pool, pavement in walk way and car parking area and the bill of quantities and drawings for construction and instalment for the structures named herein above shall be submitted to the Lessor for approval.
11. That, subject to the terms provided in clause 10 above, the Lessor shall refund the Lessee 10 all costs incurred by the Lessee in constructing fence, pavement, swimming pool and installation of lift within twelve months from the date of completion of construction and installation.
12. The Lessee will be responsible to pay all government taxes, and all costs of water bill, electricity, telephone bills and internet.
13. That, Lessee shall not renovate the asset or construct another structure which is not prescribed in this contract without written approval from the Lessor.
14. The Lessor has approved the cost of construction of Fence and pavement amounting **Tanzanian Shillings One hundred twenty one Million and Two thousand (TZS 121,002,000.00) only** as per Bill of Quantity and Drawing attached to this contract and forms part of this contract.
15. In consideration of the payments to be made by the lessee to the Lessor as indicated in the Contract, the Lessor hereby covenants with the lessee to release the Assets in conformity in all respects with the provisions of the Contract

IN WITNESS; whereof the parties hereto have caused this Agreement to be executed the day and year first before written.

LESSOR

Signature: _____

Name: Joseph C. Mafuru

Position: The City Director,
The City Council of Dodoma,
P.O. Box 1249,
DODOMA

AND

Signature: _____

Name: Prof. Davis G. Mwafupe

Position: Lord Mayor,
The City Council of Dodoma,
P.O. Box 1249,
DODOMA.

LESSEE

Signature: _____

Name: _____

Position: _____

AND

Signature: _____

Name: _____

Position: _____

Eclipse Hotel Limited,
P.O. Box 3222,
DAR ES SALAAM

Eclipse Hotel Limited,
P.O. Box 3222,
DAR ES SALAAM

LETTER OF ACCEPTANCE



THE UNITED REPUBLIC OF TANZANIA
PRESIDENT'S OFFICE
REGIONAL ADMINISTRATION AND LOCAL GOVERNMENT.



Ref. No. LGA/020/2021-2022/NCS/21

06TH MAY, 2022

Letter of Acceptance

To: M/S ECLIPSE HOTEL LIMITED
P.O BOX 3222
DAR ES SALAAM

This is to notify you that your bid for leasing of the Dodoma City Hotel at Contract Price of **Fifty Million** (50,000,000.00) VAT exclusive per month as corrected and modified in accordance with the Instructions to Tenderers is hereby accepted by us.

We confirm that Dodoma Regional Administrative Secretary to be appointed as the Adjudicator

The Appointing Authority, to appoint the Adjudicator are in accordance with

Clause 40.1 of the Instructions to Tenderers.

You are required to submit power of attorney and Performance security of 15% of contract price of the annual rent in the form of Unconditional Bank guarantee

You are hereby instructed to precede with the execution of the said Contract in accordance with the contract documents

Your sincerely

Joseph C. Mafuru
CITY DIRECTOR
THE CITY OF DODOMA

**MINUTES OF
NEGOTIATIONS IF
ANY**



THE UNITED REPUBLIC OF TANZANIA
PRESIDENT'S OFFICE
REGIONAL ADMINISTRATION AND LOCAL
GOVERNMENT.



RECORD OF NEGOTIATIONS

Name of the Procuring Entity: THE CITY COUNCIL OF DODOMA

Tender ID No: LGA/20/2021-2022/NCS/07

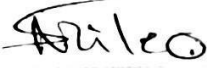
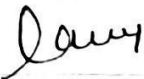
Subject of Procurement: RENTING OF DODOMA CITY HOTEL.

Method of Procurement: NON-CONSULTANCY

PART 1: RECORD OF NEGOTIATIONS	
ISSUE	AGREEMENT (WITH FULL DETAILS)
Annual / Monthly revenue collection	It was agreed that, the monthly rent shall be total amount of 50,000,000 Tshs (Fifty Million) VAT Exclusive to the City Council of Dodoma subject to review after 5years, with rental increment of 10% to 20%. The lessee shall make the above payment in every 3month period from the date of commencement of the contract.
Contract period	It was agreed that, the contract period shall be 10 years, with option to renew upon satisfaction/ agreement between parties after a period of 10 years has been expired. Priority of renewal will be given to the lessee. However, the rent shall be reviewed after the period of 5years from the date of operation.
Start of operations	The parties agreed that the official legal contract for lease the hotel shall start on 30th November 2022. Currently, the lessee/ operator shall start with initial steps such as advertisement, and any other issues upon agreed by the parties.
Tenant Investment cost	The initial investment cost will be incurred by the lesser. However, the lesser shall submit the breakdown of the investment cost to lessor to know the actual cost of the investment. Fixtures and other movable items that shall be fixed by the lesser shall be owned by the lesser and at all time is subject to removal by the lesser after expiration of tenancy agreement.
Maintenance and Repair.	Parties agreed that the lesser shall be responsible for maintenance and other repair of the premises upon obtaining a written consent from the lessor within seven days and that the consent shall not be unreasonably delayed or refused and all major breakdown to be the responsibility of the lessor. It is hereby agreed further that the lessor will be required to reply any request for repair within seven (7) days otherwise the work will proceed after the expiration of seven (7) days.
Tax matter	It was agreed that all tax matters will be incurred by the lesser.

Compliance with statutory/regulatory bodies	It was agreed that the lesser shall comply with all statutory/regulatory bodies requirements and on the other party the lessor shall be responsible on other party as the owner of the premises including payment of property tax and land rent and that the evidencing invoice and receipt shall be supplied to the lesser.
Any other issues by the parties	The lesser will construct the parking area, fence and paving under supervision and agreement with CCD, the cost of construction will deduct from monthly rent upon agreed time and rate.
	Swimming pool and or Jacuzzi for the customers at the rooftop of the hotel building, addition of urgent fixing of the service lift besides the building whereby the cost incurred will deduct from monthly rent upon agreed time and rate.
	The parties upon discussion agreed that the boundary of the building shall be clear identified; the lesser was directed to use the cleared area while the remaining part is still in acquiring process.
	The lesser requested for a letter of assurance for renting of the building upon successful agreement.
	Parties agreed that, the lessee shall submit performance guarantee/bond to the lessor for proof of his intention to perform terms and condition of the intended agreement based on annual rent to the maximum value of 15%
	The lesser proposed he will be responsible to install energy server system (automatic door card) for the value addition and security purpose.
	The lessee requested for 3month TAX exemption to advertise the hotel through billboards that shall be fixed in different locations within Dodoma City. The City Council of Dodoma will allow him to use areas owner by the Council freely however where other government entities are concerned the Council will intervene as they can be allowed or not allowed.
	That the lesser requested to be supplied with Structural Drawing, building permit, pictures of the hotel building, NEMC Certificate, service agreement for lift, fire safety certificate.
	The lesser promised to uphold and reserve party of the name of the hotel.

We hereby certify that the above is a true and accurate record of the negotiations:

For the Procuring Entity	For the Tenderer/Consultant
Signature: 	Signature: 
Name: Nicodemus Kaleo	Name: Zahir Damji
Position: Chairperson	Position: DIRECTOR
Date: 12-04-2022	Date: 12 APRIL 2022

Document attached:
Minutes of the Negotiation meeting

FORM OF TENDER AND PRICE SCHEDULE

**LIST AND DESCRIPTION OF ASSET
PROVIDED AS A SEPARATE DOCUMENT**

SPECIAL CONDITIONS OF CONTRACT

Special Conditions of Contract

The following Special Conditions of Contract shall supplement the General Conditions of Contract. Whenever there is a conflict, the provision herein shall prevail over those in the General Conditions of Contract. The corresponding clause number of the GCC is indicated in parentheses.

Ser. No.	Condition	GCC Clause	Data/Information to be Supplied
Definitions (GCC Clause 1)			
1.	Name and Address of Lessor	1.1(f)	The Lessor is: THE CITY COUNCIL OF DODOMA, P.O. BOX 1249, DODOMA
2.	Name and Address of Lessee	1.1(g)	The Lessee is: ECLIPSE HOTEL LIMITED, P.O. BOX 3222, DAR ES SALAAM
Assets Location (GCC Clause 3)			
3.	Assets Location	3.1	The location of asset: LOCATED BETWEEN TABORA AND MBEYA AVENUE ALONG KUU STREET. AT PLOT 2 & 3 BLOCK A AT WINDANI WARD WITHIN THE CITY COUNCIL OF DODOMA.

Governing Language (GCC Clause 4)			
4.	Governing Language	4.1	Name the language: ENGLISH LANGUAGE
Performance Security (GCC Clause 7)			
7	Amount of Performance Security	7.1	Performance Security shall be 15% of the annual Rent.
8.	Other way of discharging Performance Security	7.4	Performance Security shall be in form of Bank Guarantee from reputable bank and shall be renewable each year within the contract period.
Transfer of Assets (GCC Clause 8)			
9.	Name and Address of Lessor Representative	8.1	Lessor Representative's name CITY ECONOMIST, THE CITY COUNCIL OF DODOMA, P. O. BOX 1249, DODOMA .
10.	Documents to be handed over by Lessor	8.3	Documents to be handed over: Handing Over Certificate with attachments.
Payments (GCC Clause 9)			
11.	Payment Modalities	9.1	The Lessee shall pay the Lessor payments in the manner specified below: The rent shall be total Sum of Tsh 50,000,000.00 (Fifty Million) Per Month VAT Exclusive. Agreed that the subject shall be reviewed after (5) five years, with the rental increment of 10% to 20%.The lessee shall make the above payment in every (3) three months period from the date of commencement of the contract
Insurance (GCC Clause 10)			
12	Manner of Insurance	10.1	The lessee shall submit insurance cover from any reputable insurance company which covers Building, fixture's, furniture's, fittings and electronic equipment. And insurance shall be covered annually.
Termination of Contract (GCC Clause 11)			
13.	Termination of Contract	11.1(a)	Transfer of the asset shall be within 14 (Fourteen) days] after payment of the agreed lease rent.
		11.1(d)	The Lessee shall operate the asset and the surroundings premises for the purpose of operation of the hotel.
		11.1(e)	The Lessee shall be responsible for maintenance and other repair of the premises upon obtaining a written consent from the lessor within 7 (seven) days and consent shall not be

		11.2(a) 11.2(c)	<p>Unreasonable delayed or refused and all major breakdown to be responsibility of the Lessee.</p> <p>If the lessor failed to reply within seven 7 (days), the Lessee shall proceed with the work after the expiration of 7 (seven) days. The cost of maintenance will be incurred by the Lessee.</p> <p>Transfer of the asset shall be within 14 (Fourteen) days]</p> <p>List of Assets all other equipment of the required quality necessary for running of the Hotel, as per attached list of asset</p> <p>Lessee will be responsible to obtain all necessary licenses and permissions as may be necessary from the various authorities competent to issue such licenses and permissions at own cost. Such licenses will be subject to the rules prevailing in the United Republic of Tanzania from time to time].</p>
Settlement of Disputes (GCC Clause 14)			
14	Arbitration Institution	14.3	Place for carrying out Arbitration: Institute of Arbitration, Dodoma.
Taxes and Duties (GCC Clause 15)			
15.	Taxes and Duties to be settled	15.1	All taxes and duties matter for operation of hotel will be incurred by the Lessee.

GENERAL CONDITIONS OF CONTRACT

General Conditions of Contract

1. Definitions	1.1	<p>In this contract, the following terms shall be interpreted as indicated:</p> <p>(a) The Asset(s) means items listed in the schedule of Assets which have been accepted by the Lessor as indicated in Letter of Acceptance.</p> <p>(b) Description of Assets means list of assets to be leased as described in Section VII of Standard Tendering Document.</p> <p>(c) The Contract is the binding agreement between the Lessor and the Lessee to lease the assets. It consists of the documents listed in GCC 2.1.</p> <p>(d) The Contract Price means the lease rent to be paid per month/year stated in the Letter of Acceptance for the assetsto be Leased.</p> <p>(e) The Transfer of Assets means handing over for the purpose of using the asset from Lessor to the Lessee and vice versa which includes refurbishing and renovation of the asset to suit the business of the Lessee</p>
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		<p>(f) The “Lessor” means the PE leasing the assets as named in SCC.</p> <p>(g) The “Lessee” means the individual, firm or combination or both whose Tender to lease the assets has been accepted by the Lessor as named in SCC.</p> <p>(h) “Day” means calendar day.</p>
3. Assets Location	3.1	Asset’s locations shall be the place or places where the assets to be leased are located as named in SCC .
4. Governing Language	4.1	The contract and all correspondence and documents relating to the contract exchanged by the Lessor and the Lessee, shall be written in the language specified in SCC .
5. Applicable Law	5.1	The contract shall be governed and interpreted in accordance with the laws of the United Republic of Tanzania.
6. Notices	6.1	Any notice given by one party to the other pursuant to this Contract shall be sent to the other party in writing or by electronic form and confirmed in writing or electronically to the other party.
	6.2	A notice shall be effective when delivered or on the notice’s effective date, whichever is later.
7. Performance Security	7.1	Within Fourteen (14) days of receipt of the notification of Contract award, the successful Tenderer shall furnish to the Lessor the performance security in the amount specified in SCC .
	7.2	The proceeds of the performance security shall be payable to the Lessor as compensation for any loss resulting from the lessee’s use of the asset under the Contract.
	7.3	<p>The performance security shall be denominated in the currency of the Contract, or in a freely convertible currency acceptable to the Lessor and shall be in one of the following forms:</p> <ul style="list-style-type: none"> i) A bank guarantee, an irrevocable letter of credit issued by a reputable bank, or an insurance bond issued by a reputable insurance firm located in the United Republic of Tanzania or abroad, acceptable to the Lessor, in the form provided in the Tendering documents or another form acceptable to the Lessor; or ii) A cashier’s or certified check.
	7.4	The performance security will be discharged by the Lessor and returned to the lessee not later than thirty (30) days following the date of completion of the lessee’s use of the asset under the Contract, unless otherwise specified in SCC
8. Handing over of Assets	8.1	The Lessee shall contact the official named in the SCC , at Lessor’s address, as specified in the SCC to arrange a date and time for the handing over of the assets.

	8.2	The Lessee shall sign a Handover Certificate, certifying lease of the assets, at the time of transfer/handing over.
	8.3	Documents to be handed over by the Lessor to the Lessee in the process of transferring the assets are as indicated in SCC .
9. Payment	9.1	The Lessee shall make payment to the Lessor in the manner specified in the SCC .
	9.2	Payment shall be made by any method acceptable to the Lessor and shall be considered to have been made on the date that it is credited to the Lessor's account.
	9.3	The Lessor shall issue a receipt for the payment.
10. Insurance	10.1	The asset leased under the Contract shall be fully insured by the lessee in a freely convertible currency against damage in the course of operation by the Lessee in the manner specified in the SCC .
11. Termination of Contract	11.1	<p>The Lessor, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the Lessee, may terminate this Contract in whole or in part if;</p> <ul style="list-style-type: none"> a) The Lessee fails to possess the Asset within the period (s) specified in the SCC. b) The Lessee, in the judgment of the Lessor, has engaged in corrupt or fraudulent practices in competing for or in executing the Contract. c) The Lessee has failed to pay the full Contract Price within twenty-eight (28) days of the due date for payment. d) The Lessee has used the asset for the purpose other than the intended purpose specified in the SCC. e) The Lessee fails to comply with the maintenance obligations as described in the SCC. f) The Lessee sublet's part or whole of the facility without written consent of the Lessor.
	11.2	<p>The Lessee may terminate the contract if;</p> <ul style="list-style-type: none"> a) The Lessor fails to transfer the assets within specified time as describe in the SCC.

		<p>b) the assets are not in the state as was described in Section VII of Tendering Document.</p> <p>c) the Lessor fails to arrange for provision to the leased asset the necessary utilities as specified in the SCC</p>
12.Payment upon Termination	12.1	If the contract is terminated because of fundamental breach by Lessor, the Lessor shall release the Performance Security and refund the Lessee any other prepaid sums.
	12.2	If the contract is terminated because of fundamental breach by Lessee, the Lessor shall forfeit the Performance Security and retain asset(s) which were to be leased.
13. Force Majeure	13.1	For purposes of this clause, "Force Majeure" means an event or situation beyond the control of the Lessor and not involving the Lessor's fault or negligence and not foreseeable, is unavoidable, and is not due to negligence or lack of care on the part of the Lessor. Such events may include, but are not restricted to, acts of the Lessee in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine, restrictions, acts of terrorists and freight embargoes.
14.Settlement of Disputes	14.1	If any dispute or difference of any kind whatsoever shall arise between the Lessor and the Lessee in connection with or arising out of the Contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
	14.2	If, after Fourteen (14) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the Lessor or the Lessee may give notice to the other party of its intention to commence arbitration, as hereinafter provided, as to the matter in dispute, and no arbitration in respect of this matter may be commenced unless such notice is given. Any dispute or difference in respect of which a notice of intention to commence arbitration has been given in accordance with this Clause shall be finally settled by arbitration. Arbitration may be commenced prior to or
	14.3	The arbitration shall be conducted in a place named in the SCC and in accordance with the arbitration procedures stipulated in the Arbitration Act, Cap. 15.
15. Taxes and Duties	15.1	Procedures for settling taxes and duties shall be as specified in SCC .

LIST OF ASSETS HANDLED BY LESSOR

LIST OF ASSETS TO BE INVESTED BY LESSEE

FORMS OF INTEGRITY

