

**TERMS OF REFERENCE FOR CONSULTING SERVICES PACKAGE  
COLOMBO SUBURBAN RAILWAY EFFICIENCY IMPROVEMENT PROJECT  
LAND VALUE CAPTURE AND TRANSIT ORIENTED DEVELOPMENT STUDY FOR KELANI  
VALLEY LINE CORRIDOR**

**A. Background**

1. The Colombo Metropolitan Region has a population of 5.8 million and the highest population density in Sri Lanka. Significant public transport investments are required to increase the railway and public transport market share and to alleviate growing pressure on the road network of suburban Colombo.

2. ADB's future assistance is expected to support the electrification and double tracking of the Kelani Valley Line in 2020. The Kelani Valley Line serves a densely urbanized area in southeast Colombo and is currently a single-track railway line with few passing loops and frequent level crossings. Construction of an elevated dual track on a viaduct structure is proposed as part of the Kelani Valley Railway Improvement Program Phase 1. The proposed elevated section of the Kelani Valley Line is approximately 20.8 kilometres long and runs between Maradana and Malapalla.

3. The Sri Lanka Railway Department of the Ministry of Transport & Civil Aviation (MOTCA) owns and operates the railway network as Sri Lanka Railways (SLR). SLR intends to engage a firm of international and national consultants (the Consultant) for 12-months period to study land value capture (LVC) and transit-oriented development (TOD) opportunities along the Kelani Valley Line from Maradana to Padukka.

**B. Objectives**

4. The Consultant will identify and develop urban development and land value capture opportunities and recommendations for: (i) the proposed elevated section of the Kelani Valley Line from Maradana to Malapalla; and (ii) Homagama, Meegoda and Padukka Station Areas.

5. The consulting services package will deliver the following key activities: (i) establish current and proposed land uses in the area and identify potential sites for TOD; (ii) develop alternative urban development concepts and multi-modal connectivity plans; (iii) formulate a framework to encourage private sector participation; (iv) assess institutional arrangements and regulatory frameworks related to land use, planning, zoning and ownership in Colombo in consultation with Urban Development Authority (UDA); (v) consider a range of land value capture mechanisms and their applicability; (vi) evaluate the revenue potential of potential land value capture opportunities; (vii) advise on the most appropriate land value capture mechanisms; (viii) provide a road map for development of a detailed land value capture plan; and (ix) prepare master procurement documents (RFP) for PPP investments.

**C. Scope of Services**

6. The consulting team is expected to produce the following outputs or deliverables:

**Output 1: integrated development concept plans developed.**

7. The Consultant will develop concepts and recommend options for potential transit-oriented development (TOD) sites by:

- (i) reviewing all existing documentation including reports and drawings related to the Kelani Valley Rail Improvement Program Phase 1;
- (ii) undertaking area analysis to develop base maps detailing existing land parcels, buildings, ownership and land uses as well as significant features, opportunities and constraints;
- (iii) collecting data for existing government lands, including but not limited to SLR and UDA, within a minimum of a 500-meter radius of each station and within a minimum of a 50-meter corridor of the Kelani Valley Line alignment from Maradana to Padukka;
- (iv) establishing the current and proposed developments in the area;
- (v) identifying potential sites for TOD;
- (vi) developing alternative land use and urban development options in consultation with UDA for the identified TOD sites, enabling mixed-use development opportunities and private sector participation;
- (vii) assessing green corridors, public transport, and active transport corridor options along the alignment, and developing multimodal connectivity plans to improve accessibility to health, education and commercial precincts surrounding stations for all transport modes, motorized and non-motorized, i.e. including bus stops, park-and-ride, pedestrian and bicycle access for all stations in Kelani Valley Rail Improvement Program Phase 1;
- (viii) reviewing existing public transport routes feeding railway stations and along the alignment, and propose options to increase ridership and strengthen inter-modality, including bus route reorganization, timetabling, and transfer connectivity in consultation with National Transport Commission and Western Province Road Passenger Transport Authority and for all stations in Kelani Valley Rail Improvement Program Phase 1;
- (ix) illustrating station–area concept plans for all stations from Maradana to Padukka stations;
- (x) conducting workshops to discuss alternative land use scenarios and TOD concept plans with government and other stakeholders;
- (xi) finalizing all concept plans to incorporate stakeholder feedback; and
- (xii) developing a framework to engage the private sector on the TOD concept sites and encourage private sector participation.

**Output 2: land value capture assessment and recommendations prepared.**

8. The Consultant will undertake the following activities to develop, assess and recommend land value capture opportunities:

- (i) providing case studies highlighting lessons and experiences from other jurisdictions, with at least two examples from South Asia;
- (ii) defining and assessing the institutional arrangements and regulatory frameworks surrounding land use, ownership, planning and zoning systems in Colombo in consultation with UDA and relevant local authorities;

- (iii) considering a range of value capture mechanisms such as land value taxes, betterment levies, development charges and commercial opportunities;
- (iv) identifying potential land value capture opportunities along the proposed elevated section of the Kelani Valley Line and within stations, e.g. sale or lease of land and development rights;
- (v) reviewing opportunities to capture value from existing properties or planned developments near the alignment and at stations;
- (vi) developing an evaluation framework to assess the advantages, disadvantages, risks and limitations of each value capture mechanism or opportunity;
- (vii) consulting with MOTCA, SLR and other stakeholders to develop a short-list of land value capture opportunities;
- (viii) evaluating the revenue potential (once-off and long term) for at least two short-listed value capture opportunities and the TOD concept sites;
- (ix) preparing advice on the most appropriate land use value capture mechanisms;
- (x) preparing a road map for implementing a detailed value capture plan, including short, medium and long-term actions and responsibilities; and
- (xi) Develop a suitable procurement document to engage the private sector on the TOD concept sites.

#### D. Consultant's Inputs

9. The consulting firm or consortia will be engaged in accordance with the ADB Procurement Policy (2017, as amended from time to time) and the Procurement Regulations for ADB Borrowers (2017, as amended from time to time).<sup>1</sup> The Consultant shall be selected using the quality- and cost-based selection method with a 90:10 quality to cost ratio. The staff requirements are listed in Table 1 and Table 2. The consulting services package will require a total of (26) person-months for international consultants, 87 person-months for national key consultants, and 52 person-months for national non-key consultants. The consulting services will be delivered over 12 months, from December 2019 to December 2020, to concurrently carry out the TOD concept development and land value capture evaluation.

**Table 1: Consulting Services Staff Requirements—Key Experts**

No.	Title	Qualifications	Positions	Person-Months
<b>International</b>				
1.	Team Lead – Urban Planner (International)	<ul style="list-style-type: none"> <li>◆ Professionally qualified Urban Planner</li> <li>◆ Minimum 15 years professional experience, with at least 10 years in urban planning, master planning and transport-oriented development and 5 years of project team leader experience</li> </ul>	1	10
2.	Architect (International)	<ul style="list-style-type: none"> <li>◆ Professionally qualified Architect</li> <li>◆ Minimum 15 years professional experience, with at least 10 years in urban planning, master planning and transport-oriented development</li> </ul>	1	10
3.	Real Estate Advisory	<ul style="list-style-type: none"> <li>◆ Professionally qualified in Corporate</li> </ul>	1	3

<sup>1</sup> ADB. 2017. *Procurement Regulations for ADB Borrowers: Goods, Works, Nonconsulting and Consulting Services*. Manila.

No.	Title	Qualifications	Positions	Person-Months
	Specialist (International)	Finance, Commerce, Property or Accounting <ul style="list-style-type: none"> <li>◆ Minimum 15 years professional experience, with at least 10 years providing general commercial advice relating to real estate, preparing valuation and financial analysis and developing forecasting assumptions</li> </ul>		
4.	PPP Advisor (International)	<ul style="list-style-type: none"> <li>◆ Professionally qualified in Economics, Business Administration, Finance, or other related field</li> <li>◆ Minimum 15 years professional experience, with at least 10 years providing In structured finance, including hands-on experience in originating, structuring, and executing public-private partnership transactions in the infrastructure sector.</li> </ul>	1	3
<b>Subtotal</b>				<b>26</b>
<b>National</b>				
1.	Deputy Lead – Urban Planner (National)	<ul style="list-style-type: none"> <li>◆ Professionally qualified Urban Planner</li> <li>◆ Minimum 10 years professional experience, with at least 7 years in urban planning, master planning and transport-oriented development and 5 years of project team leader experience</li> </ul>	1	12
2.	Transport Planner	<ul style="list-style-type: none"> <li>◆ Professionally qualified Engineer or Planner</li> <li>◆ Minimum 10 years professional experience, with at least 7 years in transport planning</li> </ul>	1	4
3.	Legal Specialist	<ul style="list-style-type: none"> <li>◆ Professionally qualified Lawyer</li> <li>◆ Minimum 10 years professional experience, with at least 5 years related to property law and/or infrastructure projects in Sri Lanka</li> </ul>	1	6
4.	Geographical Information Systems (GIS) Specialist (National)	<ul style="list-style-type: none"> <li>◆ Professionally qualified GIS specialist</li> <li>◆ Minimum 10 years professional experience, with at least 5 years related to transport infrastructure projects and urban development</li> </ul>	1	8
5.	Architect (National)	<ul style="list-style-type: none"> <li>◆ Bachelor's degree in Architecture</li> <li>◆ Minimum 6 years' experience in urban planning, 3 years of which is related to transport infrastructure projects</li> </ul>	1	10
6.	Urban Planners (National)	<ul style="list-style-type: none"> <li>◆ Bachelor's degree in Urban Planning</li> <li>◆ Minimum 6 years' experience in urban planning, 3 years of which is related to transport infrastructure projects</li> </ul>	2	20 (2 * 10)

No.	Title	Qualifications	Positions	Person-Months
7.	Financial Analyst (National)	<ul style="list-style-type: none"> <li>◆ Bachelor's degree in Corporate Finance, Commerce or Accounting, with professional fellowship/certification</li> <li>◆ Minimum 6 years' professional experience, 3 years of which is related to analyzing financial data including real estate market data and creating financial models</li> </ul>	1	6
8.	GIS Analyst (National)	<ul style="list-style-type: none"> <li>◆ Bachelor's degree in Geographical Information Systems or Urban Planning</li> <li>◆ Minimum 6 years' experience in geographical information systems and geospatial analysis, 3 years of which is related to transport infrastructure projects and urban development</li> </ul>	1	8
9	Procurement Specialist	<ul style="list-style-type: none"> <li>◆ Bachelor's degree in Engineering, Architecture or Urban Planning</li> <li>◆ Minimum 10 years' experience in procurement and development of procurement documents for donor funded projects</li> </ul>	1	3
10	Bus Scheduling Expert	<ul style="list-style-type: none"> <li>◆ Bachelor's degree or equivalent</li> <li>◆ Minimum 10 years' experience in public transport sector and 5 years' experience in bus scheduling.</li> </ul>	1	10
<b>Subtotal</b>				<b>87</b>

**Table 2: Consulting Services Staff Requirements—Non-Key Experts**

No.	Title	Qualifications	Positions	Person-Months
1.	Junior Engineer	<ul style="list-style-type: none"> <li>◆ Bachelor's degree in Engineering</li> <li>◆ Minimum 2 years' experience</li> </ul>	2	20 (2 * 10)
2.	Junior Architect	<ul style="list-style-type: none"> <li>◆ Bachelor's degree in Architecture</li> <li>◆ Minimum 3 years' experience</li> </ul>	2	20 (2 * 10)
3.	Office Manager	<ul style="list-style-type: none"> <li>◆ Bachelor's Degree and 3 years' experience as office manager in a design consultancy assignment.</li> </ul>	1	12

Notes: CVs of Junior Engineers, Junior Architect and Office Manager are not required for inclusion in the proposal and will not be evaluated. However, CVs must be submitted to Client for approval prior to mobilization.

## E. Output and Reporting Requirements

10. The Consultant will provide monthly progress reports, including achievements, problems, and recommendations. The consultant should also present project progress at monthly meetings organized by SLR/MOTCA. The Consultant will prepare specific working papers and reports in accordance with each main item of Table 3. Upon completion of their services, the Consultant will prepare a final report for the required outputs 1-2 of the TOR. The final report will be prepared after a review workshop is conducted with SLR, the Consultant, and other key government agencies and stakeholders.

**Table 3: Reports and Submissions Deliverables**

No.	Title	Deliverable date
1	Inception report	Within 4 weeks from commencement
2	Progress reports	Monthly
3	Interim report including: <ul style="list-style-type: none"> <li>a. area analysis and base maps, including survey of existing government land;</li> <li>b. current and proposed developments in the area;</li> <li>c. potential TOD sites;</li> <li>d. case studies highlighting international value capture examples;</li> <li>e. potential value capture mechanisms and opportunities; and</li> <li>f. institutional arrangements and regulatory framework assessment.</li> </ul>	Within 4 months from commencement
8	Drawings illustrating: <ul style="list-style-type: none"> <li>a. alternative land use and urban development options; and</li> <li>b. multi-modal connectivity plans and station-area concept plans.</li> </ul>	Within 6 months from commencement
9	Draft final report including: <ul style="list-style-type: none"> <li>a. finalized drawings, i.e. station-area concept plans;</li> <li>b. evaluation of all potential of value capture mechanisms and opportunities including advantages, disadvantages, risks and limitations;</li> <li>c. short-listed value capture opportunities;</li> <li>d. revenue potential of the short-listed options above; and</li> <li>e. road map for implementing a detailed value capture plan.</li> <li>f. Master Procurement Documents (RFP) for engaging private sector on TOD based Urban Development</li> </ul>	Within 10 months of commencement
10	Final report	6 weeks after draft final report

11. All reports will be submitted in the English language to SLR, MOTCA and ADB in electronic and printed copies. Four printed copies of the deliverables will be provided to SLR and MOTCA. Final reports must be delivered on a compact disk/hard disk to SLR and MOTCA, along with the specified number of printed copies. All data and reports used for the study should be handed over to SLR/MOCTA in a hard disk.

12. **Stakeholder workshops.** At least three national workshops will be conducted during the consulting services package. The first workshop will discuss the interim report findings and seek stakeholder feedback on the alternative land use / urban development options identified. The first workshop shall be held within five months from the commencement of services. The second workshop will discuss the evaluation framework developed for value capture and agree on a short-list of value capture opportunities. A final workshop shall be held after submission of the draft final report to discuss the Consultant outputs for finalization. Additional workshops may be proposed as required by the Government or the Consultant.

**F. Data and Assistance to be Provided by the Client**

13. The government will provide the Consultant with the following:

- (i) Access to data, records, and other information required to perform the assigned tasks; and
- (ii) Counterpart staff on an as necessary basis. (Urban Development Authority 4 Officers, Sri Lanka Railway Department 2 Officers, Road Development Authority 2 Officers)

14. Travel arrangements, local transport and office space, including furniture and utilities, will need to be arranged by the Consultant.