

Colombia - Transit-Oriented Development

TOD NAMA

Executive Summary

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Sponsoring Country: **Colombia**

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Transit-Oriented Development in Colombia

TOD NAMA

Executive Summary

Traffic congestion and air pollution in Colombian cities is projected to get a lot worse under current trends – a new University of the Andes study indicates that driving in Colombia is expected to quadruple over the next 30 years. Already a leader in implementing bus rapid transit (BRT), Colombia is now ready to take the next step and address land use and urban design to tackle traffic and greenhouse gas (GHG) emissions over the long term.

This NAMA would transform Colombian cities by focusing urban development around transit stations, blending low-income and market-rate housing with commercial uses to create neighborhoods where people can safely walk, live, work, shop and play. Such “transit-oriented development” (TOD) will enhance the benefits of major national investments in public transit – increasing ridership and financial sustainability – and leverage substantial funding for low-income housing. It will bring Findeter’s Sustainable and Competitive Cities program to a new level and create a 21st century model of urban development for the region and the world to address social equity, climate change and prosperity.

The Ministries of Transportation, Environment & Sustainable Development, (national development bank) and CCAP developed this proposal to implement and finance catalytic transit neighborhoods with the support of the Office of the President, the Ministry of Housing, National Planning Department and input from local governments, real estate developers, NGOs and university researchers.

The TOD NAMA will capitalize on Colombia’s new public-private partnership legislation and provide incentives to develop vibrant transit neighborhoods that will grow the economy, save Colombians time and money on travel, reduce government infrastructure costs, increase returns for real estate and retail. By changing long-term land use patterns, the TOD NAMA is expected to cut growth in driving by 25%, ensuring GHG emission reductions for decades to come. GHG reductions in 2040 are expected to range from 1.9 to 3.8 MMTCO₂ per year, depending upon penetration and performance levels.



Transit-Oriented Development in Washington, DC.



Transit-Oriented Development in Curitiba Brazil.

The Center for the Promotion of Transit-Oriented Development

The core of the NAMA is an independent Center for the Promotion of Transit-Oriented Development, housed within Findeter, which would provide technical and financial assistance on TOD implementation, based on locally-articulated needs. The Center would also serve a policy advisory role to integrate national policies to promote TOD and advance national policy goals on urban transportation, housing, environment, economic development and social equity.

The Center for the Promotion of Transit-Oriented Development would be staffed by experts in TOD design, evaluation, finance and public-private agreements, who would be supported by technical consultants and guided by an independent technical secretariat. The Center would have two functions:

1. **Technical Assistance for Implementing Catalytic Transit Neighborhoods.** Initially focusing on approximately five transit districts in Colombia's largest cities, sample assistance areas include:
 - ✓ **Project development. High-quality design, market analysis, project preparation, pre-construction planning;**
 - ✓ **Private-sector partnership. Public-private partnership RFP development and evaluation, collaboration agreements on TOD implementation;**
 - ✓ **Finance.** Developing and packaging funding proposals for domestic and international investors or donors;
 - ✓ **Value capture mechanisms.** Design and structure advance land-based mechanisms for the investment, operation and maintenance of TOD transit districts, such as Tax Increment Financing, CEPAC-style instruments, Business Improvement District fees, etc.;
 - ✓ **Replication of policies and plans.** Continue implementing TOD "pipeline" of sites, districts and corridors;
 - ✓ **Evaluation (measuring benefits: GHG emissions, social and economic).** Calculation, measurement and data improvement.
2. **Policy analysis** and guidance to provide the cohesive "glue" to connect national and local policies on transportation, land use and housing with private sector efforts on TOD. For example, providing guidance on TOD public-private partnerships, developing a CONPES document and/or Decree on TOD, integrating national policies and plans with local instruments, and developing a financial sustainability plan.

Support Requested

The Colombian government is requesting US\$20 million for the NAMA. Over three years, this funding would support Center staff, consultants, embedded agency staff and data improvements for evaluation. The Center would develop and execute a financial sustainability plan to identify funding sources beyond NAMA support.