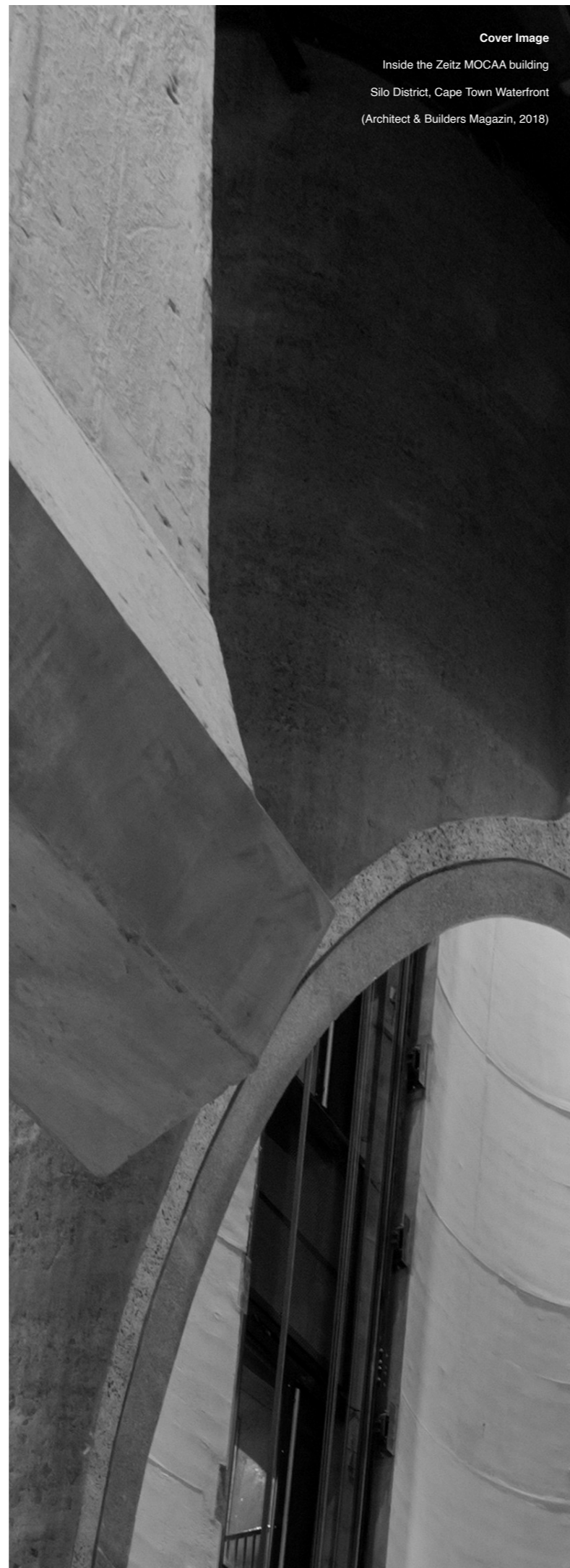


Abstract

The challenge of an effective governance process and the demand for inclusive development form a tension, traceable in contemporary (Re)development Projects in South Africa. Based on the legislative premise of urban planning and architectural design, private sector developers must engage with urban authorities in the Project-related Governance Process (PGP). Within the PGP, municipal and provincial authorities have the opportunity to share contextual information and thus steer planning intentions. However, the ambiguous understanding among involved actors how an effective PGP should look like and what degree of influence urban authorities should have on the planning fuel the above stated tension. This research project investigates the Cape Town Waterfront Development in three distinct episodes: Firstly, the initiation of the Waterfront Development and the setting up towards a negotiated environment. Secondly, the completed Silo District project and thirdly the current stage of the Canal District project. The research insights presented concern the work of key actors involved and their interactions linked to these episodes. Hence, the question is answered what effect these interactions have on the development process as well as the materialized outcome of today's Waterfront.



Pablo T. Lang

PROJECT RELATED GOVERNANCE

**Between Effective Process &
Inclusive Development**

The Case of the
Cape Town Waterfront


TU Delft
Delft
University of
Technology

Faculty of Architecture
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Master of Science (M. Sc.)
Architecture, Urbanism
& Building Sciences
Track: *Management
in the Built Environment*

Colophon

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Cape Town Waterfront

This research project is part of the
Urban Area Development Research Lab
focusing on Next Generation Waterfronts.

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Preface

Today, we are facing a built environment where not only buildings but whole urban areas miss to utilize their potential. Managing the successful transformation of these areas into places of vitality and prosperity is equally challenging and fascinating. For a considerably long time now, I find myself being specifically interested in the relationship between the planning process and the spatial outcomes of redevelopment projects aiming to create this new urban quality.

The Cape Town Waterfront Development revealed to be a great example in this pursuit: What actors influence the planning? And what structures of interaction do they follow? Having these questions in mind I quickly dealt with the spheres of governance, representing the procedural interface between public and private actors. Understanding this process has helped me to comprehend how planning ideas materialize into today's Waterfront. Essentially, this research report displays what I have learned and hopefully proves useful in the academic discussion as well as for the work of practitioners in the field.

At this point I would like to express my special gratitude to my incredibly flexible mentors, Tom and Arie, who encouraged me to take up this challenging research project. Furthermore, I would like to thank the ones who shared their connections to the practitioners in Cape Town with me. And of course, I would like to thank the interviewees from the City of Cape Town and the V&A Waterfront company, who made time for truly insightful conversations. Finally, I would like to thank my family and friends for their unconditional support during these last university days of mine. I could have not done it without you.

Amsterdam, 24th of January 2019

Pablo T. Lang

Executive Summary

The challenge of an effective governance process and the demand for inclusive development form a tension, traceable in contemporary (Re)development Projects in South Africa. Based on the legislative premise of urban planning and architectural design, private sector developers must engage with urban authorities in the Project-related Governance Process (PGP). Within the PGP, municipal and provincial authorities have the opportunity to share contextual information and thus steer planning intentions. However, the ambiguous understanding among involved actors how an effective PGP should look like and what degree of influence urban authorities should have on the planning fuel the above stated tension.

Effective
Governance
& Inclusive
Development

The Cape Town Waterfront Development stands for an exceptionally interesting case of governance within the South African context. Contrary to its urban surroundings, the Waterfront holds a specific category in the Cape Town Zoning Scheme without specific differentiation between open space and building plots. Governance is structured around the so-called Package of Plans, a regulatory mechanism based on the hierarchical sequence of planning documents. These planning documents range from an overall policy framework down to detailed building plans. Using this regulatory mechanism and over the course of three decades, the Waterfront has been developed by a single developer, the V&A Waterfront company. In early stages, sub-areas on the Waterfront have been developed with a focus on retail uses as well as residential applications in form of a large-scaled gated community. In contrast, more recent parts of the Waterfront such as the Silo District or the currently planned Canal District embody denser mixed-use areas with a focus on office space. Over the course of time, the Waterfront area was sold from the governmental port authority (being the initial owner) to a foreign investor group who kept the V&A company in charge of development and operation. In 2011, the land was resold to a South African investor group.

Cape Towns
Waterfront
Development:
Past & Present

Acknowledging the above described nature of Cape Towns Waterfront Development, this research project raised the question on the effect of governance and how differing development orientations leading to conflict between key actors are 'balanced' within the PGP. Within three episodes, Koppenjans & Klijn's method (2004) of Actor-, Game- and Network Analysis was applied to give insights on firstly, the initiation of the Waterfront Development and the setting up of the Package of Plans mechanism, secondly, the completed Silo District project and thirdly the current stage of the Canal District project. The drawn conclusions do carry a certain evaluation of the Cape Town Waterfront Development, however remain focused on the processes analyzed. Serving the purpose of this research project being an academic piece of work, a deliberately objective position was targeted.

Applied
Research
Method

When concluding on the effect governance has on the Cape Town Waterfront Development, one must differentiate between the effect governance had during the initiation in the early 1990s and the effect it has on today's projects on the Waterfront area. In the latter, one must additionally distinguish between the effect governance has on the planning process and the realized outcome: During the 1990s, the City's engagement had an activating effect on the port authority, bringing the Waterfront Development on its way. The City applied their urban planning expertise to compensate the gaps of knowledge and experience of the port authority regarding the endeavor. In recent projects a different role of governance and thus effect can be reported: On a provincial level, the concern of heritage conservation is determining. The interaction

The Effect of
Governance

Governance
on a Provincial
Level

between developer and the provincial department for heritage is affected by opposing development orientations. The Province views Cape Towns Waterfront itself as one heritage landmark in need to be preserved. The V&A company however identifies specific built structures such as the grain silo building as heritage landmarks. The developer's objective to re-design these built structures celebrating their role in the Cape Town Waterfront is often met with skepticism on side of the Province. Consensus in terms of planning approvals is reached through committee meetings in which the developer and their assigned experts (e.g. architects) present their design and planning intentions. The procedure in which the Province aims to steer the developer's planning is solely re-active, meaning that aspects of what is presented are criticized and the developer is subsequently assigned to find a solution tackling the points of critique. Often, conflict situations solidify, and their resolution requires litigation. The interaction with the Province indeed urges the developer to closely address how planning incorporates the preservation of built structures with heritage value. However, the procedural nature behind this interaction stretches long lasting periods of conflict.

Governance
on a Municipal
Level

On a municipal level, governance mostly concerns the question how to make the outcome of a project such as the Silo District work with the rest of the city and especially with the adjacent areas. In the first place this relates to shared infrastructure with Cape Towns port. The organizational structure of the City allows the department of Land-Use Management to act as the City's principle agent and first contact point for the developer. In addition, the department of Land-Use Management evaluates which other departments must be consulted. Following this structure, the developer is bound to refine their planning intentions according to issues which might have not been revealed without the consultation. Two particular interesting aspects were found in the investigated Project-related Governance Processes. Firstly, the City views the Waterfront as a destination place that already has a development story to follow. Hereby, the Package of Plans mechanism does not only give the developer but also the City a certain guide to follow. From a procedural point of view, the informal meetings and interaction between developer and City could be used to extend this guidance from what was formulated in the first level of the Package of Plans towards more recently formulated public objectives (Municipal Spatial Development Framework). The departments comments on the developers planning intentions carry these recent public objectives. However, there is no procedural link between the Municipal Spatial Development Framework and the Package of Plans. The question is therefore how the City can create incentives for the developer to implement those public objectives in their planning that would release pressure from the rest of the city e.g. the pressure of the housing market in the inner city. The potential to create such incentives is however hindered once municipal agents are bound to solely re-active governance in response to already advanced planning documents.

The role of the
V&A company:
Self-monitoring

The effect governance has on the Cape Town Waterfront Development is highly connected to the role of the V&A company itself. The long-term commitment and the fact that the V&A company is the only managing developer for the whole area had the effect that the vision of the 1990s still resonates. With the V&A company a certain planning culture has evolved understanding the place and its significance for Cape Town. Supposed public objectives such as retaining and promoting the fishing industry are strongly safeguarded by the developers themselves. When considering these self-monitoring mechanisms as part of governance, the trust the City has in the developer is reasonable. Nevertheless, this internal planning culture is also dependent on pressure shareholders might put on the developer.

The second part of the research question deals with the 'balance' of differing development orientations within the PGP. In general, the notion of the expected balancing nature of the investigated PGP did not prove evident. The assumption of Project-related Governance being a process with a mind of its own must be rectified. Instead, the process must be viewed as an ongoing negotiation, a 'push and pull' or 'back and forth' between key actors in the game. When differing development orientations result in tension fields and conflict situations occur, it is the way resources are utilized and influence is played out that determines how the Project-related Governance Process unfolds. Hereby, the regulatory mechanism behind Cape Towns Waterfront Development gives structure to the way the developer and the urban authorities interact. The developer strategically uses the Package of Plans mechanism iteratively, to be more precise the developer goes back and forth within the plan hierarchy and hence plan approval. That itself does not mean that objectives serving the general public (including port and harbor industries) are ignored. Ultimately the V&A company's strong desire in high quality urban areas carries those public objectives that add direct value to the desired ideal of the Waterfront.

The notion
of a 'balance'

Although the notion of balance was expected to be evident in the beginning of this research project, it is not perceived as an ideal. Instead, Project-Related Governance should be a platform for negotiation where information beneficial for both as well as the quality of the projects outcome and the role of the projects outcome for the rest of the city is shared between public and private sector. Recent restructuring of municipal committees (decision-making in plan approval) moves away from political figures towards expert professionals. This might carry the potential for the City to effectively steer, not in terms of more development control but in terms of a more active cooperation and incentivization.

The Project -
Related
Governance
Process (PGP)

The initially described tension between the challenge of effective governance and the demand for inclusive development is highly discussed among academic works in the South African context. Insights of this research project have shown that both are recognizable. As described, governance is firstly reasoned in the desire to antagonize a degree of control towards an entirely free market and secondly to extend the developers initial development orientation. In the case of the Cape Town Waterfront Development the challenge of effective Project-related Governance is often constrained by limited resources on the municipal side. Private sector developers are however bound to financial rationales and specific quality standards of their projects which leads to strategic behavior maneuvering through this process. Often conflicts are resolved through litigation which from an academic perspective does oppose the notion of effectiveness. Based on the empirical findings of this research project, procedures that include reciprocal interaction between the developer and urban authorities, do increase the effectiveness of the Project-related Governance Process.

Resolving the
tension?

The demand for more inclusive development is two-folded: Firstly, inclusiveness in terms of the development process and secondly in terms of the spatial outcomes. The concept of inclusiveness itself is open for interpretation depending on individual viewpoints. Whereas one argues that the visitors, residents and commercial tenants of the Waterfront are only those with the respective financial power, others point out the incomparable quality of public spaces created or the continuous efforts to retain the fishing industry as part of today's Waterfront. An interesting discussion to trigger lies rather in the future role of governance in projects such as the Canal District: How can inclusive spatial strategies be created that add enough value for the developer to catch their interest? And can these spatial strategies emerge from a cooperation between urban authority and developer? These are the leading questions the City must find answers to.

Future Outlook

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1 Introduction:

Governance in Urban South Africa

This chapter explores the theory behind the concept of governance and the context of its execution in the built environment of urban South Africa. It is primarily concerned with the question how governance unfolds as a distinct process within the boundaries of a (Re)development Project. Therefore, it illustrates the motivation of public and private actors as well as their interaction patterns reviewing current scientific literature of both, South African and international researchers. The chapter also outlines the use of spatial planning instruments in South Africa, framing current intervention opportunities for the public sector. Finally, it conceptualizes a problem statement between the challenge for effective governance processes and the emerging demand for inclusive (Re)development Projects and their outcomes.

1.1 The Challenging Context of Urban Development in Post-Apartheid Cities

Since the country's democratization in 1994, urban development in South Africa ongoingly faces challenges shaped by global trends and the country's own historical legacy. Current research on urban development often observes South Africa's Post-Apartheid cities with a critical eye. It is said that "South African cities have been developed as a hybrid between western capitalism and colonial ordering" (Harrison & Todes, 2015). Along these lines, the local authors (2015) describe how planning trends and the influence of global economic players affect urban growth and transformation in South Africa. Especially, the promotion of international tourism and branding projects for Post-Apartheid cities as vehicles for urban development are often addressed with criticism by academic works as they are accused to fail solving the country's urban problems of societal relevance. As the 'urban problem', researchers point out the extent of spatial polarization and segregation based on socio-economic status and ethnicity, the remaining legacy of the Apartheid Period (Lemanski, 2007).

The challenging context in which Post-Apartheid cities grow and transform strikes the critical attention of various empirical studies regarding the country's spatial planning legislation, the general role of municipal bodies, spatial planning instruments in use as well as the socio-economic investigation of (re)development projects and their outcomes. International and local researchers stress a weak collaboration between the public and the private sector (Ndabeni et al., 2016; Steenkamp & Winkler, 2014). Whereas Ndabeni et al. (2016) pledges straight for more influence for the local and provincial governments, Todes (2010) and Steenkamp & Winkler (2014) demand for 'better governance skills' within those local authorities. Haferburg & Huchzermeyer (2015: 5) instead demand to empower citizens and the 'right to the city'. In various scientific articles, governance has been identified as a guiding process carried out to balance between the often conflicting development orientations of key actors in urban growth and transformation. The notion of balance is hereby linked to the assumption that both, public values and private benefits need to be equally considered in that matter. In practice however, the process of governance appears to be determined by the perspective and particularly by the influence of these key actors. In the following section the concept of governance will be framed serving the purpose of this research project.

1.2 Defining the Concept of Governance: A Matter of Scales & Spheres

The concept of governance must be disconnected from the term government. Government is by definition, a system or a group of people ruling an organized community, often a state (Oxford English Dictionary, 2010). Governance in opposition exceeds the action of one actor (such as the local authority). In the spheres of urban growth and transformation this implies the “active participation of a host of actors outside of government in policy, managerial and budgetary decisions and prioritization” (Haferburg & Huchzermeyer, 2015: 3). As such governance includes the activity of private sector organizations like property and real estate developers as well as participatory processes for civil stakeholders.

“Government has had to make way for Governance”

Wigmans (2011: 46)

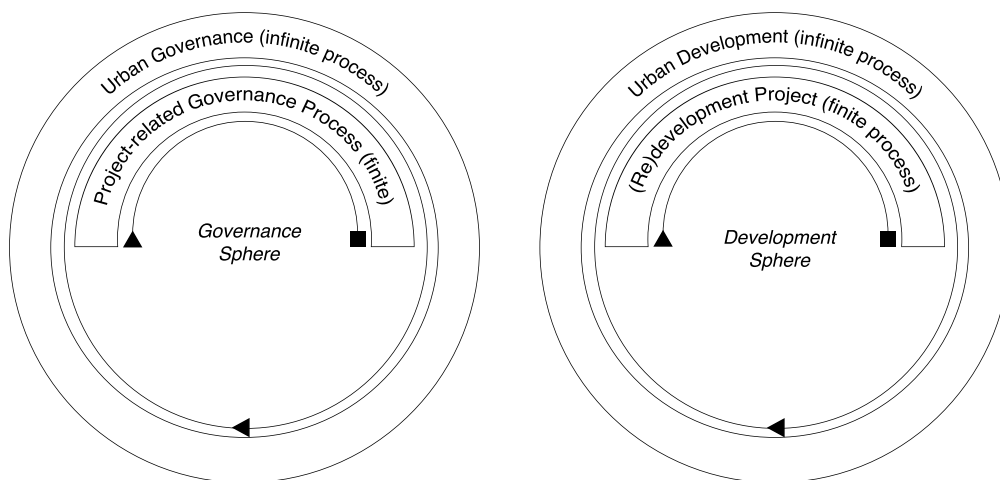
Essentially, there are two premises necessary for this understanding of governance. Firstly, the decrease of state control due to privatization in land-ownership and development initiatives over time. Such trend predominantly being found in the global north has been reported taking place in South Africa since the millennial turn. The loosening of governmental control regarding urban growth and transformation went along with the country’s general liberalization in the political spectrum over the last two decades. In the built environment such shift ultimately results in one question: Who is deciding how urban space is produced? The second premise reasons that when governmental control loosens its regulatory intensity, other actors are gaining weight in concrete decision-making. With Post-Apartheid efforts space production hereby opened-up to local, regional, national and international markets.

In the European context Patsy Healey’s (2007) research is widely recognized as leading in the field of urban governance. Her investigations particularly aim to understand the complexities of steering urban development. As such her scale of interest concerns the way in which whole cities grow and transform. By nature, this process is infinite and alongside goes its infinite process of urban governance (see figure 1). Hereby the author stresses how crucial it is to understand the economical, societal and political context in which the respective process of urban governance takes place. Ultimately this ‘steering’ is a product of planning culture in a certain place at a certain point of time. When investigating urban governance firstly the roles, strategies and influence of key urban actors in the production and transformation of urban space are unraveled. Secondly, their interaction and cooperation throughout different sectors (private, public) and all scales (national, regional, metropolitan and project) are traced. Its extraordinary complexity lies in the dualism of formal and informal activities performed by these key urban actors in moments of interaction (Daamen & Vries, 2012).

Haferburg & Huchzermeyer (2015: 4) who researched urban governance in South Africa’s Post Apartheid cities (mainly Johannesburg and Cape Town) base their research perspective on this understanding and definition. Although cross-continental adaptations in terms of urban governance should be treated with caution, those European references do form a globally valuable basis for research concerning governance in the built environment. The importance of the above explained for this research project lies in its extended perspective on the concept of governance being more than rules and regulations imposed by local authorities, but a dynamic process based on reciprocal cross-sectoral human interaction. Haferburgs & Huchzermeyers (2015: 4) argumentation concludes that the gap of the loosening South African urban authorities potentially leaves room to empower citizens to embody new patterns of intervention. In contrast, this research project makes the conscious choice to only use the authors understanding as an analytical premise. Following this definition, governance is always seen as a process that includes human interaction through regulatory mechanisms (formal) as well as informal interaction of individuals and groups shaped by their individual planning orientation.

Returning to Healy’s elaborations on urban governance, an important distinction must be drawn to the objectives of this research project. Healey (2007) in the European context and later Haferburg & Huchzermeyer (2015: 4) in South Africa investigate governance with a focus on the development of the extensive system of a city. In contrary, this research project concerns the scope of one individual (Re) development Project within such a system. The scope is hereby limited by the projects scope of time, its geographical borders and most importantly by the involved key urban actors. Figure 1. illustrates the close relationship between development sphere and governance sphere. Thus, it shows the enveloping nature of the infinite processes: Urban Development & Urban Governance, around the finite processes: (Re)development Project and Project-related Governance Process. This conceptualized understanding of governance is not new, however, remains relevant for any intellectual discourse within the topic.

Figure 1
The Scales
& Spheres of
Governance



The Project-related Governance Process determines how the “organization and decision-making regarding area development has been regulated. All different visions, interests and opinions that come into play during the trajectory are streamlined into a collaborative whole ...” (Wigmans, 2011: 46). What Wigmans (2011: 46) describes as an ‘area development’ can be any new development or transformation of land and cluster of buildings with urban functions such as living, working, transport etc. In the scope of this research project the term (Re)development Project is used. That is reasoned in the aspired process-orientation and the transformative nature of the to be examined case. The term project hereby frames to a period from initiation to completion and is linked to a materialized outcome that is urban space being produced within certain geographical boundaries. Within such scopes South African municipalities more and more dependent on actors within the private sector. This dependency begins with policy-making and continues in the implementation of those policies in the concrete spatial outcomes. Wigmans (2011: 46) strikingly notes that in a Project-related Governance Process, municipalities must not only cooperate but also compete with numerous organized actors and networks that themselves strive for influence and power.

1.3 Project-Related Governance Process: Partnership between Public & Private Organizations?

Especially in the realms of academic works, Project-related Governance Processes for (Re)development Projects are characterized as most effective and efficient when both, private and public parties partner up

for decision-making on how formulated policy intentions are implemented by private parties. In the Dutch context (Dutch: Gebiedsontwikkeling) this implies a “joint public private effort to link spatial policies more closely to project implementation” (Daamen, 2010: 3). This pursuit of joint-collaboration efforts however is more difficult to achieve in practice than suggested by theorists. Wigmans (2011: 47) notes that collaboration is only then possible when it results in added value for all parties involved. If that layer of added value is not visible, key urban actors merely play out their positions of influence within the Project-related Governance Process. By nature, (Re)development Projects are complex endeavors as future interests are topped on existing interests. Unquestioned is that any (Re)development Project gains in complexity the more actors with their individual interests are included. Depending on the scope of such projects, their impact on the greater metropolitan scale makes them certainly interesting to study. Looking at the two largest (geographical size, capital invested etc.) development projects in the city of Cape Town, the mixed-use developments Century City (greenfield development) and the V&A Waterfront (brownfield development), it is striking that both projects have largely been led by private property and real estate developer companies. Real collaboration between public and private parties appears to be limited. The Century City project is a 250ha mixed use area in the north of suburban Cape Town. The development began under the property developer Monex Development in 1997 and is today owned by the Rabie Property Group. Marks & Bezzoli (2001) describe that within the development all aspects of urban life would be commodified by the private sector and directly questions “the ability or political will of local and other government authorities to influence them” (Marks & Bezzoli, 2001).

Economic context

Since the economic crisis in the late Apartheid years, South Africa has been going through various stages of economic growth and decline. Following the rapid increase of economic activity after 1994, the country faced a major drop along with the latest global economic crisis. Recovering sluggishly South Africa’s economy today is described as a state of “fragile growth” (Todes, 2015: 17). In terms of employment, especially industry specific declines such as in the clothing industry carry the result of high unemployment rates in coastal metropolitan areas like as Cape Town and eThekweni. Alongside with informal activity recent studies suggest that an increase in entrepreneurship has begun to positively impact employment rates (Todes, 2015: 17).

Demographic & Social context

During the Apartheid period, movement of ‘Black African’ people was restricted. Today’s movement rates into the metropolitan areas follow economic trends and result in a general decrease of rural living. Also, metropolitan areas are experiencing a notable increase in international migration mostly from neighboring countries such as Zimbabwe. Alongside with this development, a general decrease in household size takes place (Todes, 2015: 19).

Spatial context

As previously described, residential segregation based on race and ethnicity is still visible in South African cities. Although an increasing in a ‘racial mix’ in middle class suburban areas can be reported, the mix of income groups in housing projects (both initiated by public and private sector) remains unusual. South Africa’s metropolitan areas become more and more polycentric, however, especially in Cape Town the CBD regains in importance. Thus, regardless the decreasing crime rates in the country since the millennial turn, the residential typology of gated communities accelerates in popularity (Todes, 2015: 20).

Institutional context

Although metropolitan municipalities are essentially better managed than of smaller cities, the demanded infrastructure and services can often not sufficiently meet their requirements given the strength and capacity of the individual departments. According to Todes (2015: 28) local authorities have become “the key site of contradiction”. Todes (2015: 28) concludes that the effectiveness of urban authorities has largely been constrained governance dynamics and especially the political context shapes the landscape in which governance is applied (Todes, 2015: 28).

Info Box 1
The Context
of Post-
Apartheid
Governance

In sum, collaboration efforts are difficult to trace in the Capetonian (and South African) context. However, collaborative practices appear to be more and more demanded by academics. One might argue that objectively speaking the matter collaboration in governance is just another example of the contradiction between the 'dreamworld' of academia and the static reality of practitioners. Although there is some truth in this, governance is finely nuanced and 'in general'-conclusions are neither productive in international academic discourse nor useful for the work of South African practitioners. The following sections will begin to further discuss aspects that make collaboration within a Project-related Governance Process difficult to achieve.

1.4 The Developers Perspective: Economic Aspects of (Re)development Projects

One cannot investigate the governance process of an (Re)development Project without recognizing the perspective of involved private parties. By nature, (Re)development Projects take a long time to complete and thus carry large risks for private parties such as property and real estate developers. Especially in the initiation phase these projects have financial deficits for investors and the developer (Wigmans, 2011: 48). Investors are usually releasing capital with the prospect of an increasing gross development value. This includes increased land value and future operational profits. From the same financial perspective, developers are concerned with capital budgeting and therefore the development costs including the profitability of a potential investment.

Land value is a derived demand, which means that land only has value because it enables certain production (for example commercial use of offices, industry or retail) or consumption (for example residential use of dwellings). Hereby, land provides space and location for those uses. From a developer's perspective, the cost of the production factors, which includes profit, must be covered by the value of the outcome realized. The outcome value of a (Re)development Project is materialized space with a specific intended function. A functional program is therefore a key factor in the pursuit for quality and ultimately value of the developed land. Future uses are closely linked to future tenants accommodated in the built structures realized who often start influencing the project at an early stage.

1.5 Discussing Public Values and their Safeguarding Mechanisms

Essentially, the existence of governance within (Re)development Project proves that the private sector cannot act completely free but is likewise urban authorities dependent on other actors. No development can take place without set out property rights and more importantly negotiated development rights authorizing the private parties' planning to be realized. The authorizing party, mostly the municipality, holds the mandate to approve on this planning based on given national, provincial and municipal legislation. Given the fact that (Re)development Projects influence the city and its residents on a greater level, so called public values come to force.

In the previous section a deliberately brief description of the perspective of investors and developers was presented. This perspective is based on private interests often described as opposed to public values. But can one make a clear definition between the two as their definition suggests? De Bruijn & Dicke (2006) discussed the meaning of public values. The concept of public values assumes, that the way urban growth and transformation is steered should not be arbitrary but instead should be based on values that serve a greater good for the public. These public values are then translated into public objectives, a requirement

which is to be followed to the greatest extent possible by private parties. These principles find their form in policies, a proactive measure to steer. In an integrated manner these policies are formulated in cooperation with the private sector in the respective field. De Bruijn & Dicke (2006) describe the complexity of public values and issues that need to be faced when investigating public values as drivers behind governance processes on a project level. The authors (2006) describe the idea that within networks of interdependent actors visible in every (Re)development Project, a balancing act between the protection of public values and too tight regulation takes place. Yet, the concept of public values is ambiguous.

As described earlier, the lines between private interests and public interests in practice are blurry. Private interests do not naturally contrast with collective benefit and vice versa. In so far, public values might be even protected by a private actor. One can see this in the production of public space where developers strive for high quality and active public spaces as their buildings increase in value for the future tenants. Thus, in the South African real estate market, certified sustainability degrees become more and more of a tenant-catcher, making the private sector advocating for development ideas taking environmental-friendly solutions into account. Furthermore, public values can compete as their relative nature makes it possible to conflict with each other. A trade-off between competing public values requires a judgement call, a judgement that is subjective. Besides, public values change over time. What might be of little relevance at one point of time is worth aspiring at another.

The ambiguousness of public values does not argue against their dire need. It is necessary though to have the elaborations of De Bruijn & Dicke (2006) in mind. When investigating governance processes, one will find many of those distractions, changes and unclaritys. The question remains what strategies urban authorities in South Africa use, being the representative body in safeguarding the implementation of their public values. In many cases, urban authorities formulate frameworks that include policies that private parties must comply with when motivating their planning prior to approval. This step represents the translation of public values in established public objectives. However, usually these objectives remain on the metropolitan level. The authors (2006: 725) explain that in doing so, a framework to orientate is given but this framework is only partly sufficient in safeguarding what is formulated. Given the legal mandate of urban authorities to approve (or disapprove) real planning, resulting in construction and operation of urban space, a deeper interaction with private parties is required. Such interaction takes place within networks of actors involved in individual projects. Urban authorities, mostly the municipalities are therefore assigned to design a structure determining how this interaction takes place. The way these structures are formed influences the position of each actor and organization. On a project scale this requires that all parties agree on the respective design to create a “negotiated environment” (De Bruijn & Dicke, 2006: 725).

To sum up, public values and their translation into public objectives are highly ambiguous, dynamic as they change over time and difficult to view objectively, thus in practice it requires trade-offs between conflicting public values. Proactive urban authorities formulate public objectives and publish them as principles or policies. On a project level the way interaction between public and private parties takes place must be determined to safeguard the implementation of public values in the materialized outcome of the project. A Project-related Governance Process includes this path towards a negotiated environment. In the further course of the project municipal agents then have the chance to influence and steer the actions of private parties. The way this steering is played out within the Project-related Governance Process determines the way those public objectives materialize. The following section will lay down what spatial planning instruments are used in South Africa to steer urban transformation and growth on all scales and spheres.

1.6 Spatial Planning Instruments in Use

Spatial Planning Instruments are the tools that urban authorities use to carry out their duty to safeguard public values in urban growth and transformation. Usually these instruments are adopted by municipal or provincial bodies, in specific cases by national governments. Table 1. illustrates instruments in use within both scales, Urban Governance and Project-related Governance Processes. Sihlongonyane (2015: 39) categorizes the South African instruments in use into four categories: Firstly, Policy instruments. Secondly, Process instruments. Thirdly, Planning instruments. And finally, Management instruments. Table 1. adapted the authors (2015: 39) elaborations and provides an overview to understand what spatial planning instruments can potentially be found in South Africa. These instruments are formally backed up by the local, provincial and national planning legislation and compiled by municipal agents across all planning departments. In Cape Town, especially municipal strategic plans come into force. Info Box 2 therefore provides an overview what role these strategic plans play for the cities growth and transformation.

Table 1

Spatial Planning Instruments in various governance spheres (adopted from Sihlongonyane 2015: 39)

Instrument Type	Options	Examples of Tools	Comment
Policy Instrument	<u>Information</u> : Information campaigns, public campaigns also facilitating the attraction of investment, destination branding.	Internet, electronic newsletters, personal outreach, media.	
	<u>Voluntary</u> : product labeling, branding, voluntary codes of practice or standards, voluntary agreements.	Accords, campaigns, labels.	Linked to information instruments: Actors have an incentive to adapt behavior.
	<u>Economic</u> : taxes, service charges, tax refund schemes, deposit and refund schemes, tradable permits, public spending subsidies, fines.	Tax, fines, rates etc.	Making actors face the costs that they impose on society including charges and incentives.
	<u>Regulatory</u> : Planning legislation to govern activities, resources use, permits, quotas and licensing, responsibility, standards, audits.	Legislation	Pronounced top down outlook, permits, procedures opposed, statutory rules.
Process Instruments	Visioning, procedures and participation.	Conventions, conferences, speeches, workshops, meetings, task forces, round tables, expert panels.	Guiding process during development process.
Planning Instrument (bound to process instruments)	Guidelines, plans, strategy, programs, performance criteria, impact assessment.	Laws, frameworks, building standards, geotechnical assessment, urban edge, heritage impact assessment	Planning instruments can be applied on both, the metropolitan scale and project scale.
Management Instruments	Budgets, standards, audits, assessment, monitoring and evaluation mechanism.	Administrative and spatial: Capital investment system, growth management strategy.	Determining the viability of policy, process and planning instruments.

Info Box 2
Cape Town
Strategic
Plans

The City of Cape Town specifically makes use of Integrated Development Plans (IDPs), Spatial Development Plans (SDFs), District Plans (DPs) and a land-use management mechanism called the Package of Plans (PoP). This Info Box (2) briefly explains the hierarchical nature of these Spatial Planning Instruments and their relevance to (Re) development Projects today. The City of Cape Town is by law required to work out an Integrated Development Plan. The IDP is backed up by the Municipal Systems Act, Act 32 of 2000 and must be revised in five-year periods. The document is the primary strategic planning instrument in use and informs all planning, development and decisions within the municipal borders. The Spatial Development Framework (SDF) translates the strategic formulations of the IDP into a spatial vision and development priorities to achieve aspired form of Cape Town. Likewise, the IDP, the SDF is revised every five years. The SDF is currently based on the Spatial Planning and Land Use Management Act, Act 16 of 2014 (SPLUMA). Thus, it is backed up by the Cities Municipal Planning Laws.

2012 MSDF projected long-term growth along two northern corridors. This MSDF [2018], informed by an evidence-based approach, proposes instead targeted investment and land use management based on inward growth.” (City of Cape Town, 2018: xiii) Deliberately, the SDFs contain broad spatial ideas, aggregated in policies. Instead of focusing on detailed site-planning details conceptualized development directions remain broad and flexible.

Following Cape Towns cascading hierarchy of strategic plans, the City is divided into eight Districts, each of them is “informed by the city-wide Cape Town Spatial Development Framework“ (City of Cape Town, 2012: 10). The District Plans are worked out by the Land-Use Management Department of the respective District. Their nature remains strategic, but it enables to go more into detail, thus their limited geographical ordinance.

For large-scale and complex (Re)development Projects (10 – 4000 ha in size and/or 10 – 15-year time frames) the City of Cape Town uses the land-use management mechanism: The Package of Plans. Although not intended when created, the PoP is now supposed to link the strategic formulations of the SDFs and DPs on a project level.

“Fundamental to the MSDF [Municipal SDF] is ensuring spatial transformation via dense and transit-oriented growth and development anchored by an efficient transport system. The

1.7 The Tension between Effectiveness and Inclusiveness

So far, an understanding of the concept of governance in the South African context was established and a specific focus was set on Project-related Governance Processes. The past elaborations were crucial to allow stressing a tension present in all contemporary (Re)development Projects: the tension between the challenge for effective Project-related Governance Processes and the emerging demand for inclusive (Re)development Projects and their outcomes. Figure 2. illustrates this tension and thus serving this research project as a problem statement.

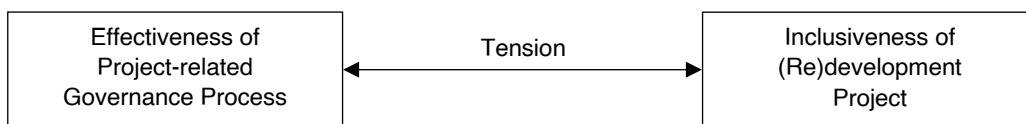


Figure 2
Conceptualization
of a Problem
Statement

Effectiveness of the Project-related Governance Process

The Project-related Governance Process influences the work of practitioners and the materialized outcomes of (Re)development Projects. The strong link to regulatory mechanisms affects especially the perception of

private parties on these processes. A developer's point of view might be that regulatory influence represents bureaucratic impediment to their initiative. Effective Project-related Governance Processes might therefore imply as little influence in decision-making by urban authorities as possible. On the other hand, developers can profit from the planning expertise of the municipal agents. From the perspective of urban authorities effective is a Project-related Governance Process when the public objectives formulated by the City are best implemented in the projects process and visible in the projects outcome. As such the question is not whether governance has an effect on a projects process but what the respective effect is. This research project determines that effectiveness is then reached when the Project-related Governance Process supports the (Re)development Project rather than hindering its processing in time and budgeted. This support implies beneficial involvement of municipal agents steering the 'quality' of what is planned.

Inclusiveness of (Re)development Project (process and outcome)

The discussion on inclusiveness is a reaction to the societal problems of inequality and injustice. Especially in South Africa where the legacy of the Apartheid-Period is resulting in extreme differences in income and residential conditions, this discussion is consequently vivid. (Re)development Projects that promote tourism are on the one hand creating huge positive impacts on the local economy especially in the most needed, low skilled work sector. On the other hand, high priced uses of retail and entertainment do not serve low income groups as users themselves. Often the need for affordable housing in (Re)development Projects is stressed. But do all (Re)development Projects need to solve wider urban problems? Including urban authorities in decision-making and thus forcing longer participatory processes during the project are meant to secure more inclusive outcomes. But how does this align with a project that is bound to a financial rational? This research project determines that inclusiveness deals with the degree of influence and power by urban authorities and public participation in decision-making in planning. Thus, inclusiveness is linked to the degree a developer addresses social justice and equality based on the South African context in their planning.

Tension

Both, effectiveness and inclusiveness are tendencies and as such difficult to measure. Likewise, governance itself there is no normative implication for these concepts (Haferburg & Huchzermeyer, 2015). Thus, an attempt to quantify effectiveness or inclusiveness of governance and projects is due to the subjectivity of both tendencies not only difficult but also its significance is questionable. Therefore, we can only recognize this mutual relation of both concepts and describe it as a tension in contemporary (Re)development Projects. Especially in the South African context this tension has only triggered little efforts to be researched within an actual project. Although the academic discussion points out the situation of Post-Apartheid cities and the problems of governance issues, researchers remain on a city scale. This research project aims to fill this gap in contemporary research by investigating the project of the Waterfront Development in Cape Town, South Africa.



Figure 3
View on Cape Town's Waterfront
(Architect & Builder, 2018)

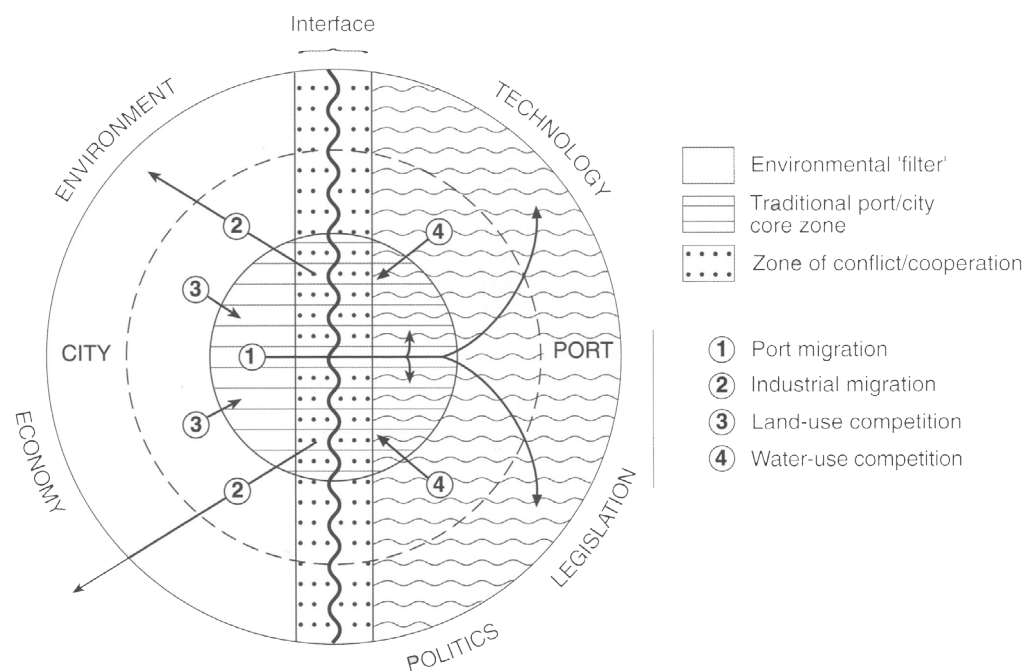
2 Research Design: Investigating Cape Towns Waterfront Development

This chapter has the purpose to reason the methodology of the research project. It is structured in three parts: Firstly, the characteristics of Waterfront Developments are described, giving the reader an understanding what particularities define these projects and what can be expected regarding their governance processes. Secondly, the Cape Town Waterfront Development is presented in a first brief overview. This was done to subsequently explain what methodology was applied to analyze the project as a single-case study.

2.1 Waterfront Development: A Global Phenomenon traced in Sub-Saharan Africa

The development of port-cities and their waterfronts is an attractive subject for contemporary research projects. Today, we can build up on various research perspectives investigating these places all around the world. Researchers agree upon the definition that a Waterfront is an urban area that is in direct contact with water (Timur, 2013: 170). For both, researchers and practitioners a special fascination is rooted in the functional and aesthetical effects of water as a planning element. This research project shares that fascination and thus focuses specifically on a global phenomenon that has been described as the Rediscovery of Waterfronts (Timur, 2013: 178) or Renaissance of the Urban Waterfront (Daamen, 2010: 4). In his Port-City Interface model (figure 4), Hoyle (2001) describes the characteristics and trends to be traced prior and along to this phenomenon. The authors model must be treated with awareness as it might lead to the impression that it describes a direct passage of time. Instead the model should be understood as correlating processes that affect ownership, uses and building activities on land between water and the city.

Figure 4
Characteristics of and trends in the port-city interface adopted by Hoyle (2001)



Traditionally, ports have functioned as an economic catalyst for their surrounding cities. Fastly, these so-called port-cities became economic hubs. Port land and the physical structures serving the port activities connected (or disconnected) the port-city with the water edges. Zaoh et al. (2017) further elaborate however on a declining importance of port activities for their surrounding cities due to global industrial changes and maritime technical innovation. As a result, port areas were “no longer the interrelated industrial complexes” (Zaoh et al., 2017). This commercial decline goes along with a growing environmental concern and the pollution caused by port industries in direct neighborhood to the port-city’s urban centers. The geographical tension between port and city continues when looking at the logistical impact of a port on the port-city. Infrastructural elements, such as railways and highways serving the port industries, often physically break the connection between the port-city and the water edges. The moving of port activities and their respective industries, the so called, port-migration proceeds. Obsolete and abandoned infrastructure is left behind and in consequence port land and built structures for industrial activity are vastly underutilized. Alongside these described processes a growing competition between remaining port activities and rather urban functions of the port-city (residential, commercial, recreational) over vacant space and access to the water edges arises. The question which use of land creates the most value determines the tone of this competition.

When speaking of a Rediscovery of Waterfronts or Renaissance of the Urban Waterfront it is considered that this competition is leaning towards urban functions adopting former port land and making use of the functional and aesthetical potentials given. Essentially, old and run-down port areas are transformed into attractive urban areas. This active redevelopment or transformation process of port areas into urban waterfronts is what we call Waterfront Development. In port-cities (and riverfront cities) all around the globe such Urban Transformation Projects can be found: In North America there are examples of Baltimore, Boston, San Francisco and Toronto. Examples in Europe are Hamburg, Rotterdam and Barcelona. And in the Pacific Rim Sydney, Melbourne and Singapore. The predominant occurrence of Waterfront Developments in the global north as opposed to the global south leads to the impression that we are dealing with a rather western urban phenomenon. In Sub-Saharan Africa, fewer examples can be found, less prominent are the Waterfront Developments in Durban, Mombasa or Zanzibar. One example in Sub-Saharan Africa however stands out: The Waterfront Development in Cape Town has been rowed in line of globally acknowledged ‘urban success stories’ that Waterfront Development often represent.

The success stories told about Waterfront Developments all around the globe are however punctuated with a ‘dark side’ (Daamen, 2010: 5). Because of the qualities that are defining for their success such as their attractive cultural heritage, their symbolic architecture and their high-quality urban design, they have been transformed into a commodity for middle and high-income groups. The author therefore (2010: 5) suggest judging a Waterfront Development projects outcome not only on its material outcomes but instead to put the focus on the processes behind the development project.

2.2 Governance of the Port-City Interface

In the previous section, the Port-City Interface model of Hoyle (2001) was presented. It was explained that Waterfront Development takes place in a geographical and functional interface between the city and port land. It was observed that Waterfront Development concerns a process of transformation in which urban functions are introduced within areas, previously been used for maritime trade and industry. As such, the competition between existing land uses and newly introduced urban functions is won by the way it is socially and environmentally desirable, thus ultimately how economically rewarding the land use proves to be. The

port-city interface however is not only a geographical area that provides certain functions but additionally comes with an arena of actors such as representatives of port related industries, local authorities and real estate development companies. As the Waterfront Developments of our interest rarely replace port activities completely, these arenas reveal as unique zones of conflict and co-operation. Often, port authorities are not only operator of the port but also land owner. The opportunity to generate alternative economic revenues seems appealing but must be placed within the activities of an operating port and the residing industries. Municipal urban planners and politicians on the other hand face the opportunity to create attractive living, working and recreational areas serving the city and its residents. Due to the immense economic potential Waterfront Developments imply, local interests often appear to be pushed down by global market tendencies (Daamen & Vries, 2013).

These opportunities correlate in the arena of key actors and how actors play out their forces shape the way Waterfront Developments materialize. This research project is especially interested in the forces formed by key actor's behavior and their relations, shaping the port-city interface and Waterfront Development itself. Hereby, its curiosity centers in the governance process in Waterfront Developments evolving alongside the development process. This understanding is based on the suggestion of today's research (Daamen & Vries, 2013) that the governance process implies the activity of all key actors and that a detailed insight in this process, serves the pursuit to gain insights in how Waterfront Developments are created.

2.3 The Cape Town Waterfront: A first Glimpse

In the following section a first glimpse on the Cape Town Waterfront Development and its current state will be provided. It is the goal of this section to provide the reader with an understanding of the case necessary to be able to follow the process orientated information given in later stages of this research report.

A mixed-use area within a working harbor

The Cape Town Waterfront Development was initiated in the early 1990s under the premise that "the historic docklands around the Victoria and Alfred Basins be redeveloped as a mixed-use area focusing on tourism and residential development, with the continued operation of a working harbor" (Birkby, 2000). Today, South African author Visser (2016) describes the Waterfront Development in Cape Town as a transformation from 'port to playground', alluding towards the numerous accommodations of retail and entertainment uses in the area. Despite, the predominant focus on shoppertainment in the northern parts, the area grew closer to Cape Town's awakening CBD accommodating more and more office space in higher and denser districts of the Waterfront. The mixed-use program of the Waterfront area is often criticized to only accommodate high-segment uses resulting in comparably high prices for living, shopping, catering and working. The water basins are an important part of the Waterfront area as they are providing dock for cruise ships as well as fishing boats and their maintenance. The moving ships and the fishing industry are part of Cape Town's Waterfront and intentionally contributes to the vitality the place has today.

The Cape Town Waterfront can be divided into 10 sub-areas. Historically, the sub-areas in the Waterfront have been called Precincts. Over the last decade the titling did change to District whenever directed to the public. Today, the term Precinct is used in internal planning procedures and the term District is used in the public marketing of the Waterfront.

Although the port activities have been run low which opened the development towards a mixed-use area in the first place, parts of the Waterfront were and continuously are in ongoing port operation. Today the Waterfront area is one of Cape Town's few economic 'powerhouses' (Appendix 1: Economic

Impact Assessment). Throughout the last three decades, the Waterfront grew organically. Port and harbor activities either remained or moved away, in the latter case new land was released in the area. Changes in the ownership, changes in external market situations and changes in the thinking of the developers influenced the way the Waterfront grew and transformed. Table 2. summarizes the main construction activity from the 1990s until today.

Table 2

Building Phases of Cape Towns Waterfront development based on Birkby (2000),
Ferreira & Visser (2007) and the Economic Impact Assessment of the V&A company (2016)

Development Phase and Time	Location and spatial context	Major Development features	Substructures	Introduced Uses
Phase 1: Initiation: Early 1989 until Dec 1990	Pier Head Precinct	Refurbishment of the original Docks offices, power station, warehouses and various smaller Victorian buildings	Floating jetties introduced, hard and soft landscaping	Restaurants, taverns, specialty shopping, a hotel, craft market, national maritime museum
Phase 2: Early 1991 until End of 1993	Pier head Precinct	Completion of Victoria Warf (26.500 sqm): Retail and Entertainment, Oct. 1992	Waterfront City Lodge, Caltex Service station and regional head office (1993)	Retail, office space
Phase 3: Jan 1994 until April 1997	Portwood Ridge	Granger Bay: Shore protection works, Oil tank farm transformed into New Basin Small Craft Market.	BMW Pavilion, Imax theater, Auto Atlantic BMW, Ocean Aquarium	Retail, offices, entertainment (cinema), edutainment (aquarium)
Phase 4: 1996 until March 1997	Amsterdam Battery	Extension of Victoria Wharf shopping center (+ 18.000 sqm).	Hotel (Cape Grace Hotel and Table Bay Hotel) on Quai 6	Retail, hotel
Phase 5: July 1999 until December 2006	Alfred Marina, New and Upper Basin, Clock Tower Precinct	Residential Marina development, Nedbank Head office building, Clock tower retail and office complex, public ferry terminal, accommodation of allocated fishing industry.		Residential, retail, offices space, restaurants,
Phase 6: Early 2006 until Mid 2008	Alfred Marina	Residential Marina development (Sector 2), four new Hotels, BP Head office South Africa, three further office space projects.		Residential, hotel, office space,
Phase 7: Early 2007 until 2010		Landscaping and beautification, additional parking facilities, new yacht club.	Cruise ship terminal	Public space, parking
Phase 8: Early 2011 until End 2017	Silo District	Commercial and residential development: 1 – 6, Zeitz MOCCA museum		Offices, residential, museum, hotel

An important factor of how the Cape Town Waterfront developed over the decades lies in the structure of the private sector connected to the redevelopment project. Starting from the 1990s, the specifically founded property and real estate developer: The V&A company, developed the area as a single-land holding. To be more precise, any development as well as the operation of the Waterfront area was managed by the V&A company.

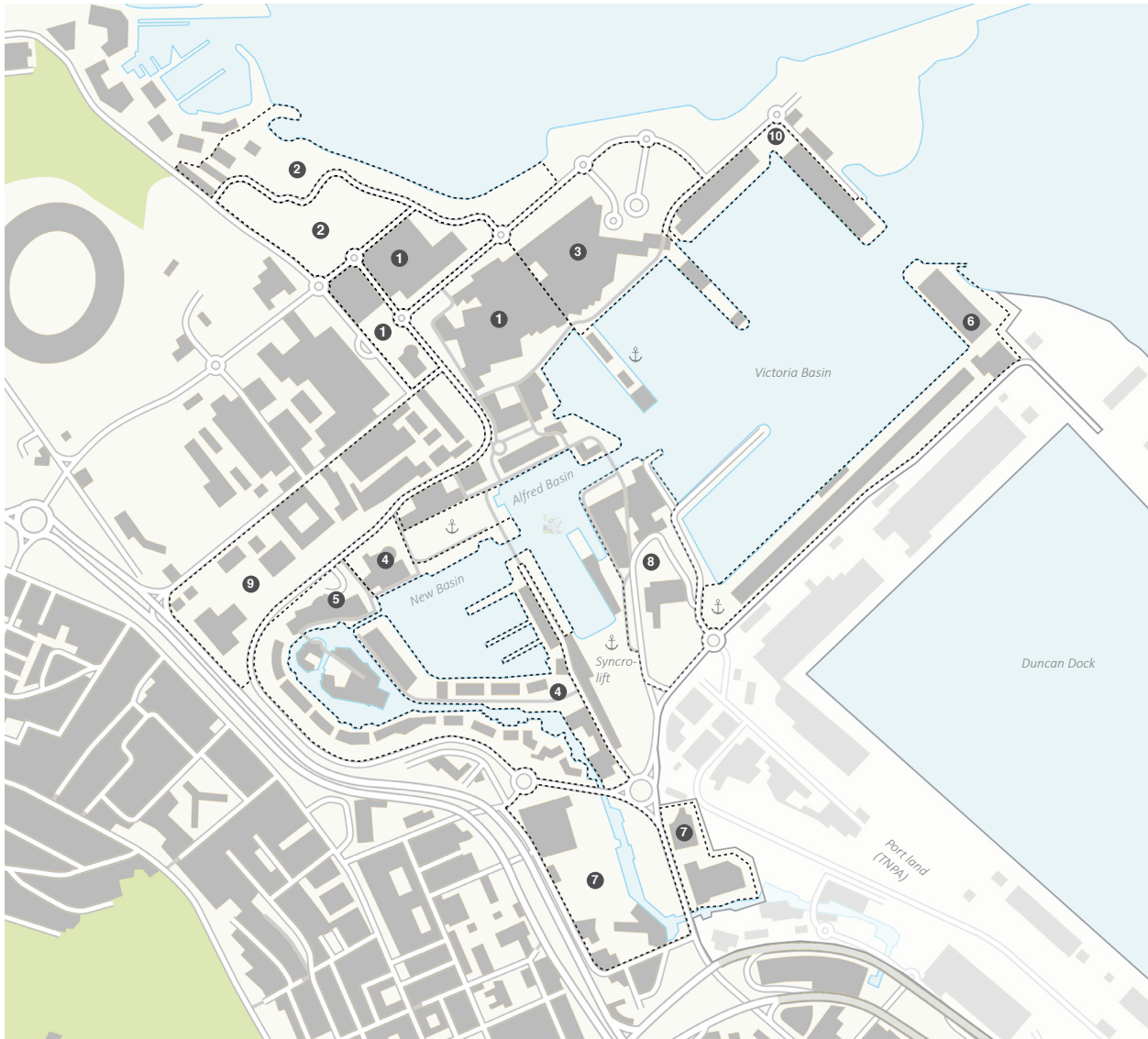


Figure 5
The 10
Precincts
of the
Cape Town
Waterfront

Legend

- | | | | |
|----------|------------------------------------|-----------|---|
| 1 | Pierhead | 6 | Outer Basin |
| 2 | Granger Bay / Granger Bay District | 7 | Gateway / Canal District |
| 3 | Breakwater | 8 | Clocktower / Clocktower & Silo District |
| 4 | New Basin / Marina District | 9 | Portswood |
| 5 | Upper Basin / Marina District | 10 | East Pier |

2.4 Research Framework: A Sensitive Tool

This research project seeks to create novel insights in the tension described in the previous chapter (1) using Cape Town's Waterfront as a unique case in the South African context. The following research framework will hereby support clarifying what explicit aspects of the Cape Town Waterfront Development will be studied. It shall be considered as a sensitive tool (Bryman, 2016: 383), meaning that it provides “a general sense of reference and guidance in approaching an empirical instance” (Bryman, 2016: 383). Figure 6. presents the research framework in full and including look-out questions helping the reader to understand what questions each component carries.

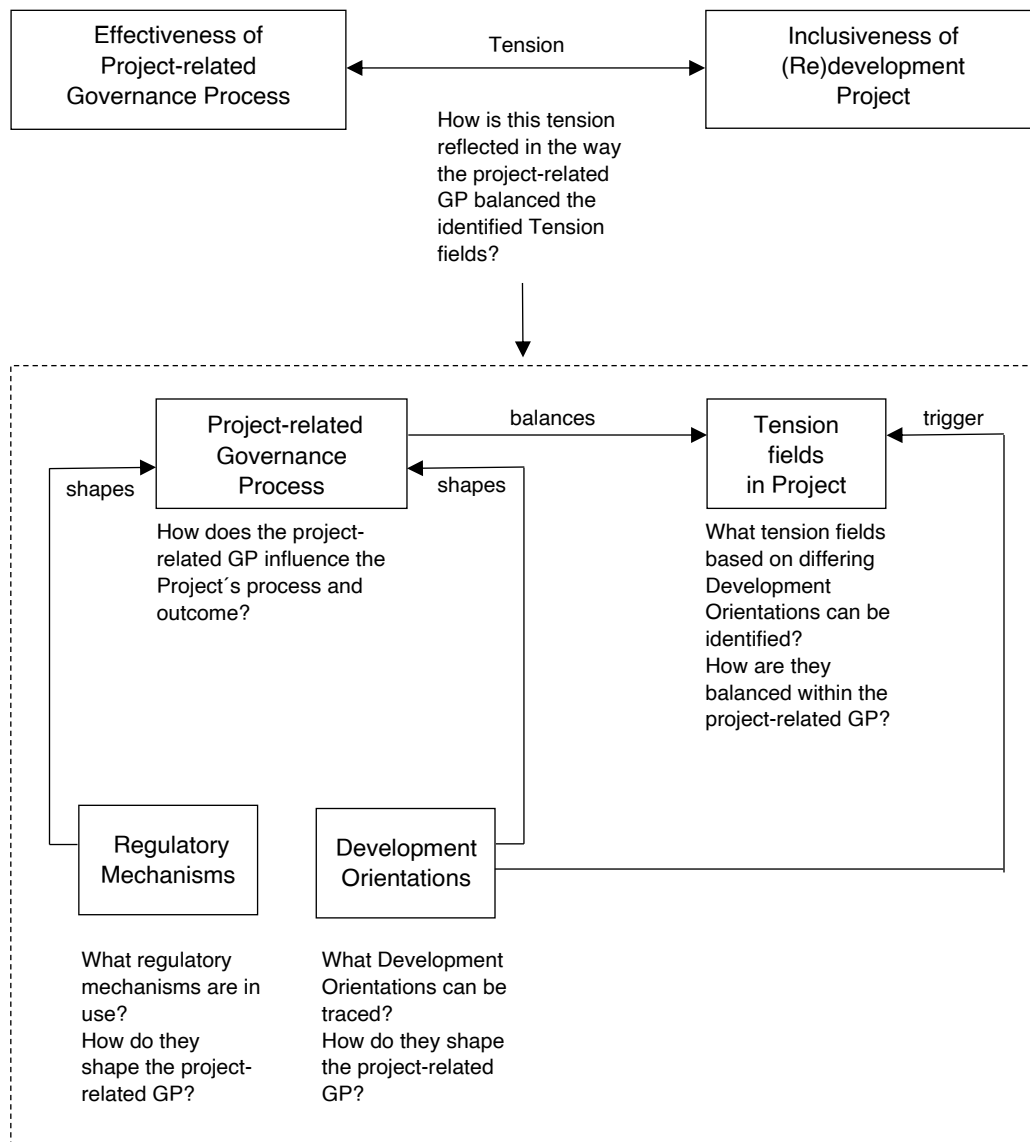


Figure 6
Research Framework

2.5 Main Research Question & Sub-Questions

This research project follows a two-folded main research question, both parts being based on the research framework established in the previous section. The first part (What-question) tends more to the theoretical

outlook of the research project aiming to contribute to the academic discussion of governance issues regarding Waterfront Development. The second part (How-question) is specifically concerned with the characteristics of the Project-related Governance Process of Cape Towns Waterfront Development:

Main Research Question

What Effect has Governance on the Cape Town Waterfront Development
and how does the Project-related Governance Process balance the project inherent Tension fields?

The main research question implies more specific sub-question which already served as look-out questions within the Research Framework:

Table 3
Definitions of Concepts and Sub-questions

Component in research framework and definition	Sub-question
<p>Project-related Governance Process (PGP) The interaction between local and provincial authorities with the private sector linked to a specific (Re)development Project.</p>	How does the PGP influence the project’s process and outcome?
<p>Regulatory Mechanisms (formal) The ‘negotiated environment’ regarding the formal interaction taking place in the PGP of a specific (Re)development Project.</p>	What regulatory mechanisms are in use? How do they shape the PGP?
<p>Development Orientations (informal) Goals and objectives on the process and outcome of a specific (Re)development Project.</p>	What Development Orientations can be traced? How do they shape the PGP?
<p>Tension fields Conflicting Development Orientations between actors in the PGP of a specific (Re)development Project.</p>	What Tension fields based on differing Development Orientations can be identified? How are they balanced within the PGP?
<p>Tension (Effectiveness vs. Inclusiveness): The challenge for effective PGPs and the emerging demand for inclusive (Re)development Projects and their outcomes.</p>	How is this Tension reflected in the way the project-related GP balanced the identified Tension fields?

2.6 Three Hypotheses

The use of hypotheses was chosen to establish a first tangible statement that later can be discussed using the outcomes of the empirical data collected. The following three hypotheses are by intention sharply formulated to trigger a critical debate in the final chapter of this thesis project:

Hypothesis I.

The inherent Tension fields of the Cape Town Waterfront Development are triggered by differing Development Orientations of the City, the Port Authority and the Developer. However, these tension fields are not equally balanced in Project's Governance Process.

(Expected) Tension fields

- Profit interest (Developer) vs. public value interest (City)
- Planning Certainty (City) vs. Planning Flexibility (Developer)
- New urban land use (City, Developer) vs. existing port activities (Port Authority)

Hypothesis II.

Development rights granted during the initiation phase (early 1990s) for Cape Towns entire Waterfront area, allow the Developers' dominant role in future project-related Governance Processes.

Hypothesis III.

Recent public objectives for the city are formulated however missed to be implemented within concrete spatial development projects in the Waterfront area.

2.7 A Practical Approach: The project-related Governance Process in Three Episodes

Cape Towns Waterfront has been developed over a time-period of three decades and the area today envelops mix-used land of over 300 ha (including the water surface). Naturally, the involved actors are countless. Regarding the pursuit to study a project-related Governance Process, a research strategy using so called episodes was chosen upon. This choice was based on the methodological assumption that to be able to answer the research questions (and sub-questions), insights need to be based on a mapped environment. Such a snapshot can best be created within geographical or temporal boundaries. During the case work three projects within the Cape Town Waterfront Development revealed to be especially valuable for such investigation. Figure 7. shows a map of the Waterfront area localizing the spatial boundaries of the three episodes:

Episode 1

The initiation of Cape Towns Waterfront Development (1998 - 1991),

Episode 2

The Silo District (Clocktower Precinct) as a completed project (2010 - 2017)

Episode 3

The Canal District (Gateway Precinct) as an ongoing project (2015 - Today).

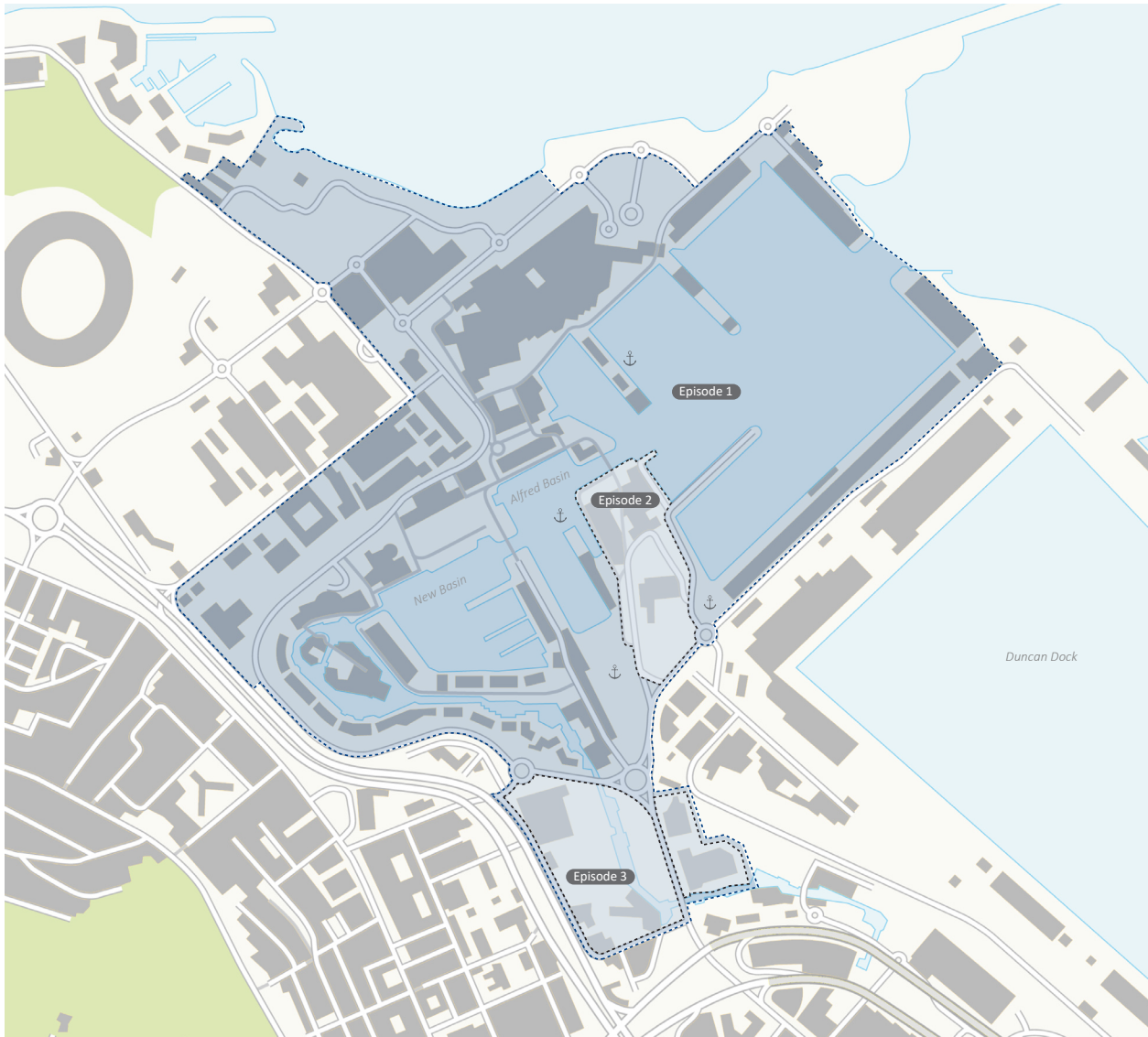


Figure 7
The three episodes
localized in the
Waterfront area

2.8 Mapping project-related Governance Processes

Mapping the environment in which the project-related Governance Process of the three selected episodes takes place requires a set of tools. Therefore, the tools of an Actor Analysis, a Game Analysis and a Network Analysis will be used. These tools are often used to analyze “strategic issues in strategic games and networks” (Koppenjan & Klijn: 2004: 133). Hereby, Actor-, Game- and Network Analysis built up on each other. Koppenjan & Klijn are using this approach to give an overview on “conditions and circumstances under which complex decision-making processes of wicked problems take place” (Koppenjan & Klijn, 2004: 133). Essentially, this research project adopts the approach to be informed about the actors involved and ‘the game’ these actors are playing when interacting within the project-related Governance Process. Based on

the authors elaborations, this research project aims for a perspective of a network manager who is neither directly involved nor has a specific stake in the issues. As recommended by the authors (2004: 134) their approach must be shaped individually to serve this research project most effectively. This section will explain which steps will be taken.

Actor Analysis

Prior to the identification of key actors, a problem identity needs to be established. This identity will determine the demarcations of the issue analyzed. This research project sets the boundaries of the project-related Governance Process of each of the three episodes as this demarcation. Building up on this definition we can proceed in identifying a set of active actors, the critical actors. These can be individuals, groups or organizations. Attention must be paid to compound actors which consist of to be differed sub-actor groups. A municipality for example contains of various departments that must be treated as individual organizational units under the umbrella of the municipality. After having identified the critical actors, the individual interests and objectives (development orientations) must be reconstructed. Essentially, this step is about finding out what actors desire to achieve in a certain situation. Knowing the development orientations of actors, it is necessary to determine the dependency of actors by identifying their individual resources (financial, production, competencies, knowledge, legitimacy).

Game Analysis

Building up on the Actor Analysis, the arenas, represented by the activated parts of networks where actors meet and interact need to be explored. This includes specific organizational arrangements that were created to structure the interaction of actors. Within these processes of interaction there will be most certainly occurring conflict situations. However, the authors (2004: 135) stress that conflict does not have to be dysfunctional. It is necessary to look deeper in those conflict situations to understand the relations of actors.

Network Analysis

The final part of the analysis concerns the “inventory of contact patterns between actors” (2004: 151). This includes the interaction of actors as well as major decisions or conflict resolutions. Given the assumption that the Game Analysis was done thoroughly, the development orientations and the regulatory mechanisms (rules of the game) are clarified by now. Building up on this knowledge, the analyst shall explore the link that exists between the actors in the network. This can for example be done by morphological illustrations showing the frequency of interaction. Attention must be paid to both, informal and formal interaction, as both are equally important to trace.

Three Episodes to analyze

Each Episode will follow the narrative of the development of the project while describing the project-related Governance Process and will therefore conclude in an Actor-, Game- and/or Network analysis. In doing so a valuable information base can be established which ultimately will help to answer the research questions (and sub-questions) and to discuss the hypotheses formulated. Thus, the reader will understand by now that the research framework and the look-out questions require efforts to be related to Actor-, Game- and Network Analysis.

2.9 Type of Study

This research project targets to answer the two-folded research question and such the type of study is labeled as qualitative research. Qualitative research represents a “strategy for the systematic collection, organization and interpretation of textual information” (Bryman, 2016: 381). This well formulated definition is fully applicable to this research project. The qualitative research question is deliberate and conceived of a broader attention to context. The intended method to research the research problem and formulated question is systematic (see research framework), it relies on established, articulated concepts and thus the methodologies of how the qualitative data will be collected, analyzed and interpreted will now be defined.

As already explained, the concepts within the conceptual framework are non-metric, and as such difficult to quantify. The qualitative approach will therefore be used to generate novel insights into the tension as a phenomenon (conceptualized problem). It is important to understand that this qualitative approach is not aiming to test a theory, but instead to let theories emerge (Bryman, 2016: 381).

2.10 Data collection & Processing

“Not everything that can be counted counts and not everything that counts can be counted”

This research project sets the spotlight on a single case study: The Cape Town Waterfront. The case was strategically approached. Firstly, unstructured interviews with key actors in private and public sector involved in the case were conducted. Thus, other informants (architects, urban planners, journalists) were consulted to get a ‘grip’ on the case and on the to the author at that time unknown planning culture and industry. These meetings took place during a first visit in Cape Town, South Africa.

Albert Einstein

Secondly, research articles, journals, conference papers and newspaper articles concerning the case were scanned. Given this base of information the three episodes emerged. For the three episodes various policy documents (published and unpublished) were studied. Thus, semi-structured interviews with carefully selected critical actors gave valuable insights for the respective Actor-, Game- and Network Analysis. Hereby, an individually created topic guide for each interview was used to induce rather a fruitful conversation than what might be called an interview. These conversations were in consent with the interviewees, recorded, and word-by-word transcribed. Subsequently, these transcripts were studied, and patterns of explanation emerged. This inductive approach turned out to be well serving for the intends of the research project.

2.11 Relevance for Practitioners

Due to its process orientation, this research project seeks to map out the Project-related Governance Process behind the materialized Waterfront of Cape Town. As such the goal is it to give insight into Cape Towns practitioners, their development orientations and their influence. It is thought to not only inform an academic audience but even more to give insights to the actors involved in the governance processes and ultimately the ‘game’ they are finding themselves with. The outcome if this research project will therefore be shared with all relevant parties. With the efforts of this research project and the neutral position of an outside analyst, new insights and hopefully some aha moments among the practitioners can be created.

Figure 8
View on Silo District
(Architect & Builder, 2018)



3 Initiation of the Waterfront Development and a Governance Structure

This chapter represents the first of three episodes in which Cape Towns Waterfront is studied. The episode has the purpose to give the reader an understanding of the triangular actor constellation between City, port authority and the developing company during the initiation of the Redevelopment Project taking place between the late 1980s and the early 1990s. Hereby, the episode firstly uses the narrative of the initiation and planning prior to any construction works on site. Having described the intentions of key actors involved during this initiation phase, the episode will continue exploring how the negotiation between these key actors towards a governance structure evolved, after all the project exceeded the yet experienced of all involved actors. Thus, the vague legislation applicable to the governance of the Redevelopment Project, allowed an at the time entirely new approach of how it should be steered and in what way the private and public sector would work together when it came to the planning of Cape Towns future Waterfront. Fair to say, these processes took place three decades ago, however their outcomes still lead the way how development and its planning takes place.

3.1 An Exciting Property and Real Estate Portfolio

A significant amount of land in Cape Town is in governmental ownership, either on national or provincial levels. Often, this land is strategically located in metropolitan areas with the intended purpose for transport, education, defense or administration. By nature, these land assets provide the opportunity for investment and the potential for rate generation. Both, the public and private sector therefore seek to optimize their utilization. Since the 1980s, the South African state began to market its lands assets commercially (De Tolly, 1990: 2). Especially, the South African Transport Services (SATS), today called Transnet SOC. Ltd. holds an exciting property portfolio often located in a central position of the city in form of water fronting port land as well as in form of main railway termini. Both, Cape Towns main train station in the city center and thus the cities port fall into this category. The status of government owned land gives Transnet significant control of any operative interventions on the land including the real estate located on it. In his unpublished paper from 1990, the municipal planner De Tolly describes Transnet's position at the time as "dramatic" (1990: 3), given the potential for urban redevelopment on this land alluding to "changing world markets and transportation technologies" (1990: 3).

The at the time Deputy City Planner of Cape Town further elaborates that based on this position SATS formed the Victoria & Alfred Ltd. (further called the V&A company) in September 1988. This business unit had a mandate for the planning, development and management of 82 ha formerly port land and additionally 41 ha water area in Cape Town. The asset consisted of two historical harbor basins: The Victoria harbor and the Alfred harbor. De Tolly (1990: 3) speaks about a general urgency and high expectations of the public regarding the planned redevelopment of the land. But who initiated this endeavor and what was the role of the City of Cape Town during this phase in time? Thus, how did a port authority become a land and real estate developer? The following section will trace the beginning of a process that started in the late 1980s involving the critical actors at the time, the pioneers of the Waterfront Development in Cape Town.

3.2 A Growing Idea: The Initiation of the Waterfront Development

The transformation of port land towards an urban waterfront was originally initiated by Alderman Sol Kreiner, a longstanding city councilor. When visiting successful Waterfront Developments oversea in the early 1980s he gained insights about the positive economic effects of urbanized port land. Assigned by Kreiner, Cape Towns Director of Planning Services followed to hold a presentation in front of the cities council in 1984. Supported by Jim Bryant, the planner of the Sydney Rocks development, the striking potentials for a Waterfront Development in Cape Town were elaborated. Furthermore, a report with the title: “Restoration of Cape Town as a Waterfront City” (1984) planted a seed of eventuality (Birkby, 2000: 12). And indeed, propelled by this initiative, the Minister of Transport (head of SATS) formed the Burggraaf committee in 1985. The committee was assigned to evaluate various harbors in the whole of South Africa regarding their potential for redevelopment with greater public use. Especially underperforming port facilities in Cape Town came in focus. Ultimately the Burggraaf report (1985) concluded with the words: “... a strong potential for profitable redevelopment which is compatible with the continued efficient operation of the harbor, and which would promote tourism.” (Birkby, 2000: 12). In the further discussions between the Transnet and the City of Cape Town their relation was perceived as follows: SATS represented the propitiator. The V&A company, formed as a wholly owned subsidiary and ‘for profit’ group would act as a managing developer on behalf of SATS. The City Council represented the local authority with a strong interest in increased public use and enjoyment for the area. Thus, the council aspiring a reconnection of the water edges to the adjacent city center and the exploitation of economic potential of the area. When SATS formed the V&A company in 1988, a board was created including SATS representatives as well as one City Official representing the interest of the City Council. Thus, David Jack, the former Director of Planning Services (City of Cape Town) was employed as Managing Director for the V&A company (Birkby, 2000: 13).

According to De Tolly (1990: 3), it required significant energy and initiative by the City to push SATS to plan for the redevelopment. Hereby, various seminal planning documents were produced to spur SATS to action. Notwithstanding their presence prior to any development and their active role in facilitating the port authority, the City was eager to take a step back for private parties using their “ability and energy” (De Tolly, 1990: 4) to develop the area in the future. With this aspiration in mind, the demand for a negotiated environment prior to any development aiming for complementary working factors between SATS, V&A company and the City rose:

“The need is to ensure that development derives from a public/private partnership which brings together the relevant government agencies, local authority and private sector investors, developers and publics, and which reconciles and archives their respective interests, and which positively integrates the development into the physical and institutional structures of the city”

De Tolly (1990: 4)

3.3 Towards a Negotiated Environment

Interestingly, in his elaborations, the municipal agent (De Tolly, 1990: 4) describes the efforts of the City to set up a governance structure in the late 1980s as “designing a planning approach” (1990: 4) among three critical actors: Firstly, the local authority, represented by the City Council being assigned by law to govern such development. Secondly, the government, combined by the land-owner SATS and the land-developer, the V&A company. Thirdly, the private sector represented by future investors, developers and the greater public as future users. This surprising segmentation of the critical actors will be further discussed

after establishing an understanding of the legislative background for the negotiation upon a governance structure.

The first legislative basis given by the South African Transport Service Act, No. 65, 1981 required that: "... such development shall only take place after agreement has been reached with the relevant local authority and after such consultation as the local authority may deem necessary, and if such agreement is not reached, with the permission for the relevant Administrator on such conditions as he may deem it..." (De Tolly, 1990: 4). This complicated formulation describes essentially that SATS and the V&A company had to come to an agreement with the City of Cape Town about regulatory control prior to any development start. Secondly, that the provincial authority (the Province of the Western Cape) will only start to play a role if there would be no agreement between them. And thirdly, that a compliance with the Cape Town Zoning Scheme (CTZS) was not applicable to the land.

In April 1990 the South African Transport Service Act of 1989 replaced this previous legislative act and new law was amended. This included that the City of Cape Town was now required to record a zoning for the area within three years. As the development would have been taken place outside of the ambit of normal development control, within the general Cape Town Zoning Scheme (Act No. 65 of 1981), the City Council saw the chance to steer the development in a rather facilitative way of guiding without standard zoning rights to be applied. Crucial factor of this objective was the assumption of the City Council, that the development managers of the V&A company would be in a governing role similar to the one of a city. De Tolly (1990: 5) hereby explains that "notwithstanding its 'for gain' status, [the V&A company] would find itself in an analogous position to a local authority in that it would be leasing land for private sector development and, hence, would also have to guide and control development." In other words, the responsibility to control the development was perceived as shared between general local authority and indeed the V&A company. The way development on port land was steered therefore "had to be designed to serve the respective management needs of both the Company [V&A company] and the Council" (1990: 5).

Besides the (perceived) actor constellation, time was an important factor in the negotiation upon a governance structure. Given the nature of the project, a long-term duration of twenty years was anticipated. Informed by the Department of Planning Services, the City Council acknowledged that changing market situations in real estate demands required a certain flexibility for the V&A company when it comes to granted development rights. However, De Tolly (1990) added that "the Council [City of Cape Town] have a right to some predictability as to how the Company [V&A company] and Transnet [now transitioned from SATS] would address concerns of public interests. These concerns would focus on the relation of the waterfront area to its context, attitudes to historicism and conservation, provisions for public access and use, the nature and scale of proposed development, and the provision and maintenance of services." (De Tolly, 1990: 5). A governance structure therefore had to serve both needs, planning certainty and planning flexibility. But what did that mean for the involved actors at the time? The private sector represented by future investors and property developers had to receive a certain predictability of land availability including its lease and freehold conditions. Thus, the performance requirements of for example urban designs had to be outlined before competing for the lease of the purchase of land. Furthermore, how development control including the approval of plans had to be defined. Also, the availability of services such as road access, sewerage capacity, water supply had to be set out. Apart from the predictability, a certain speed for approval procedures was aspired. These explanations show how the City Council approached the set up of the specific regulatory mechanism that defined the way private and public parties would interact in the future.

Such a regulatory mechanism was essential part of the negotiations between City Council, Transnet and the V&A company. In 1991, after three years of negotiation, the so-called Heads of Agreement was

contracted. A regulatory mechanism that was agreed upon that consisted of a number of hierarchical plans forming a package. This land-use management mechanism would later be defining for any development taking place on former port land in Cape Town. Furthermore, a first step of steering the future development of the intended area was taken. Hereby, the V&A company was provided with flexibility for its planned operation, with a basis to for marketing the lease or sale conditions for future clients in form of a “framework to facilitate and control the private’s sectors involvement.” (De Tolly, 7). This framework was worked out by the city and represented the first stage of the so-called Package of Plans.

Whereas, Transnet assigned the V&A company yet to develop the 123-ha large area of the Victoria and Alfred harbor land and water basins, the Heads of Agreement (1991) related to a far larger area of 300 ha, today declared and further described as the Waterfront area.

3.4 The Regulatory Mechanism: Package of Plans

The Package of Plans, the agreed upon land-use management mechanism represents the regulatory mechanism in used for Cape Towns Waterfront Development. Since the 1990s the approach remained unchanged in its procedural form. The ‘package’ contains plans concerning various planning levels. The responsibilities regarding these levels depend on the hierarchical level to be entered. In general, the Package of Plans acts within three scales:

1. **Time:** The plan levels hierarchy progress is conditional.
2. **Area size:** The areas to be planned decrease in size.
3. **Planning detail:** The plan level hierarchy progresses in detail.

Figure 9

The five levels of the Package of Plans

Time, Area Size & Planning Detail

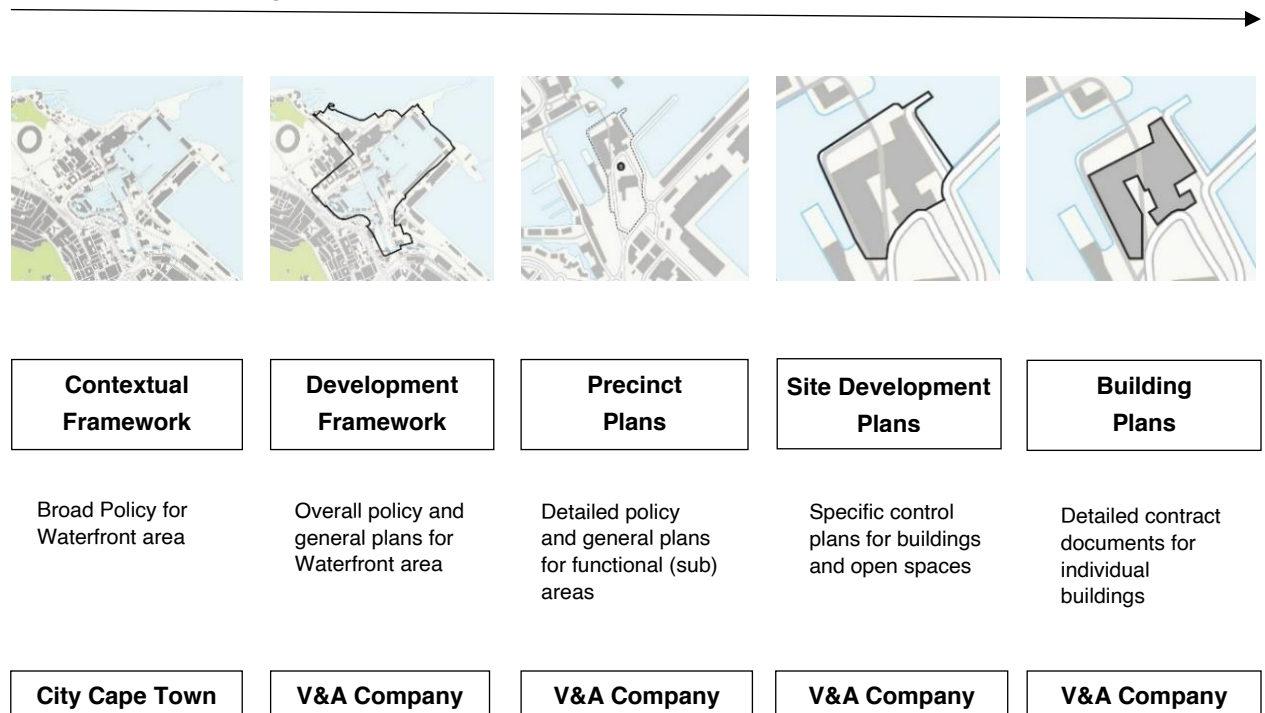


Figure 9. illustrates the hierachial system of the Package of Plans mechanims: Firstly the Contextual Framework, a broad policy framework, worked out by the urban planners of the City informing the V&A company about the spatial context of the Waterfront area. Subsequently, a Development Framework had to be produced by the V&A company, forming a policy framework for the Waterfront area as a whole. Likewise, any of the following plans the V&A company had to hand in the Development Framework to the City, approving, commenting or disproving on them. Prior to any development these stages must be performed. Anything established in a lower ranked plan has to be informed by the higher ranked plan of at least comply with what was established in the previous plan level. In the following section a deeper understanding of the different planning levels will be provided.

3.5 The Contextual Framework

The Contextual Framework, the first level of the Package of Plans, was worked out by the urban planners of the City in September 1989. As its name suggest, the document investigated the spatial context in which the Waterfront area lays. Consciously, it viewed the future Waterfront as an interface where neighboring port activities (movement of ships, containers and cargo), internal harbor activities (fishing industry and cruise ships) as well as the central city, Cape Towns urban fabric, meet. The Contextual Framework therefore provided a “broad planning and engineering overview and policy framework for those areas on or adjacent to the shoreline in Central Cape Town, including the Company’s [V&A company] area” (De Tolly, 1990: 7). Essentially, the document consisted of two main components: Firstly, a policy framework determining primary objectives. These policies were written statements: “goals, objectives and policies which spell out the Council’s [City of Cape Town] planning intentions for the land owners, developers, investors, and publics to understand, react and follow” (De Tolly, 1990: 7). The policies were formulated to facilitate and coordinate with the intention that any development “reinforces the amenity and economic value of previous investments and enhances the climate for future investments.” (1990: 7). In the following a selection of formulated objectives in the policy framework of the Contextual Framework is presented:

“ 2.2 Increase public use and enjoyment of the Central Waterfront by extending the richness, diversity and activity of City life to that area, through new residential, institutional, recreational and commercial development.”
(De Tolly, 1990: in Appendix A)

“2.4 Protect the role of existing compatible land uses and public utilities in the Central Waterfront as a source of industrial and commercial income and jobs”
(De Tolly, 1990: in Appendix A)

“2.5 Provide aesthetic, environmental and infrastructural improvements.”
(De Tolly, 1990: in Appendix A)

Secondly, a land-use and transportation context defining the at the time “present and possible future contexts in terms of land use/ transport, environment, conservation, landscape, major services and other related considerations.” (1990: 7). Whereas, the first component aimed to steer the development activity, the latter informed the V&A company about road system and the neighboring uses. The Contextual Framework is strategic by nature and is “deliberately kept as general as possible“ (1990: 7).

3.6 The Development Framework

Following the structure of the Package of Plans, the Development Framework was worked out by the V&A company, spatially translating the objectives of the Contextual Framework in a first plan map in September 1998. Likewise, the Contextual Framework the plan area addressed the whole Waterfront area. Opposed to a fixed Masterplan, the Development Framework acknowledged the planning as a process taking take several decades. The main intention at this stage was it to find agreement over a physical structure, however, being able to adapt to circumstanced change during time (Interview 2, External, 2018). In the early 1990s the V&A company hired the external urban planners of Capetonian GPA Architects and Planners for this plan level of the Package of Plans. According to Birkby (2000: 20), additionally there was a vital exchange of planning expertise and analytic documents between municipal urban planners and the V&A company during this phase. In cooperation a design analysis of the area was developed, including the surrounding road system and morphological edges to be considered. A primary internal road system was created, key installations and the strategic link between those. This was compiled in a large-scale drawing of the entire Waterfront area. To gain further insights in approaching the mixing of commercial and residential uses, a delegation of V&A company managers and assigned architects as well as a private sector developer went abroad to get informed about Waterfront Developments in France and the US. Figure 10 (on the following page) shows the approved Development Framework (II) from 1991 in full.

Most important aspect for the V&A company to be approved was the proposed breakdown of future uses and the floor area provision allowed to be developed. The future uses and the floor area provisions for them were based on a consultant study of the City a priori. These were beforehand of the Development Framework negotiated between City Councilors and representatives of the V&A company. De Tolly (1990: 9) states that during these negotiations the total floor area originally proposed by the V&A company was reduced on roughly 50%. Current Development Managers at the V&A company, explain that this approved total floor area, the so-called bulk, can be allocated in what ever way the V&A company wishes. The notion of a 'basket' filled with square meters to be used clarifies this practice. As intended in 1991 the Development Framework had and has to be "updated periodically as warranted" (De Tolly, 1990: 9) as the agreement is given "provisional on the formal revision and re-submission of the Development Framework by the Company every five years." (1990: 9). The Development Framework for the whole Waterfront area has been revised and approved by the City Council in 1997, in 2008 and in 2012. It was planned to revise the Development Framework in 2017 on demand of the City, however this has not been done yet. The revision of the Development Framework does not renegotiate the amount of bulk to be allocated but merely is updated to indicate completed or notional development (V&A company, 2012: 12). Also, the Development Framework must be revised alongside with a public participation process, this public participation was an advertisement in the local newspaper explaining the content of the Development Framework. The public could and can comment with objections. Today there is no record of objections by the public and the interviewees being involved in 1997, 2008 and 2012 could not recall any major objections regarding the revision of Development Frameworks.

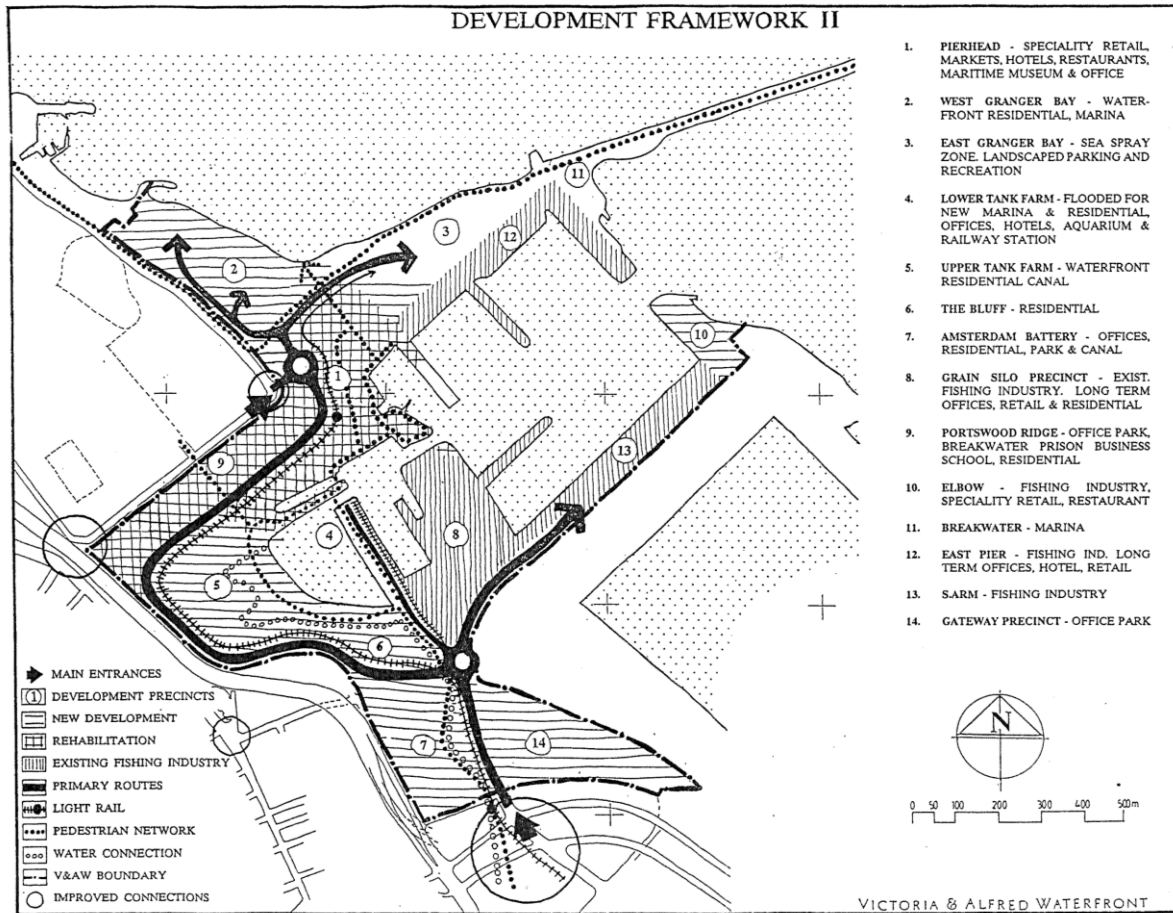


Figure 10
1991 Approved Development
Framework (V&A company: 2012: 13)

3.7 The Precinct Plans

The Contextual Framework and the Development Framework concern the Waterfront area. The Precinct Plan is the subsequent step and deals with sub-areas, the Precincts. The area was initially subdivided into 10 such Precincts. For every Precinct, the V&A company had to prepare such a Precinct Plan that had to be approved by the City prior to any development activity within the sub-area. The Precinct Plan was intended to form a “basis for determining spatial responsibilities, limitations, and rights among the City of Cape Town, the land owner (Transnet, the Company) and future lessees, tenants, investors and developers; it would also form a basis for determining more detailed zoning provisions.” (De Tolly, 1990: 9). The intention behind this was the assumption that this could take place in two possible scenarios: Firstly, the V&A company acts as a single developer regarding the planning at Precinct level. Secondly, the V&A company acts as a manager with the mandate to guide and control private sector development. In the second scenario the development parcels must be differentiated for tenders or proposal calls to be offered to the private sector. The latter never eventuated on Precinct Plan level (Interview 7, Developer, 2018). Whereas the first two levels of the Package of Plans found approval by the City Council, essentially consisting of politicians, the Precinct Plans were approved by town planning committee (1990s). Today, this falls under the duty of the municipal Department of Land-Use Management.

3.8 Site Development Plans & Building Plans

The Precincts are physically divided into manageable subsets, the so-called Site Development Plans (SDPs). The intention in the early 1990s for this approach was a planning level where the preparation of tender or proposal call packages and for marketing and lease or sale of land. Therefore, the Site Development Plans must include a description of how the SDP derives from and relate to the relevant Precinct Plan, and how to the Development Framework's objectives and key guiding principles materialize in form and function. Furthermore, this includes a description of the development area in terms of the site boundary and site parceling, including reservations for streets and public transport rights of pathways. Following that, a description of the open space provisions and requirements, safety and security, and access for physical disabled people must be elaborated upon. Finally the SDPs must include a site specific development concept: "Ground level land uses, entrances, landscape and pedestrian dedications and weather protection measures, parking, servicing and kerb cuts, bulk controls, i.e. density/ building configurations (street walls, heights, setbacks and main entrances), architectural features, i. e. materials, colors, rooftops/bulkheads, parapets, expression lines, arcades, balconies, lighting, signage, planters, exhausts, cooling units, etc." (De Tolly, 1990: 12).

Since the V&A company did already in the 1990s simply continued as a single developer themselves, certain internal resources had to be activated. According to the Developer (Interview 1, 2018) the Design Review Committee, an internal committee was brought into being for the companies' internal approval of design proposals. Today, the V&A company still operates in arrangement with such an internal committee before submission of SDPs. The Design review committee consist on local private sector experts assigned by the V&A company.

The last planning level of the Package of Plans approach are the Building Plans. Already in the 1990s the step from SDPs towards Building Plans was conceptualized as the reintroduction into 'business as usual' procedures between real estate (and/or architects) and the City based on national building law.

3.9 Zoning & the Issue of Public Space

Two important question remain unanswered when following the elaborations of De Tolly (1990): How was the Waterfront area incorporated in the Cape Town Zoning Scheme? And what influence had that on the matter of public space?

Given legal succession in the late 80s the V&A company was provided with a three-year period of grace in which the developer was allowed to make a "flying start for the new Waterfront" (Birkby, 2000: 18). During this period, no zoning rights were attached to the development process, that means that the Development Framework was the only guiding document. In 1993, simple zoning rights which 'float' (bulk can be moved around) were assigned to the Waterfront area and precisely allocated in later levels of the Package of Plans (Birkby: 2000: 18). Since then a whole of 605 000 square meters allowed to be allocated as gross floor area on the Waterfront area served and serve the V&A company as outline (Developer, Interview 3, 2018). Figure 11 shows today's zoning assigned to the Waterfronts areas.

In contrast to Cape Town's central city, streets, sidewalks or other open spaces are therefore not zoned as their respective public space types in the CTZS. Instead, the Waterfront area was zoned as V&A Waterfront Development Area, a critical point of negotiation between City: "In their mind the whole Waterfront had to be formalized. And that was a clash. But they finally accepted over time that this is the way these Waterfronts work. I think City Officials went to the Baltimore Waterfront to review an at that

time successful Waterfront. And they came back convinced that Cape Town could do it as well” (Developer, Interview 7, 2018).

The position of the V&A company regarding the discussion upon public space was enforced by the single owner situation. Public spaces were to be planned, financed, built and managed by the V&A company themselves (Birkby, 2000: 13). 25 million ZAR of the 63 million ZAR initial investment, granted by Transnet went into infrastructural elements. One can argue that the undifferentiated zoning status within the Waterfront area carried risk on the quality on public space, then again, the investment ratio regarding infrastructural elements arguably shows the Development Managers attitude towards the importance of public space at the time. The employment of former municipal urban planners as development managers at the V&A company, appears retrospectively to be crucial in that matter (Birkby, 2000: 13).

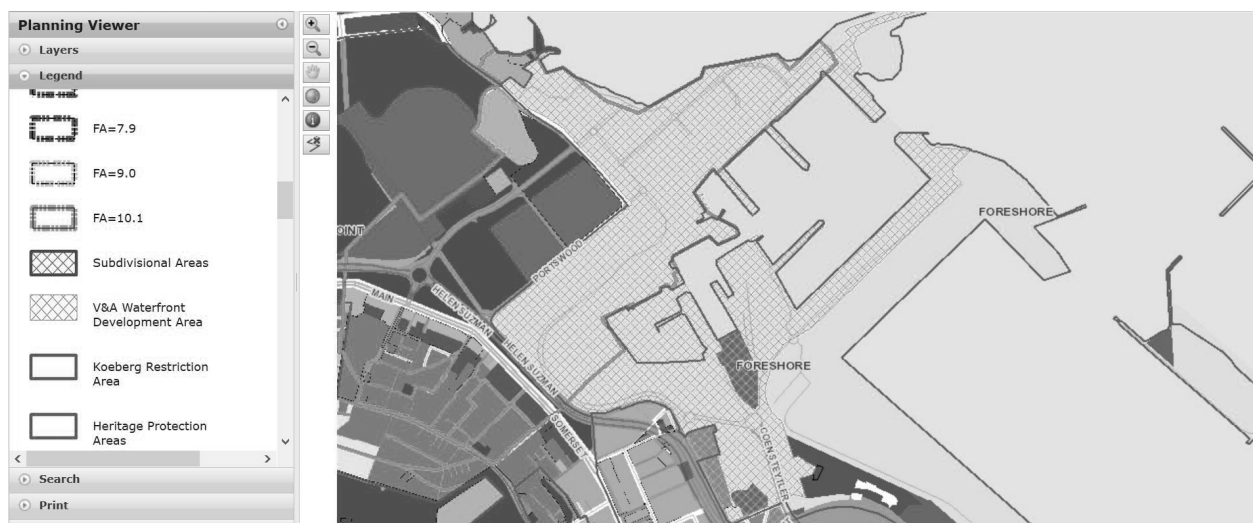


Figure 11
1991 Approved Development
Framework (V&A company: 2012: 13)

3.10 Mapping Actors and Arenas

This Episode (1) elaborated on two overlapping processes: Firstly, the initiative actions taken for Cape Towns Waterfront Development by various critical actors during the late 1980s and early 1990s. Secondly, the pathway of these critical actors towards a negotiated environment with the objective to determine how the future interaction and regulation between them should take place.

Initiative actions

The critical actors in the first process can be compound into two main groups, the City of Cape Town and the governmental agency Transnet. Within and between these groups individual efforts often activated the ambition of others, a tendency that pervaded throughout the entire initiation process: Based on other successful Waterfront projects the discussion among such a development for Cape Town as a catalyst project with an aspired trickle-down effect for the whole city lead an Alderman of the City Council to entertain the possibility. Supported by external experts (the Australian Waterfront Planner), the City’s Department of

Planning Services provided analyses about the potential economic effects, which triggered first real interest by the land-owners (SATS/Transnet). Given these stimuli the Minister of Transport and head of SATS/Transnet extended the view on possible Waterfront Developments overall of South Africa, responding to the immense portfolio of possible locations. The so called Burggraaf Report had the crucial factor to specifically localize the future Waterfront area in Cape Town and to further stimulate forming a business unit, the V&A company acting as a managing developer for this area on behalf of the owner party. Table 4. clarifies on the one hand the objectives towards the project by the key actors. These objectives are based on their individual orientation what ultimately is aspired to be achieved with the project. On the other hand, table 4. illustrates the initial negotiation position of these actors.

Table 4
Development Orientations and Negotiation Positions

Actor	Development Orientation	Negotiation Position
Aldermen of the City Council	<ul style="list-style-type: none"> Reconnecting the city with the water edges with a publicly accessible Waterfront Economic Effects: Employment creation and trickle-down effect for the rest of the city. 	<ul style="list-style-type: none"> Urban Authority: By law obliged to govern potential Waterfront Development Knowledge: Study trips to other projects overseas. Activating expertise of the Department of Planning Services and external experts.
Department of Planning Services	<ul style="list-style-type: none"> Reconnecting the city with the water edges with a publicly accessible Waterfront Economic Effects: Employment creation and trickle-down effect for the rest of the city. 	<ul style="list-style-type: none"> Expertise on spatial, societal and economic context of Cape Town. Use of external experts
SATS/Transnet	<ul style="list-style-type: none"> Economic potential of urban functions on port land when transforming underutilized land. 	<ul style="list-style-type: none"> Land-owner Governmental agency and as such beneficiary of legislation regarding spatial transformation on their land (outside of municipal Zoning Scheme). Activating expertise of the Burggraaf committee.
Burggraaf committee	<ul style="list-style-type: none"> Exploring economic potential of Waterfront development on behalf of SATS/Transnet. 	<ul style="list-style-type: none"> Expertise in Waterfront Development and thus knowledge on status of utilization of port land of Cape Town.

The second process described unfolded as the pathway towards a negotiated environment between two main compound groups. This process started with the formation of the V&A company and was finalized with the tripartite contract, the Heads of Agreement. Next to the initial negotiation position, the perception of the Department of Planning Services and the City Council towards the role of the V&A company in the future gave direction on how these negotiations resolved. Table 5. illustrates the perception on a future governance structure and the position of the critical actors within these negotiations.

Within the three-year negotiation period the Package of Plans mechanism, the Contextual Framework and the Development Framework for the Waterfront area were worked out. Biggest hurdle or impasse was the formalization of the to be developed land and its implication on the notion of bulk as well

as the meaning of public space. This impasse was resolved in favor of the V&A company who ultimately reached that the whole area would be classified as a mixed-use area without differentiation between public and private space.

Although both processes were analyzed separately they overlapped time-wise and in their function for Cape Town's Waterfront are highly connected. Figure 12 therefore illustrates the arena of critical actors for these two processes combined. Hereby, figure 12 includes individuals and compound actors as well as the respective documents prepared by them.

Table 5
Perception of Future Governance and Negotiation Position

Actors	Perception of Future Governance	Negotiation Position
Aldermen of the City Council & Department of Planning Services	<ul style="list-style-type: none"> Package of Plans as a land-use management mechanism giving planning certainty for the City The Contextual Framework as an ultimate steering opportunity for the City Perceiving the V&A company as a hybrid between for profit developer and governing body themselves. 	<ul style="list-style-type: none"> Authority over Cape Town Zoning Scheme Critical party of Heads of Agreement (South African Transport Service Act of 1989) Contextual Framework / seminal analysis documents
SATS/Transnet & V&A company	<ul style="list-style-type: none"> Package of Plans as a land-use management mechanism giving planning flexibility. The Development Framework as self guiding principles for the whole area 	<ul style="list-style-type: none"> Land-owner & future development managing company Critical party of Heads of Agreement (South African Transport Service Act of 1989) Development Framework External expertise

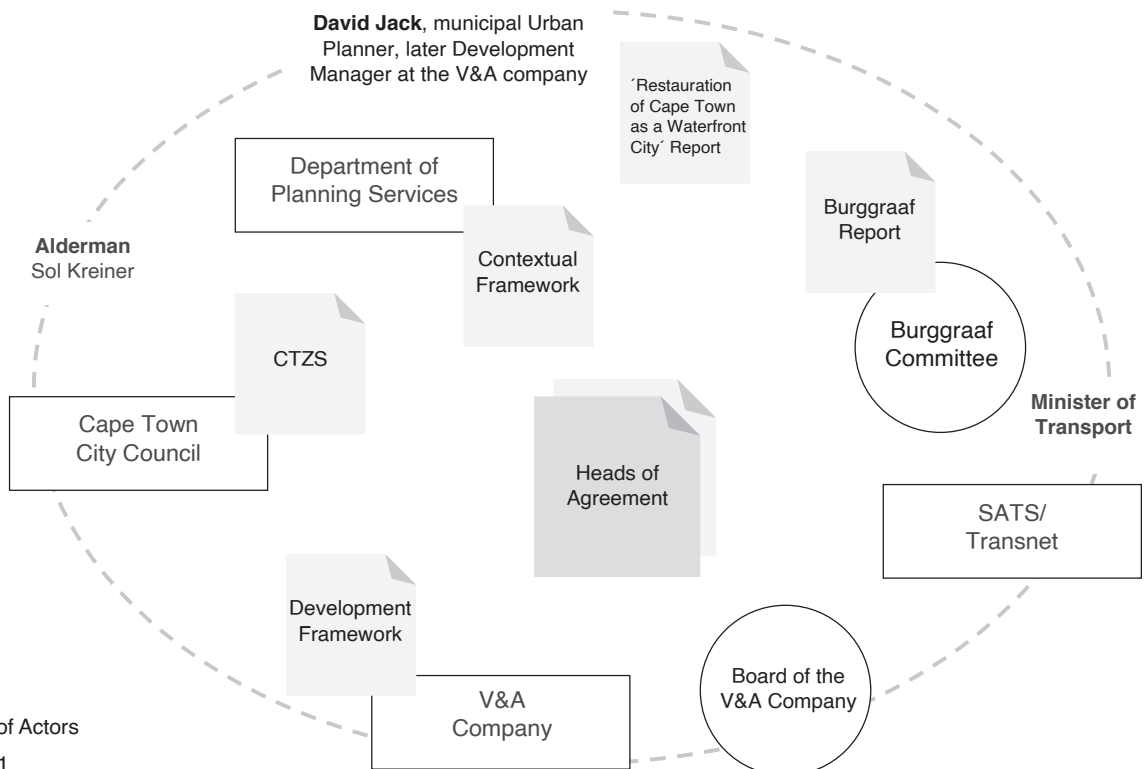


Table 12
The Arena of Actors in Episode 1

Figure 13

View on the Collier Jetty (Silo District)

Own photography



4 The Silo District Project

This chapter represents the second of three episodes in which Cape Towns Waterfront is studied. The episode has the purpose to investigate the Project-related Governance Process of a completed project on Cape Towns Waterfront, the Silo District project. By intention the second episode builds on the knowledge established in the previous episode and shows how the set-up governance structure transposes in today's practice. The episode hereby captures both, initiation and planning done by the V&A company as well as the actions of the public sector represented by various municipal and provincial departments. Thus, the influence of changing ownership of the land and company is explored in regard on the planning processes. Also, the influence of other stakeholders such as the port authority, the local fishing industry and neighboring residents is studied. In sum, the episode captures the interaction between these actors and their influence on the planning process as well as the outcome, today's Silo District.

4.1 Identifying a new Area for Growth

Since the initiation of the Waterfront in the early 1990s (Chapter 3.) various sub-areas have been activated as Precincts. Furthermore, residential, commercial and entertainment uses have been accommodated throughout the area after Site Development Plans and Building Plans have been approved. In 2010, the V&A company searched for the next opportunity for the Waterfront to grow. Going through this process of identifying the next growth node, one sub-area caught the interest of the developers. The area, historically called Clock Tower Precinct was determined to be the most favorable zone to expand. The area held an activated Precinct Plan (1999) and thus, several Site Development Plans and Building Plans enabled the V&A company to deliver the B.O.E headquarter building (today Nedbank), the Clock Tower center (Retail & Offices) and the Robben Island cruise terminal around the millennial turn. However, these applications only occupied the frontal part of the Clock Tower Precinct. A large part of the area was still undeveloped. Two major viewpoints triggered further thinking for the development managers: Firstly, the land was underutilized and with mainly parking space, it served a far poorer use than potentially achievable. Thus, centrally positioned a heritage landmark, the vacant grain silo, began to decay. Secondly, the long-term goal of the V&A company was it to connect the Waterfront with the city center of Cape Town. Geographically, the Clock Tower Precinct hereby represented the next step of the Waterfront to grow.

Table 6

Clarification: Precinct and District

	Phase I: Before 2010	Phase II: After 2010
Planning	Clock Tower Precinct	Clock Tower Precinct (Amendment in 2013)
Public Marketing	Clock Tower District	Division of the area into Clock Tower District and Silo District

Table 6. clarifies on the labels in use naming the area. As suggested the development on the area can be subdivided into two major phases. The first phase concerns the planning, design and construction of the northern part around the historic Clock Tower in the early 2000s. During this phase all attention was concentrated on the old clocktower being the icon and heritage landmark in the area. In this chapter (4), subject of interest is however the second phase: The Silo District as a completed project starting from 2010. Whereas in the previous episode the focus was set on how a governance structure has been established, this following episode particularly stresses how this structure transposes within the Project-related Governance Process of the Silo District. The portrayal of the development process will be used as a narrative alongside. Given the jump in time between the first and the second episode, a few significant changes have occurred regarding the ownership of the Waterfront property and real estate as well as the V&A company itself. Info Box 3 provides insight on these changes.

In 2006, Transnet sold the Waterfront area to an at the time ultimate South African property sale record of 7 billion ZAR. In is explained (Interview 1, Developer, 2018) explains that the “Waterfront was sold because the owner, Transnet were no experts in real estate. Operating ports are their business and operating a mixed-use area exceeded their core function. They believed at that time that they got it to a good stage to exit and they believed making a good price by selling it.” The new owners were a joint venture consisting of the Dubai World investment company, the Istithmar PJSC (37,5%), London & Regional Properties (37,5%) and the South African Black Economic Empowerment Consortium (25%) (Van Zyl, 2013). The V&A company stayed operator of the Waterfront, however the planning of new developments was outsourced to the new owners planning units (Interview 1, Developer, 2018). In 2007 the consortium announced their ambitious plans for the future which mainly consisted of a Masterplan illustrating a densification of the area, the introduction of a high-end shopping center and the further extension of the area. However, with the global financial crisis the ambitious plans of the consortium came to naught.

The “V&A company was dramatically scaled-down. During this period, the original idea and vision of the waterfront however did

not change. When owned by the port authority the progress went quite slowly because it was driven by a committee. When London and Dubai [the new owners] came in, they changed the whole management structure within the V&A company, the whole project became much more commercially orientated. Much less people doing much more. A big shift in the speed of development and the agility of the company. The waterfront as a project did not change, rather the way how to achieve it. However, there was a GAPP [South African architecture company] and Atkins [UK based multinational design, project management and planning company] vision as a Masterplan, searching for density and removing a lot of what the waterfront was and is “ (Interview 1, Developer, 2018).

In 2011 the Waterfront was sold back into South African ownership. The new and current owners are the Government Employees Pension Fund (GEPF) represented by the Public Investment Cooperation (PIC) together with Growthpoint Properties Ltd. who payed a price of 9,7 billion ZAR. The new ownership allowed the V&A company to become planning and developing entity again, which resulted in a re-thinking of the inherited plans of the previous owners. “In 2010 when they left the company, we just got rid of this masterplan” (Interview 2, Developer, 2018).

Info Box 3
Changes in
Ownership /
Shareholder

4.2 A Masterplan without use

The existing Masterplan for the Waterfront area intended an extension of big box retail on the Precinct. Creating another large retail zone was however not in line with the vision of the V&A company anymore. Therefore, the developer began to question the intentions of the Masterplan document in 2008 (Interview

5, Developer, 2018). They realized that they neither wanted retail uses on the area nor was there a demand of retailers in Cape Town wanting to be allocated in this part of the Waterfront. Retailers clustered in the existing malls meeting the market demand in full at the time. Instead the developers aimed to “create a more urban experience” (Interview 5, Developer, 2018), turning the retail strategy on its head. Next to the questioned use, the planning at the time indented a surrounding one-story high podium that would have “buried the grain silo” (Interview 7, Developer, 2018), being a major historically relevant structure within the remaining land on the Precinct. Thus, this podium would have been primarily devoted to parking.

4.3 The V&A Workshop in 2010

Responding to the mismatch between the given program (retail strategy) and urban design as well as the growing new vision of the developers for the area, a workshop was organized in March 2010. With the objective to come up with new ideas serving the new direction imagined by the V&A company, internal development managers and urban planners met together with local urban designers, architects and property developers invited to collectively generate new ideas for the area. Thus, representatives of the shareholder group (Dubai World and London & Regional) were present. The main purpose was the reconceptualization of the Clock Tower Precinct towards a more urban environment being largely commercial orientated and dragging the Waterfront in the direction of the CBD: “We wanted to create an office environment that is attractive for commercial tenants but in a way that hopefully with enough other mixed-uses around it, it wouldn't feel like a commercial district.” (Interview 5, Developer, 2018)

Within the workshop, the V&A company and the invited experts identified the old grain silo in the center of the area as the ‘hero’. The building fell out of use in 2001 and since then remained vacant. Whereas the planning before the workshop turned its head at the historical structure, the developers aspired to celebrate the building by creating an urban design that promotes the prominence of the building within the area. Thus, the V&A company decided that the building should become a museum.

Since the workshop was intended as a first idea fabric and given the existing development rights (Precinct Plan 1999) an engagement of public parties was perceived as rather disruptive then beneficial. This strategic decision was based on the desire to have a comprehensive planning in mind before engaging with the local authorities (Interview, Developer, 2018).

4.4 The Precinct Plan Dilemma and a Potential Tenant

After the workshop in 2010 it became clear that the new ideas for the area would clash with the current development rights approved in the Precinct Plan from 1999. To much of the space arrangement of the late 1990s contradicted with the now much denser intended building masses. Thus, this dense area would carry a much higher amount of bulk allocated in the area. This caused a dilemma for the developers between pursuing their new ideas and the strong disinterest in a time-consuming process of a Precinct Plan Amendment. Commercial and residential uses were already permitted in terms of the Development Framework. However, an Amendment of the Precinct Plan would enable the redistribution of further development bulk and therefore the reallocation of rights to physically defined areas (V&A company, 2010: 14).

At the time the workshop took place (2010), the V&A company had already been in discussion with the investment management company Allan Gray. The company had been long-term tenant of various buildings on the Waterfront. Due to their rapid growth, Allen Gray were looking to join their divided office accommodations into one head office staying located at the Waterfront. In discussions with this potential

future tenant, the vision for the Silo District was elaborated and the intend to accommodate Allan Gray offices in the first building was contracted. “Allan Gray bought into the vision of the Silo District and the construction commenced in 2011, completing in 2013” (Architect & Builder, 2018: 20).

The next step that the V&A company took was crucial in the way the Project-related Governance Process for the Silo District did unfold: “It was on the cusp” (Interview 7, Developer, 2018). Since the time pressure given by the tenant’s urgency to move and the anticipated lengthy process of the Amendment, the V&A company decided to submit Side Development Plans and consequently Building Plans for the first building before an Amendment of the Precinct Plan. Both Package of Plan stages were responding accordingly to the requirements set out in the Precinct Plan of 1999. For the moment, the developer strategically cut out a process of lengthy interaction with the provincial authority, the City and the neighboring port industry as well as nearby residents. As a result, the first two buildings (Silo No. 1 and No. 2) were constructed based on the development rights of the existing Precinct Plan. At first glance, this strategy might contradict the hierarchical order intended by the Package of Plans procedure, however according to the developer, Precinct Plans often get informed by the energy of a specific building project. This iterative back and forth between plan levels to be approved is certainly influenced the possibility of an organic growth of built structures in general.

As a result, the first engagement with the City in the realms of the Silo District project solely concerned activities on site and building level. In so called pre-application discussions, the V&A company approached the Department of Land-Use Management (District: Tableview). The department acts as a principle agent on behalf of the City Council in decision making on plan approvals regarding Precinct Plans and Site Development Plans. Thus, the subordinate compartment of Building Development approves Building Plans.

In the initial meeting for the Site Development Plans respective building masses, distinctive design features, the intended use and the intended sustainability measures (LEED Platinum equivalent) were presented. The Department of Land-Use Management mainly evaluated if the intended Site Development Plan comply with what was established in the existing Precinct Plan (Interview 6, City, 2018). In general, the department agreed with the presented planning for Silo No. 1 and No. 2, however advised the developer to consult with the Department of Urban Design and Spatial Planning.

In consultation, the urban designers criticized the intended height of the building, blocking the view from the rest of the Waterfront area on the grain silo. Then again, the building heights in the Site Development Plans and Building Plans aligned with what was already established in the Precinct Plan of 1999. As a result, this discontent was formulated but eventually overruled and the V&A company could progress with the Building Plans. Ultimately, the Silo No. 1 building was constructed in 2011. At the same time the Silo No. 2 building, being abutted to No. 1 was constructed. This residential building was the first allocation of dwellings on the Waterfront since the neighboring Marina was built in the early 2000s. In contrast to the gated community, the Silo No. 2 building offered a more urban living and was directly located next to the Collier Jetty and the local fishing industry. Similar to the the Marina, the dwelling units developed are in the high-price segment.

In retrospect the Silo No. 1 and No. 2 buildings became catalyst for the direction and ambition of the rest of the Silo District project. The building project “had a real energy and financial rational to it. [...] Sometimes you got a tenant for a major project and you can’t let those go. [...] Once you got such a blue-chip anchor tenant, it sets the scene for the rest of the Precinct and raises the bar in terms of the quality of the environment one has to deliver.” (Interview 7, Developer, 2018). In the following section the negotiations between the V&A company and the various municipal departments in the subsequent years will be described.

4.5 Towards the Precinct Plan Amendment

Sparked in the workshop in 2010 and fueled by the impact of Silo No. 1 and No. 2, negotiations targeting an Amendment of the existing Precinct Plan took place between 2010 and 2013. With the enthusiasm of the developer towards the new planning intentions the development managers of the V&A company soon realized that a consent with the City on a new Precinct Plan was required (Interview 6, City, 2018). Again, one department was the first point of approach: As soon as the V&A company had a concrete direction in mind, the developer approached the Department of Land-Use Management. In the case of the Precinct Plan Amendment, the Land-Use Management Department intensified their position of approving entity and distributor regarding the to be consulted municipal departments: “When the V&A wants to develop property, they come to us first, because they need to understand what concerns we have and what issues arrive that they did not considered yet. Then we would say which further departments to involve: Urban Design, Traffic & Transportation or Bulk Services.” (Interview 7, City, 2018). Figure 13. illustrates this organizational structure between the approaching developer and the differing role of the municipal departments.

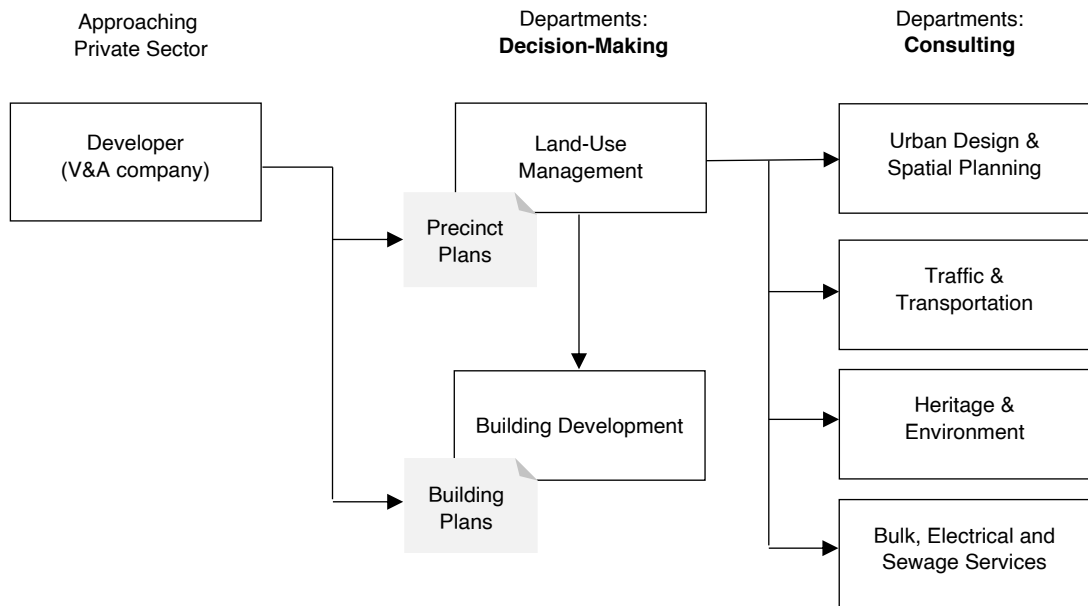


Figure 13
Organizational structure between the municipal departments

Land-Use Management: Initial Conversations

In 2010 the V&A company approached the Land-Use Management department for the first time regarding a Precinct Plan Amendment and the associated novelties. In the so-called Initial Conversation, the developers presented the idea to accommodate the plans of a dense urban area with office and residential functions as well as ground floors with restaurants and cafés. Switching the focus towards the old grain silo in a reuse and transformation building project and the move towards the city center attracted the interest of the senior managers at the Land-Use Management Department. The two main issues and in fact major reason of the Amendment concerned the additional bulk to be allocated on the area and the reuse plans of the grain silo. Given the impact of such a densification and reuse ambitions, the department assigned the V&A company to consult the Department of Urban Design & Spatial Planning, the Department of Traffic & Transportation, the Department on Heritage, the Department of Environmental Affairs as well as bulk, electrical and sewage

services. Each specific municipal department had to understand how the developer's plans would affect the area and its surroundings on their field of expertise. Ultimately the departments would report back to the Department of Land-Use Management.

Bulk Deal

The desire of the V&A company for additional bulk was the main concern within the negotiations between the Land-Use Management Department and the developer. In accordance with the mentioned departments, the Land-Use Management had to obtain full insight in the impact of these demands. Based on the input of the other departments, a deal was worked out as main part of the Precinct Plan Amendment submission:

Firstly, the amount of 92 500 m² permitted by the Precinct Plan of 1999 was increased to a new total of 110000 m². This was motivated by a desired critical mass of residential and office units in regard to the close position to the city center. Secondly, the in the existing Precinct Plan 10 000 m² to be allocated by reusing the grain silo building were entirely taken from any recording in the area. Precisely, this meant that the square meters allocated within the future grain silo building would not count as part of the allowed basket of square meters within the Precinct. This second component of the deal was based on long lasting negotiations with the Land-Use Management department. The V&A company motivated their demands with the financial burden alongside a reuse of the old grain. The idea and yet the early design stages of the building pleased the Land-Use Management department. Thus, the V&A company explained that the intended use of a museum would not yield the profit needed to argue for the high costs, however they aspire to develop an iconic building with the use of a museum for Cape Town. This reasoning was indeed convincing for the department. In the following conversation with the other departments, the following opinions concerning in their field of expertise were raised: Urban Design & Spatial Planning had to safeguard that the additional bulk triggering additional building masses would align with the City's urban design principles. Transport & Traffic had to make sure that the additional traffic triggered by the additional future users would not exceed the capacities of the respective streets, Dock Road and South Arm Road. Finally, the municipal Heritage Department had to make sure that the reuse of the grain silo would align with the municipal heritage legislation.

Urban Design

During the pre-application discussions for the Precinct Plan Amendment, the V&A company specifically engaged with the Department of Urban Design and Spatial Planning. Supported by the external urban designers of City Think Space, being already engaged with the developers in their workshop, the designed space arrangements were presented to the department. The design was keenly encountered by the municipal urban designers: "We liked the setting of the plan, but we gave them advice on what connections should be made, so we helped them to shape that a little" (Interview 8, City, 2018). Hereby, the municipal urban designer strongly promoted the active building edges with the objective to enhance the potential for the vitality of the Silo District. Likewise, other advisory comments, the V&A company had to decide to what extent they follow this advice. It is important to understand that this 'extend' to which certain measures, e.g. the activity of ground floor levels of buildings, is left to interpretation by the developer. Meaning, there is no specific minimum or maximum to be achieved.

Yet it is unclear if in terms of design issues an active engagement by the municipal agents is desired by the City or not: "they don't initiate such concepts, but they respond creatively to what we put on the table" (Interview 7, Developer, 2018).

Traffic & Transportation

One major concern when increasing the to be allocated bulk in the Silo District was the additional traffic produced by the additional future users. As assigned by the Department of Land-Use Management, the V&A company consulted with the Department of Traffic & Transportation. In the negotiations with the department, the V&A company essentially had to prove that the capacity of South Arm Road and Dock Road would serve the area sufficiently in regard to the new demands. This had to be tested in a Transport Impact Assessment (Trip generation, parking requirements, public transport, relocation of South Arm Road roundabout) as part of the Precinct Plan submission. The external company Arcus GIBB was assigned by the V&A company to conduct this analysis. The result of only 10% increase of peak hour trip generation was used in the developer's argumentation in favor of the bulk increasement. The calculated 25% increase of parking demand in the area were covered by the underground parking underneath most of the district's building plots.

Furthermore, the Transport Impact Assessment recommended a location on the area for a bus station of the municipal MyCiTi public transport system. The negotiations between the developers and the Department of Traffic & Department ran however into difficulties, due to continuing disagreement where the bus stops should eventually be located in the area. In general, the cooperation between the developer and the department appears to be difficult. Thus, alongside with the Silo District project the City's bus depot was built in the direct neighborhood, effectively blocking a major connection corridor between Silo District and city center.

4.6 The TNPA and the Fishing Industry

The City's concern on the additional traffic was mostly rooted in the potentially negative impact this would have on the infrastructure that the Silo District shares with the adjacent port. This section will look closer in the general engagement of the V&A company with the port authority.

Since the sold-out of the Waterfront in 2006, Transnet's or to be more specific TNPA's (Transnet National Port Authorities) status changed from shareholder to stakeholder. To fully comprehend what their stake in the project was and how they influenced the Project-related Governance Process, one must investigate the land ownership and leasehold agreements between the V&A company and TNPA. Whereas the lines between Waterfront and port appear to be clear since 2006, certain geographical overlaps still occur. Firstly, the Silo District is situated in direct neighborhood of the main port entrance. Hereby the two areas are divided by South Arm Road. Both areas therefore share the road and eventually its capacity. Furthermore, TNPA holds a lease on the Syncrolift, a dry-docking system used to lift vessels out of the water when repair is needed. The Syncrolift is directly located next to the Silo District and one of the few land parcels still used for port operations land operated by the V&A company. Furthermore, the yacht construction company Southern Wings is located on the Silo District. Both the TNPA with the Syncrolift and Southern Wings are leasing the land and built structures from the V&A company. Thus, the Collier Jetty and the Fish Quay, officially part of the Silo District, are used by the fishing company I&J Fishing.

Despite the shared use of land within the Silo District itself, the engagement as part of the project between port, fishing industry and the V&A company was introduced by a presentation taking place in November 2011. Hosted by the V&A company, intended changes to be amended in the Precinct Plan, were presented by external parties assigned by the V&A company. Firstly, the urban designer from City Think Space presented the new Urban Design. Secondly, a representative of Arcus GIBB, presented the impact of the new development on South Arm Road. Invited for the presentations were the stakeholder representatives:

the neighboring Cape Grace Hotel, Nedbank (BOE Building) as well as representatives from TNPA for the port industries and the FPT Group and I&J Fishing (latter did not attend) for the fishing industry. As part of the Precinct Plan procedure, the invited parties had the chance to comment on what was presented and raise objections, which later had to be included in the Precinct Plan submission. Greatest concern was addressed on the additional traffic produced on South Arm Road and its potential effect on the port-related road use. Especially the need for an additional roundabout, which was part of later discussions between TNPA and the V&A company triggered lengthy discussions after the presentations. “It took one and a half years to agree on a double roundabout, which is what we ended up doing. So that was our engagement with the port“ (Interview 5, Developer, 2018).

The specific concern on additional traffic on the shared road was at the time the most urgent tension between port authority and developer. Retrospectively, TNPA however expresses doubts in a trouble-free coexistence between residential uses located that close to land in operative port usage. Residents today begin to complain and, in some cases, initiating judicial disputes based on perceived noise pollution. This tendency triggers concern with the City: On the one hand it is desirable to allocate residential units, on the other hand since not all residential share the vision of a working harbor in combination with the urban uses, conflict is triggered. The fact that TNPA only leases the land from the the V&A company does weaken their position of negotiation. Ultimately, TNPA must trust that the developer continues to safeguard their interest.

Substantially more addressed in the planning of the V&A company was the fishing industry located on the Silo District. The continuously successful allocation of fishing industry related activities in combination with the proposed commercial development was addressed by raising the main pedestrian level to ± 7.6 meters MSL and incorporating two levels of parking below podium level. This principle for the Silo District has “enabled uninterrupted fishing industry activity at the Fish Quay, Cross Berth and East Quay in conjunction with commercial uses and public pedestrian routes at podium level” (V&A company 2010: 15).

4.7 Public Participation and the Marina Home Owner Association

Public Participation has been historically limited in Cape Towns Waterfront Development. The notion of public participation was addressed when the Package of Plans was created in the 1990s and remained yet unchanged. For the Silo District project, the above-mentioned presentations were specifically targeted for the industries linked to port and harbor. Alongside these presentations the V&A company invited the Marina Home Owner Association (MRHOA) for a similar meeting. As already mentioned the Marina, has been built after the millennial turn and was prior to the Silo District project the only residential area.

Following the presentation and thus further information shared with the MRHOA, severe objections reached out to the V&A company. Especially, the additional traffic and the intended building heights were criticized: “The Homeowners were quite negative with their comments, so the city had to make sure that there was not any blowback from them approving. So, they wrote a letter to every single resident of the Marina and asked them to comment on what we were doing” (Interview 7, Developer, 2018). Responding to these concerns the Department of Land-Use Management assigned the V&A company to conduct an analysis on how views will be interrupted by what buildings. Based on this study the V&A company had to argue in favor of their planning in the Precinct Plan Amendment.

4.8 Engagement with Heritage Western Cape

Beside the City of Cape Town, there was another authority included in steering the Silo District project. Based on the National Heritage Resources Act (Act 25 of 1999) any to be developed site in the province of Western Cape that exceeds a size of 5.000 m² requires a Heritage Impact Assessment (HIA). The V&A company hereby engages with the external expert Nicolas Baumann Urban Conversation and Planning preparing statement documents that establish heritage indicators to be addressed in the V&A company's planning. In case of the Precinct Plan Amendment the planning and how the developer responded to the heritage indicators had to be approved by the Impact Assessment Committee of the Province. Unlike the municipal heritage department there is no option for the developer to personally engage with provincial agents. Hearings and decisions only take place in front of a periodically meeting committee. In the case of the Precinct Plan Amendment that had the consequence that this approval process commenced in July 2010 and final approval was obtained only 15 months later.

There is a fundamental difference in perception on what the role of preservation of building structures on the Waterfront land is. This disagreement is especially traceable in the Silo District project: Heritage Western Cape perceives the Waterfront area itself as a heritage landmark. Therefore, the provincial agents treat any new development plans of the V&A company with immense caution (Interview 7, Developer, 2018). The developer in contrast only acknowledges the heritage value of particular sites or built structures. This difference in perception did not only cause impasses during the Precinct Plan Amendment. Especially regarding the reuse of the grain silo building and the required approval of the provincial committee for the Site Development Plans, long lasting negotiations inflamed (Interview 7, Developer, 2018).

4.9 Precinct Plan Amendment 2013: Organizational Process

The last sections elaborated on moments of cooperation and conflict between the V&A company and the departments of the local authority, thus the interaction with the port authority and other neighboring stakeholders as well as the engagement with the provincial authority. The described processes were necessities prior to the final submission of the Precinct Plan Amendment in 2013 as the approval was determined by the way the developer would address the issues emerged. Figure 14. illustrates the organizational structure behind the decision-making process. As indicated the Land-Use Management Department acts as the principle agent. As such the department compiled the comments of the other departments involved, preparing a recommendation report for the so-called Spatial Planning Environment and Land Use Management committee. The committee in 2013 was composed of (elected) community - and higher city politicians. The report of the Land-Use Management Department had to educate the politicians on what they are deciding upon. As such it was a supplementary report. Thus, it gave a final recommendation. It needs to be noted that the event of a decision contrary to what is recommended is unlikely. In the case of the Silo District that recommendation was positive, and the committee approved the plan. Essentially, the Land-Use Management Department holds the most significant role in the decision-making process on the Amendment of the Precinct Plan.

After the Precinct Plan was amended, the Site Development Plans and the Building Plans were submitted. These submissions were again product of the same process however excluded the engagement with the port authority or other neighboring users. Especially the reuse of the grain silo building demanded various meetings with both, provincial and municipal heritage departments. Additionally, the V&A company increased the height of Silo No. 3 during the Site Development Plan process. This increasement in height

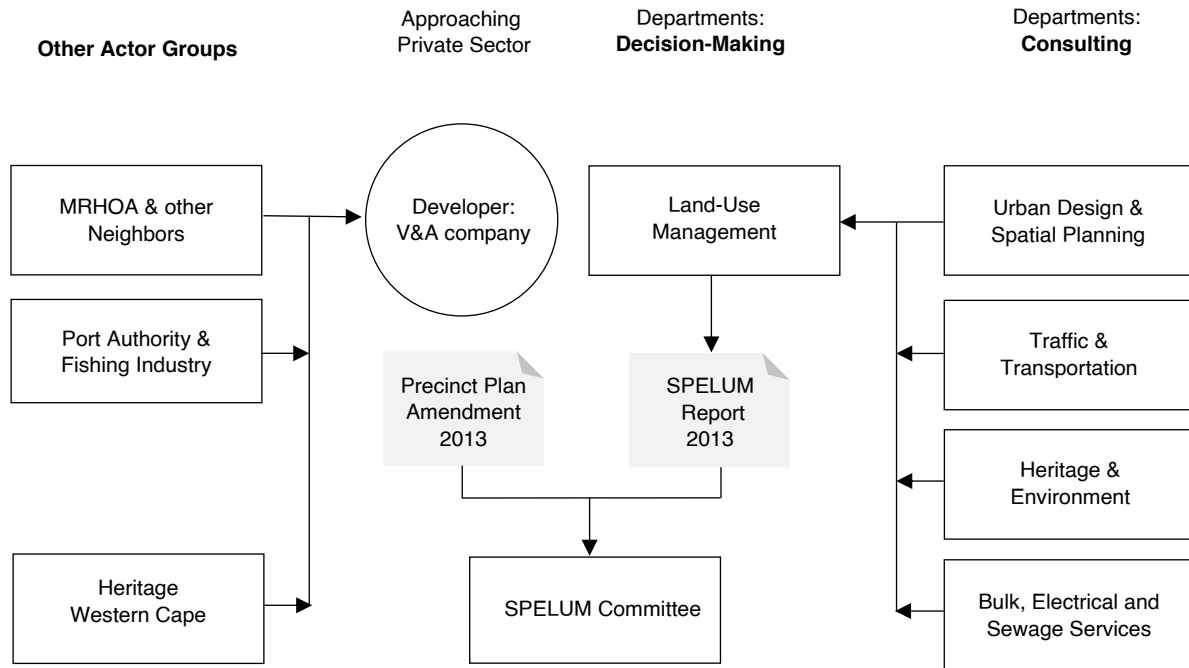


Figure 14

Organizational structure between the actors for the Precinct Plan Amendment

triggered again objections by the MRHOA. In the end, this conflict was solved through litigation (mayoral committee). The judicial dispute was resolved in favor of the developer.

4.10 Mapping Actors and Arenas

This chapter (4) followed the development narrative of the Silo District project. The focus was set on the Project-related Governance accompanying this process. The investigation specifically examined the Precinct Plan Amendment due to its planning scale and its value of insight. The composition of critical actors has considerably changed in comparison to what was described in the previous chapter (3).

The V&A company is acting as a single developer for the Silo District staying the 'gamemaster' from idea generation, obtaining development rights, inquiring future tenants, up to assigning designers and contractors. Hereby, the developer is bound to long-term revenues for the shareholders who did change during over the course of the project. It is notable that the V&A company aspires to be market leader in all their development outcomes. This manifests in the developers demand to commission internationally known architects or recognizable sustainability certificates for their buildings. Ultimately this is reflected in the price segment of office and residential space.

Given the fact, that the V&A company historically retains their interest in promoting a working harbor on the Waterfront, the fishing industry benefits from the developer's considerations in the Precinct Plan Amendment. This beneficial relationship however also created dependency for the fishing industry. Lesser dependency can be related to the port authority. TNPA's engagement in the Silo District project regarded only the shared infrastructural elements.

The provincial authority, Heritage Western Cape is the main authority regarding heritage issues. Their position is based on the required approval on both Precinct Plan - and Site Development Plan level. Especially, regarding the grain silo building it became visible that they treat changes in buildings with extreme caution. The developers had to go through numerous committee presentations convincing the provincial agents. Thus, the difficult communication without reciprocal exchange of information made the interaction between developer and Province difficult.

The City of Cape Town needs to be analyzed as compound actor consisting of various departments and thus the SPELUM committee as the final decision-making entity. In general, the City aspired the Silo District to be developed by creating the further connection between city and waterfront. The City knows about the importance of the harbor industry in the area and the functional need of the South Arm Road for the port. These are fundamental goals the City and the V&A company share. As objectives (aspects realized in to the greatest extend possible), the City desired a vital pedestrian experience and active ground floor uses. Table 7. gives a more detailed insight in the development Orientation and negotiation position of these critical actors involved. Figure X. illustrates the theoretical arena in which the critical actors describe interact in.

Figure 15
Arena of Actors: Episode 2

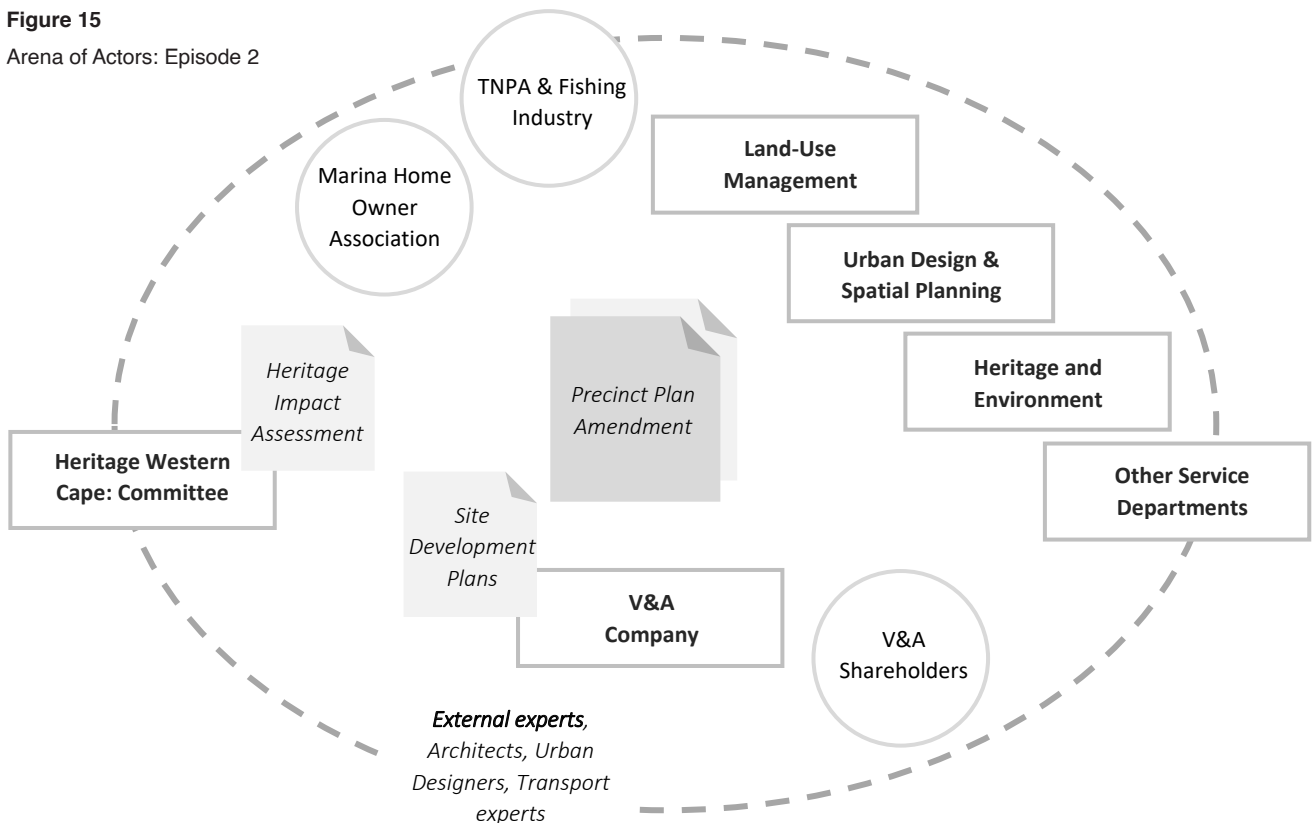


Table 7

Perception and Negotiation Positions

Actors	Perception	Negotiation Position
V&A company	<ul style="list-style-type: none"> • Creating a dense commercially orientated Silo District punctuated with an iconic museum in its center, while keeping the harbor industry going • Obtaining development rights including additional bulk and the reuse of the grain silo 	<ul style="list-style-type: none"> • Principle agent of land-owner • Financial backup of shareholder capital and potential future tenants • Internal planning and development expertise • External expertise: Urban designer, traffic experts, heritage experts
Shareholder group	<ul style="list-style-type: none"> • Increasing long-term revenues by exploiting the potential of the Silo District 	<ul style="list-style-type: none"> • Land-owner
Heritage Western Cape	<ul style="list-style-type: none"> • Securing the conservation of the Waterfront area • Securing the conservation of the grain silo building 	<ul style="list-style-type: none"> • Provincial authority: provincial legislation requires approval for Heritage Impact committee (HIcom) on Precinct plan amendment and Site development plans
City of Cape Town		
Department of Land-Use Management	<ul style="list-style-type: none"> • Connecting the city center with the Waterfront, making the area accessible and enjoyable while keeping the harbor industry going • Consent with the other departments and the neighboring port, fishing and residential stakeholders 	<ul style="list-style-type: none"> • Legislation: SATS Act • Local Authority: principle agent of the City, compiling LUM with comments of all other municipal departments recommending Precinct Plan amendment. • Approval of Side Development Plans
Urban Design & Spatial Planning	<ul style="list-style-type: none"> • Applying the urban design principles and the strategy: less cars, more housing in the city center • Consent with the proposed urban design 	<ul style="list-style-type: none"> • Advising role towards developer • Commenting to LUM
Traffic & Transport	<ul style="list-style-type: none"> • Functional public transport system for the city • Securing capacity of roads regarding new development 	<ul style="list-style-type: none"> • Advising role towards developer • Commenting to LUM
TNPA	<ul style="list-style-type: none"> • Road capacity of South Arm Road • Ongoing lease hold on Syncrolift 	<ul style="list-style-type: none"> • Port authority: land-owner of major adjacent land
Fishing industry: e.g. I&J fishing	<ul style="list-style-type: none"> • Ongoing lease on Fish Quay, Cross Berth and East Quay 	<ul style="list-style-type: none"> • Tenant of V&A company • Economic important component of Cape Towns economy
Residents: MRHOA	<ul style="list-style-type: none"> • Securing views • Critical towards additional traffic 	<ul style="list-style-type: none"> • Public Participation objectives possible



5 Conclusion:

The Effect of Project-Related Governance

This chapter has the purpose to draw conclusions on the raised research questions and to discuss the hypotheses as well as the initially conceptualized problem statement. All aspects of the discussion and concluding remarks are based on the empirical findings presented in the previous chapters. Hereby, the chapter is structured as follows: Firstly, the findings of the third and last episode are presented. The decision to integrate episode three (3) in the concluding chapter is reasoned in the simultaneity of the Project-related Governance Process investigated within the episode and this research project itself. The elaborations of this most recent development episode on Cape Towns Waterfront therefore focus on recently changed aspects in contrast to the previous episodes and the associated opportunities for both, the public and the private sector. Secondly, the chapter discusses the formulated hypotheses in relation of what the actual empirical findings suggest. Thirdly, the research framework being based on the theoretical background of this research project is set against the empirical findings and fourthly, the main research question is answered. Finally, the initial impulse of the research project, the tension between effective governance and inclusive development is discussed in the light of the experience investigating Cape Towns Waterfront.

5.1 Episode 3: The Canal District

Hitherto, this research project presented two past episodes of Cape Towns Waterfront Development. Firstly, the initiation of the Waterfront Development and the setting up of a governance structure and secondly the Silo District as a completed project within the Waterfront Development. In the following, a deeper look into a more recent episode is presented: The Canal District project. Based on the previous episodes, the following investigation is highlighting distinctive factors within the Canal District project. Hereby, this section firstly explains what the project is about and secondly how the critical actor composition has changed in comparison to the Silo District project. Finally, distinct changes visible in the current Project-related Governance Process are described.

Likewise, the Silo District, the Canal District has been renamed over the years. Previously being called the Gateway Precinct, the V&A company aspires an end of the notion of a 'gate'. This name was born in times when the Waterfront was by intention physically gated from Cape Towns city center. In the last years, Cape Towns city center has evolved to a more vital CBD, thus being experienced much safer by Capetonians in general. Quite suddenly, parts of the Waterfront area south of the Silo District and in the direct neighborhood of the city center increased in potential and value.

From a regulatory point of view, the areas' development rights were firstly set out in 1994, when a binding Precinct Plan was approved by the City of Cape Town. In respect to the Package of Plan mechanism, the Precinct Plan was worked out as a requirement upfront to the approval of Site Development Plans and Building Plans for the desired City Lodge building in the south of the area. Given the little planning in mind for the remaining parts of the area, the Precinct Plan determined merely basic bulk assumptions to be realized and a mix use to be allocated, thus a simple urban design scheme. Besides, the canal was perceived as a subordinate feature, due to its at the time decayed form and function. The Precinct Plan being approved,

only captured the western part of South Arm Road. On the contrary the plots across the street were declared as “throw-away sites” (Interview 7, Developer, 2018). Today, these plots are occupied by a Caltex petrol station and a car showroom by Audi, thus various other warehouses.

In the early 2000s, the close-by Cape Town International Convention Center (CTICC) in the east and the residential Marina District in the west of the Precinct were built. Alongside these developments, the linking canal on the Precinct was modernized. In reaction to that and given the CBD’s increasing quality of both, utilization and land value, the sites on the Precinct began to trigger the interest of the V&A company and their shareholders. The at the time land owners, Dubai World and London & Regional assigned the V&A company to prepare Site Development Plans for for two sites on the area. “In retrospect, their vision was spot on, because suddenly we had an inquiry from British American Tobacco, a major international company to locate their head office on the Canal District” (Interview 7, Developer, 2018). From a process orientated point of view the Waterway House being completed in 2017 (figure 17 showing the south wing of the office building) shares great parallels with the Silo No. 1 building (Allan Gray building). Alike the Silo No 1. Building being a catalyst for the Silo District project, the Waterway House represents a first impulse for the rest of the future Canal District. Also, the Waterway House has been developed under an existing Precinct Plan prior to a Precinct Plan Amendment.

Figure 17

The Waterway Houses (Canal District)
(Architect & Builder, 2018)



Since 2017, the V&A company is preparing an Amendment yet (in December 2018) obtained the necessary approval of Heritage Western Cape on their vision of a mix of “super prime commercial office spaces mixed with hotel, education, residential and retail ideally [being] connected to the city” (Interview 5, Developer, 2018). The negotiation prior to approval carried various moments of conflict between Province and the developer. The provincial heritage department aspired to safeguard the fortification of what is left of the so-called Amsterdam Battery on the area: two semi-circular walls. The V&A company plans to honor these built structures, however strives for green space on the historical location and building heights up to forty meters. The conflict was recently resolved through litigation (provincial tribunal) in favor of the V&A company.

In December 2018, the V&A company is progressing on the Amendment of the existing Precinct Plan for the planned Canal District. In a drafted version it is noticeable that the V&A company does actively motivate their planning based on the recently altered national planning legislation SPLUMA and PAJA (both in 2015). Also, the developer uses policy demands of the most recent Spatial Development Framework (City of Cape Town, 2017). The essence of the aspired Precinct Plan Amendment is an increase of bulk from 38.000 m² up to 100.000 m². First visualizations show a densification of the area as well as high-rise buildings comparable to the ones developed in the CBD over the last decade.

Next to legislative changes, the organizational structure of the City of Cape Town has changed compared to the structure given during the Silo District project. Previously, the final decision for the Precinct Plan Amendment was performed by a committee of politicians informed by the Land-Use Management Department. Applying to the amendment for the Canal District, the decision will be finalized by a tribunal of experts consisting of both, internal (municipal) urban planners and designers as well as city officials and thus external planning experts from the private sector.

Yet it remains unclear for both, the City and the developer how these changes will influence their way of interaction (Interview 7, Developer, 2018; Interview 6, City, 2018). Nevertheless, the strategy of the V&A company to motivate their planning based on the Development Framework established in the 1990s only, appears to come to an end. The City’s Spatial Development Framework might become a more crucial document used by the V&A company to motivate their planning prior to approval.

5.2 Discussion of the three Hypotheses

Chapter two (2) elaborated on three hypotheses being formulated during the first stage of the research project. All three of them were presumed answers to repeatedly emerging question rising when studying the scientific as well as the non-scientific publications regarding the subject of governance alongside Cape Towns Waterfront Development. In the following section these hypotheses are discussed based on the empirical findings of this research project.

The complex nature of the Cape Town Waterfront Development implies the involvement of the various critical actors who have differing development orientations in mind when entering the Project-Related Governance Process. Certainly, the Cape Town Waterfront Development has not only grown organically over the last three decades in terms of concrete spatial outcomes, but also in terms of actors being involved. Within the three episodes therefore three to be distinct governance processes were elaborated on.

Tension fields and their ‘balance’ within the Project-Related Governance Process

As formulated in the first hypothesis, three distinct tension fields were expected to be visible between the City of Cape Town, the port authority and the developer, the V&A company. Thus, it was argued that these

tension fields are not equally balanced within the Project-Related Governance Process. In retrospect, the notion of an equal balance is of lesser significance than previously assumed. This is mainly based on the discovery that the Project-Related Governance Process itself is not an autonomous process based on a negotiated environment, but on the contrary an ongoing negotiation between actors. Substantially more crucial is therefore the question, if the expected tension fields were visible in the first place and what importance was attributed towards their extremes. Based on this acknowledgement, the findings in all three episodes are discussed in the following.

During the Project-related Governance Process of the initiation phase, the critical actors aspired to contract a regulatory basis for the future. In fact, the Package of Plans approach was created to balance out the differing needs between planning certainty (for the City Council) and planning flexibility (for the land-owner Transnet and their developer sub-unit, the V&A company). Especially the formalization of the land of the Waterfront area triggered conflict between City, Transnet and the V&A company. The result that the Waterfront today has no zoned public space gives the developers the chance to propose building footprints and public space ratios independently from the Cape Town Zoning Scheme. The Silo District project showed that the desire for planning certainty by the City is pleased as long as the V&A company motivates changes in uses, bulk or design based on the principles established in the Development Framework. It appears that planning certainty is merely manifested in the desire of the City to make sure the V&A company follows an established procedure or set of rules, rather than giving the City certainty that their own more recent objectives are implemented while new planning levels are entered. The outlook given for the Canal District project suggest a new tendency of the developer broadening their motivation from the Development Framework towards more recent policies formulated in the Municipal Spatial Development Framework for Cape Town and perhaps the District Plan for the Tableview District.

This leads to the second tension field: The clash of public and private interest. The ambiguous nature of public and private interest becomes specifically clear in the first episode. The V&A company did on the one hand originate from a governmental agency but with the business model of a classical for-profit developer the company is on the other hand committed to create revenues for their shareholders. Except for the impasses regarding the formalization of the Waterfront area, the question how the Cape Towns Waterfront should look like appeared to imply surprisingly little conflicting opinions in the 1990s. The engagement of the City formulating area specific policies (Contextual Framework) in cooperation with the V&A company remained yet the only active steering performed by the local authority. The long-term commitment of the V&A company as the only developer had the effect that the initial vision remained unchanged. However, when the Waterfront area as well as the V&A company itself was temporarily owned by foreign investors, a tendency towards change was recognizable in the never been realized Masterplan. Being sold back into South African ownership, the Waterfront and the obligation of the V&A company to develop high quality areas on the ongoingly rising land value, has the purpose to create increasing revenues of their shareholders. This objective does not necessarily conflict with the interest of the City of Cape Town perceiving the area as a 'destination place' that Cape Town needs for Capetonians as well as to profit from the touristic value created. When evaluating the public objectives formulated in the Municipal Spatial Development Framework, specifically the notion of affordable housing to be allocated in in the city center is striking (City of Cape Town, 2017). Within the Silo District project these demands were not realized, arguably reasoned in the land value itself. Legislative changes in 2015 (SPLUMA, PAJA) lead to the opinion among municipal agents that the developer must implement these demands in the motivation for the Amendment of the Precinct Plan for the Canal District. To what extent the developers will follow these demands remains to be seen.

The third expected tension field, the clash between newly introduced uses and the existing port activities, is specifically applicable to Waterfront Developments. Issues often occur when noise pollution of port activities lowers the quality of the newly introduced uses, or when the shared infrastructure between residential uses, commercial uses and port activities becomes overloaded. These issues can also be traced in Cape Towns Waterfront Development. However, again one must differ between the empirical insights of the presented episodes. Due to the dominant role of Transnet during the initiation phase, port activities were not only safeguarded but initially turned into an enriching asset for the Cape Towns Waterfront. The working harbor has been utilized as a planning element serving the place-making and character of the Waterfront today. Especially in the areas predominantly in use for retail and tourism, the contrast between stylish shoppertainment areas and the rough fishing industry creates the particular charm of Cape Town Waterfront. Both, the V&A company and the City strongly advocate to retain the local fishing industry, also on office and residential space dominated areas such as the Silo District. Nevertheless, the case of the Silo District shows signs of conflict between residents and the neighboring port industries. For a long time, the only residential uses were allocated in the Marina. Its spatial separation prevents direct contact with the harbor activity or the port industries. Residential uses being in direct contact with the fishing industry and other port activities have for the first time been realized within the Silo District. This close coexistence is not with free of conflict as noise pollution is triggering juridical disputes between residents and the port industry.

Based on the empirical findings, one must differ between two aspects regarding this described tension field: Firstly, the harbor activity such as the fishing industry is considered as a complimenting factor for the urban uses on the Waterfront. This also includes maritime activities serving the Waterfront as a destination place such as touristic cruise shipping. Secondly, port industries that carry economic value for Cape Town but potentially trigger conflict with neighboring urban uses. Recent projects (Silo and Canal District) concerns the development of land previously serving as a buffer between urban uses and the activities of the port industry. Simultaneously, TNPA (the port authority) awaits a large-scale extension of Cape Towns port in the eastern parts, away from the Waterfront. Notwithstanding the long-term strategy of Cape Towns port extension, the planned Canal District will yet be spatially the closest area of the Waterfront to the activities of port industry.

Retrospectively, all three tension fields are traceable. However, further tension fields discovered in the Silo District project were much finer and specific. Two clashes of interests as a result of these specific tension fields stand out: Firstly, the question how built heritage structures are conserved led to conflict between the provincial authority and the developer. Secondly, the bulk-related issue of potentially additional traffic on South-Arm Road and the building height of Silo No. 3, led to conflict between the Marina Homeowner Association and the developer. These conflicts or moments of tension were crucial part of the Project-related Governance Process and were resolved in individual negotiation between the respective actors or eventually in litigation.

Development rights and the dominant role of the V&A company

As observed in both, the Silo District and the Canal District project, the Package of Plans procedure plays a major role in the way the V&A company acts. There are two main aspects that turned out beneficial for the developer: Firstly, the CTZS sets out solely one category of zoning for the whole of the Waterfront area. This allows the developer high flexibility when it comes to the footprints of buildings and public space. Especially when revising Precinct Plans the developer can tailor the to be amended development rights towards new planning intensions. If these aspired development rights comply with the next higher plan level

within the Package of Plans procedure, the development rights will be amended by the City. Naturally, the developer makes strategic decisions using this given flexibility. Setting the focus on the outcome one can argue the possibility to adapt development rights in that way, gave the opportunity for the Waterfront area to be developed organically. For example, if the Silo District would have been developed under the given development rights from the late 1990s, the V&A company would have not been able to level up to what the area is today.

Implementing recently formulated public objectives

The last hypothesis is concerned with the presumption that recently formulated public objectives are not implemented in the concrete spatial outcomes of Cape Towns Waterfront. In chapter one (1) it has been described that it is difficult to retrospectively trace back how direct public objectives influenced a (Re) development Project. In Cape Town, public objectives are formulated in the Spatial Development Plans (SDF) and District Plans (DP) by various planning departments of the City. Despite the fact that neither the SDF nor the DP existed in the early 1990s, these public objectives found a direct application in the Contextual Framework and the Development Framework within the Package of Plans mechanism. In the Project-Related Governance Process of the Silo District, these objectives are in so far influential as the V&A company used them to motivate planning intentions.

Guidance leading to the quality of today's Silo District can thus be found in other influences. Firstly, general design principles defined by for example the municipal urban design principles, are naturally addressed by the urban designers in charge for or assigned by the V&A company. Furthermore, self-monitoring mechanisms such as the the company's internal design review committee and the place-making committee, which consist of internal and external design experts, make sure that objectives such as e.g. human scale design are safeguarded. In some cases, standards formulated by the City are even outperformed. E.g. in the case of the Silo No. 1 building sustainability measures were not incentivized by the municipal efforts but demanded by market forces and implemented by the developer.

As shown in the theoretical background (chapter 1) of this research project, the implementation of public objectives which do not directly add value for the developer are difficult to be implemented. In the last decade the growing need for affordable housing put immense pressure on the city center of Cape Town. In contrast, today's Silo District solely houses residential space in the high-segment. In what way the V&A company will address this specific issue in their plans for the Canal District remains unknown. In general, the larger scale of the project in terms of bulk being realized arguably carries more potential to accommodate mid-segment housing taking pressure from the city center.

The formulated hypothesis must be treated with caution. There is indeed only indirect procedural connection between the formulated public objectives (SDFs, DPs) and the concrete spatial implementation. Public objectives are often safeguarded by self-monitoring mechanisms of the developer and thus the high standards of the V&A company themselves. Objectives of the City which do not directly add value to the quality of the outcome (e.g. Silo District) do not find implementation. Arguing from a procedural point of view this would not only require the City to create more incentives for the V&A company to do so but thus to engage actively in earlier planning stages.

5.3 Discussing the Research Framework

The research framework (chapter 2, page x) was created based on the theoretical background of this research project and in the further course applied as a sensitive tool, providing sort of a guidance while investigating the case. In the following, each look-out question related to the concepts in the research framework will be answered.

Regulatory Mechanisms

The regulatory mechanism linked to projects such as the Silo District project, is the Package of Plans. As expected, the Package of Plans mechanism largely shapes the Project-related Governance Process. Its hierarchical organization provides both, the V&A company and the City with a structure how development rights are approved. This research project has shown how this regulatory mechanism was created as a result of the negotiations between the critical actors in the initiation phase. In recent projects, the mechanism determines the structure in which the V&A company and the respective authorities are formally interacting. Although not intended, the plan levels activated are currently used iteratively. That means that for example Precinct Plans are being approved and subsequently revised if not matching with new planning intentions of the developer. This is reasoned in the way Cape Towns Waterfront has grown: Piece by piece and organically over a long period of time. Recent planning documents suggest that the developer uses the policies laid out in Cape Towns SDF in addition to the policies laid out in the Development Framework for the Waterfront area.

Development Orientations

Naturally, formal interaction in terms of planning applications based on the Package of Plans mechanism are accompanied by informal interaction between public and private sector. Especially in these moments of informal interaction, individual development orientation becomes visible. Development Orientations are defined as the planning aspirations of actors towards a future ideal. In the first episode the strong Development Orientations of the City initiated Cape Towns Waterfront Development. The active exchange of information between City and the port authority as well as the V&A company nurtured a shared ideal, laid out in the Development Framework and the Heads of Agreement. Since then, the V&A company has evolved in terms of their shareholders, thus new ideals on how the remaining land should look like materialized in merely commercial (office space) oriented areas. The V&A company has the orientation to create a new quality at the Waterfront aiming to realize vital, high segment, mixed commercial and residential areas. By using iconic buildings such as the Zeitz MOCCA museum the developer underlines the uniqueness of districts such as the Silo District. On side of the City the Waterfront as a destination place and the trust in the developer's abilities and strive for high quality outcomes, explains the absence of their own Development Orientation in recent times. This perception leads to the reactive and advisory role of the municipal departments commenting on what the developer presents.

The Project-related Governance Process

This research project defined the Project-related Governance Process as the sum of interaction between local and provincial authorities with the private sector linked to a specific (Re)development Project. As such it was expected to find a zone of conflict and cooperation that itself seeks to balance between conflicting Development Orientations of critical actors. In consideration of the empirical findings, the process itself is much better described as a negotiation where actors go back and forth. Whereas this process between City and the V&A company includes informal interaction, a differing procedure can be traced on a provincial

level. The provincial department Heritage Western Cape has their stake in the Heritage Assessment of applications on Precinct and Site Development Plan level. The Project-related Governance Process hereby, is considerably stagnating between two differing Development Orientations that ultimately get resolved through litigation. It appears that the conflicting positions are reinforced by the lack of interaction that goes beyond the formal procedures.

5.4 Concluding Remarks: Answers to the Main Research Question

This research project seeks to answer the following two-folded research question: What Effect has Governance on the Cape Town Waterfront Development and how does the Project-related Governance Process balance the project inherent Tension fields?

When concluding on the effect governance has on the Cape Town Waterfront Development, one must differentiate between the effect governance has had during the initiation in the early 1990s and the effect it has on recent projects on the Waterfront area such as the Silo District project. In the latter, one must additionally distinguish between effect governance has on the planning process and the realized outcome.

During the 1990s, the City's engagement did have an activating effect on the port authority bringing the Waterfront Development on its way. The City applied their urban planning expertise to compensate the gaps of knowledge and experience of the port authority regarding the endeavor. In recent projects a different role of governance and thus effect can be reported:

On a provincial level, the concern of heritage conversion is determining. The interaction between developer and the provincial department for heritage is affected by opposing development orientations: The province views the area of Cape Towns Waterfront as one heritage landmark itself which needs to be preserved. The V&A company however identifies specific built structures such as the grain silo building as heritage landmarks. The developer's objective to also re-design these built structures celebrating their role in the waterfront is often met with skepticism on the side of the province. Consensus in terms of planning approvals is reached through committee meetings in which the developer and their assigned experts (e.g. architects) present their design and planning intentions. The procedure in which the province aims to steer the developer's planning is solely re-active, meaning that aspects of what is presented are criticized and the developer is subsequently assigned to find a solution tackling the points of critique. Often, conflict situations solidify, and their resolution requires litigation. The interaction with the province indeed urges the developer to closely address how planning incorporates the preservation of built structures with heritage value. However, the procedural nature behind this interaction stretches long lasting periods of conflict.

On a municipal level, governance mostly concerns the question how to make the outcome of a project such as the Silo District work with the rest of the city and especially with the adjacent areas. In the first place this relates to shared infrastructure with Cape Towns port, in the case of the Silo District the capacity of South Arm Road. The organizational structure of the City allows the department of Land-Use Management to act as the City's principle agent and first contact point for the developer. In addition, the department of Land-Use Management evaluates which other departments must be consulted. Following this structure, the developer is bound to refine their planning intentions according to issues which might have not been revealed without the consultation.

Two aspects were found in the investigated Project-related Governance Processes. Firstly, the City views the Waterfront as a destination place that already has a development story to follow. Hereby, the Package of Plans mechanism does not only give the developer but also the City a certain guide to follow. From a procedural point of view, the informal meetings and interaction between developer and City could be

used to extend the guidelines of the Development Framework towards more recently formulated objectives of the City (Municipal SDF). On the one hand, the departments comments on the developers planning intentions naturally carry these recent public objectives within. On the other hand, there is no procedural link between the Municipal SDF and the Package of Plans. The extend in the way the municipal agents can give the developers incentives to realize public objectives further releasing pressure from the rest of the city is therefore determining the success of their implementation. The potential to create such incentives is however hampered when municipal agents are bound to strictly reactive governance.

The effect governance has on the Cape Town Waterfront is also connected to the role of the V&A company itself. The long-term commitment and the fact that the developer is the only managing developer for the whole area had the effect that the effect of governance in the 1990s still resonated with the developer. With the V&A company a certain planning culture has evolved understanding the place and its significance for Cape Town. Supposed public objectives such as retaining and promoting the fishing industry are strongly safeguarded by the developers themselves. When considering these self-monitoring mechanisms as part of governance, the trust the City has in the developer is understandable. Nevertheless, this internal planning culture is also dependent on the pressure shareholders put on the V&A company.

To conclude, governance has the effect that the V&A company refines their planning intentions alongside the interaction with the urban authorities. The outcomes of projects do profit when information new to the developer is exchanged e.g. shared infrastructure is shared. Yet, the potentially beneficial effect of governance for Cape Town is hampered when municipal agents are instructed to only react towards what is presented by the developer. Research shows that collaborative efforts do increase the beneficial effect for both public and private sector. Regarding the Canal District project, the city must decide if they want to continue following the established pattern of interaction or if they actively want to incentivize e.g. residential units that would take pressure from the housing market in Cape Towns city center.

The second part of the main research question has already been touched by various points of discussions in the previous sections of this chapter (5). In general, the notion of the expected balancing nature of the investigated Project-related Governance Processes did not prove evident. The assumption of the Project-related Governance Process being a process with a mind on its own must be replaced. Instead, the process must be viewed as negotiation, a 'push and pull' or 'back and forth' between key actors in the game. When differing development orientations result in tension fields and conflict situations occur, it is the way resources are utilized and influence is played out that determines how the Project-related Governance Process unfolds. Hereby, the regulatory mechanism behind Cape Towns Waterfront Development gives on the one hand structure to the way the developer and the urban authorities interact, on the other hand it promotes strategic behavior by the developer to carry through their planning intentions.

Although the notion of balance was expected to be evident in the beginning of this research project, it is not perceived as an ideal. Instead Project-Related Governance should be platform for negotiation where information beneficial for both, the quality of the projects outcome and the role of the projects outcome for the rest of the city should be shared between public and private sector. Recent restructuring of municipal committees moves away from political figures towards expert professionals. This might carry the potential for the City to effectively steer, not in terms of more development control but in terms of active incentivization implementing public objectives for spatial outcomes.

5.5 The tension between Effective Governance and Inclusive Development

The initially described tension between the challenge of effective governance and the demand for inclusive development is highly discussed among academic works in the South African context. Insights of this research project have shown that both is recognizable. As described, governance is firstly reasoned in the desire to antagonize a degree of control towards the influence of an entirely free market and secondly to extend the developers intentional viewpoints. In the case of the Cape Town Waterfront Development the challenge of effective Project-related Governance is often constrained by limited resources on the municipal side. Private sector developers on the other hand are bound to financial rationales and specific quality standards of their projects leading to strategic behavior maneuvering through this process. Often conflicts are resolved through litigation which from an academic perspective does oppose the notion of effectiveness. Based on the empirical findings of this research project, procedures that include reciprocal interaction between the developer and an urban authority, do increase the effectiveness of the Project-related Governance Process.

The demand for more inclusive development is two-folded: Firstly, inclusiveness in terms of the development process and secondly in terms of the spatial outcomes. The concept of inclusiveness itself is open for interpretation depending on the viewpoint. Whereas one argues that the visitors, residents and tenants of the Waterfront are only those with the respective financial power, others point out the incomparable quality of public spaces created or the continuous efforts to retain the fishing industry as part of today's Waterfront. An interesting discussion to trigger lies rather in the future role of governance in projects such as the Canal District: How can inclusive spatial strategies be created that add enough value for the developer to catch their interest? And can these spatial strategies emerge from a cooperation between urban authority and developer? These are the leading questions the City must find answers to.



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