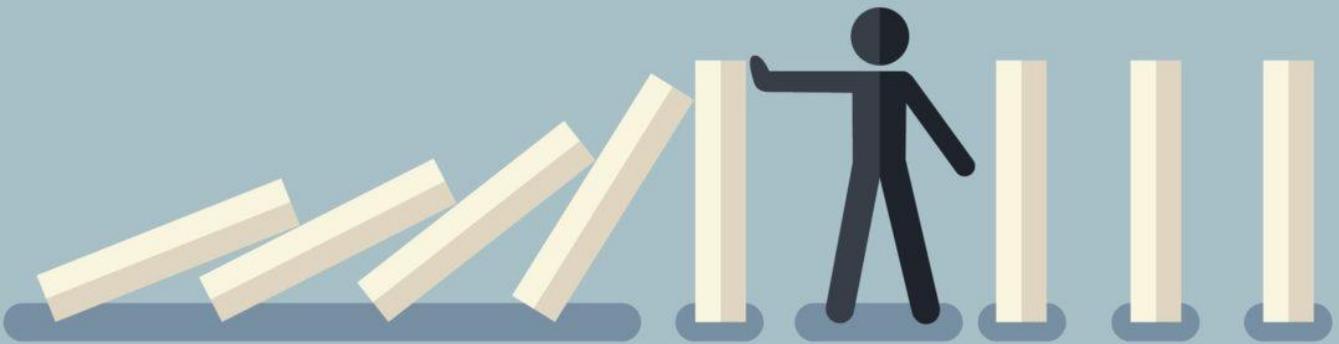


The end of monofunctional retail areas

Towards a more resilient mixed use area and bring back urban quality



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Preface

In front of you is my P5 report which contains my graduation research at the Delft University of Technology, Faculty of Architecture and the Built Environment and MSc. track Management in the Built Environment. The topic of this research is the corporation between public parties (local municipalities) and private parties (project developers and investors) for the redevelopment of decaying monofunctional retail areas to mixed-use areas. My interest in urban redevelopment, real estate transformation and stakeholder corporation started during the BSc. programme and continued in the MSc. programme at our faculty. Different courses such as *Gebiedsontwikkeling in het Metropolitane Landschap*, *Re-design: complex redevelopment projects* and the *Urban Redevelopment Game* showed me the importance and fun of proper organisation, communication and negotiation to achieve successes in the built environment. Therefore, I consider the investigation of the topic in this thesis as a nice preview to my future career.

I would like to take the opportunity to thank several people helping me to achieve this final destination of my studies at the Faculty of Architecture and the Built Environment. First of all, my graduation supervisors Hilde Remøy and Peter de Jong. Without your academic en practical expertise, guidance and incredible amount of patience with me, I would not have succeeded to reach this point. The graduation process was very rough for me from the beginning to the end. With your positivity, advice and understanding I was able to move-on and not give up. In the second place, I thank all the stakeholders that I have interviewed for their involvement in the redevelopment of *In de Bogaard*. You were all candid to have me at your (online) offices and help me to provide a detailed overview of the situation. Finally, I would like to thank my family and friends for their unconditional love and support.

Boaz Amit
30th of June, 2021

Abstract

Changing consumer shopping trends in the last two decades and the impact of COVID-19 in 2020-2021, has led to more structural vacancy in supportive monofunctional retail areas. Since supportive monofunctional retail areas are less resilient on the long term compared to retail areas in city centres, integrated redevelopment of such areas is required to prevent further decay and add new value. Dutch municipalities majorly rely on market forces to stimulate redevelopment. Nevertheless, this does not result in desired outcomes. Different researches conclude that the local municipality has to fulfil a leading role in this redevelopment in order to achieve the desired outcome. This research focusses on how this leading role is defined and how the corporation between the local municipality and private property owners can be improved. Therefore, the following research question is formulated;

How can the municipal leading role be defined during the redevelopment initiating phase and what improvements can be made in the decision-making process between the municipality and private property owners of retail space for the redevelopment to mixed-use areas?

This research consists of a literature research and an empirical research to answer this question. The literature research provides an investigation of the initiative phase of project development, possibilities in organisational structures and the definition of decision-making. The empirical research consist of a case study considering a decaying monofunctional retail area with redevelopment in prospect. Stakeholder interviews are used as the main data source to investigate the project approach, organisational structure and decision-making process between the municipality and private property owners. The most important finding is that a key element of the municipal leading role was the proactive approach to the development of a masterplan for the case area in order to stimulate private stakeholder involvement.

Keywords: retail space, structural vacancy, area redevelopment, project uncertainty, organisational structure, decision-making, mixed-use area

Table of content

Preface	3
Abstract	4
EXECUTIVE SUMMARY	7
INTRODUCTION	11
1. Research background	11
1.1 Problem analysis	11
1.2 Problem Identification	12
1.3 Problem statement	14
1.4 Main research question	16
1.5 Sub questions and conceptual model	16
1.6 Societal relevance	17
1.7 Scientific relevance	17
2. Research methodology	18
2.1 Type of study	18
2.2 Background: explorative literature review	19
2.3 Theories: systematic literature review	20
2.4 Practice: case study	20
2.5 Synthesis	22
2.6 Ethical considerations	22
THEORETICAL FRAMEWORK	23
3.1 Project uncertainty	24
3.1.1 Creating value	24
3.1.2 Information flows	26
3.1.3 Teamwork and collaboration	27
3.1.4 Dilemma's	29
3.1.5 Conclusion	29
3.2 Organisational structure	30
3.2.1 Institutional level	30
3.2.2 Governance level	32
3.2.3 Process level	35
3.2.4 Dilemma's	39
3.2.5 Conclusion	39
3.3 Decision-making process	41
3.3.1 Management perspective	41

3.3.2 The rational model	41
3.3.3 Bounded rationality model	42
3.3.4 Retrospective decision-model	43
3.3.5 Group decision-making	43
3.3.6 Dilemma's	44
3.3.7 Conclusion	45
EMPIRICAL RESEARCH	47
4.1 Case overview	47
4.1.1 Case background	47
4.1.1 Case initiative phase	50
4.1.2 Case objectives	51
4.1.4 Case organisation	52
4.2 Case data collection	53
4.2.1 Interview overview and background	53
4.3 Case data analysis	55
4.3.1 Project uncertainty	55
4.3.2 Organisational structure	58
4.3.3 Decision-making process	60
5. Findings and validation	64
5.1 Project uncertainty	64
5.2 Organisational structure	66
5.3 Decision-making process	68
6. Discussion and limitations	70
7. Conclusion and recommendations	71
7.1 Conclusion	71
7.2 Recommendations for practice	74
7.3 Recommendations for research	74
8. Reflection	75
8.1 The process	75
8.2 The product	75
8.3 Personal view	76
References	77
Appendix A – Interview protocol	80
Appendix B – Ethics review checklist	82
Appendix C - Bonus	86

EXECUTIVE SUMMARY

Introduction

The introduction of e-commerce, the 2008 financial crisis and the COVID-19 pandemic have put pressure on the existence of supportive monofunctional retail areas in the Netherlands. Where inner-city retail districts are more resilient to these economic trends, due to their dependency on visitor experience rather than purchasing behaviour. The supportive retail areas, that depend on purchasing behaviour, are facing increased structural vacancy which is more often becoming irreversible. This decaying retail areas negatively influence the urban quality, and therefore, need to be redeveloped to add urban quality and for future resilience. In the Netherlands, many municipalities have no land ownership in these areas and wait for market forces (*laissez-faire*) to take initiative. However, this strategy does not result in the desired outcomes. Therefore, the following assumption is made as a starting point for this research;

“Municipalities that take a leading role, are more effective in stimulating the redevelopment for mixed-use areas”

This research explores how the municipal active role should be designed and how this interacts with private property owners in the context of a redevelopment project that considers a decaying monofunctional area. The following main research question acts as a guidance throughout this research;

How can the municipal active role be defined during the redevelopment initiating phase and what improvements can be made in the decision-making process between the municipality and private property owners of retail space for the redevelopment of monofunctional retail areas?

In order to answer this research question, this report consist of a literature research and an empirical research. The literature research focusses on the following three aspects of redevelopment project: project uncertainty, organisational structure and decision-making. In the empirical research a case study is conducted which makes use of *In de Bogaard* as redevelopment case. The data from the case study is mainly obtained from stakeholder interviews and cover the three topics as discussed for the literature review.

Literature research findings

Project uncertainty - Project development is about creating value out of financial and human resources for societal needs. For this research, the initiative phase focusses on existing real estate objects that have lost their value as result of economic market cycles. It is important to align the project definition with the societal needs in order to maximize the project's value. However, these needs are dynamic (uncertain) and therefore need a flexible approach in order to deal with. Especially in large projects, information is required to determine the unknown components in order to create a solid project base. Concerning transparent information flows, which are best to achieve in team collaborations or other forms of participation, can result in properly forming this solid base and mitigate risk.

Organisational structure – Different options can be selected to shape the multi-actor organisational structure. This research divides the organisational structure in to three levels: the institutional level, governance level and process level. In the governance level in a specific project, the most effective form of network governance can be predetermined by analysing the key predictors *trust*, *number of participants*, *goal consensus* and *need for network-level competencies*. In order to share financial risk, a legal agreement such as the *PPP*, *joint venture* and *consortium* between partners can be established.

On the process level, the most important finding is the composition of small project teams for more communicative efficiency and effectiveness to complete the set of tasks.

Decision-making – Decision-making consists of two aspects the problem formulation and problem solution. From the project management perspective, three decision-models are investigated. The most important finding from these models is that decision makers (individuals) are often not rational, but try to construct objectives and criteria to justify the decision that was already made. This is the result of individuals often selecting solutions that meet their minimum requirements, rather than putting extra effort in trying to find for a solution that maximises their objectives. A social-dynamic aspect is added to the process when multiple individuals form groups. This can either way result in better or worse decisions in comparison to individual decision makers. Therefore, it is important to consider how much others are needed to be involved in order to make decisions that meet the desired performance.

Empirical research findings

Project uncertainty

- Not owning any land, left the municipality with the uncertainty if property owners were willing to redevelop the area. They developed a **masterplan as strategy** to create enthusiasm for redevelopment.
- In the masterplan development, input from the developers and investors is adopted and aligned with the municipal ambitions. The **input and ambitions** are translated to the masterplan and quality guidance.
- The strictness of the masterplan and quality guide brings **uncertainties** for the developers when requesting for **masterplan changes**. Therefore, creating a feasible plan takes more financial risk.
- Changes of environmental and sustainable policies during the design phase result in **setbacks in the process**. Too many of these setbacks endanger the project's feasibility.
- A later involvement in the project, after plans are made to a certain extent, leaves to **think** even more in the **benefits for the greater area** by private investments and plans.
- The fragmentation of ownership and differences in project phasing could bring in the **risk of incoherent redevelopment**, since it is not possible to force property owners to redevelop.

Organisational structure

- The **municipal leading role** in the project initiative by creating a vision was very effective
- The **proactive attitude of the municipal organisation** have resulted in a relative fast development of a plan.
- The municipality developed the masterplan with quality guide to provide the **project's boundaries**. The municipal project manager and Quality Team assess different interpretations on the masterplan.
- A project manager is required who can act as a filter by **removing unfeasible elements** from the project definition in an early stage.
- Different interpretations of the masterplan are perceived as a question for the *urban designers*. The *urban designers* **investigate these questions** to form an advice for the municipality.
- The project governance structure acts on a positive and constructive manner. However, certain procedures take too much time due to a **understaffed municipal project team** in relation to the ambitions.

Decision-making

- The fragmented ownership is used in the advance of the project to **establish fragmented redevelopment**, and therefore, be able to have a more effective decision-making process.
- The **profiling of the municipality** in relation to the case, helps in the overall attitude towards the project of local politicians (large support base) who make the decisions and policies.
- All the involved advisors are there to provide different scenario's regarding the design options. The **municipality takes final decisions** with the advisor's conclusions as benchmark.
- It is in the interest of the developers to **form agreements on design issues**, in the end the municipal project team and the Quality Team make the final decision.
- A large part of the redevelopment process is also a **political process**. Therefore, members of the municipal project team cannot take decisions in the desired pace of the *developers*.
- Stimulate the political decision-making process by thinking **what makes sense and what is good** for the area.

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INTRODUCTION

1. Research background

1.1 Problem analysis

In the last two decades, the Dutch retail market started to undergo a transition. Market conditions and structural changes affect the classic consumer activities as society was used to in the earlier decades. The 2008 financial crisis had a major impact on consumer expenses and the rising information technology influenced the consumer process significantly (Colliers, 2016). The present information technology standards makes it possible for consumers to gain more product related information in terms of prices, specifications, diversity of supply and delivery times (Rabobank, 2018). The relative simple accessibility of online information channels, on which consumer behaviour is even monitored and studied by artificial intelligence for product targeting, results in more tailored trade-offs. Taking these advantages in to account, and adding the option of order and delivery of products from home, causes that physical visits to retailers is no longer necessary for a wide range of consuming purposes. This high demanding consumer behaviour can be reflected to the consumer's requirements on the physical environment in terms of experience and ambiance (Rabobank, 2018). Visiting physical retail areas is still a popular activity, but achieving consumer satisfaction in physical retail environments is becoming more complex. Both Rabobank (2018) and Colliers (2016) state that the competition between e-commerce and physical retailers is difficult, even in booming market conditions. Bankruptcies and strategy shifts of retailers to maintain competitive has led to increasing vacancy numbers of retail space in the Netherlands. Due to the described trends in the retail market, a large share of this vacancy is expected to be irreversible.

According to CBS (2019), 2,6 million square meters (6%) of the total retail area was considered vacant in 2019. One year earlier, about 67% of this vacant floor space was not in use as well and is therefore considered as structural vacancy by CBS (2019). From the report by Rabobank (2018), can be retrieved that 3,16 million square meters (7%) of the total retail supply was vacant. Their numbers, provided by Locatus (2018), show that 40% of the vacant retail floor space dealt with vacancy of 1-3 years and 30% with more than 3 years. Due to the 2020 economic disruption by COVID-19, a further increase of vacant retail space by 40% is expected in the coming years. However, the impact of COVID-19 is strongly location-dependent. On short-term, larger vital city-centres are affected more due to the absence of tourism and local population who avoid busy areas. On long-term, the situation of weaker (smaller) city-centres can be more critical as COVID-19 could act as a catalyst on the existing negative retail trends (PBL, 2020) with structural vacancy as possible consequence.

Structural vacancy is defined as floor space that is vacant for three or more consecutive years (Zadelhoff, 2005). The disposal of retail space by its users can lead to structural vacancy with insecurity and social uncertainty as effects on the surrounding area. Criminal activities, illegal occupancies and vandalism can be considered concrete possible events that negatively impact the surrounding area and buildings (Remoy & Van der Voort, 2007). Thereby, structural vacancy in retail areas has little chances to contribute to a positive visitor experience and ambiance. Additionally, this can cause a negative impact on businesses of present retailers in those specific areas. For retail space owners and investors, this situation can lead to lower asset values. According to Remoy and Van der Voort (2014), the value of corporate real estate (which includes retail floor space) is based on the potential rental yield. Since no cash-flow is generated with vacant floor space, the gap between the asset's book value and the market value is growing. This means that a sale of the property yields less than its book value with the possibility of making less profit, or even facing a financial loss when selling the property to other

market parties. It can be assumed that the property owners and investors of vacant retail space must have objectives for these properties and certain strategies to make them valuable again. Therefore, this research focusses on the organisational structure that is needed to redevelop vacant retail properties at locations with long-term challenges in relation to urban vitality, resilience and liveability

1.2 Problem Identification

Locations can be considered unique and have different qualities. The Dutch retail facilities are often located in clustered areas to attract and profit from a greater group of visitors. This paragraph focusses on investigating which type of retail areas are most impacted by the described consumer trend changes and the COVID-19 pandemic. The most important retail areas in Dutch urban areas are marked as the 'central retail area' by retail data organisation Locatus (n.d.). Their main function is to serve a certain group of the population with their retail needs. Besides this economic function, retail areas fulfil a social function as well that impact the liveability of the urban environment (Schouten, 2006). In general, it can be perceived that the larger the urban area, the larger and more diverse and specialized the retail supply becomes. To create a better understanding of the different sizes of Dutch retail areas, Locatus (n.d.) provides the following categorization for central retail areas in Dutch city centres;

- *City Centre* 400+ stores
- *Large main shopping area* 200-400 stores
- *Small main shopping area* 100-200 stores
- *Large core serving area* 50-100 stores
- *Small core serving area* 5-50 stores
- *Core serving supermarket centre* 3-4 stores

Besides the central retail areas, Locatus (n.d.) has added the category of 'supporting retail areas'. These areas are supplementary and detached from the central retail areas. The following six categories can be identified;

- *City district centre* 50+ stores
- *Inner city shopping street* > 50 stores
- *Large neighbourhood centre* 25-50 stores
- *Small neighbourhood centre* >25 stores
- *Community centre* 5-9 stores
- *Supermarket centre* 3-4 stores with at least one supermarket

Dutch city centres are more resilient to undergo the economic effects that, for example COVID-19, carries in comparison to supportive retail areas. Core-qualities such as social-cultural sense, central location and ambiance are unabated and therefore have proven to be indicators for city centre long term resilience in relation to changing societal demands (PBL, 2020). However, the effects on the supporting retail areas are questioned. For example *In de Bogaard*, a city-district centre in Rijswijk, the negative spiral as result of changing consumer trends (Trouw, 2018), has large chances to be strengthened by the COVID-19 pandemic. The core-qualities of such areas are more depending on consumer purchasing behaviour than on visitor experience.

The uniqueness of real estate makes it difficult to generalize statements. Fixed placement, spatial form, technical quality and context are broad examples that contribute to this uniqueness. Since the retail real estate market contains different types of properties with various characteristics it is a challenge to deal with structural vacancy and implement proper solutions. For example, *In de Bogaard* was fully designed and constructed with the ambition to create a modern high-end shopping structure to serve the growing population of Rijswijk. A large scale retail ensemble with proper car parking facilities was created. Within this ensemble, islands of large scale retail spaces were built for department stores,

electronics- and sports stores. These islands or blocks were connected by outdoor and indoor passages with more retail and restaurants in the plinth. In the 1990's, a large renovation and expansion was constructed with the same ambition as used in the initial design. This design philosophy of large scale (supportive) retail area development has been retained for the last fifty years and multiple of them have been constructed across the Netherlands in that period of time.

The current economic situation in combination with consumer trends has proven that the *In de Bogaard* ensemble is losing its value in the current function. In order to add new value to it, some significant modifications have to be implemented and a partially change of function seems unavoidable. To achieve a sustainable redevelopment, transformation of existing real estate stock to other functions can be a useful strategy. However, the nature of the existing real estate stock could result in tough design challenges that can endanger the process towards the area's future resilience. In addition, not all buildings are suitable for transformation due to legal, financial, technical, functional or cultural-historic factors (Remoy & Van der Voort, 2014). In the ideal situation all these factors are assessed in an early-phase of a possible transformation to assess the feasibility. Missing essential information about the existing structure and design brings uncertainty in the feasibility study (Basak, 2017). This makes it difficult for owners to develop a feasible business case.

Different stakeholders have interest in the value of retail areas and therefore, are involved in redevelopment. In the first place, the municipality with the interest in economical and urban/spatial development. In the case of the municipality of Rijswijk, their main goal is to transform *In de Bogaard* from a retail area to an urban area with the mix-use of living, leisure, social facilities and retail (Gemeente Rijswijk, n.d.). In the second place, the property owners that own and invest in retail properties. Different core businesses, organisational structures, financial capabilities and portfolio's determine the decision making process and amount of risk these owners take. In the case of *In de Bogaard* retail area, about seventeen different real estate owners are involved and hold the ensemble (Vastgoedmarkt, 2019). This means that a large and probably diverse group of organisations have a certain but different perception on interest regarding the future of the area and the investment they are willing to make on their property. It can be expected that factors such as municipal zoning plans, property characteristics and yield objectives provide interfering business cases. In order to achieve a successful redevelopment, goal consensus between these property owners and the municipality has to be found.

The transformation of vacant real estate can be considered as unique complex projects. In the initiative phase, project complexity contributes to high levels of uncertainty since many components are not yet determined and information accessibility is costly or takes too much time. However, developers or investors can rely on their experience up to a certain level to generate information and mitigate uncertainty to some extent (Winch, 2010). Nevertheless, actors not knowing all the facts could lead to optimism biases or strategic misrepresentations that both are pervasive to our predictions about the future. These are both explanations of budget and schedule overruns in construction project and are the result of decision-making under uncertainty. The existence of these phenomenon's, seriously threatens the rationalistic basis of investment appraisal (Winch, 2010). Therefore, it can be concluded that generating transparent and useful information flows are needed to approach decisions, especially in relation to project feasibility and risk mitigation.

A research by economic real estate consultancy Stec Groep (2020), concludes that an active attitude of the municipality regarding area redevelopment is required to start of initiatives. The starting point of redevelopment is a new spatial policy that should arise from intensive corporation between the municipality and interested market parties, resulting in a public-private agreement (Priemus, 2006). The more exact implementation of this spatial policy requires private party investments. To mitigate risk, municipalities can act as reliable contract partners (Blokhuis, 2010). In relation to the findings

about uncertainty, the risks of uncertainties for different stakeholders can be shared by establishment of these public-private partnerships.

In the initiative phase of a project, decisions will concern the overall scope and objectives. The decision-making procedure usually becomes of a more practical nature as the project continuous. Having a clear decision-making structure in the beginning is important to reduce or avoid conflicting stakeholder demands (Winch, 2010). This research focusses on the redevelopment of decaying retail areas, it can be expected that multiple stakeholders are involved. Therefore, the complexity of a proper decision-making structure increases and has to be investigated.

The economic project feasibility can be seen as a crucial factor in the initiative phase in relation to project success. As investments have to be made and responsibilities and liabilities are designated, project success is a wide endeavour for all involved stakeholders on both financial and reputational terms. However, project success is a frequently researched topic in the literature leading to lists of determined factors and variables, but no general agreement can be made (Chan, Scott, & Chan, 2004). In Chan et al. (2004), a conceptual framework is presented for factors that affect the success of a construction project. These factors are divided over five main categories; project management actions, project procedures, external environment, project-related factors and human-related factors. These main categories all contain factors that can change over time and may affect the project's feasibility and thus success through different phases, including the initiative phase on which this research focusses.

From this sub-section, in which the problem is identified, the following relation between the findings can be drawn which forms the base of the theoretical framework and literature research of this report.

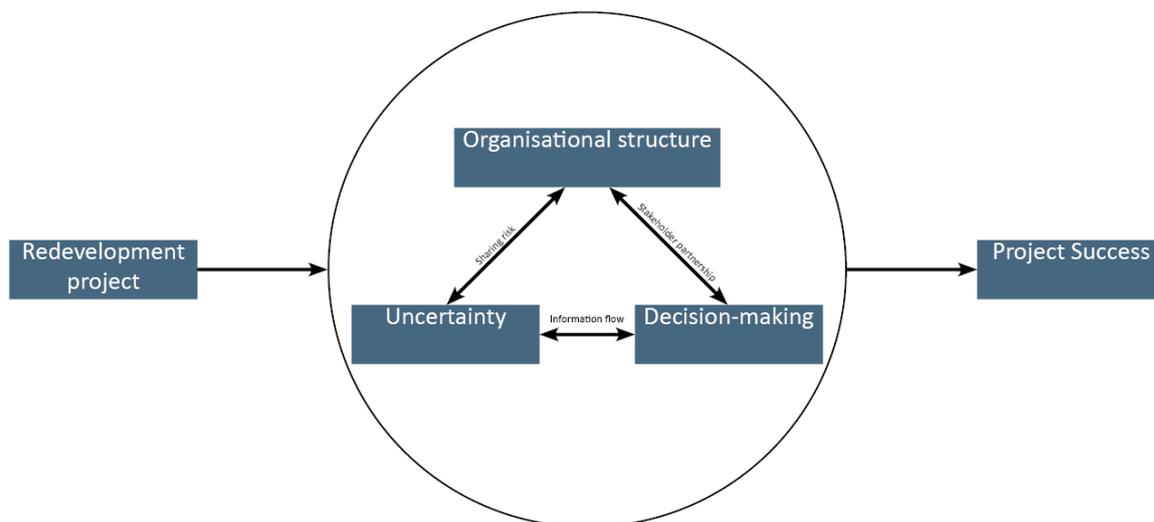


Figure 1.2 Relation literature findings (own figure)

1.3 Problem statement

In order to add value to weaker retail areas, increase liveability, and make them resilient for the future, real estate owners have to change their strategy for any redevelopments. A strategy adaption is required to partially change the current function and form a new feasible business case. Since the area is dealing with a unique location, different object characteristics and a different set of stakeholders, these kind of area redevelopment project can be considered complex. In the case of *In de Bogaard*, the municipality of Rijswijk has taken the leading entity within the redevelopment. This is notable, since Dutch municipalities often rely on the market forces to stimulate such redevelopments and take a passive attitude. According to Vastgoedmarkt (2019), the last decade has proven that this municipal

strategy does not result in desired redevelopment outcomes. This is confirmed by Stec Groep (2020), and adds that, especially mid-size and larger municipalities on average, decrease their redevelopment budgets by 10%. From the analysed municipalities, Stec Groep (2020) also concludes that a major part of these municipalities is expecting that the current municipal real estate strategy and available instruments will not result in a healthy or acceptable vacancy climate. From these statements can be retrieved that municipalities should have a more active attitude in order to enhance future resilience for retail areas that are losing their value. This active role concerns the topics that are appointed in the literature findings. Therefore, the following assumption is made;

“Municipalities that take a leading role, are more effective in stimulating the redevelopment for mixed-use areas”

In relation to the assumption, this research explores how this active role is designed and how this relates to the interaction with private property owners. In order to create a more complete understanding and add improvements on this interaction process, a research is conducted on the behaviour of the municipality and private property owners that are dealing with structural vacancy of retail space in clustered, monofunctional areas.

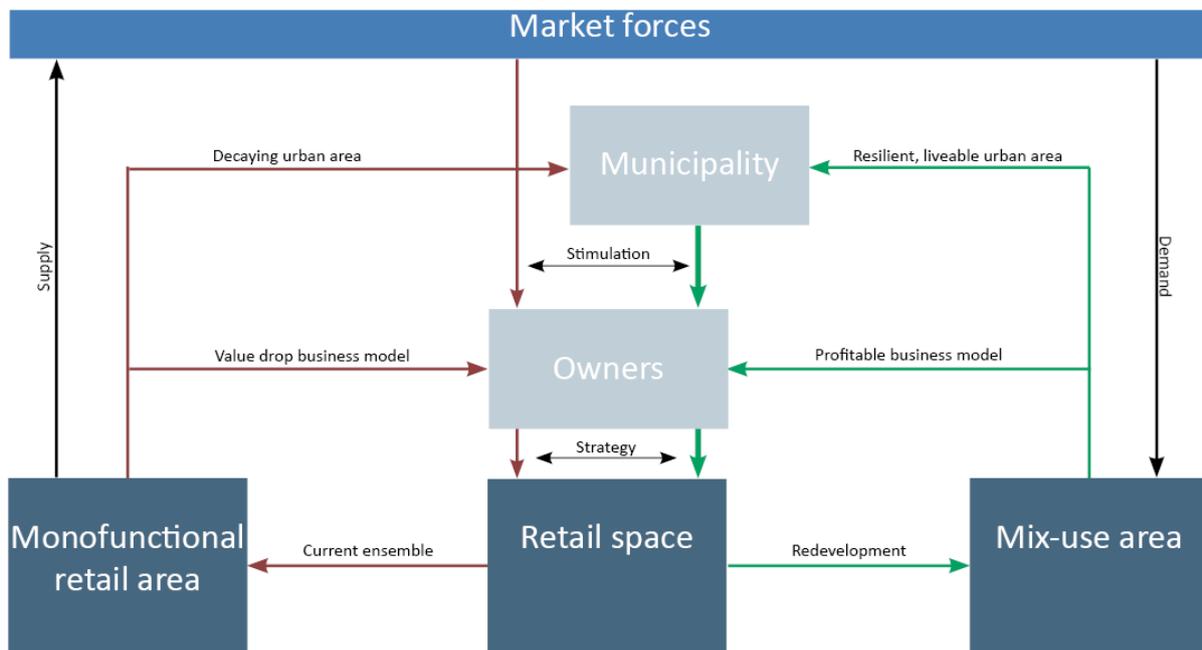


Figure 1.3 Visualisation of the problem statement (own figure)

1.4 Main research question

This chapter introduces the main research question and the sub research questions that form the structure of this research, followed by the conceptual model that visualises the relation between the problem statement and research topics.

This research is guided by the following main research question;

How can the municipal active role be defined during the redevelopment initiating phase and what improvements can be made in the decision-making process between the municipality and private property owners of retail space for the redevelopment of monofunctional retail areas?

1.5 Sub questions and conceptual model

In order to answer the main research question, the following sub questions are defined;

1. How are redevelopment projects initiated and what is the goal of area redevelopment?
2. What organisational structures are known between public and private parties?
3. What is the definition of decision-making and what strategies are known in this process?
4. How does the concerning municipality initiate for redevelopment and how effective is that strategy?
5. How are decisions made in complex projects such as area redevelopment?
6. Which decision-making strategy is most suitable for the retail redevelopment process between municipality and private owners?

The conceptual model displays how the different topics within this research are related to each other. Main concepts of this research are;

- The principles of the project initiative phase
- Organisational structures in complex projects
- Decision-making aspect of project management and effectiveness in complex projects.



Figure 1.4 Conceptual research framework (own figure)

1.6 Societal relevance

Structural vacancy can be considered a societal problem with social and economic decay (Remoy, 2010). In the case of clustered retail areas, bankruptcies or other course changes of retailers may affect the remaining businesses when new tenants are not found. The retailers joint advantage of a collective visitor flow is likely to drop resulting in a negative downward spiral. In the most extreme occasion, this can lead to complete abandonment of a clustered retail area. As mentioned by Remoy and Van der Voort (2007), abandonment can lead to criminal activities, illegal occupancies and vandalism effecting social-economic developments in a wider area. Furthermore, structural vacancy causes loss of income for property owners. Therefore, adaptive re-use of an existing real estate stock can bring new opportunities in terms of business models and return on investment. In addition, wider societal challenges such as the demand for housing could partially be solved with adaptive re-use of vacant corporate real estate. Apart from that, adaptive re-use is sustainable solution to extend the structural lifespan of real estate and reduce material waste.

The combination of these factors describe the societal relevance for taking action when structural vacancy is occurring, especially on an area scale. Therefore, this research investigates the interaction between public and private parties for having a more inclusive and corporative attitude to stimulate investment and enhance the societal and commercial benefits. The knowledge from this research can be used by public and private parties to obtain a better understanding of each other's interest, uncertainties, risk management and decision-making process for the use of better organisational alignment.

1.7 Scientific relevance

As Priemus (2006) states, the starting point for redevelopment requires intensive corporation between public and private parties. Different studies and researches have been conducted regarding the organisational structures and project management of such partnerships regarding construction projects. This research can be considered an addition to this knowledge, with more specific contextual characteristics towards the field of monofunctional retail areas.

2. Research methodology

This section of the thesis report elaborates on the research methodology. In the first place, the type of study is presented, followed by an overview of the different research strategies in relation to the sub questions.

2.1 Type of study

The aim for this research is to explore how municipalities cooperate with private property owners and how the decision-making process in such partnerships is designed. Therefore, this research can be considered a research in the direction of processes and interaction. Several characteristics are attached to this type of study. In the first place, this research aims to generate new theories regarding the above stated topic and, therefore has an inductive character (Bryman, 2016). In order to conduct an inductive research, a qualitative research is suitable since qualitative research methods tends to be concerned rather with words than with numbers (Bryman, 2016; Eisenhardt, 1989b).

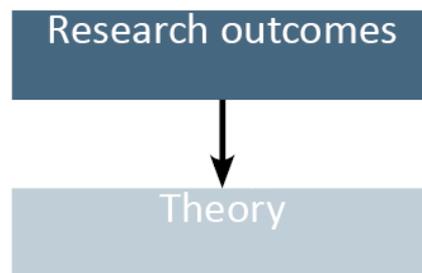


Figure 2.1A Inductive research approach by Bryman (2016), (own figure)

This research uses a theory building approach from case study research to develop a theory from the empirical research findings. The used strategy is based on the case study theory building approach by Eisenhardt (1989b).



Figure 2.1B Theory building approach based on Eisenhardt (1989b) (own figure)

As result of the inductive research study, a more inductive approach of theory building is used (Yin, 2003). A theory building approach from case study research will be used to develop a hypothesis from the empirical findings of the case studies (Eisenhardt, 1989b). This hypothesis addresses how municipalities should define the leading role in area redevelopment and what decision-making strategies should be attached to that. This hypothesis is presented in the chapter 7. *Conclusion and Recommendation*.

Part 1: Background	Theoretical framework
Method	Explorative literature research
Objective	Explore how projects are initiated and what it takes to form a redevelopment plan
Sub-questions	How are redevelopment projects initiated and what is the goal of area redevelopment? What organisational structures are known between public and private parties?
Part 2: Theories	Theoretical framework
Method	Systematic literature research
Objective	Obtain knowledge about decision-making processes and the different strategies that can be adapted.
Sub-questions	What is the definition of decision-making and what strategies are known in this process?
Part 3: Practice	Empirical research
Method	Case study
Objective	Collecting data
Sub-questions	How does the concerning municipality initiate for redevelopment and how effective is that strategy? How are decisions made in complex projects such as area redevelopment? Which decision-making strategy is most suitable for the retail redevelopment process between municipality and private owners?
Part 4: Synthesis	Empirical research
Method	Theory building
Objective	Drawing the empirical lessons

Table 2.1 Methodological framework, based on Eisenhardt (1989b) (own figure)

2.2 Background: explorative literature review

The first part of this research consists of the explorative literature review. This provides an overview of concepts, motivations and theories related to area redevelopment, public-private partnerships and decision-making processes. The main purpose for this explorative literature review is to outline and examine what is already researched, known as a narrative review (Bryman, 2016), to frame and justify the research questions.

Objective	Explore how projects are initiated and what it takes to form a redevelopment plan
Sub question	How are redevelopment projects initiated and what is the goal of area redevelopment?
Methodology	Explorative literature research
Expectations	Establishment of the project definition and stakeholder involvement

Objective	Explore different ways in how public and private parties can work together in real estate development projects
Sub question	What organisational structures are known between public and private parties?

Methodology	Explorative literature research
Expectations	Establishment of partnerships

2.3 Theories: systematic literature review

The systematic literature review is linked with the explorative literature review. The findings from the explorative literature research, form the starting points for the systematic review. The systematic literature review is used to clarify scope and terminology. In addition, it addresses internal validity to be definable against potential bias (Booth, Sutton, & Papaioannou, 2016).

Objective	Obtain knowledge about decision-making processes and the different strategies that can be adapted.
Sub question	What is the definition of decision-making and what strategies are known in this process?
Methodology	Systematic literature research
Expectations	Different theories about decision-making processes

2.4 Practice: case study

According to Kumar (2018), a case study should focus on a bounded subject that is either representative or atypical for the research topic. For this research, the case studies that are being used are representative on the topic of area redevelopment but differ in their approach to area redevelopment from the perspective of the local municipalities and private property owners.

Objective	Collecting data
Sub question	How does the concerning municipality initiate for redevelopment and how effective is that strategy?
Methodology	Case study research
Expectations	An active role is more effective than a passive role

Objective	Collecting data
Sub question	How are decisions made in complex project such as area redevelopment?
Methodology	Case study research
Expectations	Decisions formed in collaboration between stakeholders

Objective	Collecting data
Sub question	Which decision-making strategy is most suitable for the retail redevelopment process between municipality and private owners?
Methodology	Case study research
Expectations	Insight in current used strategies in the multi-actor setting

2.4.1 Sampling

In this research, one case is selected to analyse and study. The selected case requires a municipality that approaches area redevelopment on a proactive way. This means that the municipality stimulated private owners or investors by actively taking the lead in retail area redevelopment. The main reason for selecting one case is to design the research with a more in-depth approach to investigate the municipal proactive role in retail area redevelopment.

The objective of the case study is to collect data. Therefore, the case should contain defined elements from the market research and the literature findings. A method is needed to form criteria in order to select a relevant case. For this research the presence of decaying monofunctional retail areas will form the main starting point from the case. In addition, the following case criteria are required;

- Concerning municipality has experience with public-private partnerships in construction projects
- Multiple private property owners involved
- Different stakeholder interests in the initiative phase

The researcher uses a proactive attitude to identify and select a fitting case and contact the stakeholders that are involved to make use of their resources for further data collection.

2.4.2 Data collection

The following four sources of evidence are used to execute the case study (Yin, 2017);

- **Semi-structured interviews;** Interviews with the two stakeholders;
- **Documentation;** Analysing project documents and other related reports;

Semi-structured interviews

Interviews can be considered an important source of case study evidence. These interviews will resemble guided conversations rather than structured queries (Yin, 2017). The following stakeholders are interviewed during the case study;

- The municipality in the case area
- The main urban development advisor of the municipality
- Private property owners in the case area

Municipality - This entity is interviewed since the hypotheses states that redevelopment is more likely to occur on a desired way when the concerning municipality takes an active role in participation. The interview provides data on their perspective towards this participation and the role they take in. This is structured by the three main topics from the theoretical framework; project uncertainty, organisational structure and decision-making process. For this case an interview is held with the municipal project manager.

Private property owners - Since the private property owners are considered the most important private stakeholder for the case, interviews with multiple owners in the case area is required. These owners vary from real estate developers to institutional investors. The data that is collected from them focusses on project uncertainty, organisational structure and decision-making

Urban development advisor – This entity, in the form of a urban design company, acts as the main urban advisor of the municipality. It is assumed that they play an important role in translating the municipal ambitions in to urban designs. Their main contribution to this research is to give an insight in the interaction between the municipality and private property owners in relation to design issues. In order to follow the same structure as the interviews with the municipality and the private property owners, the interview is structured according to the three main topics from the theoretical framework as well.

The researcher expects that none of the interviewees are aware of any of the theories that are discussed in the theoretical framework of this research. Due to this lack of knowledge by the interviewees, the goal is to determine their perspective on the topics of the theoretical framework.

Documentation

Studying information that is obtained from available documentation, is likely to be relevant to every case study topic (Yin, 2017). The most important use of documentation is to corroborate evidence that is retrieved from other sources. However, a critical and objective attitude is required towards these documents to prevent overreliance. This is an important aspect, since documentation is often set-up for a specific purpose or specific audience other than the researcher. Therefore, the documentary evidence reflects communication between other parties and their objectives. Identifying these objectives, lowers the chances of being misled by documentary evidence and enables the researcher to a more critical interpretation (Yin, 2017).

2.4.3 Data analysis

Within-case analysis - The method for theory building out of a case study is the within-case analysis. Qualitative data from the case study is conducted manually without the use of software. The main techniques that are used for the within-case analysis are 'pattern matching' and 'explanation building'. Pattern matching includes a comparison of a pattern retrieved from the data with a prior defined pattern. Therefore, the case study tackles the three main topics from the theoretical framework; project uncertainty, organisational structure and decision-making process. Explanation building includes data use to develop an explanation about the occurrences in a case (Yin, 2017). The case data analysis is composed as follows;

- Case background and context of the problem
- Municipal perspective on project uncertainty, organisational structure and decision-making process
- Urban designer perspective on project uncertainty, organisational structure and decision-making process
- Private property owner perspective on project uncertainty, organisational structure and decision-making process
- Case study findings and relation to theoretical findings

2.5 Synthesis

The results of the case study research form the input of the synthesis of this research. In the synthesis, a hypothesis is drawn according to the theory building approach by Eisenhardt (1989b). The main step of the theory building approach is a within-case analysis and comparing those findings with the results from the existing theories.

2.6 Ethical considerations

This research makes use of the "Ethics Review Checklist for Human Research" provided by the Delft University of Technology to check the research's ethical considerations. Thirteen questions are asked in this checklist that relate to the ethics of this research. All questions are answered with 'no' which means that no further reporting has to be done to the Human Research Ethics Committee at the Delft University of Technology.

THEORETICAL FRAMEWORK

Any type of construction projects, including redevelopment projects, consists of multiple actors that have certain aims and interests to be achieved by the end of the project life-cycle (Olander, 2007). These actors can be considered the entities that impact and are impacted by the project outcomes (Freeman, 2010). According to Kerzner and Belack (2010), project complexity can occur in several manners such as the number of interactions that are required or due to size and length of the project. Therefore, projects with a large scope and a significant project life cycle, are more receptive for unforeseen changes. These changes often influence the project budget and the project timeframe. It can be concluded that proper management is necessary to deal with this complexity to achieve project success.

The aim of this research is to focus on the municipal active role regarding the approach to area redevelopment and the improvements that can be made in the decision-making process within redevelopment projects. Actors, also referred to as stakeholders, are defined as all the public and private parties that are engaged or affected by a real estate project (Wamelink, Remøy, & Gruis, 2019). Stakeholders have an instrumental role due to various interests. Therefore, in a multi-actor or multi-stakeholder redevelopment project, different management tools have to be deployed to reduce conflict (Winch, 2010). The scope of this research covers two main groups of internal stakeholders; the acting municipality and the property owners. These are selected since they form the most relevant stakeholders for initiating area redevelopment and thus, can be considered the clients for the project.

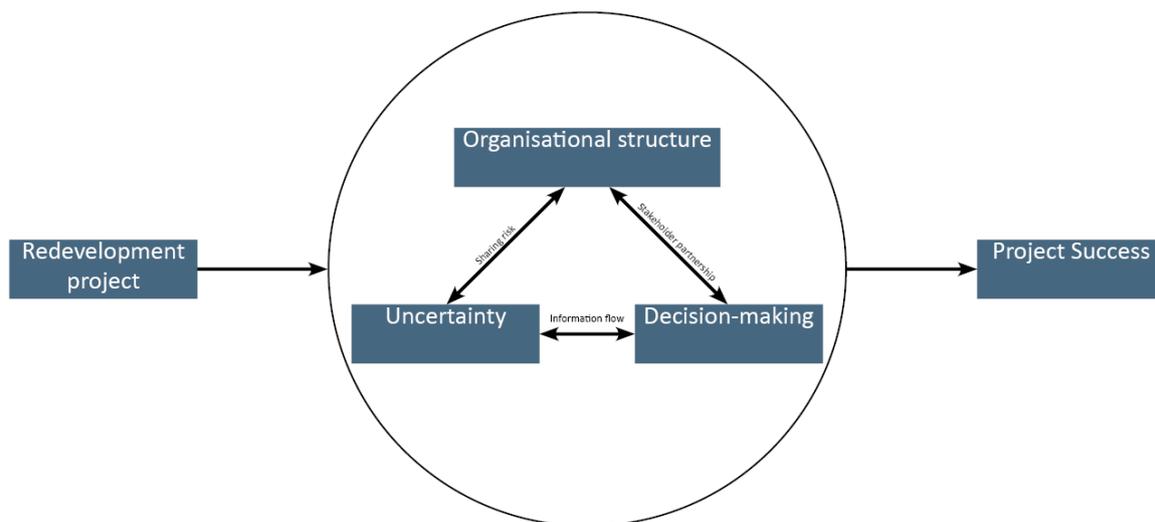


Figure 3. Theoretical framework (own figure)

The literature review attempts to answer three of the sub questions in relation to the organisational structure behind area redevelopment. These sub questions are:

- *How are redevelopment projects initiated and what is the goal of area redevelopment?*
- *What organisational structures are known between public and private parties?*
- *What is the definition of decision-making and what strategies are known in this process?*

Each of the three chapters contains a set of practical dilemma's, retrieved from Daamen, Heurkens, Hobma, and van Zoest (2019), in relation to the approach to urban redevelopment projects in the Dutch context. These dilemma's provide a more in-depth insight in what practical considerations have to be made. The three each finalizes with the conclusion, in which the sub research question is answered.

3.1 Project uncertainty

“Real estate development is knowingly taking risk” (Gehner, 2008, p. 15). Real estate (re)development projects usually starts with an opportunity to realise an object that facilitates societal activities. Translating an idea to something real requires development of the opportunity. This development can be considered a time consuming process which often covers a time period of several years. During this period, different unforeseen events or changing components can occur and influence the project life cycle. These factors make the high level of uncertainty in the project’s initial planning stage, since many components are not yet determined or defined (Winch, 2010). In Winch (2010), uncertainty is split into complexity and predictability. Uncertainty under complexity means that information is there, but is not accessible due to high costs or takes too much time to obtain or analyse. Uncertainty under predictability means that information from the past is used for decisions in the unknown future. This information is not always reliable but can be used as a valuable reference. With these two types of uncertainty in mind, the opening statement by Gehner (2008) can broadly be declared since uncertainty does not always withhold real estate development from happening. Therefore, this chapter outlines the concept of creating value by real estate development and the respond to uncertainties to obtain project success, the importance of information flows to reduce decision making under uncertainty and key-indicators for integrated project teams to ensure these information flows.

3.1.1 Creating value

The development of real estate, is a significant factor in how the built environment is shaped and the way humans live and work. By doing so, it determines and enables human activity to evolve (Squires & Heurkens, 2014). Physical assets that can be exploited to achieve social and economic purposes, can be considered one of the principal ways in which modern societies generate new value. Establishment of these assets is a major force in urban dynamics and change in the built environment and, therefore, a major source of social and economic change (Winch, 2010). These dynamics result in unforeseen interactions of complex forces that contribute to ‘change’ of the social and economic context. Thereby, the environment also changes by deliberate actions such as the investment in physical assets in order to be usable, and thus, valuable for our societal needs. These (sometimes very large) investments are made by public or private entities, and increasingly by partnerships between those two entities. These investments in physical assets create new value in society by being exploited for private benefits and public good (Winch, 2010).

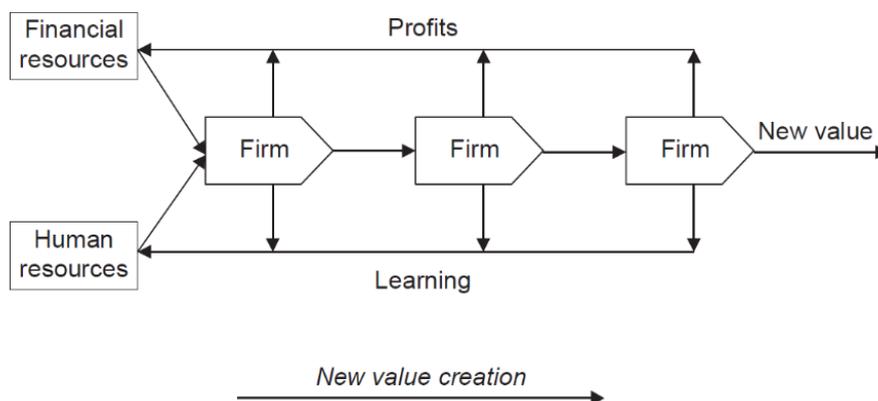


Figure 3.1.1A Construction projects as creation of new value (Winch, 2010)

This explanation by Winch (2010) for creating value by construction projects is mostly related to entirely new projects. This does not mean that the discussed principles of creating value are not accountable for the redevelopment of existing real estate. Real assets can be redeveloped repeatedly to turn a depreciating market value to an increased market value (Williams, 1997). Differences in

economic market cycles and other structural trend changes, may influence existing real estate portfolios (Roulac, 1996). The human activity, as described by Squires and Heurkens (2014), are strongly influenced by what happens in the overall economy and, therefore, the way of how existing real estate portfolios are used. In order to maintain the value of these portfolios, effective real estate management is required to monitor the market cycles and invest in new strategies (Roulac, 1996). One of the possible strategies to add new value is to transform the existing real estate object in to a new market-conform function. In the Netherlands, several examples can be designated in which relatively large urban areas were redeveloped from their original function to a new market-conform function and, therefore, brought new value to the urban environment.

The first example is former industrial area Strijp-S in Eindhoven. This area, originally developed by electronics multinational Philips as one of their main production plants, was transformed in 15 years towards a mixed-use work, leisure and living. After Philips decided to move their production activities to low-income countries in Asia, Strijp-S was sold to contractor and developer VolkerWessels in 1999. From this point, multiple organisational and financial challenges were faced on which is elaborated further on in chapter 2.2 *Organisational Structures*. Nowadays, Strijp-S is considered an innovative and creative urban district that embraces the industrial heritage (Daamen et al., 2019).

The second example is the Spoorzone Delft. The main objective for this redevelopment was connection of two city districts that were split by a nearly 2 kilometre long railway overpass, and increasing the capacity of this railway by doubling the tracks from 2 to 4. Increasing the capacity immediately led to a preferred underground solution in the initiative phase around the 1990's. The available space from removing the viaduct would be used for a new town hall, including an underground train station, and a new mixed-use neighbourhood. In comparison to Strijp-S, this urban redevelopment also faced many organisational and financial challenges. After the start of constructing the tunnel in 2009, in 2015 the first train passed it while development of the mixed use area will last until at least 2026 (Daamen et al., 2019).

From these examples can be concluded that creating or adding value by urban redevelopment can be perceived in various ways. While in the case of Strijp S, the main objective was to create a mixed use environment by transforming existing industrial objects, the Spoorzone Delft intervention was mainly infrastructural resulting in new to develop space. In essence, both of them can be considered an urban redevelopment project of an existing ensemble with the main objective to add quality and value to the urban context. Therefore, the first step in the management of any construction project is to define what is wanted (Winch, 2010). Formulating this project mission or strategic intent of the project, is a continual process of reappraisal during the project's life cycle. According to Winch (2010), project missions are rarely fully realised because of;

- They are formulated under high uncertainty regarding the social and economic circumstances by the time the asset will be exploited.
- Assumptions that are used to formulate the basis for the project strategy become more irrelevant as information becomes available during the project life cycle.
- During the project life cycles new opportunities arise and can be adapted.
- Stakeholders change their minds.

From these statements can be retrieved that the key criteria for project success is not that the project mission is fully achieved, but that it meets the requirements at the time of realisation. Despite, Winch (2010) argues the following reasons to clarify the importance of a project mission;

- The project mission definition process tests the participants understandings, intuition and analysis upon which the strategy is based.
- The defined mission allows the communication of strategic intent to the diverse stakeholders

- The defined mission provides the starting point for planning and control of the realisation process through the project life cycle.

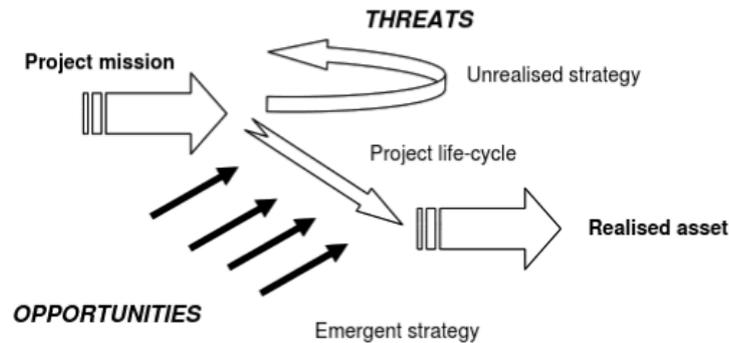


Figure 3.1.1B Project mission and realised asset (Winch, 2010)

From these findings by Winch (2010) can be concluded that the creation of new value by construction projects requires a definition of ‘what is wanted’ in the initiative phase. This definition is known as the project mission. The project mission forms the starting point for stakeholder understanding, strategic intent and process planning for the project. As proven by the two discussed urban redevelopment projects Strijp-S and Spoorzone Delft, the project life-cycle can take a considerably period of time in which threats and new opportunities, considered as uncertainties, influence the project strategy. In order to deal with these uncertainties and be able to create new value, an emergent strategy has to occur to meet the requirement at time of realisation.

3.1.2 Information flows

According to Tribelsky and Sacks (2011), smooth and continual flow of information among project teams of independent designers, is one of the major difficulties in detailed design of complex (civil) engineering projects. In their research, Tribelsky and Sacks (2011) searched for a correlation between the degree of success in terms of design document effectiveness, meeting budget and schedule targets and stakeholder satisfaction on one hand, and the occurrence of information flow problems on the other. The research results confirm a correlation between the information flow quality and the effectiveness of design documents, and confirm that unstable information flows are associated with uncertainty in the project outcomes (Tribelsky & Sacks, 2011). The transformation of vacant real estate can be considered as unique complex projects. In the initiative phase, project complexity contributes to high levels of uncertainty since many components are not yet determined and information accessibility is costly or takes too much time. In relation to the previous paragraph, the project mission is often developed during a period of high uncertainty regarding the social and economic circumstances by the time the asset is exploited. However, developers or investors can rely on their experience up to a certain level to generate information and mitigate uncertainty to some extent (Winch, 2010). Nevertheless, actors not knowing all the facts could lead to optimism biases or strategic misrepresentations that both are pervasive to our predictions about the future. These are both explanations of budget and schedule overruns in construction project and are the result of decision-making under uncertainty. The existence of these phenomenon’s, seriously threatens the rationalistic basis of investment appraisal (Winch, 2010). Therefore, it can be concluded that generating transparent and useful information flows are needed to approach decisions, especially in relation to project feasibility and risk mitigation.

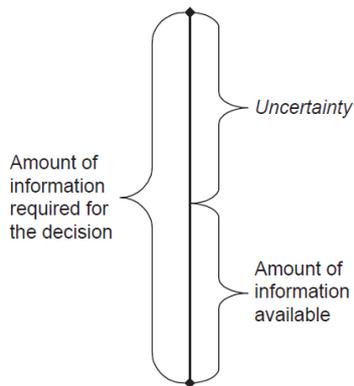


Figure 3.1.2A Definition of uncertainty (Winch, 2010)

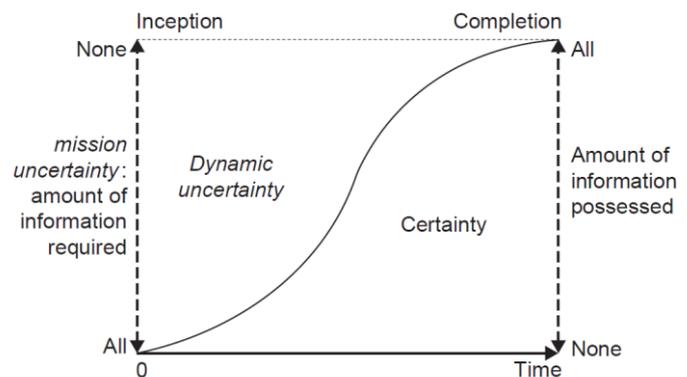


Figure 3.1.2B Reduction of uncertainty through time (Winch, 2010)

3.1.3 Teamwork and collaboration

According to Ibrahim, Costello, and Wilkinson (2013) the construction industry has a fragmented character regarding project delivery. Especially fragmented financial agreements lead to a negative impact on team dynamics and more focus to contractual liabilities. In the case of large urban redevelopments, with multiple actors involved, team integration is considered a useful strategy for better project outcomes but is often hard to realize. In Ibrahim et al. (2013), fifteen key-practice indicators were identified for the establishment of team integration. In their research, these indicators are mostly related to multi-disciplinary project teams which includes stakeholders such as the client, project managers, designers and contractors. Following the principles of the project mission by Winch (2010) and the Strijp-S and Spoorzone Delft examples, in the initiative phase, a set of multiple clients that act within the project scope, can be considered a project team as well. Therefore, the fifteen key-practice indicators can be appointed for this research as well. They are divided in two groups, the relationship-oriented indicators and the non-relationship-oriented indicators by Ibrahim et al. (2013).

Relationship-oriented indicators

- *Focusing on goals and objective*; the project manager has to make clear the goals and objectives of its project team to understand different requirements of desires for different stakeholders and point them in the same direction.
- *Trust and respect*; trust can be achieved by recognizing team members to achieve the highest results that they are capable of. Early formation of project teams often lead to equal respect of all members resulting in mutual trust.
- *Free flow communication*; improvement of communication by face-to-face relationships between team members. This ensures communication flows that can lead to better involvement patterns and behavioural responses to unexpected events.
- *No blame culture*; in this type of culture, team members work together in trust and are not frightened to admit mistakes, because there is no level of exposure to poor performance. When faults are meant to learn from, project teams are encouraged to experiment with new ideas.
- *Commitment from top management*; cultural change and stimulating collaborative working can be provided by senior management. From this role, it is a proper opportunity to face these challenges and adapt them in the working strategy.
- *Team flexibility and responsiveness to change*; team members need to be flexible in responding to changes and cultural issues during the project life cycle in order to achieve a successful project performance.

- *Collective understanding*; major benefits can be experienced when all team members have the same understanding of project goals and the decision-making that comes with those goals. This can stimulate the feeling of being an essential part of the team during the project. Therefore, team members should see themselves as part of the project team rather than members of their own discipline.
- *Seamless operation with no organisational defined boundaries*; this means that team members collaborate on working towards mutually beneficial outcomes. In order to achieve that, project aspects and content should be discussed with all representatives of different stakeholders, even if this is not part of their interest or expertise. This results in an integrated project team.
- *Sharing information*; every team member should have access to all the available information. In addition, it is important that information reaches the right person at the right time to avoid delays in decision making.
- *Encouraging initiative*; encouraging new ideas by stimulating creativity and empowerment of the team can be valuable during the entire project life cycle. Enabling interaction with different project participants can help achieving this.

Non-relationship-oriented indicators

- *Creation of single team location*; having the project team working at the same location as near as possible to the activity stimulates relationships and a better understanding of the collaborative culture.
- *Innovation and improvement*; by improving the process, standardisation and value engineering, the total cost can be reduced.
- *Integrated ICT system*; these systems could be used to align goals, improve the delivery process and can act as a mechanism to enhance the technical communication flow between clients and the construction activity itself. With an integrated ICT system, the risk of a failing communication decreases.
- *Effective management of health and safety*; the project team could improve health and safety by an agreement of minimum standards during the whole process. It results in a collective responsibility.
- *Client care team*; the client care team focusses and manages the client expectations during and after the project. This is also important to support the end-user objectives such as budget or time when events influence the process. Usually, the presence of a client care team results in improved motivation and confidence

It can be concluded that these key-indicators can be used as a first step to design highly integrated project teams that influence the behaviour of individuals to ensure better outcomes. Between some of the indicators, the interdependency is complex. In order to determine the purpose of certain key-indicators, it is relevant to reflect to them independently to provide a statement about the level of team integration (Ibrahim et al., 2013).

3.1.4 Dilemma's

From the essay '*Leren van stedelijke transformaties*' by Daamen et al. (2019), the following dilemma's (and their conclusions) can be related to project uncertainty;

Limited role or connect tasks? – An open, flexible approach helps stakeholders to be more adaptive to contextual changes, as long as the project goals are clear. Therefore, this strategy is mostly based on a more loose collaboration and trust instead of contracts to ensure certainty to some extent. Broadening and connecting challenges is often necessary as long as risks such as overcomplexity and intertwined finance are taken into account. As public or private area developer, a double focus is required on both the initial plan and exploring the environment. This way, developers could search for *package deals* which contributes to a broader range of development (Daamen et al., 2019).

Public space and private yield? – Usually, public space is one of the last to be developed components of area redevelopment. Early investments in public space can boost the redevelopment process and benefit private actors, leaving the question who pays and maintains the public space? From practice can be learned that large and complicated financial investments are not necessary to add quality to urban space. Properly organised user participation sessions could result in a clear overview of desired additions. The network of end-users and the owners provide the opportunity to have conversations about the area's future. Different social initiatives can be organised in spaces that are managed by the municipality or market parties. It is proven that using this strategy, the core qualities for public space are widely supported which stabilises the project definition of area redevelopment. The uncertainties that are mitigated this way, are valuable for all involved stakeholders and shows how common public and private goals can be achieved (Daamen et al., 2019).

3.1.5 Conclusion

In order to be able to answer the following sub research question; "*how are redevelopment projects initiated and what is the goal of area redevelopment?*", from this chapter can be retrieved that project development is about creating new value out of financial and human resources. The initiative phase starts with the problem identification in which existing real estate portfolios have lost their value as result of economic market cycles. These physical assets, that can be considered the outcome of project development, act as value addition for societal needs such as working and living. Alignment of the project definition with the societal needs is important to maximize the project's value, however, these societal needs can change over the project's life-cycle due to uncertainties. Therefore, strategic adjustments have to be made to be able to continue. In the initiative phase, many components of the projects are yet to be determined. Therefore, especially in large projects such as area redevelopments, information is required to determine these components in order to create a solid base to start from. Concerning transparent information flows, which are best to achieve in team collaborations or other forms of participation, can result in properly forming this solid base.

3.2 Organisational structure

Urban redevelopment projects usually consists of multiple stakeholders, each having a specified set of interests and strategic approaches towards the redevelopment project. These stakeholders, also referred to as public or private organisations provide resources within a certain business or governmental authority to establish their goals. In essence, all organisations are information processing systems (Winch, 2010). In order to function properly, organisations have to be aware of their environment, take decisions, interact and communicate their intentions and ensure these intentions are executed (Winch, 2010). Many service organisations, such as project managers, real estate developers or real estate investors, are devoted on managing these information flows. These flows, that form the heart of business process in all organisations, are enabled and directed by the structure of the organisation. Winch (2010), describes the problem of management as the problem of continuing process shaping by manipulating the structure, known as the tectonic approach to organisation. Therefore, this chapter focusses on the three levels that form the tectonic approach and investigates which different strategies can be obtained within the ‘governance’ and ‘process’ level of this approach.

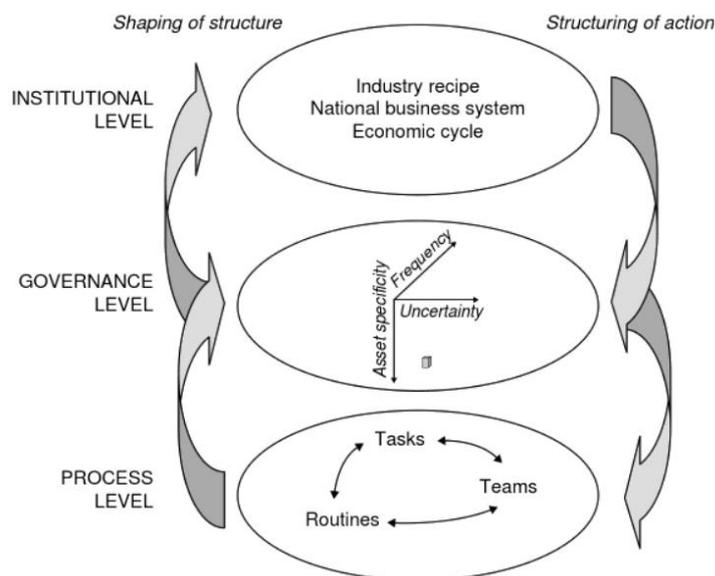


Figure 3.2 The tectonic approach (Winch, 2010)

3.2.1 Institutional level

The institutional level in this framework is defined as the underlying context in which the project takes place (Winch, 2010). For this research, the context can be described as supportive monofunctional retail areas (Locatus, n.d.) in Dutch municipalities of which one or multiple actors have the ownership of the area’s real estate objects. These real estate objects can be labelled as corporate real estate since they are used by retail companies to accommodate their operational purposes (University of Washington, 2016). In the Netherlands, it is common that corporate real estate is owned by real estate holdings and institutional investors who lease their object’s floor space to its operational occupants. According to Brounen and Eichholtz (2005), corporate real estate forms one of the largest asset classes in the world. The lease cost per square meter for users can be related to the user’s operating revenue to make a statement about the productivity of their business accommodation in relation to their business operation. In literature, this is known as the Occupancy Cost Ratio (OCR) and is placed in the context of the economic cycle and long-term retail trends (van Duijn et al., 2015). Within the research time span by van Duijn et al. (2015), focussing from the 2008 financial crisis until 2014, a mainly

negative business revenue trend was perceived in the Netherlands. This was due to the change in consumer behaviour as result of the financial crisis and governmental financial cuts. Thereby, the influences of e-commerce have a long-term effect as well on retail revenues. During this period, in general, the floor space rent rates remained the same or increased by indexation. Therefore, the affordability of retail floor space is in dispute for a long period of time with structural vacancy as one of the main consequences. In their research paper, van Duijn et al. (2015) conclude that the OCR of bulk retailers is lowest, retailers in central retail areas the highest and in supportive retail areas the OCR lays in between. The differences are presumably caused by floor productivity and the type of retail in the area. From this can be retrieved that the cases on which this research focusses, are likely to fit in the in-between OCR category considering the statements for supportive retail areas.

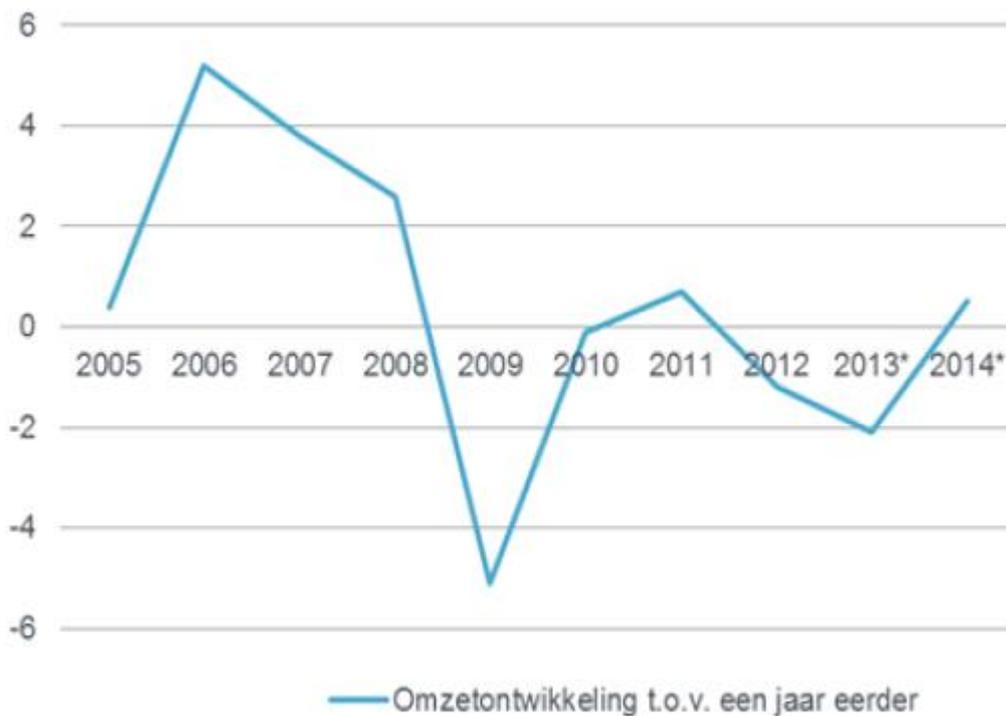


Figure 3.2.1A Retail revenue trend 2005-2014 (van Duijn et al., 2015)



Figure 3.2.1B Consumer spending behaviour 1996-2014 (van Duijn, Nozeman, & Roodhof, 2015)

Since the content of the research paper by van Duijn et al. (2015) reaches until the year 2014, it is important to highlight the situation between 2014 and 2020 as well to form a more accurate overview of the situation. In terms of the economic situation in the Netherlands, a retrospect can be done to the problem analysis of this research. In the problem analysis, both Rabobank (2018) and Colliers (2016) state that the competition between e-commerce and physical retailers is difficult, even in the booming market conditions that were observable until 2020. This leads to bankruptcy's and strategy shifts of retailers to maintain competitive, with irreversible vacancies as result. As stated by PBL (2020), the COVID-19 pandemic is likely to act as a catalyst especially on the type of retail areas that van Duijn et al. (2015) refer to as areas with the in-between OCR. Given the fragmentation in property ownership and involvement of public actors and different disciplines in area redevelopment, it can be stated that large scale projects consists of a multi-actor environment. The multi-actor environment can be considered a corporation between the 'public actors' who protect social values and the 'market actors' who bring together financial and human resources for their industrial activities. In Winch (2010), this is labelled as the *corporatist* national business system.

Having clear the type of industry (retail), the business system (corporatist) and the economic cycle (decreasing demand for retail space), the connection via the 'structuring of action' to the governance level can be made.

3.2.2 Governance level

The role of governance is to monitor and control the management process, in which the managers preside the day-to-day activities that run the organisation (Eisenhardt, 1989a). Traditionally in business firms, governance has focussed on boards of directors representing and protecting the interests of shareholders (Fama & Jensen, 1983). From the perspective of public organisations, such as municipalities, governance mainly focusses on funding and the oversight roles of government agencies. This is especially related to private organisations that have legal agreements to provide public services (Hill & Lynn, 2004). In area redevelopment projects, these public and private governance structures tend to intertwine and form a multi-organisational network. Networks are widely recognised as an important form of multi-organisational governance. The advantages of network coordination in both public and private organisations are considerable and include topics such as enhanced learning, efficient use of resources, capacity to plan for and address complex projects, better competitiveness and better services for clients and customers (Provan & Kenis, 2008). In this context, Provan and Kenis (2008) define 'network' as a group of three or more legally autonomous organisations that work together to achieve both an individual and collective goal.

In goal-directed organisational networks with a distinguishing in actor identities, a form of governance is necessary to ensure that actors are engaged in collective and mutually supportive action, to address conflict and to use resources efficiently (Provan & Kenis, 2008). A focus on governance, parallel to the standard interactions in multi-actor environment, involves the structuring of authority and collaboration to allocate resources and coordinate and control joint action across the network. Three variants of network governance are discussed below.

3.2.2.1 Participant-Governed Networks

In this governance form, the network is governed by the network participants without a separate governance entity. In a formal way, this governance form can be accomplished by having meetings with participant representatives, or more informally, through ongoing and uncoordinated efforts of these participants. In the extreme situation, the participant-governed network can lead to decentralized network, in which participants act on an equal basis (shared-governance) or to a centralized network, in which one lead participant governs. In the case of a shared-governance, the collective of participants make decisions and power is more or less symmetrical divided. Thereby, coordination activities are performed by a subset of the whole network (Provan & Kenis, 2008). The

idea and advantage of having this form of governance, is that all the involved participants are evenly committed to the goal of the network (Venkatraman & Lee, 2004).

3.2.22 Lead Organisation-Governed Network

In the shared-governance extreme of the participant-network governance, there are situations where shared-governance is not conducive to the process efficiency. Therefore, another extreme can be appointed in which a lead-organisation governs the network. This usually occurs in networks where there is a vertical relationship between a single larger entity and several smaller entities, such as buyer and supplier relationships. In a horizontal multilateral relationship this phenomenon occurs if one of the organisations has significant more resources, and therefore, legitimacy to play the lead role. The single lead-organisation in these networks, coordinate all key decisions and major network-level activities. This results in asymmetrical power in which the resources are embedded to achieve the lead-organisation goals instead of network goals. The role of lead-organisation can emerge from network participants, based on their own persuasion of network efficiency and effectiveness (Provan & Kenis, 2008).

3.2.23 Network Administrative Organisation

The network administrative organisation model (NAO) makes use of a separate non-profit entity that is set up to govern the network and its activities. All network participants interact with each other in a centralized way. The NAO, considered as a network broker, plays a key role in the coordination of the network. The main difference between the NAO model and the lead organisation-governed network, is that the NAO is not another network participant with its own interest, but a special established entity for the exclusive purpose of network governance. The characteristics of the NAO can differ from a single individual to a formal organisation with a specialised staff, including directors and board. In complex projects, the larger NAO's can be used as a useful mechanism for enhancing network legitimacy by dealing with unique and complex network problems. Therefore, the board can address strategic-level network concerns and the NAO leader can make operational decisions. The role of NAO can also be taken by governmental organisations. In that case, NAO's are generally set up when a network is formed and network growth stimulation is required to ensure that network goals are met. The purpose of governmental NAO's is to accomplish broad goals such as economic development (Provan & Kenis, 2008).

3.2.24 Effectiveness of network governance

The three described governance forms by Provan and Kenis (2008) are applicable in different organisational structures. Therefore, in order to predict which of the three forms is most successful and effective in relation to the network characteristics, a theoretical rationale for adoption is developed by (Provan & Kenis, 2008). In this theoretical rationale, the successful adoption of one of the governance forms is based on four key structural and relational contingencies namely; *trust*, *number of participants*, *goal consensus* and *need for network-level competencies*. However, these are not the only contingencies that are relevant. Provan and Kenis (2008) state that these particular factors, according to network literature and their understanding of network governance, best explain considerable variance in the choice for network governance forms. In the figure below, the relationship between the contingencies and governance forms are displayed.

Key Predictors of Effectiveness of Network Governance Forms

Governance Forms	Trust	Number of Participants	Goal Consensus	Need for Network-Level Competencies
Shared governance	High density	Few	High	Low
Lead organization	Low density, highly centralized	Moderate number	Moderately low	Moderate
Network administrative organization	Moderate density, NAO monitored by members	Moderate to many	Moderately high	High

Figure 3.2.2 Key predictors of effectiveness (Provan & Kenis, 2008)

3.2.25 Practical examples of network governance

In construction projects in the Netherlands, multiple governance forms can be perceived. This paragraph elaborates on the two examples that were mentioned in chapter 3.1 *Project Uncertainty* and focusses on governance structures, and changes, that were used in relation to urban redevelopment projects. The goal of presenting these examples, is to analyse and describe their organisational structure in relation to governance and analyse to what extent they fit in one of the governance forms by Provan and Kenis (2008).

Strijp S – When Philips decided to end their activities on Strijp S in 1991, a masterplan was developed to present the area's redevelopment potential. In order to avoid fragmentation in the development process, the municipality of Eindhoven wanted Philips to sell the area as a whole. A tender for the area was sent out and won by a joint venture of VolkerWessels, together with an investor and the municipality of Eindhoven. From that point, multiple financial setbacks occurred due to the 9/11 attacks and later due to the 2008 financial crisis. After the 9/11 attacks, the investor withdraws from the project and a 50/50 public-private-partnership (PPP) with the municipality was formed in order to continue the project (van Zoest, 2019). The PPP is a governing structure that includes both public and private parties by using the available resources for the realisation of predefined project objectives (Tang, Shen, & Cheng, 2010). According to Tang et al. (2010), the PPP has become a more often selected governance structure for construction projects. In the Netherlands, the PPP structure is particularly used for infrastructure-related projects and for large area developments (Klijn, 2009). Governments increasingly use the PPP to modernize public policy with the assumption that the involvement of private parties will increase quality and provide better value for money in relation to their policies (Klijn, Edelenbos, & Hughes, 2007).

In order to lower the risk on the 50% investment share, VolkerWessels involved multiple organisations in to the project such as housing associations and investors. In the PPP, VolkerWessels acted dominant as main decisive organisation with a limited role for the municipality. With the new shareholders, goal consensus was hard to find due to different views on the design strategy (van Zoest, 2019). During the 2008 financial crisis, more friction in the governance structure between all involved parties occurred, mainly about risk and influence. Therefore, the *'Board of Inspiration'* was established as an external governance entity, coordinated by a prominent Dutch urban designer. The *Board of Inspiration* was funded by all involved stakeholders and resulted in a larger and more intensified network governance structure, instead of the supervisory board that was driven by shareholders (Daamen et al., 2019). This resulted in better project steering in which risks were spread more effectively and new redevelopment perspectives were involved (van Zoest, 2019).

Spoorzone Delft – Daamen et al. (2019), describes that around the year 2000, the Dutch national government agreed to subsidise a new railway tunnel in Delft. By realising a railway tunnel, new land would become available for the development of housing and utility. An urban vision was established for the new available land, which was well received by the local population. For the land development, a consortium (OCSD) with contractor Ballast Nedam and Dutch railway real estate department NS Poort was formed and accepted by the municipality of Delft. The consortium is a combination of different aspects that is done by integrated contracts (DB, DBF, DBM, DBFM, DBFMO), which are executed by several specialist companies (Chao-Duivis, 2011). The municipality of Delft established a separate development organisation, Ontwikkelbedrijf Spoorzone (OBS) that agreed on a fixed land price for OCSD. OBS had a certain distance from the municipal politics and received the mandate to manage the development of the railway tunnel and urban area. Despite the proper substantive consultation between OBS and the municipality, the municipality felt a shortcoming in being able to guide and steer the project (Daamen et al., 2019). During the 2008 financial crisis, OCSD could not guarantee the land price for the area development anymore. This resulted in many juridical procedures and the withdrawal of NS Poort out of OCSD and OBS becoming a municipal organisation. Therefore, the municipality got back 2/3 of the development rights. However, a large financial value loss was

booked and the municipality had to change the strategy for urban development and governance. Nevertheless, due to a new flexible masterplan and a more phased land issue to different market parties, the urban development process of *Spoorzone Delft* has improved (Daamen et al., 2019).

3.2.25 Market versus politics

In their essay Daamen et al. (2019), state that the intensive corporation between public and private parties requires high valued human resources, which in many cases is not available. In addition, public actors often have unreal demands due to a lack of market knowledge, while private actors often misunderstand the political rationality and the complexity of the municipal organisation. Creating separate organisations that manage the horizontal relationships between different stakeholders (developers, housing associations, etc) and vertical relationships between municipal layers (political), could be effective in urban redevelopment (Daamen et al., 2019). This PPP structure requires to offer a proper defined authority and democratic quality, in which capital, expertise and risk are bundled and shared to maximise efficiency and effectiveness. The project governing organisation, can be both established as an extension of the municipal project team or as a separate organisation (PPP) that contains external experts to create more distance between the project and politics. The PPP organisation receives budget from the municipality, in combination with stakeholder investments, and are accountable to the municipal Alderman and council (Daamen et al., 2019). For private stakeholders, this type of organisational structures in urban (re)development are preferred due to the larger distance between the project and politics which results in less bureaucratic processes and less political interference. Since urban redevelopment projects often have a project life-cycle of multiple years to multiple decades, it is important that area visions and strategies are established that reach further than the local political term of office. Nevertheless, the democratic legitimacy of the local government is measured by the elections every four years, which provides an opportunity for new political legitimacy and policies (Daamen et al., 2019).

The strategy for the organisational structure is strongly dependent on the land ownership of the area. In the case of Strijp S, the joint venture between the municipality and VolkerWessels prevented fragmented land ownership. Therefore, the municipality was able to actively steer the project definition (Daamen et al., 2019). Nevertheless, fragmented land ownership can be considered a common situation in inner-city urban redevelopment. One of the major disadvantages of this situation is that it could lead to incoherent redevelopment. In order to prevent this, municipalities can steer by focussing in vision and network coordination. Embracing the fragmented ownership, gives the opportunity for owners to develop independently from each other. With a clear urban vision, land-use plans and local regulations, the municipality can maintain their influence (Daamen et al., 2019). As municipality, or joint venture structure, purchasing all the land is an outcome if stronger municipal steering is demanded. However, this strategy requires large capital investments and is easier if the land is not fragmented already (Daamen et al., 2019)

The governance level influences, and is influenced by, the project processes in the form of tasks, teams and routines. From the investigation to network governance and de practical examples, can be retrieved that in area redevelopment and complex projects, often lead to a multi actor environment which can be governed in one of the three network governance forms as investigated by (Provan & Kenis, 2008). The main uncertainty that influences the governance structure and the project process, are financial setbacks. However, the given practical examples show that governance structures can be changed over time in order to be able to continue the project processes.

3.2.3 Process level

The process level of the tectonic approach is where the project activities, through a flow of information which initiates controls and material flows, are performed (Winch, 2010). In the tectonic approach, the process level is displayed as the dynamic interaction between tasks, teams and routines. This is known

as the project life cycle. In the project life cycle, the tasks define the *what?*, teams define the *who?* and routines define the *how?*. The dynamic interaction between the tasks, teams and routines is displayed in figure 3.2.3. The project life cycle model is a widely known feature in organisations, governance and management of construction projects. It represents the predefined actions that are required to process information and control the project through stage gates to measure performance and achieve the predefined goals (Addyman et al., 2020).

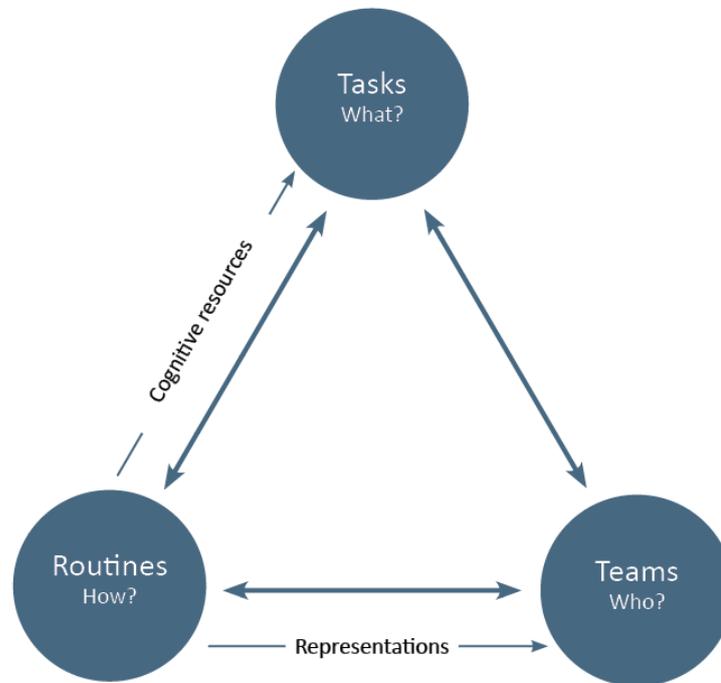


Figure 3.2.3A Process level, own image based on Winch (2010)

3.2.31 Routines

Routines are formed by the experience that is gained from former projects. Gained experiences can be applied to the needs of a specific project. These experiences act as the cognitive resource to decide how to execute tasks and as resource for representation of the teams who take decisions (Winch, 2010). The concept of routines in project organisation, has been adopted by project management scholars as a useful way to explore patterns of action in project organisations (Addyman et al., 2020). However, in Addyman et al. (2020) is stated that due to life cycle stage transitions, organisational routines have to be re-created. These life-cycle stage transitions mainly occur when tasks are completed and new ones are yet to start, or during the dynamic involvement of actors in the multi-actor project environment. In addition, life-cycle stage transitions can also be influenced by market dynamic uncertainties that are described in the examples of *Strijp S* and *Spoorzone Delft*. Usually, the transition between project life cycle stages is represented either as a start-finish or overlapping activity. The difficult and complex dynamic nature of current, multi-actor, project environments and the effect they have on organisational and management processes, makes it difficult to understand changes in project organisations (Bresnen, Goussevskaia, & Swan, 2005).

In order to help project managers in complex projects to deal with the dynamic process in life cycle stage transition, a more elaborated routine transition model is provided by Addyman et al. (2020). This five-stage *process model of transition*, starts with senior management team realising a breakdown in their expectations of the predefined transition moment, leaving them to restructure a part of the organisation to accomplish their desires. In the second stage, the breakdown is mitigated by new information and assumptions on gained, but incomplete information to ensure progress. The third

stage, a sense for transition is indicated and finalized for approval. Thereafter, the fourth stage contains the activities that are required to gain a formal approval to enter the next stage. Finally, in the fifth stage, purposefully actions are causing for temporary breakdowns and the cycle repeats itself.

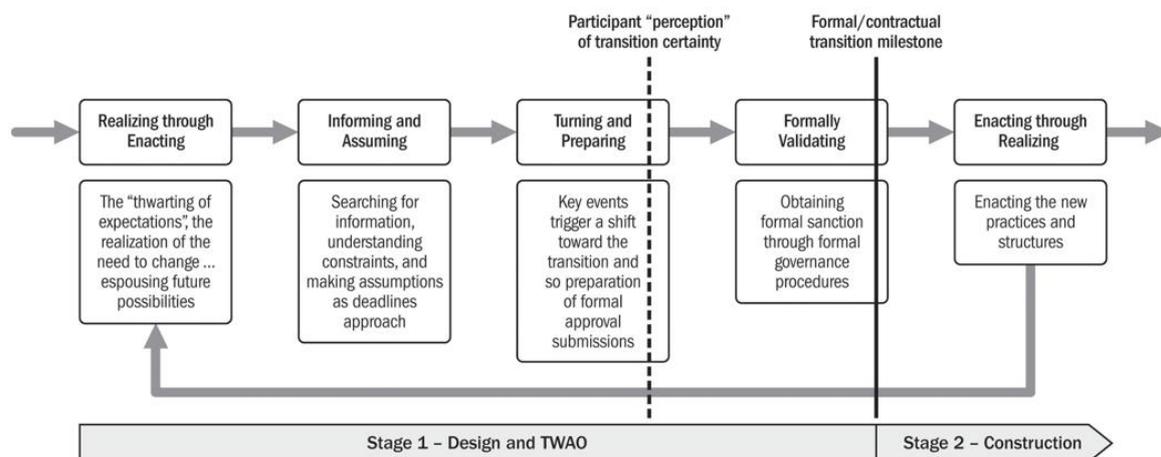


Figure 3.2.3B Process model of transition (Addyman, Pryke, & Davies, 2020)

3.2.32 Teams

Teams are human resources that work together to decide how tasks will be executed (Winch, 2010). In project teams, the extent of authority and autonomy granted to the project manager and individual team members has major impact on the ability of the team to meet the predefined goals and expectations. Especially in dynamic project environments, where resources, requirements and other conditions, such as politics and the economy, change rapidly (Nogueira & Raz, 2006). In their research, Nogueira and Raz (2006) state that under high uncertainty, loose designs for project teams outperform tight organisational structures. This means that during the project initiative phase, when goals and tasks are yet to determine, it is better to work with flexible teams which can be adjusted in relation to project evolution. Thereby, the size of teams is also relevant to investigate in relation to teamwork effectiveness. Team size has been considered an important structural variable that determines team processes, and subsequently, team performance in terms of task completion efficiency and effectiveness (Hoegl, 2005). A laboratory research by Bray, Kerr, and Atkin (1978), suggests that an important characteristic of smaller teams is more direct and efficient communication. This causes more effort by team members and a better utilisation of the team member's potential. The team size therefore has effects on multiple aspects of teamwork quality. Sharing information within the team becomes significantly more complex if the number of team members increases (Zenger & Lawrence, 1989). In addition, the amount of effort individual team members contribute, decreases if members are added to the team. This can lead to nonparticipating team members whose potential, in terms of knowledge and skills, is not fully experienced which can result in a collective decrease in team quality. In cross-functional multidisciplinary teams, where the total contribution of all team member's illustrates the team performance, this is particularly critical (Bray et al., 1978).

In Hoegl (2005), there are four strategies presented in how teams can remain small. The first strategy is a *multiteam project*, in which multiple teams work separately on divided components of one task under coordination of a project manager. The second strategy is the *core team versus extended team*, in which the necessary individuals to complete the task form the core team. The extended team is a set of individuals that have advising or consulting roles who provide input when needed. The third strategy is to *define team-external contributions* in order to keep teams small and functional. Specific tasks toward project completion can be appointed to team-external individuals, rather than include those individuals in the team itself. The fourth strategy is to include *project phase-*

specific team members only during the project phases where their contribution is needed rather than carrying them throughout the whole project. Therefore, the phase-specific members only join the team to achieve the project's objectives for a specific phase.

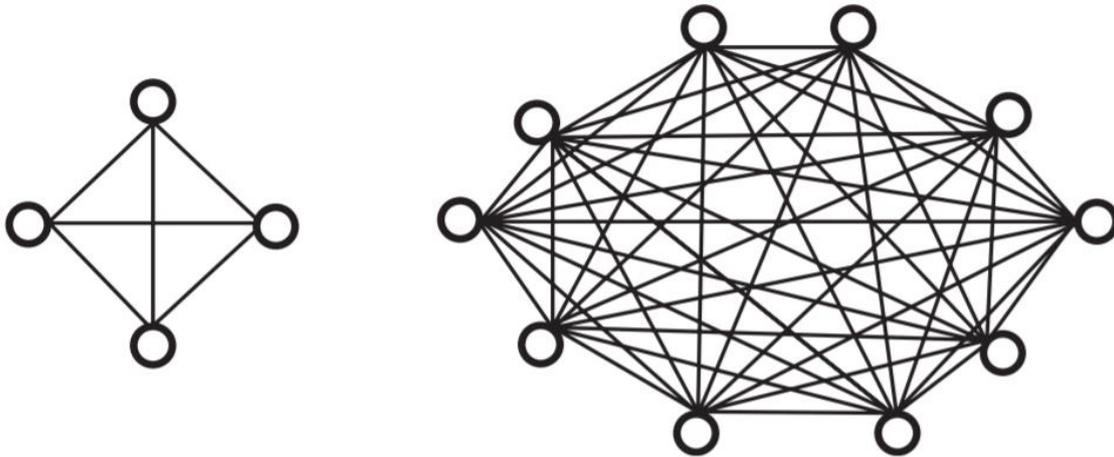


Figure 3.2.3C Communication structure between four or ten team members (Hoegl, 2005)

3.2.33 Tasks

Tasks are all the components that need to be executed in order to complete the project (Winch, 2010). As mentioned in the previous two paragraphs, the project tasks are executed in certain routines by certain teams. For complex redevelopment projects, all the tasks to be executed can be described on various scales. Since this research elaborates on the broader components of area redevelopment, that form the theoretical framework, a main overview of tasks on the larger scale of the project life cycle is discussed. In relation to real estate development, the overall life cycle is described by Kohlhepp (2012) as a set of seven stages;

- 1. Land Banking Stage - Holding land for future development
- 2. Land Packaging Stage - Improve land value by conceptual land planning
- 3. Land Development Stage - Improve land to be ready for building development
- 4. Building Development Stage - Construction of the building
- 5. Operating Stage - Lease or sell the property to users or indirect users
- 6. Renovation Stage - Create new value by renovating
- 7. Redevelopment Stage - Create new value by physical or functional improvements

For each of the stages, the involved actors make studies, analysis and studies to what extent their plans are financial feasible and fit within the boundaries of the project mission. In relation to area development, Daamen et al. (2019) describe the following project management life cycle that is currently applied in the construction industry;

- 1. Structural vision
- 2. Land-use plan
- 3. Urban plan
- 4. Program of requirements
- 5. Provisional design
- 6. Definitive design
- 7. Construction

However, more of a process management approach is recommended since area development can be considered a long lasting dynamic activity in which design preferences, involved stakeholders, political

climate and the economic climate can change over time. Therefore, the principles of process management, in which uncertainty and complexity are recognised, are of better use. An important aspect of this approach is to connect interdependent actors and activities (Daamen et al., 2019).

3.2.4 Dilemma's

From the essay '*Leren van stedelijke transformaties*' by Daamen et al. (2019), the following dilemma's (and their conclusions) can be related to organisational structure;

Government interference or laissez-faire?- Making an integral plan for urban redevelopment in inner-cities, is difficult due to the different existing activities in such areas. Therefore, choices have to be made to what extent active land-policies are applied by local governments and to what extent pre-investments are made. Therefore, the (local) government has the choice to interfere in a certain area or leave it to the market forces (*laissez-faire*). In the initiative phase of Dutch redevelopment projects, different options can be considered in relation to the organisational structure. Dependent on project objectives, ownership fragmentation, willingness to cooperate and available public and private capital, a suitable form can be established. Starting an area redevelopment from a few available plots, keeps up the pace and trust but is not a guarantee for success (Daamen et al., 2019).

Steering by several actors or a dynamic network? – In order to prevent a too large consultation group, area developers mostly prefer to collaborate with a few other actors rather than a large network of formal and informal actors. However, the actors that form the existing and future context, are also important to involve in the process. Large area redevelopments require stakeholders that are able to invest a lot of capital. However, smaller, local, stakeholders play an important role in the quality and interpretation of the area. This network structure is important to establish in order to be resilient to external changes, and it helps to prevent group thinking. Therefore, it is recommended to make network analysis on a regular base to identify stakeholder involvement, resources, perceptions and future actor involvement. The management of a network requires strategies that enhance stakeholder interaction (Daamen et al., 2019).

Organisation close to politics or at distance from politics? – In Dutch context, interaction between public and private actors is unavoidable considering area redevelopment. Different stakeholders, challenges, and actors have to be connected in an effective way. In order to do so, a certain level of expertise is required in the organisational entity. Therefore, separate organisational structures can be the outcome. The establishment of a separate public organisation, PPP or network organisation, usually has several challenges in terms of stakeholder alignment. In the case of project setbacks, the public entity, Alderman and municipal council have to be informed directly. From practice can be obtained that the information flows from the external organisations towards the municipality are often insufficient. Since the municipal council can only steer in general aspects of the project, proper information flows and stakeholder alignment is very important in complex projects to utilize opportunities (Daamen et al., 2019).

3.2.5 Conclusion

From the *institutional level* can be concluded that the future of retail objects in supportive retail areas in the Netherlands is under pressure. These objects are located in multi-actor environments with interest of public actors who protect the social values, and interest of market actors who bring together financial and human resources. Therefore, this national business system can be labelled as the *corporatist*. This means, that in Dutch area redevelopment projects, interaction between public and private actors is unavoidable.

From the *governance level* can be concluded that in multi-actor environments, three forms of network governance (shared governance, lead organisation and network administration organisation) can be

applied of which the effectiveness can be predicted on the factors *trust*, *number of participants*, *goal consensus* and *need for network-level competencies*. From the practical examples of Strijp S and Spoorzone Delft can be concluded that these governance structures can change over time to secure project continuation after financial or organisational setbacks. In order to share financial risk, the PPP, Consortium or Joint Venture are well known organisational structures. However, it is not always possible to form these type of partnerships. The fragmentation of land ownership makes it difficult to ‘take over’ the area as a separate entity which consists of public and private stakeholders. Therefore, effective project governance can be achieved by focussing on vision and network coordination.

From the *process level* can be concluded that process routines are primarily based on former project experiences. Due to increasing complexity, as result of market dynamics and the multi-actor environment, these routines have to be re-created after organisational life cycle stage transitions. These routines are performed by different teams that need to be flexible in the initiative phase. In addition to that, it can also be concluded that small teams work more efficiently and effectively due to less complicated communication structures. In order to maintain small project teams, four strategies can be applied including the *multi team*, *core team versus external team*, *external team contributions* and *phase specific team*. It is team’s main activity to complete the set of tasks that form the project life-cycle.

In order to answer the following sub research question; ‘*what organisational structures are known between public and private parties?*’ it can be stated that there are several possibilities on, especially, the governance level and process level of the tectonic approach by Winch (2010). In the governance level in a specific project, the most effective form of network governance can be predetermined by analysing the key predictors *trust*, *number of participants*, *goal consensus* and *need for network-level competencies*. In order to share financial risk, a legal agreement such as the *PPP*, *joint venture* and *consortium* between partners can be established. On the process level, the most important finding is the composition of small project teams for more communicative efficiency and effectiveness to complete the set of tasks. There are four strategies that could be applied to maintain small teams, these are the *multi team*, *core team versus external team*, *external team contributions* and *phase specific team*.

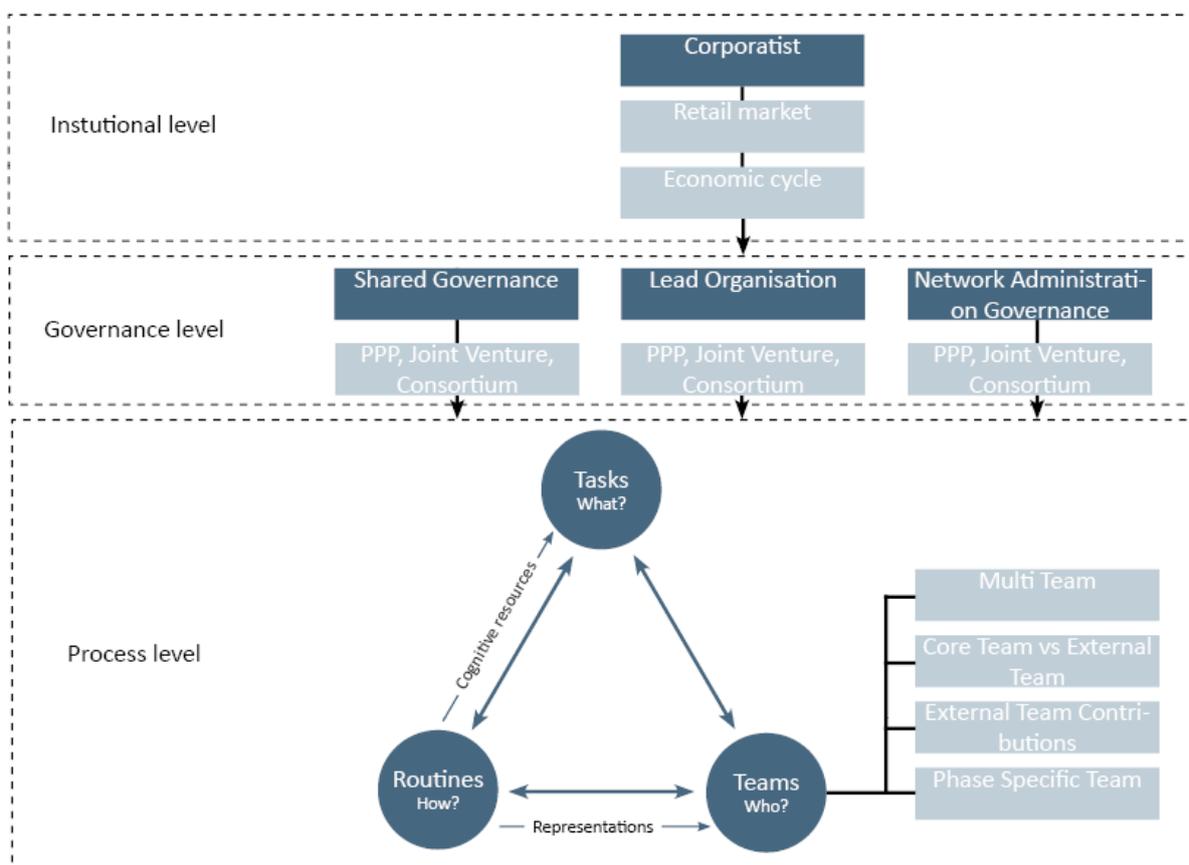


Figure 3.2.4 Strategies for organisational structure, (own image)

3.3 Decision-making process

In the initiative phase of a project, decisions will concern the overall scope and objectives. The decision-making procedure usually becomes of a more practical nature as the project continues. Having a clear decision-making structure in the beginning is important to reduce or avoid conflicting stakeholder demands (Winch, 2010). Since this research focusses on the redevelopment of decaying retail areas, it can be expected that multiple stakeholders (public and private) are involved in this types of projects. In the Netherlands, the public sector (municipalities) mostly focus on spatial plans, land development policies and investments for public elements in urban development. The private sector focusses on the physical realisation of projects. Therefore, the decision-making process between public and private actors are based on reaching consensus, project coordination including collaboration models and management of process as product outcomes (Heurkens, 2012). This chapter focusses on what decision-making is and how decisions are made in complex projects such as area redevelopment.

3.3.1 Management perspective

According to Bruil, Heurkens, and Lousberg (2015), a characteristic of effectiveness in leadership and work groups, is the ability to make decisions that are appropriate, timely and acceptable. In addition, Bruil et al. (2015) states that if the organisational effectiveness is defined as the ability to secure and use resources in the pursuit of organisational goals, it is determined by the decision-making process how these resources are used.

Bruil et al. (2015) define decision-making as “*a process of specifying the nature of a particular problem or opportunity and selecting among available alternatives the best one to solve a problem or capture an opportunity*” (Bruil et al., 2015 p.47). Therefore, making a decision usually consists of two aspects; the act and the process. The act is related to the actual choosing between alternatives. The process is related to the problem formulation and problem solution (Black & Porter, 2000; de Leeuw, 2002). In the first phase, the problem formulation involves the problem or opportunity identification, acquiring information, performance expectations and diagnosing the causes and relationships among affecting factors. In the second phase, the problem solution involves generating alternatives, selecting a preferred alternative, implementation of this alternative and evaluate the decision.

In order to analyse the decision-making process, this chapter discusses three different attempts to model the decision-making process from a project manager perspective; the *rational model*, the *bounded rationality* model and the *retrospective decision-making model* (Black & Porter, 2000; de Leeuw, 2002).

3.3.2 The rational model

The rational model, which is also known as the classical model, involves seven basic steps to approach the decision process. The first step starts with the realisation moment of a situation that requires a decision, the identification of problem or opportunities. A problem exists when a project manager or a designer detects a gap between an existing and desired performance. An opportunity exists when one of the actors detects a chance to achieve a more desirable situation in comparison to the current situation (Black & Porter, 2000). In the following steps of the model, a process is described in which criteria, alternatives, alternative studies, implementation and evaluation are executed. A more detailed overview is provided in figure 3.3.2. The rational decision-making model makes considerable sense, however, it is important to allocate that it is built on certain assumptions;

- Clear problems
- Clear objectives
- People agree on criteria and weights
- All alternatives are known

- All consequences can be anticipated
- Decision makers are rational
 - They are not biased in recognising problems
 - They can process all relevant information
 - They appropriately incorporate immediate and future consequences into decision-making
 - They search for the alternative that maximises the desired result

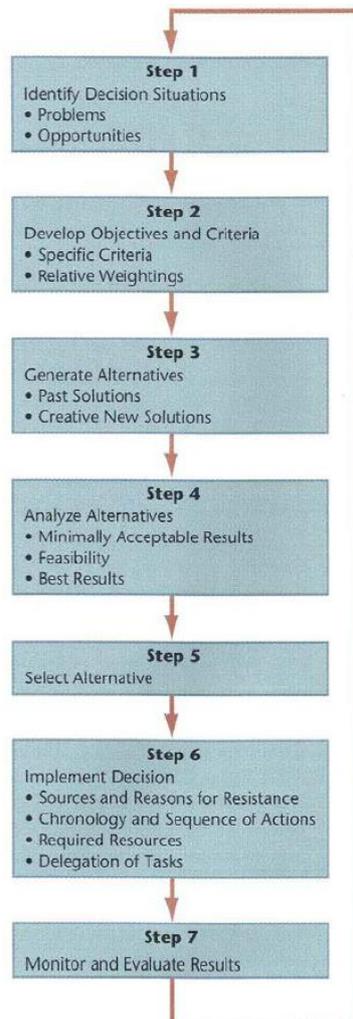


Figure 3.3.2 The rational/classic decision model (Black & Porter, 2000)

Considering the assumptions, in the rational decision model, it is relative easy to expose weaknesses. Bruil et al. (2015) use an example to elaborate on this weaknesses in which they ask students if their choice of study programme was fully rational. It turns out that certain aspects of the model, such as the clarity of objectives, the level of biases and reviewing consequences, were not entirely rational chosen in relation to this question. Students are not defining all the problems or opportunities when considering which study programme to attend. Therefore, the rational model shows how a decision should be made, but falls short concerning how decisions are actually made (Bruil et al., 2015).

3.3.3 Bounded rationality model

An alternative model to the rational model, that is not bounded by the assumptions from the previous paragraph, is the bounded rationality model. Instead of assuming individual rationality in the model, this model assumes that people, while they look for the best solutions, usually settle for less. This is

because the decisions that people are confronted with, demand greater information-processing capabilities than they possess. Therefore, they seek for a bounded, or limited, rationality in decisions (Black & Porter, 2000; de Leeuw, 2002).

The bounded rationality model describes the decision process in terms of three mechanisms. The first mechanism is the use of *sequential attention to alternative solutions*. This means that alternative solutions are examined one at the time until an acceptable one (not necessarily the best) is found. The second mechanism is the use of *heuristics*. This is a rule that guides to search for alternatives that have a high probability for yielding success. In the bounded rationality model, heuristics are used to reduce large problems to more manageable propositions to make more rapid decisions. The third mechanism is satisficing. This concept focusses on selecting the minimal acceptable solution rather than searching for an alternative that provides the best results (Black & Porter, 2000). By relating these three mechanisms to the actual model, the decision-making process has the following outline;

1. Set the goal or define the problem
2. Establish an appropriate level of performance or criterion level
3. Employ heuristics to narrow the solutions to a single promising alternative
4. If no feasible alternative is found, lower the aspiration level and repeat steps 2 and 3
5. After finding a feasible alternative, determine its acceptability
6. If the individual alternative is unacceptable, search for a new one (steps 3-5)
7. If the found alternative is acceptable, implement the solution
8. Following implementation, evaluate the ease with which the goal was (not) attained and raise or lower the level of performance accordingly on future decisions.

From this decision-making process can be obtained that instead for finding the best solution, the bounded rational model is about finding an acceptable solution (Bruil et al., 2015).

3.3.4 Retrospective decision-model

The retrospective decision-model elaborates on how decision makers attempt to rationalise their choices after they are made. The model shows attempts on justification of decisions that were already made intuitively, as a result of an individual being convinced of the individual's own logic and rational thinking. Humans tend to make decisions on the basis of emotional convictions, beliefs and persuasions. These deeply felt feelings, may have a greater influence in arriving at a decision than explicit arguments and considerations. If so, the arguments and considerations then provide the rationalisation which is used to legitimise the decision (de Leeuw, 2002).

As said by Bruil et al. (2015), some decisions are intuitive. In De Leeuw (2002 p.266), A.D. de Groot is quoted with the following definition; *"We say of person P that he is using his intuition (or intuitive function) if, in a problem solving or decision process of whatever origin, he works with or arrives at choices or judgements which he cannot fully substantiate, but which in general, in the field in question and for P., are judged by us, the users of the term, to apparently contribute to an improvement of the result."*

According to the literature (Black & Porter, 2000; de Leeuw, 2002), intuition is no accident. In the situation that decision makers cannot explain their particular choice, on later examination it can be seen to have been the right decision more frequently than could be explained by coincidence. Therefore, intuition can be considered an implicit form of rationality which cannot be made more explicit. It is accepted to think that intuition is based on experience and other learning processes.

3.3.5 Group decision-making

The three models by Black and Porter (2000) and de Leeuw (2002) that are presented in the previous three paragraphs, all focus on individual decision-making. However, these models can also be used to

investigate aspects of group decision-making. For example, in the models both individuals and groups identify objectives, identify possible outcomes before selecting one, are observed engaging in satisficing behaviour and both develop implicit favourites and attempt to justify those favourites.

The central issue that managers are facing is the extent to what other actors or team members are allowed to participate in decisions. A high level of participation decentralises authority and is influenced throughout an project team, but it can lead to improved decision quality and increased commitment of team members to decision outcomes.

Assets +	Liabilities -
Groups can accumulate more knowledge and facts	Groups often work more slowly than individuals
Groups have a broader perspective and consider more alternatives	Group decisions involve considerable compromise that may lead to less-than-optimal decisions
Individuals who participate in group decisions are more satisfied with the decision and are more likely to support it	Groups are often dominated by one individual or a small clique, thereby negating many of the virtues of group processes
Group decision processes serve an important communication function, as well as a useful political function	Overreliance on group decision making can inhibit management's ability to act quickly and decisively when necessary

Figure 3.3.5 Assets and Liabilities of Group Decision-making, own image based on Black and Porter (2000)

Group decision-making in architecture and urban planning requires special attention, due to the many organisational collaborations that are necessary to achieve a final realisation of the initiatives. In each phase of construction, mutual dependence between all participating actors is essential to achieve the defined goals. This is especially important if there is no hierarchical relationship between those actors (Bruil et al., 2015). In addition, decision-making is also affected by the cultural dimensions of the context. One of the factor that is addressed to the cultural dimension is the extent to which a culture adopts and individualist or collectivist orientation. The difference in power (hierarchy), can significantly affect the problem formulation in the problem-analysis stage of decision-making. In lower power-distance cultures, as is the situation in the Netherlands, group members tend to openly and directly disagree during discussions. In high power-distance cultures, such discussions are less acceptable when individuals or different ranks are involved (Bruil et al., 2015).

3.3.6 Dilemma's

From the essay '*Leren van stedelijke transformaties*' by Daamen et al. (2019), the following dilemma's (and their conclusions) can be related to decision-making;

Soft instruments with tough results? – The construction industry usually relies on contracts, regulations, finance and business cases, while aspects as trust and collaboration are important as well. Convincing visions with valuable results are best created with a composition of actively involved actors. For this composition it is required to have interaction with the environment in terms of existing and new users, public and private actors, designers, investors and the local population. Within the area development it is important to connect all actors and stakeholders to create a wide support for redevelopment (Daamen et al., 2019).

Who is leading: several individuals or an institutional context? – In area redevelopment, often influential individual leaders are the ones who are addressed to the successes of the project. Nevertheless, do these individuals poses exceptional capabilities or are they part of a larger institutional organisation that has the true lead? All individual leaders, who are known for their capabilities, need control and counterbalance. Having the same set of leading individuals involved in the area redevelopment project, is often better than quick substitutions. However, the counterbalance is needed to maintain critical, prevent group thinking and provide space for learning from

organisational behaviour. True leadership responds and adopts this, in order to create trust in the project (Daamen et al., 2019).

3.3.7 Conclusion

It can be concluded that decision-making usually consists of two aspects; the problem formulation and problem solution. Regarding the obtained knowledge from this chapter, it can be attempted to answer the following sub research question; *“what is the definition of decision-making and what strategies are known in this process?”*. The sub research question can be split into the definition part and strategy part. For this research, the definition of decision-making that is provided by Bruil et al., (2015 p.47); *“a process of specifying the nature of a particular problem or opportunity and selecting among available alternatives the best one to solve a problem or capture and opportunity”*, answers the question. In relation to decision-making strategies, three models from the project manager perspective and the group-decision perspective are discussed in this chapter. The most important finding from these models is that decision makers (individuals) are often not rational, but try to construct objectives and criteria to justify the decision that was already made. This is the result of individuals often selecting solutions that meet their minimum requirements, rather than putting extra effort in trying to find for a solution that maximises their objectives. In addition, a social-dynamic aspect is added to the decision-making process when multiple individuals forms groups. This can either way result in better or worse decisions in comparison to individual decision makers. Therefore, it is important to consider how much others are needed to be involved in order to make decisions that meet the desired performance.

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EMPIRICAL RESEARCH

4.1 Case overview

For the empirical part of this research, this thesis makes use of the *In de Bogaard* retail area as case to be investigated. *In de Bogaard*, a monofunctional retail area from the early 1960's, is currently facing preparations for redevelopment of the complete ensemble. According to information sources, including several real estate news channels and municipal information provision, the municipality of Rijswijk took an active role in initiating redevelopment of *In de Bogaard*. Combined with its scale of 54.000 square meters and the inner city location, *In de Bogaard* can be considered a *city district centre* from the *supporting retail areas* category by Locatus (n.d.). As described in the problem analysis, the *supportive retail areas* face difficulties for future resilience. *In de Bogaard* forms a proper case to investigate the public and private corporation in redevelopment regarding a monofunctional retail area. Therefore, this case is used to approach and answer the following three sub research questions;

- *How does the concerning municipality initiate for redevelopment and how effective is that strategy?*
- *How are decisions made in complex projects such as area redevelopment?*
- *Which decision-making strategy is most suitable for the retail redevelopment process between municipality and private owners?*

4.1.1 Case background

Retail area 'In de Bogaard', situated in the municipality of Rijswijk, was the first indoor shopping centre in the Netherlands. From the opening in the early 1960's, until the aftermath of the 2008 financial crisis, *In de Bogaard* was considered a modern and attractive environment where retail facilities and offices were both established (Gemeente Rijswijk, n.d.). In the 1960's, Rijswijk had the ambition to expand the existing urban area significantly, including a new retail and business district that was properly accessible by car, bike and public transport from the Haaglanden region (Vastgoedmarkt, 2019). In the most prosperous time around 2000's, *In de Bogaard* consists of about 54.000 square meter of retail space (150-200 stores) and is surrounded by several office buildings of approximately 15.000-20.000 square meters (Vastgoedmarkt, 2017). This balance between retail supply and visitors including the office users and local/regional consumers lasted for almost fifty years. During the last decade, the occupancy of *De Belastingdienst* in one of the office towers ended and other non-retail businesses left the offices as well. Finding new tenants was not succeeded and *In de Bogaard* started to lose a 'fixed' share of visitors. In addition, from 2012 *In de Bogaard* started to suffer from changing consumer behaviour and the bankruptcy of major department store V&D in 2015 has led to an indirect vacancy number of 24% (Trouw, 2018). It can be concluded that *In de Bogaard* is losing its social-economic value and a strategy adaption is required to become an attractive and liveable area again. With competition of the new 'Mall of the Netherlands' by real estate company *Unibail-Rodamco-Westfield* in Leidschendam and the retail areas in the city centres of Den Haag and Delft, the municipality of Rijswijk and a large set of different real estate owners face a complex challenge.

The municipality of Rijswijk developed a masterplan for the entire *In de Bogaard* area and some of the direct surroundings to create an integrated plan that provides direction for future development and initiatives. The main goal of this masterplan is to bring back the liveability in this, currently monofunctional, retail area (Gemeente Rijswijk, n.d.). In the fall of 2019, the local council established the definitive masterplan (Gemeente Rijswijk, n.d.). The main key-elements of this masterplan are the reduction of retail floor space by 30% to 40% and add housing for a mixed-use area (Vastgoedmarkt, 2019). This process is accountable for the private property owners, while the municipality focusses on

parts of the public space in the area (Gemeente Rijswijk, n.d.). Figure 4.1.1 displays a time line with all major events in terms of real estate and area development in In de Bogaard from the start in the 1960's until the completion of the current redevelopment plans as a part of the municipal urban vision. Figure 4.1.2 and 4.1.3 displays the (3D) aerial floor plan that can be used as structural reference for the time line.

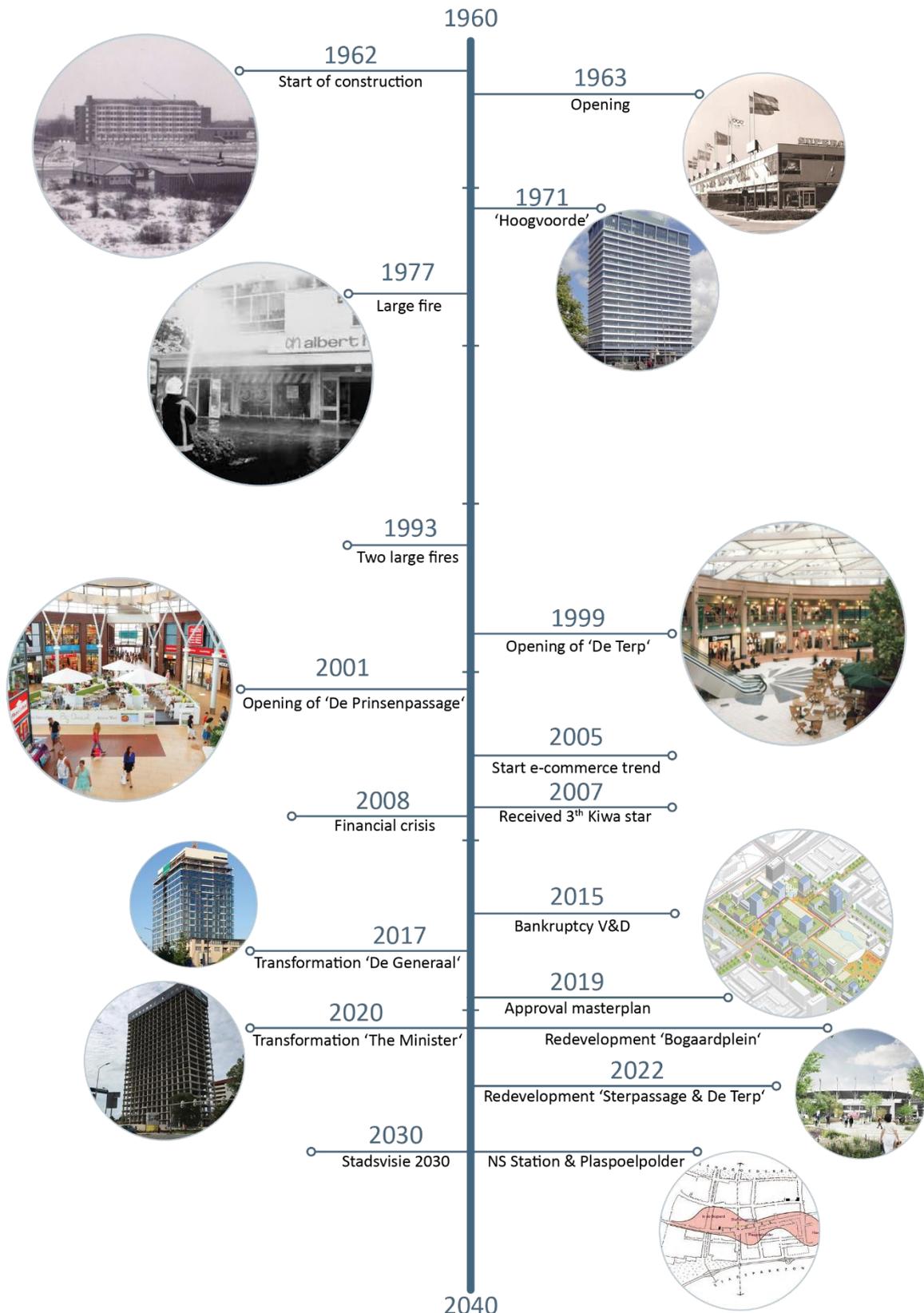


Figure 4.1.1 Timeline of In de Bogaard (own figure, images from multiple sources)

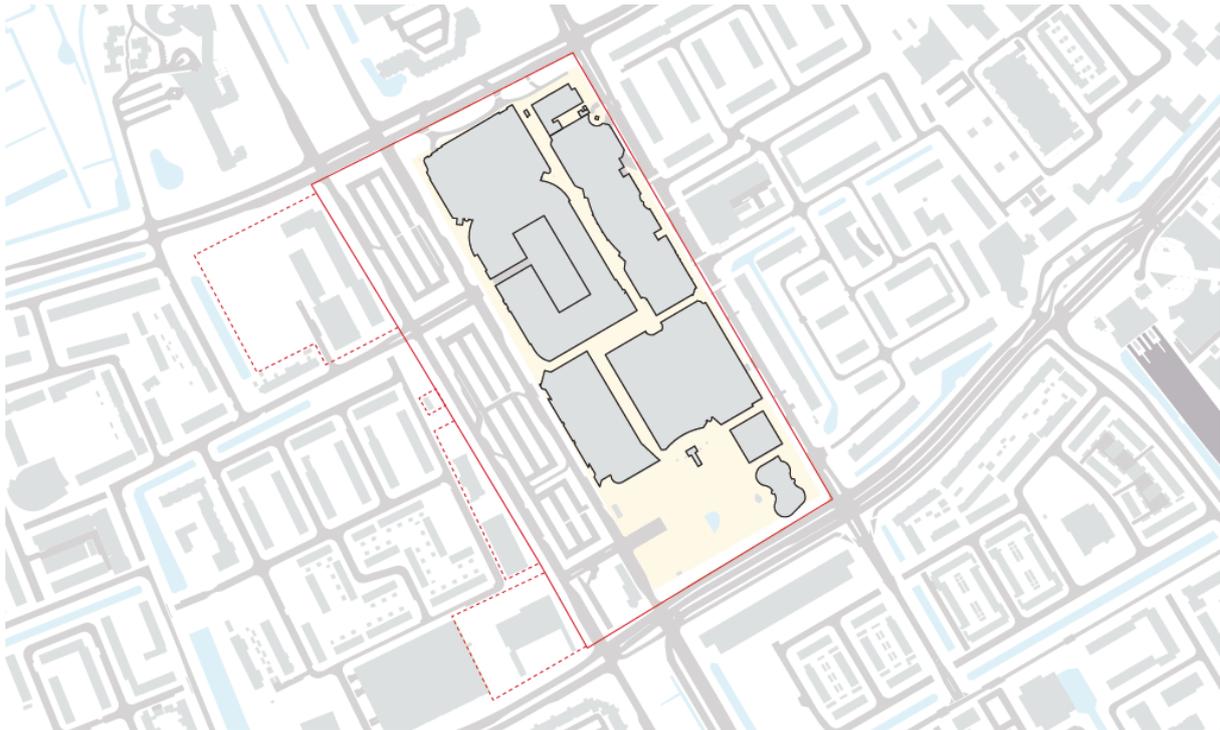


Figure 4.1.2 Aerial structure (Gemeente Rijswijk, 2019)

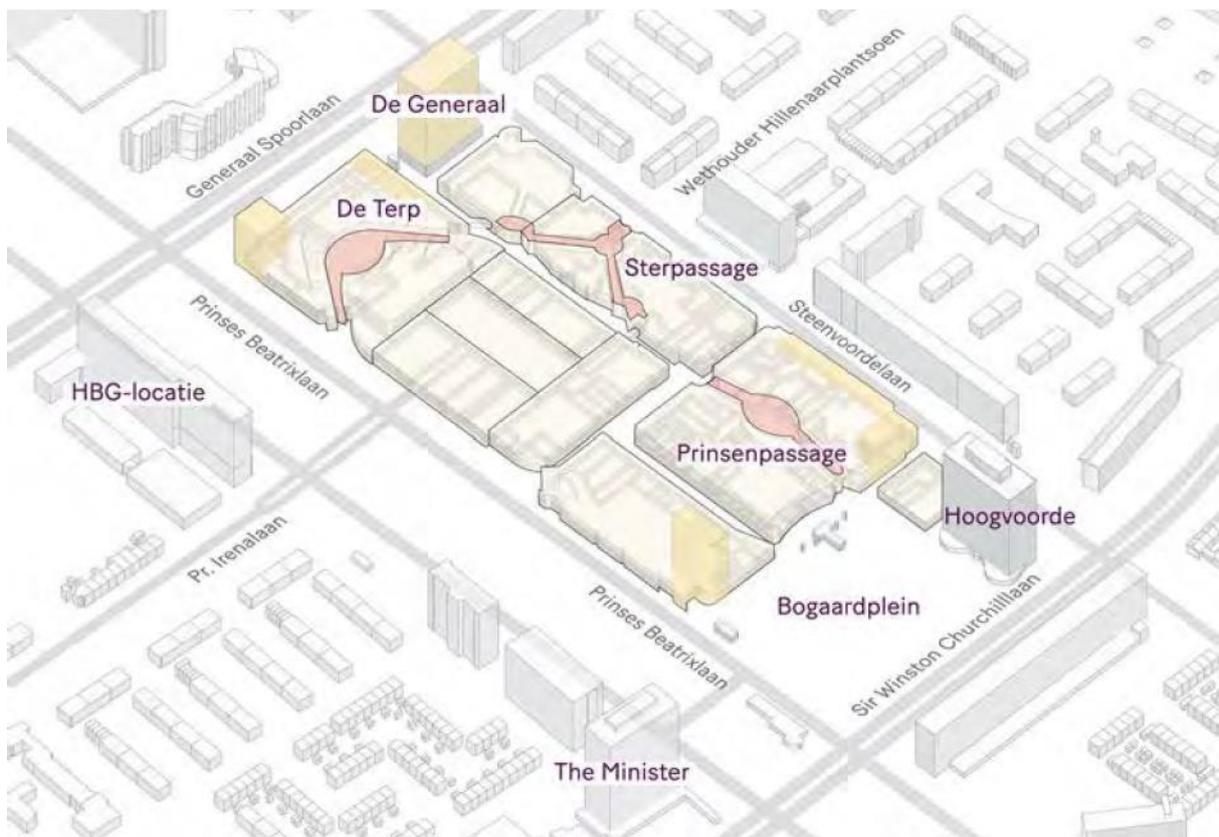


Figure 4.1.3 Different locations within case area (Gemeente Rijswijk, 2019)

4.1.1 Case initiative phase

In de Bogaard can be considered a fragmented retail area in relation to property ownership. The area is owned by different project developers, real estate investors and several low-scale or single property owners. The ownership of retail property in the case area is dynamic since several assets are sold in the last years, and, therefore changed ownership. This has led to the involvement of real estate developers in the area, who in essence purchase, (re)develop and sell their properties. In 2017, the municipality stated it's ambition to bring *In the Bogaard* back to life. Together with the municipality, many of the property owners agreed on this statement and were able to admit that *In de Bogaard* was decaying and is in need for redevelopment.

From this point, in 2018 the municipality and urban design company PosadMaxwan started to develop a concept masterplan named '*Masterplan In de Bogaard en omgeving*' providing a more detailed elaboration of the area vision from 2017. According to the interview data with the municipal project leader, the masterplan design was established with input from the municipality and property owners. In the end of 2019, the masterplan was confirmed by municipal council. Since the municipality has no land ownership in the area, the rest of the development is mostly dependent on the actions by private project developers who own land and the real estate on it.



Figure 4.1.1A Case area and object ownership (Gemeente Rijswijk, 2019)



Figure 4.1.1B Case area masterplan (Gemeente Rijswijk, 2019)

4.1.2 Case objectives

In de Bogaard is part of a greater, future area redevelopment vision within the municipality of Rijswijk. In this vision, a central axis through the city passing *In de Bogaard*, *Station Rijswijk* and business park *Plaspolder*, will undergo a change of function towards a more mixed-use environment. The addition of 8.000 to 10.000 homes in Rijswijk is one of the major objectives. Thereby, deterioration of these areas needs to be tackled to increase liveability and the municipal ambition to become the most green city of the Netherlands. The redevelopment of *In de Bogaard* is the first of the three main area redevelopments for the coming years. It has the greatest potential to bring back vibrancy to the city with a liveable and more tailored retail area, matching the contemporary retail demand. In order to accomplish this goal, the following ten ambitions (Gemeente Rijswijk, 2019) form the development framework from the municipal perspective. It is attempted to translate these ambitions from Dutch to English as accurate as possible;

1. This area will be the most green urban area in the Netherlands.
2. Proper liveability and spatial quality are core conditions to deal with the traffic situation at the Beatrixlaan.
3. The redevelopment of *In de Bogaard* has the highest priority for a future resilient and sustainable city.
4. At least 17.500m² of retail space in the area will be transformed. This results in a more compact retail area.
5. The redevelopment focusses on 'stay and meet'. The functionality and design is adjusted to that.
6. About 2.000 homes will be added, with an adequate parking standard.
7. More space for cyclists and pedestrians in and around *In de Bogaard*.
8. No objection for high-rise buildings .
9. The project definition process is executed together with stakeholders, especially the property owners.
10. Rijswijk and the *In de Bogaard* area are an important link in the region regarding connectivity, living and shopping. This interest will be carried out to partner-governments such as Metropoolregio Rotterdam Den Haag, (MRDH), Gemeente Den Haag, provincie Zuid-Holland and het ministerie van Infrastructuur & Waterstaat .

This set of ambitions are translated to the drawings that form the masterplan as presented in figure 4.1.1B. In order to provide more clarity of how the ambitions are implemented in the masterplan, the following figures that were obtained from the masterplan document by Gemeente Rijswijk (2019), display a schematic overview;

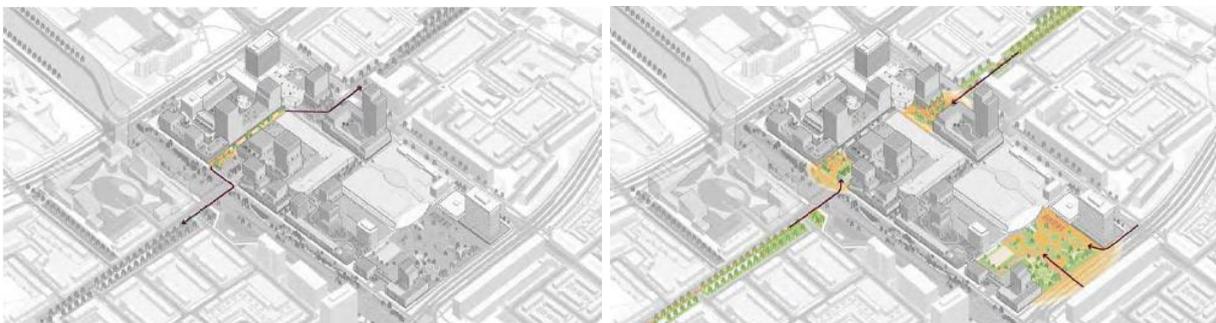


Figure 4.1.2A+B East-west connection and create entries to the meeting areas (Gemeente Rijswijk, 2019)

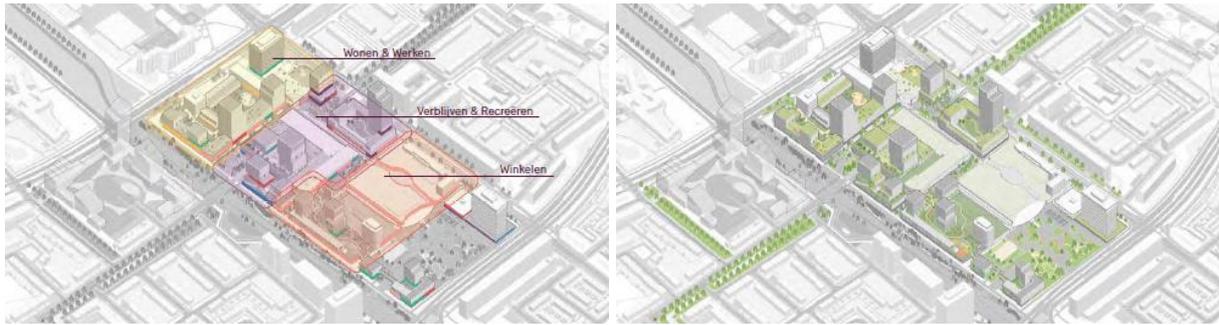


Figure 4.1.2C+D Mix of functions and addition of green structures (Gemeente Rijswijk, 2019)

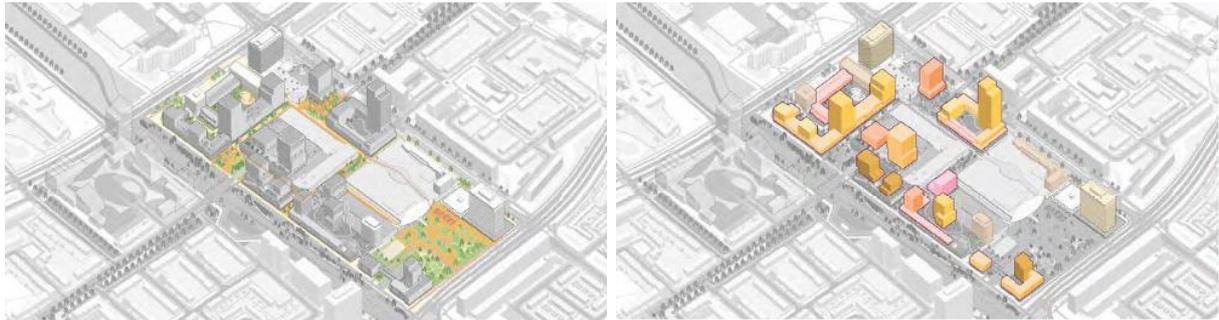


Figure 4.1.2E+F Addition of urban quality by 'stay and meet' areas and diverse residential units (Gemeente Rijswijk, 2019)

4.1.4 Case organisation

In this section, a schematic overview is provided of the main involved stakeholders in the redevelopment of *In de Bogaard*. The Alderman which has *In de Bogaard* in its portfolio, has appointed a project leader, including a multidisciplinary team of public servants for this particular project. Together with urban designer PosadMaxwan, a masterplan is created and approved by the municipal council. This masterplan acts as a guiding framework in which the private owners can fit in their business cases. In the case of separate interpretations of the masterplan, this interpretations are studied by the Quality Team.

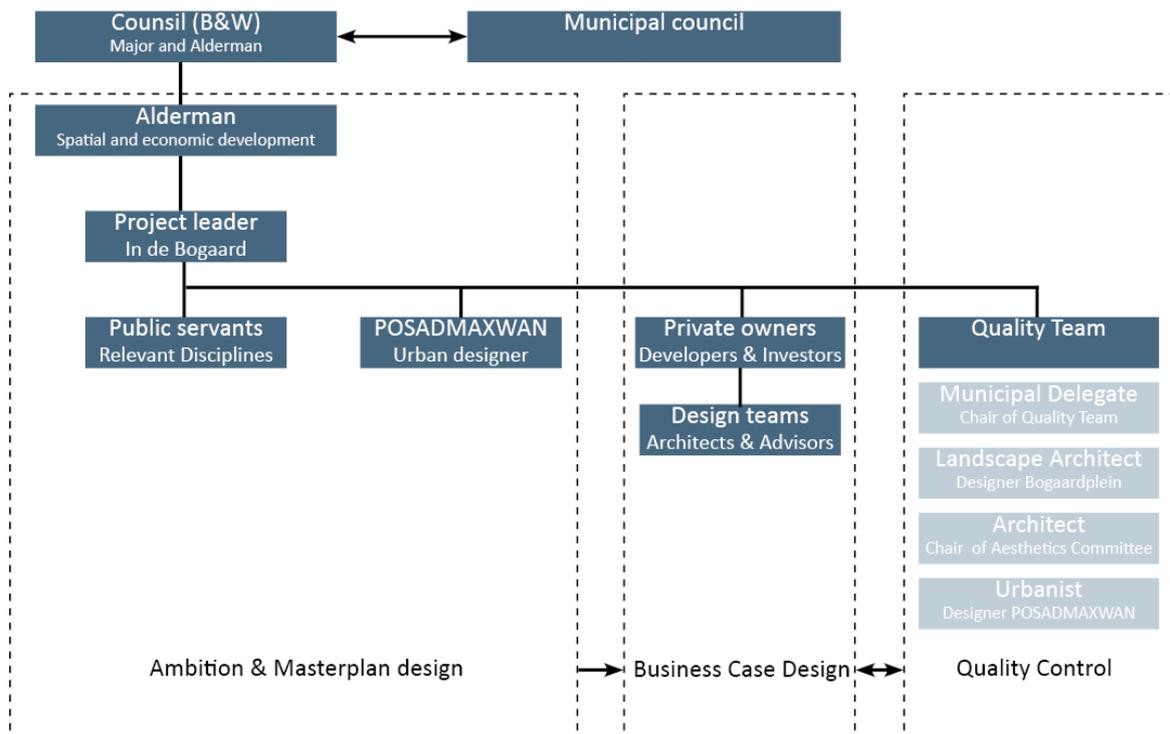


Figure 4.1.3 Stakeholder involvement *In de Bogaard* (own image)

4.2 Case data collection

In order to obtain an empirical research, multiple in-depth interviews are held with different project stakeholders to investigate their experiences regarding the organisation in the redevelopment of *In de Bogaard*. At the time of this research, the following stakeholders were identified for this case study;

Municipality of Rijswijk

- Alderman for Spatial and Economic Development, Sustainability, Urban Management
- Municipal Project Team, including the Project Manager
- Advisors and (urban) designers:
 - PosadMaxwan: Urban Design Agency
 - Quality Team: Municipal delegate, landscape architect, architect, urbanist

Real estate developers

- Re-shape Properties
- SB Real Estate
- 3W Real Estate

Investors

- Investore
- NERA Vastgoed
- Mobion
- Delta Lloyd Vastgoed
- Syntrus Achmea
- SVE Group
- Libertas

Others

- This set is not very accurate, but according to the interview data these could be retail franchisers or not commercial owners. Their activities are considered irrelevant for contribution to this research, because of property scale and degree of activity in relation to redevelopment.

4.2.1 Interview overview and background

In this paragraph, for each of the interviewees, background information is provided to delineate the context in which they operate. Because of the limited time for this research, it was not possible to interview the complete list of stakeholders as displayed in the previous paragraph. Therefore, the interview selection is based on the degree of involvement, business diversity, project scale and willingness to cooperate with this research. Because of privacy considerations and the attempt to use the obtained information as discrete as possible, all interviewees are indicated with a self-conceived descriptive title. The descriptive titles (and thus the interviewee identity) are mixed-up and do not follow the enumeration of the stakeholders as presented in the previous paragraph.

4.2.11 Municipality

The *municipality* consists of the Alderman with Spatial and Economic Development, Sustainability, Urban Management in its portfolio. Within this department, a project team is established that is responsible for the redevelopment of *In de Bogaard*. The project manager of this project team is interviewed for this research. This person is referred to as '*municipality*'.

4.2.12 Urban designers

The *urban designers* are involved by winning a tender for the *In de Bogaard* masterplan. Their main job was to translate the municipal ambitions and desires in to drawings with input from the property owners. For this research, one of their main contributors to the masterplan design is interviewed. This person is referred to as '*urban designers*'.

4.2.13 Developer A

Developer A tried to get involved in this case by presenting themselves to one of the former property owners (investor) with redevelopment plans for the owner's retail objects in 2016-2017. An agreement with the owner was not established, however, a second chance occurred to purchase the property in the end of 2019. This was after the completion of the masterplan. For this research, one of the real estate developers of *Developer A* is interviewed. This person is referred to as '*Developer A*'.

4.2.14 Developer B

Developer B is involved in this case since 2017-2018, when they purchased their property from a former owner (investor). For *Developer B* it is not entirely clear if the municipal project definition (in the form of developing a masterplan) started before the presence of *Developer B* in the area. *Developer B* is aware that the formal masterplan procedure started after *Developer B* purchased their property and became an owner in the case area. For this research, one of the real estate developers of *Developer B* is interviewed. This person is referred to as '*Developer B*'.

4.2.15 Developer C

Developer C is involved in this case by searching for retail objects that are under pressure as result of the current economic environment and retail market dynamics. *Developer C* purchased their property from a former owner (investor) in 2020-2021. This property is part of the masterplan, but has no significant urban development adjustments compared to the current state of the object. For this research, one of the real estate developers of *Developer C* is interviewed. This person is referred to as '*Developer C*'.

4.2.16 Investor

Investor has the ownership of certain retail objects since 2008 and is aware of the area decay over the last twelve years. Their properties are purchased by that time purely as an investment in retail objects. In relation to the case, *Investor* has an purchase option on new released land after the re-design of the *Beatrixlaan* to build housing. For this research, one of the partners of *Investor* is interviewed. This person is referred to as '*Investor*'.

4.3 Case data analysis

This chapter consists of an analysis of the data that is collected from the stakeholder interviews. In the analysis, the data is clustered over the theoretical framework three main topics; uncertainty, organisational structure and decision-making. For each of the stakeholders, their point of view is presented regarding the elements of the theoretical framework. By analysing their point of view, which includes experiences, opinions and the contextual situation, conclusions can be formed to be able to answer the following two sub questions;

- How does the concerning municipality initiate for redevelopment and how effective is that strategy?
- Which decision-making strategy is most suitable for the retail redevelopment process between municipality and private owners?

After the case data analysis, the main findings are presented and related to the findings from the theoretical framework. The two sub research questions that are related to the case study, are answered in the general Conclusion and Recommendations (Chapter 7), where an overview of all six sub research questions and answers is presented before answering the main research question.

4.3.1 Project uncertainty

From the conclusion of the theoretical framework can be retrieved that alignment of the project definition in a multi-actor setting is important to meet the societal needs and maximize the project's value. However, these societal needs can change over time and, therefore, influence uncertainties during the project life-cycle. In order to deal with these uncertainties, strategic adjustments have to be made for project continuation. Since many components of the project are not yet determined in the initiative phase of a redevelopment project, it can help to make information transparent to determine these components. Collaboration in the multi-actor project involvement can contribute in achieving this.

The following paragraphs contain the main results from the stakeholder interviews regarding their experiences with project uncertainty in relation to the *In de Bogaard* case. Each paragraph ends with a relevant quote from the interviews to emphasize a certain challenge or statement. Since the interviews were held in Dutch, it is attempted to translate the quotes to English as accurate as possible.

4.3.11 Municipality

After the bankruptcy of the V&D department store in 2015, leading to an increased retail vacancy of over 30% and the vacancy of surround office towers, triggered the municipality of Rijswijk to face reality. *In de Bogaard* had to undergo redevelopment to bring back urban quality and by transforming it to a vibrant mixed-use area. Since the municipality does not own any land in the area, they are dependent on the actions and investments by private property owners. By developing a masterplan, together with an urban design team, the municipality was able to show the area's opportunities. Some of the property owner's scepticism, about difficulties in interest alignment with this many owners, was turned in to enthusiasm and involvement in the masterplan by an independent interest mediator. For the municipality project success is achieved when the ambitions are accomplished. In this case, that means the fulfilment of the masterplan.

"As the municipality, we are able to financially invest in the Beatrixlaan and Bogaardplein. Therefore, the municipal council demanded that the rest of the public space is developed cost neutral. It is considered quite a challenge to transfer these cost to the private developers." (Municipality, 2021)

4.3.12 Urban designers

For the *urban designers*, the project began after winning the masterplan tender from the municipality of Rijswijk in 2017. The assignment was to develop a masterplan that shows the opportunities in the area. Creating the masterplan started with by analysing the current situation and together with the municipality, a set of ambitions were defined and translated to a plan in the form of a development framework. This framework reaches out for topics such as housing, retail, mobility, sustainability and environment. Along the set of ambition topics, a quality guidance document was established with a more detailed set of qualitative desires.

The ownership fragmentation was considered one of the major challenges for *In de Bogaard*. Therefore, an external mediator was involved to identify and align stakeholder interest. These stakeholders, especially developers and investors, were able to provide input to the masterplan in terms of building volumes and feasibility studies on the quality guidance. In a small municipality such as Rijswijk, it is important to listen carefully to the ideas of the property owners. According to *urban designers*, larger municipalities such as Rotterdam, Den Haag and Amsterdam are able to make more decisive statements about their vision since they have more capabilities in relation to financial and human resources. In comparison to these municipalities, the municipality of Rijswijk has less space to present a strict set of demands. Therefore, the rapprochement between the municipality (including their project team, advisors and designers) and the property owners (and their advisors and designers) is important to find consensus and make agreements for project continuation.

“The urban designers have had a lot of input from the property owners about what is possible and what is not regarding their vision on building volumes. It is up to the urban designers to adopt this vision and translate it to a high quality aerial plan.” (Urban designers, 2021)

4.3.13 Developer A

The involvement started in 2016-2017 with the clarity that *In de Bogaard* was in need for redevelopment. *Developer A* was unable to convince the owner at that time for redevelopment but had the opportunity to buy the property late 2019. At that time, the existence of the masterplan was known and provides a set of boundaries that have to be obeyed. Despite, there is some freedom to optimize certain aspects which *Developer A* has to discuss with the municipal project leader and *Quality Team*. The strictness of the masterplan, in combination with the quality guide and the complexity of the project, brings risk in the project since a financial feasible plan is required for the developer to continue. Requests for masterplan changes can be submitted. Since the review of such submission takes time, and the outcome is not sure, this brings uncertainty to the project of which the financial risks are on the developer's behalf. This means that the designs have to be adjusted multiple times to stay within the boundaries and minimize requests of masterplan changes. Usually, difficult topics and interpretations of the masterplan are negotiated with the municipality and the Quality Team. These difficulties are discussed on a constructive way. From the developer's perspective, a lot of financial risk is taken. Therefore, it is not common to share financial overviews to show what financial gaps have to be filled.

“Our perspective on project success is entirely dependent on design and calculations. Setbacks in the process, that influence the design too much and makes it hard to come with a feasible plan, could leave us with the question if development is still interesting.” (Developer A, 2021)

4.3.14 Developer B

The involvement of *Developer B* started in 2017-2018 when they bought their property with the idea to develop and sell it. At that time, *Developer B* had already plans for the property but the formal procedures only started in 2021 after three years of coming to procedures. In the purchase period, a route was set to develop a masterplan together with the municipality. This was unknown to *Developer B* at the time of purchase, but the municipality offered property owners the opportunity to deliver

input in these plans and form a close corporation. In contrast to that, the municipality presented a plan by an urban design company which appeared to be fixed. The property owners were able to provide some ideas to the urban design company, but the main set-up of the plan was not changed. It would have saved *Developer B* time and preparations if the municipality had offered a set of detailed instructions if this was their development strategy from the beginning. This 'fixed' plan, which includes spatial adjustments on the existing built plots and public space, brings in many risks. In the end, the developer has to be flexible and build their case around the municipal ambitions, with all the financial risk that they take. Another important aspect of project uncertainty and a lack of communication is that policies regarding sustainability and environmental aspects are changed during the project development. This results delays because of designs that have to be changed.

"Normally, when there is a masterplan, the developers start to design and then request the permits for the aesthetics committee. Here, the masterplan is made by urban designers, including a quality control document of 65 pages which is managed by the Quality Team. It is very strict and almost impossible to ask for some adjustments." (Developer B, 2021)

4.3.15 Developer C

Developer C got recently involved in the case area as result of acting to certain case area-related rumours in *Developer C's* professional network. Their property was bought from an investor that, probably, had no financial resources and expertise to redevelop the retail objects. As stated by *Developer C*, *Developer C* has the knowledge on retail, experience in development and enough financial resources to respond quickly and purchase obsolete retail objects for an attractive price. Bringing together knowledge and patient capital is how they entered in the project. Since the remediation of retail space was already started, Rijswijk is a place with a high purchasing power and the concerning plots contain the last remaining retail objects, the risk is considered quite minimal. There is a strong belief in the need for a core shopping area, including convenience retail, for the future residents and visitors. In order to realise this, the addition of housing to the plot is a logical solution both from financial feasibility and urban development perspective. On their plot, the addition for housing was not implemented in the masterplan. *Developer C* had conversations with the municipality about this logical addition before coming with actual plans. Therefore, uncertainty could be reduced by presenting a solid addition which would offer the opportunity to complete the total redevelopment. The municipality acknowledged that this addition is beneficial for the greater redevelopment, and therefore, it is expected that the masterplan is altered. If this is not the case, a risk on fallback is taken into count in the investment calculations. Therefore, *Developer C* will not stay with the retail property since their vision extends to the whole ensemble including retail and housing.

"As an important owner you have to think in the benefits of the area without passing your own interest. In our opinion, for this area it is very logical to add housing on our plot. In the end it is about what is good for the area and not about what was first. If our investment makes it better, everyone will benefit from that." (Developer C, 2021)

4.3.16 Investor

The *Investor* owns property in the area since 2008. Since then, an increasing vacancy was noticed by factors as the financial crisis, e-commerce and COVID-19 currently. This has led to several real estate developers presenting themselves to investors and other property owners to buy (develop and sell) or develop their properties. The masterplan is strongly influenced by developers and by investors which all agreed on, together with the municipality, that large scale retail is not going to survive the mentioned factors. Therefore, a share of the retail floor space must be removed and housing should be added by real estate developers. The municipality took an initiating role in creating the masterplan with this key-element. They were aware of the fact that the current situation cannot function anymore. Despite, the ownership fragmentation in this area takes a certain risk. It is not possible to force anyone in to this project, which can result in an incoherent redevelopment. Given this fragmented situation,

the public servants have very effectively developed the masterplan and were able to observe the need for redevelopment on the right moment. They all have a proactive attitude towards this project and therefore it could be considered an example for other municipalities.

“Approaching a redevelopment is just a sense of reality. As a municipality, you have to be honest to face the problems. In the end, the municipality can profile themselves within the role they take on both a positive or negative way. It is up to them what to choose.” (Investor, 2021)

4.3.2 Organisational structure

From the conclusion of the theoretical framework can be retrieved there are different ways in setting-up the organisational structure, especially in the governance level and process level of the tectonic approach by Winch (2010). In the governance level, an effective form of network governance can be predetermined by analysing the key predictors *trust, number of participants, goal consensus* and *need for network-level competencies*. For sharing financial risk, legal agreements, such as the *PPP, joint venture* and *consortium* can be established. On the process level, the team size and composition plays an important role in the overall efficiency and effectiveness. Therefore, four main strategies can be applied to maintain small teams. These are the; *multi team, core team versus external team, external team contributions* and *phase specific team*.

The following paragraphs contain the main results from the stakeholder interviews regarding their experiences with the organisational structure in relation to the *In de Bogaard* case. Each paragraph ends with a relevant quote from the interviews to emphasize a certain challenge or statement. Since the interviews were held in Dutch, it is attempted to translate the quotes to English as accurate as possible.

4.3.21 Municipality

The masterplan, which was approved by the municipal council by the end of 2019, was developed with help of two external experts. One of them was an interest mediator who helped reaching the property owners and the other one was the urban design team who translated the municipal ambitions in to drawings. From that point, the property owners developed their business case designs within the given boundaries of the masterplan. In order to guarantee the municipal ambitions, the Quality Team was established to form a one-to-one corporation with the developers (and their design teams). This corporation mainly focusses on solving conflicting design issues as a result of different masterplan interpretations. In the case that this would fail, the developer’s business case is not insightful for the municipality. This means that all the communication is in the form of conversations and negotiations to a certain point that consensus is found. As municipality, there is a gap between the ambition that has to be achieved and the continuation of the project regarding project feasibility for the developers. Therefore, legal agreements are made in which the developers have to financially contribute in the redevelopment of public space. For ‘passive’ property owners which do not contribute to the current redevelopment but do benefit from it, the municipality pays for public space in advantage. These passive properties are marked as ‘development potential’ and have to contribute their share by the moment redevelopment is started.

“It is beneficial to keep the communication flows with the property owners as short as possible. This means that we as the municipality are in the centre and keep short lines with the owners. In the ideal situation, a team collaboration would be preferred but in reality it is very hard to do so.” (Municipality, 2021)

4.3.22 Urban designers

The masterplan development process, which lasted for about two years, can be considered an intense corporation between a large set of stakeholders together with their advisors and designers. With a

large amount of stakeholders, it is important to offer enough space for discussion and interpretation towards the plans. The *urban designers* act as an advisory organisation for the municipality of Rijswijk. This means that the *urban designers* provides different studies, analysis and design scenarios that are used as argumentation for the municipality in the discussions between the municipality and the property owners. Thereby, the *urban designers* are part of the Quality Team that investigates and examines difficult design issues as result of deviating masterplan and quality guidance interpretations by property owners. According to *urban designers*, the communication is mainly between the municipality and property owners. For practical reasons in relation to design themes, it can be useful to form a direct communication between the *urban designers* and the owner's architects. In general, the communication and corporation between the different advisors and stakeholders can be considered positive and constructive. This displays the notion for the greater interest of proper corporation to fulfil all the ambitions.

"The masterplan is not something that exclusively belongs to the urban designers. It is an integral design that is established by the different stakeholders with their project teams and can be considered a translation of all the different interests in the area." (Urban designers, 2021)

4.3.23 Developer A

In essence, the developers create a business case for their plots within the boundaries of the masterplan which is provided by the municipality. There is always the possibility that the masterplan and developer's solutions do not match entirely. The procedure within this case then is to discuss this with the municipal project leader or the Quality Team in the case of having very specialized difficulties. In the experience of *Developer A*, these conversations with the municipality and Quality Team can be considered as "pleasant" and usually lead to a satisfying outcome. The positive and constructive attitude of the municipality and the Quality Team are decisive. However, several procedures, such as obtaining permits and approvals can take a long time which is not favourable for all involved actors. In relation to other property owners in the area, there are no formal partnerships. Within the plots and the masterplan boundaries, all owners can operate independently. This could mean that passive owners, will benefit of current investments by others. From the perspective of *Developer A*, the 'development potential' measure as described in the previous paragraph is one of the few solutions to partially deal with this. In the end, *Developer A* believes in their investment which will be displayed in the product's value.

"The municipality of Rijswijk has set very large ambitions and goals, while their project team is understaffed. Therefore, the pace in certain aspects is not very optimal especially due to the fragmentation of development. With such high demands, it is advised to have a bigger staff as well." (Developer A, 2021)

4.3.24 Developer B

The developer is in contact with the municipality and the Quality Team. It is demanded from these two entities that the masterplan is followed very strictly. This means that most conversation about the plans of *Developer B* goes via them. In terms of corporation with the municipality, developing a feasible plan together with people who can take decisions would enhance the process. Therefore, the municipality has to bring in a project manager who has content-related knowledge for urban and real estate redevelopment instead of a process manager. Such a project manager could act as a strong filter for all the municipal project team discipline remarks which are leading to too much project requirements.

The set of property owners in the area are in a different phase of their plans and handle a different pace towards the project. Some of them just bought their objects while others are already making designs for a long period of time. Therefore, any strategic corporation is not very common since it is hard to make a front against certain policies.

“In one of our other projects, the local municipality and us started at the beginning to define the plans together, resulting in removing all the unfeasible topics from the project mission. To be able to do this, a strong municipal project manager is required who can act as a proper filter” (Developer B, 2021)

4.3.25 Developer C

From the perspective of *Developer C*, a great benevolent and constructive thinking of the Alderman, and municipal project team is experienced. Most communication goes by conversations between *Developer C* and the municipality. According to *Developer C*, it is the municipal task to keep all the property owners satisfied since there are many individual interests which can all be translated to monetary values, in which, most individual stakeholders fight for money or value that belongs to a third-party. Since it is very hard to take in to account every individual interest, the municipality took their responsibility and created a wider vision, translated in to the masterplan. Two project managers, one internal from the municipality and one external from the Steering Committee, have to deal with these different interests. The governmental role for the municipal project manager in this organisation is to focus on the greater vision and align the different main development interests with their own ambitions. Thereby, the project manager of the Steering Committee is able to create more space for smaller scale interests on a more distant level from the municipality. The leading role of the municipality of Rijswijk in this case is executed very well and a scarce phenomenon in the Netherlands. It reflects the role of the municipality from the perspective of *Developer C*, in which the municipality provides a vision and establish an organisation in which they coordinate.

Communication with other private stakeholders can be considered as informal. According to *Developer C*, there is no direct dependency on the other developers. This also applies to the ‘passive owners’ or ‘free riders’ as referred to by *Developer C*, who benefit of other’s activities. In the end it is about what, in this case *Developer C*, can contribute for the benefits of the area as a whole.

“The municipality made a vision in which they took in to account all the initiatives and ideas and aligned them. From that point they started to look at the wider area plans and from there started to scale down. They did a good job in this.” (Developer C, 2021)

4.3.26 Investor

In the initiative phase, the stakeholders were able to contribute to the development of the masterplan. After the realisation of the masterplan most actors only speak one-to-one with the municipality, or the Quality Team about design topics. Agreements are made by many conversations where both the municipality and developers are accompanied by their design teams and quality advisors (Quality Team). There is a Steering Committee, which meets every two months. Information is there exchanged in the form of process updates and plans. The organisations structure for this project seems as a partnership in which all actors benefit by keeping each other updated. Therefore, it is important to follow the Steering Group.

“The public servants and Alderman worked very effective by having a proactive attitude, despite the fragmented land ownership. This attitude to tackle the area decay, resulted in a relative fast development of the masterplan.” (Investor, 2021)

4.3.3 Decision-making process

From the conclusion of the theoretical framework can be retrieved that decision-making is defined as follows; *“a process of specifying the nature of a particular problem or opportunity and selecting among available alternatives the best one to solve a problem or capture and opportunity”*. Considering decision-making strategies, three models from the project manager perspective and the group-decision perspective are presented. From these models can be retrieved that decision makers

(individuals) are often not rational but try to construct objectives and criteria to justify the decision that was already made. In addition, a social-dynamic aspect is added to the decision-making process when multiple individuals forms groups. This can either way result in better or worse decisions in comparison to individual decision makers. Therefore, it is important to consider how much others are needed to be involved in order to make decisions that meet the desired performance.

The following paragraphs contain the main results from the stakeholder interviews regarding their experiences with the decision-making in relation to the *In de Bogaard* case. Each paragraph ends with a relevant quote from the interviews to emphasize a certain challenge or statement. Since the interviews were held in Dutch, it is attempted to translate the quotes to English as accurate as possible.

4.3.31 Municipality

In the initiative phase, the masterplan had to be approved by the municipal council in order to continue the redevelopment process. From that point, the project boundaries were defined and the Quality Team was established to guarantee the quality guidelines together with the municipal project team. Within the masterplan boundaries, developers are free to move considering the phasing and shaping of their activities. For individual masterplan interpretations, integrated trade-offs between the concerning private owner and the municipality are primarily assigned to the municipal project team and their project manager. In their decision, the project manager has to keep in mind strongly on what the municipal council agreed on in the first place. For more specific design propositions, the Quality Team is involved to form a judgement. The private owner's business cases are not insightful to the municipality. Therefore, the municipality maintains critical conversations with them in the occasion of endangerment of the feasibility with a potential development hold as extreme scenario. An important addition to these conversations and preventing development hold, is the legal agreements that are made between the municipality and private owners, in which the financial contribution to the development of public space is set. The decisions in this project are primarily made by having many conversations and negotiations. Therefore, the aim is to keep in mind each other's interests and limit the concessions on quality to a minimum.

"We have chosen actively for the strategy of a fragmented redevelopment to keep pace with the land-use procedures for all the different owners. The ownership fragmentation also leads to many different interests. Therefore, decision-making might be more inert if we discussed all the topics plenary with all the stakeholders." (Municipality, 2021)

4.3.32 Urban designers

The *urban designers* are involved to the project to exploit their expertise in designing high-quality urban areas. On an internal level, the *urban designers* make use of their knowledge, experiences and other technical experts to conclude what concepts might work better than the other. Therefore, different analysis and studies are executed to form scenario's with their advantages and disadvantages. These inputs from the *urban designers* are used as argumentation for the municipal project team and Quality Team. In the end, it is up to the municipality to make any decisions. According to *urban designers* the municipality has a very proactive project team who take up this role well.

"The urban designers are there to provide an advise. The decision-making is up to the municipality which they do well due to their properly functioning project team and positive Alderman." (Urban designers, 2021)

4.3.33 Developer A

From the moment that *Developer A* was involved in this project, the masterplan already existed and provided the boundaries for their plans. Therefore, many components were already decided by the municipality, urban design team and the municipal council who approved the masterplan. The individual interpretations of the masterplan have to be discussed with the municipal project manager

and the Quality Team (in the case of difficult design issues). After having conversations and negotiations, a final statement is formed by the municipal project manager and Quality Team. Therefore, finding an agreement with the Quality Team is very important for project continuation. *Developer A* considers the municipal project team and Quality Teams as positive and constructive in their way of thinking which makes it easier to find an agreement or solution for the concerning issue. Besides, for topics as the redevelopment of the public space, *Developer A* makes legal agreements with the municipality about financial contributions.

“The Quality Team, as an extension of the municipal project team, makes the final decision in design topics. Developers really have to find an agreement with them, otherwise you end up with a lot of difficulties.” (Developer A, 2021)

4.3.34 Developer B

In this type of projects, it is often the situation that public stakeholders are very enthusiastic to solve problems such as vacancy and mobility and then they are blasted away by policy and political procedures. As a developer, the quality requirements are respected and understood but the public stakeholders are underestimating their own behaviour regarding decision-making. According to *Developer B*, this is also the case in the decision-making process for this case area. An example of one of the issues *Developer B* has to deal with, is a sacrifice of *Developer B*'s plot for the use for public space in the masterplan. This plot contains buildings, and therefore, capital. In order to execute the plan as described in the masterplan, a part of these buildings have to be demolished without financial compensation. From the perspective of *Developer B*, all the reasons in this decision-making process are based on politics and policies. This makes negotiating hard since a developer can be, and thus has to be, more flexible. For *Developer B* the main issue in this redevelopment project that all the contact is with people who cannot take decisions. The municipal project team and Quality Team are too much dependent on the responsible Alderman, who also cannot take decisions without approval of the entire municipal council.

“The main problem is that no-one can take decisions since it is all politics. When I negotiate, I can just say yes or no.” (Developer B, 2021)

4.3.35 Developer C

From the perspective of real estate developers, *Developer C* states that it is best to step in a redevelopment project when the object value reaches the bottom. Therefore, the previous owners care the lost and at some point, after a certain amount of years, they are redeemed by parties willing to invest and take over the object. Since the business model of *Developer C* is to combine knowledge and patient capital to purchase and redevelop obsolete retail object, they are able to make decisions relatively quick. In relation to *In de Bogaard*, *Developer C* stepped in the project after the masterplan approval by the municipal council. According to *Developer C*, this masterplan can be considered a confirmation on their addition to it; the addition of housing to create a mixed-use area and make redevelopment feasible. At the moment of purchase, the plots of *Developer C* were not adjusted in the masterplan in terms of function change. Therefore, an addition to the masterplan has to be made to be able to execute the plans by *Developer C*. This addition has to be approved by the municipal council again. It is out of the authority of the Alderman and municipal project team to make any decisions on this, which makes it unnecessary to depend on. The decision-making process for *Developer C*'s masterplan addition is going to be a political process.

“The Alderman does not make any commitments. Therefore, you do not have to ask him for any because this is widely known. The only thing you get is; what makes sense and what is good for the area? The decisions around these questions are a political process.” (Developer C, 2021)

4.3.36 Investor

In this case, decisions and agreements are made by many conversations and negotiations between the private and public stakeholders. The private stakeholders present their plans (established with their architects) and the municipality assesses these plans with help of their advisors such as the urban designers.

“In order to prevent being mentioned in a negative way, the municipality profiled itself as a leading entity by having an active role in tackling the problems of In de Bogaard. Therefore, the decision-making process in the local politics was less inert compared to other municipalities.” (Investor, 2021)

5. Findings and validation

5.1 Project uncertainty

From the data analysis in the previous chapter, *4.3 Case data analysis*, the following main statements can be obtained in relation to project uncertainty;

- Not owning any land, left the municipality with the uncertainty if property owners were willing to redevelop the area. They developed a **masterplan as strategy** to create enthusiasm for redevelopment.
- In the masterplan development, input from the developers and investors is adopted and aligned with the municipal ambitions. The **input and ambitions** are translated to the masterplan and quality guidance.
- The strictness of the masterplan and quality guide brings **uncertainties** for the developers when requesting for **masterplan changes**. Therefore, creating a feasible plan takes more financial risk.
- Changes of environmental and sustainable policies during the design phase result in **setbacks in the process**. Too many of these setbacks endanger the project's feasibility.
- A later involvement in the project, after plans are made to a certain extent, leaves to **think** even more in the **benefits for the greater area** by private investments and plans.
- The fragmentation of ownership and differences in project phasing could bring in the **risk of incoherent redevelopment**, since it is not possible to force property owners to redevelop.

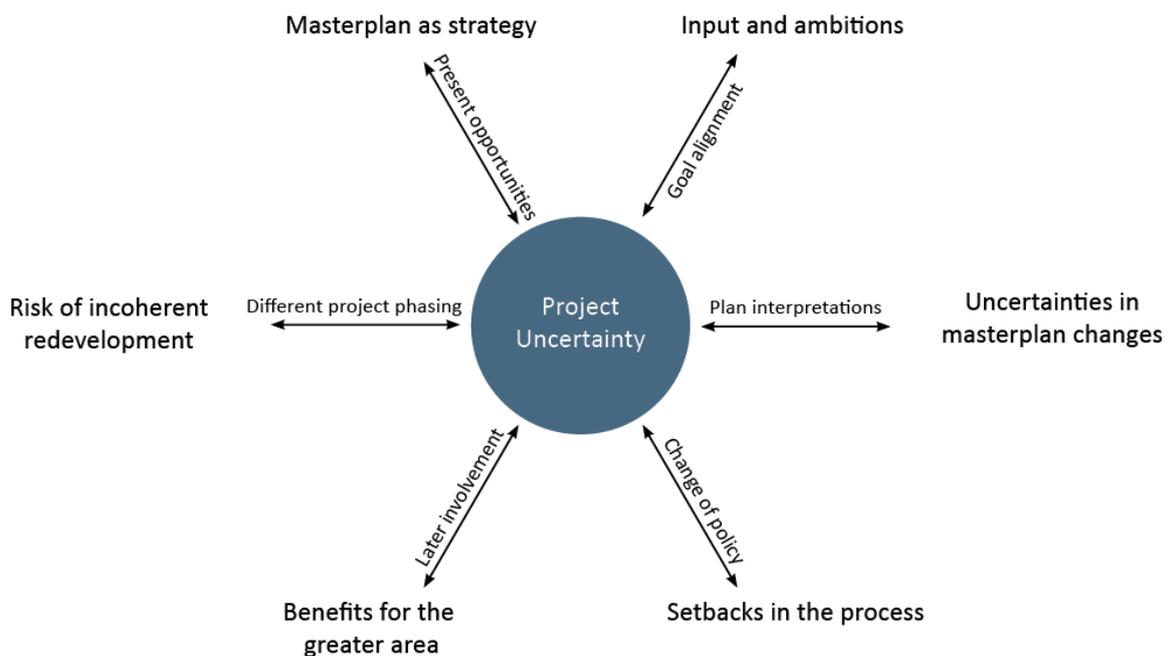


Figure 5.1 Project uncertainty factors (own image)

From this data analysis about project uncertainty can be concluded that the municipality of Rijswijk used a masterplan strategy to present the opportunities for the case area to the municipal council and property owners. The masterplan is developed by defining the municipal ambitions on area development and various input elements from the property owners such as building volumes and feasibility studies. Despite this integrated approach and due to project complexity, the masterplan and quality guidance can be interpreted differently by the stakeholders. For example, the *real estate developers* experience, to some extent, a too strict enforcement of the masterplan which brings uncertainties when requesting for masterplan changes, adjustments or quality assessments. In

addition, one of the *real estate developers* indicates a change of environmental policies during the design phase which causes major setbacks in the process. The strict masterplan enforcement and setbacks can have influence on the financial risk that is taken to make a feasible plan. Because of the ownership fragmentation and different owner characteristics, fragmented project phasing is the consequence. Therefore, a later involvement in the project leaves to think in the benefits for the greater area in order to convince the municipality for a masterplan change. Thereby, the differences in project phasing could bring the risk of a design incoherence considering the redevelopment as a whole.

In order to validate the empirical findings, in this paragraph the findings are compared to the project uncertainty findings from the theoretical framework. In broad sense, it can be stated that these case study findings follow the theoretical principal in which human and financial resources are brought together to create new value for the benefit of societal needs. In terms of uncertainty, from the case study can be obtained that uncertainty is mainly caused by design issues, rather than changing societal needs. However, from the developer's perspective, strategic design adjustments have to be made in order to continue the project. The masterplan strategy by the municipality can be considered a clear and transparent information system, since it determines many components of the redevelopment project. Therefore, it acts as a solid base. However, it can be questioned to what extent the masterplan covers all the stakeholder's individual goals and to what extent their input is aligned with the municipal ambitions. In relation to the redevelopment dilemma's by Daamen et al. (2019), it can also be questioned if the masterplan allows the developers to explore the environment and search for *package deals* for a broader range of redevelopment.

5.2 Organisational structure

From the data analysis in the previous chapter, *4.3 Case data analysis*, the following main statements can be obtained in relation to the organisational structure;

- The **municipal leading role** in the project initiative by creating a vision was very effective
- The **proactive attitude of the municipal organisation** have resulted in a relative fast development of a plan.
- The municipality developed the masterplan with quality guide to provide the **project's boundaries**. The municipal project manager and Quality Team assess different interpretations on the masterplan.
- A project manager is required who can act as a filter by **removing unfeasible elements** from the project definition in an early stage.
- Different interpretations of the masterplan are perceived as a question for the *urban designers*. The *urban designers* **investigate these questions** to form an advice for the municipality.
- The project governance structure acts on a positive and constructive manner. However, certain procedures take too much time due to a **understaffed municipal project team** in relation to the ambitions.



Figure 5.2 Organisational structure factors (own image)

From this data analysis about the organisational structure can be concluded that creating a vision by the municipality was an effective strategy to lead and bring together stakeholders. The proactive attitude of the municipal organisation, including the Alderman for Spatial and Economic Development, Sustainability, Urban Management and the municipal project team for *In de Bogaard* have resulted in a relative fast development plan in which the project's boundaries were defined together with the property owners. From a *developer's* perspective, this process requires a municipal project manager who can act as a filter to remove unfeasible elements from the project definition in an early stage to avoid later process setbacks. Design issues between the property owner's design team and the municipal design teams and advisors are discussed in a positive and constructive way. These issues are submitted and investigated by the *urban designers* to form an advice to the municipality and Quality

Team. However, one of the *developers* indicates that the high ambitions of the municipality often leads to long lasting procedures in terms of approvals or permit granting as result of an understaffed municipal project team.

In order to validate the empirical findings, in this paragraph the findings are compared to the organisational structure findings from the theoretical framework. From the literature research to the *institutional level* in the Netherlands, can be obtained that supportive retail areas are under pressure and that public and private parties often interact to shape the future. As mentioned in the dilemma's by Daamen et al. (2019), local municipalities have the choice to actively interfere, or *laisser-faire*. In this research's case study, an active interference offered the most effective solution. By choosing this strategy, interaction between public and private actors was unavoidable, since the municipality of Rijswijk provided a vision in which they needed the private property owners to cooperate in realising that vision. This resulted in the plans for an area redevelopment of a monofunctional retail area to a mixed-use area.

In order to *govern* these plans in the multi-actor environment, the municipality of Rijswijk took a leading-role. In this role, the municipality proactively developed the masterplan to present the area's opportunities. After the approval of the masterplan, a more one-to-one relationship between the municipality and different property owners was established. An important aspect is, that the municipality and the property owners do not share any financial risk, their collaboration is more based on mutual goals and legal agreements. In addition, a separate public entity, the Quality Team was established to guard quality control in relation to design. By analysing the governance level, it can be concluded that the case mostly relates to the *Network Administration Organisation*. Therefore, the Quality Team can be considered as entity that governs the network of stakeholders in relation to design and advise the municipal project team to make decisions. However, the Quality Team only consists of members from the public stakeholder (municipality) and commercial members who are hired as advisors for the municipality. This means that the organisational structure can also partially be labelled as *Lead Organisation*, in which the municipality is the leading entity with a clear interest in the project outcome.

In terms of the *process level*, the public and private project teams work separately in the design phase. The fragmented plot ownership enables all stakeholders to organise their activities independently from each other. These activity routines are primarily based on former project experiences in which the project life-cycle of the stakeholder's individual project is passed through. The independency and individual project life-cycles, result in project teams that are not integrated through the scale of the project as a whole. Instead, the communication is mainly between the municipal and private stakeholder project managers who each lead their individual project teams.

5.3 Decision-making process

From the data analysis in the previous chapter, *4.3 Case data analysis*, the following main statements can be obtained in relation to the decision-making process;

- The fragmented ownership is used in the advance of the project to **establish fragmented redevelopment**, and therefore, be able to have a more effective decision-making process.
- The **profiling of the municipality** in relation to the case, helps in the overall attitude towards the project of local politicians (large support base) who make the decisions and policies.
- All the involved advisors are there to provide different scenario's regarding the design options. The **municipality takes final decisions** with the advisor's conclusions as benchmark.
- It is in the interest of the developers to **form agreements on design issues**, in the end the municipal project team and the Quality Team make the final decision.
- A large part of the redevelopment process is also a **political process**. Therefore, members of the municipal project team cannot take decisions in the desired pace of the *developers*.
- Stimulate the political decision-making process by thinking **what makes sense and what is good** for the area.

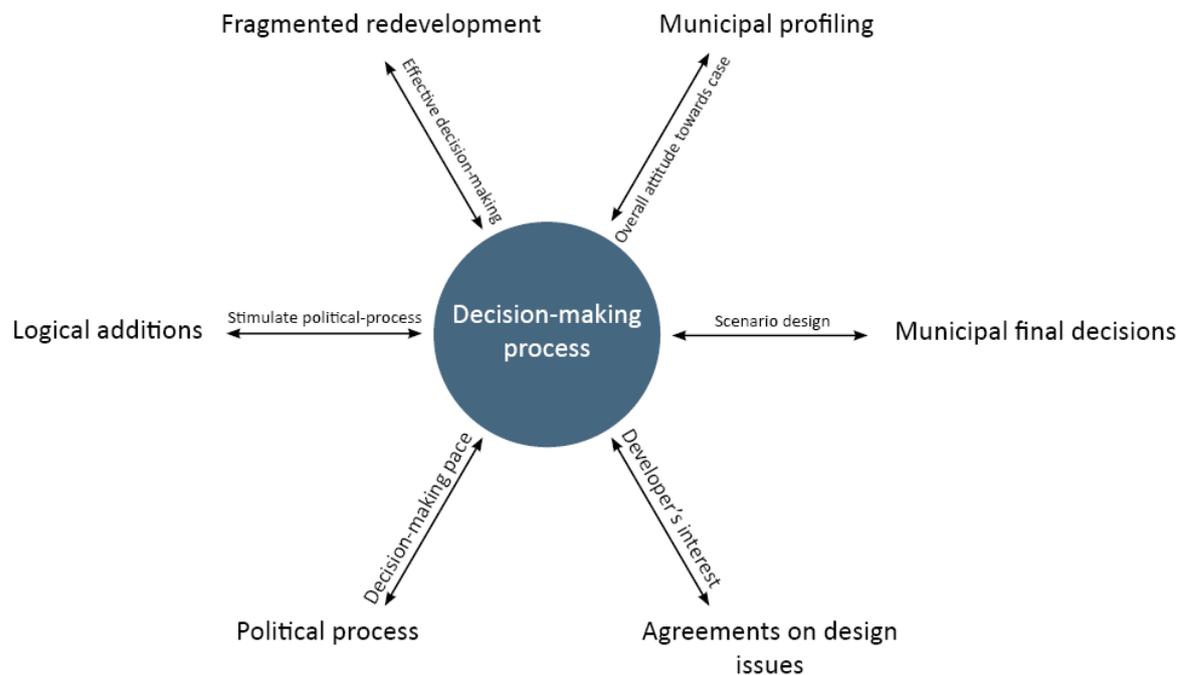


Figure 5.3 Decision-making factors (own image)

From this data analysis about the decision-making process can be concluded that the fragmented ownership of the plots in the area are used in advance by the municipality to divide the redevelopment project in to smaller plot-bounded redevelopment. Therefore, communication with the property owners is more efficient and decisions can be made more effectively to keep pace. This indicates the profiling of the municipality in relation to the case, in which their constructive and positive attitude is translated to the proactive and leading role the municipality takes. In the end, it is the municipality who takes the final decision in what can be built and what not.

For the *developers* it is important to form agreements with the municipality and Quality Team on design issues that are in conflict with the masterplan or quality guidance. Requests for drastic alterations, or even masterplan changes, can result in an endless political process. In respond to this, one of the *developers* indicates that stimulating the political decision-making process to the desired outcome can be done by reasoning in the benefits of the area. In relation to design topics this is done by logical thinking in what makes sense and what is good for the area as a whole.

In order to validate the empirical findings, in this paragraph the findings are compared to the decision-making process findings from the theoretical framework. In relation to the determined definition of decision-making; *“a process of specifying the nature of a particular problem or opportunity and selecting among available alternatives the best one to solve a problem or capture an opportunity”*, it can be stated that this definition is often not approached rationally in practice. The best example from the case study are the ‘logical additions’ that were assumed by one of the developers. This phenomenon can best be related to retrospective decision-model, in which a decision maker (the developer considered a decision-maker of his own plans), tries to justify decisions that were already made intuitively as a result of a being convinced of the developer’s own logic and rational thinking. The redevelopment of *In de Bogaard*, mostly relies on trust and collaboration between the public and private stakeholders. This, together with the given example, indicates that the stakeholder composition consists of actively involved actors in which broader actor interaction is used to convince each other of individual visions.

6. Discussion and limitations

This paragraph covers the discussion on the most important limitations that might have impacted the overall quality of the findings and formed conclusions. A major limitation in doing research is time. Therefore, it is important to mention that from the approval of the research proposal by the supervisors and the board of examiners, to the deadline of this thesis document, a time span of about four months passed by.

The aim of this research was to define the municipal active role in the approach to area redevelopment and the improvements that can be made in the decision-making process within redevelopment projects. The literature research was set-up to identify certain broad aspects of the project initiative phase, organisational structures and the decision-making process. Because of the unique and complex characteristics of area redevelopment, these topics were studied from a more general project management perspective, rather than focussing on the municipal management perspective on area development. This general management perspective strategy also reduced the limitations in searching for very specific municipal project management-related literature.

Thereby, in the literature research choices had to be made in order to complete a coherent storyline on time. However, probably more different aspects on the effects of project uncertainty, deeper investigations in organisational structures and better understanding of the decision-making process could have been executed to create a more complete theoretical framework. Nevertheless, the distinguish between what is important and what is not in this type of research, remains determined by the researcher's interpretation.

Considering the empirical research, many of the key stakeholders have collaborated with the researcher in order to provide data for this research. However, many more stakeholders are involved and in this research only one of the stakeholder's representatives was interviewed. Three main limitations occurred during the empirical research. Firstly, not all stakeholders responded to collaborate on this research. Secondly, there was no time to interview more representatives of the collaborating stakeholder's project teams. Thirdly, the literature research was not completely finished during the interviews. Therefore, the interviews were less in-depth than expected.

Another topic of discussion, is the analysis of the qualitative data that is obtained from the interviews. The researcher summarized and structured all the interview data according to the theoretical framework topics. During this process, several interpretations had to be made by the researcher in order to do so. This also applies for the linkage of the theoretical findings and empirical findings. In order to validate these findings and make the research more robust, a stakeholder review of the content could contribute to this.

7. Conclusion and recommendations

This chapter focusses in answering the main research question; *“how can the municipal active role be defined during the redevelopment initiating phase and what improvements can be made in the decision-making process between the municipality and private property owners of retail space for the redevelopment of monofunctional retail areas?”*. In order to do this in a structured manner, first a recap to the sub research questions is presented. From the conclusion further recommendations for practice and research are provided.

7.1 Conclusion

7.1.1 Sub research questions

- *How are redevelopment projects initiated and what is the goal of area redevelopment?*

The goal of area redevelopment is to add urban value for societal needs. Redevelopment usually starts with an existing real estate portfolio that has lost its value as result of changing trends in the economic cycle. In order to add new value again, an additional investment has to be made to form a new project. Alignment of the project definition with the societal needs is important to maximize the project’s value, however, these societal needs can change over the project’s life-cycle due to uncertainties.

- *What organisational structures are known between public and private parties?*

From the literature research can be obtained that there are several possibilities, especially on the governance and process levels, to form organisational structures. Before starting a project, the most effective form of network governance can be predetermined by analysing the key predictors *trust, number of participants, goal consensus* and *need for network-level competencies*. The analysis of the predictors lead to the most effective network governance form which is one of; *Participant-Governed Networks, Lead Organisation-Governed Network* or *Network Administrative Organisation*. In addition, if it is possible to share financial risk between stakeholders, legal agreements such as the *PPP, joint venture* and *consortium* between partners can be established. On the process level, can be concluded that small project teams work more efficient to complete the set of tasks. There are four strategies that could be applied to maintain small teams, these are the *multi team, core team versus external team, external team contributions* and *phase specific team*.

- *What is the definition of decision-making and what strategies are known in this process?*

This sub research question can be split into the definition part and strategy part. For this research, the following definition of decision-making *“a process of specifying the nature of a particular problem or opportunity and selecting among available alternatives the best one to solve a problem or capture and opportunity”*, answers the question. In relation to decision-making strategies, three models from the project manager perspective and the group-decision perspective are discussed in this chapter. The most important finding from these models is that decision makers (individuals) are often not rational, but try to construct objectives and criteria to justify the decision that was already made. A social-dynamic aspect is added to the decision-making process when multiple individuals forms groups. This can either way result in better or worse decisions in comparison to individual decision makers. Therefore, it is important to consider how much others are needed to be involved in order to make decisions that meet the desired performance.

- *How does the concerning municipality initiate for redevelopment and how effective is that strategy?*

From the empirical research can be concluded that the municipality of Rijswijk was aware of the decaying status of the monofunctional retail area *In de Bogaard*. A proactive attitude from the Alderman for Spatial and Economic Development, Sustainability, Urban Management resulted in an area vision and the establishment of a masterplan in which the opportunities for the area became clear

to the property owners. Since the municipality had no land ownership in the area, this case shows that the masterplan strategy can be considered an effective strategy to convince many of the stakeholders with the area's potential. The masterplan, which was established with certain inputs from the property owners, provides the project's boundaries which translates the municipal ambitions and acts as a solid starting base for development for each of the plots. Therefore, property owners can phase and plan their own redevelopment activities with independency which speeds up the entire process. However, this fragmented development includes the risk of ending with an incoherence in the area development and not achieve all ambitions.

- *How are decisions made in complex projects such as area redevelopment?*

From the empirical research can be concluded that decisions are made mainly by having many conversations and negotiations about certain topics. From the developer's perspective the decisions are made quite intuitive and are mainly based on own expectations. However, they need to form agreements with the municipality and Quality Team about specific design issues. The assessment of the municipality acts as a final-decision in relation to design issues. Requests of masterplan changes to a political decision-making process. This is often time consumable since the municipal council has to vote on it. By thinking in the benefits for the area as a whole, a political support base can be obtained in order to enlarge the chances for approval on such requests.

- *Which decision-making strategy is most suitable for the retail redevelopment process between municipality and private owners?*

From the empirical research can be concluded that no clear decision-making strategy, as discussed in the theoretical framework, can be appointed literally to this case. However, the findings of the empirical research do provide certain statements about the decision-making process that can be linked to findings from the theoretical framework. Firstly, the municipality of Rijswijk has a relative large political support base for the redevelopment plans. Therefore, the political decision-making process is more fluent. Secondly, the fragmented redevelopment strategy positively contributes to the effectiveness of the decision-making process. This is mainly caused by independency among private stakeholders and direct communication between the municipal project team and the private stakeholders. The scale of decision-making is lowered by this strategy and involves less participants. Therefore, this strategy shows similarities in using heuristics in the bounded rationality model to reduce large problems to manageable propositions. Thirdly, from the design-issue perspective, the design teams tend to use the *sequential attention to alternative solutions* mechanism in order to find acceptable solutions for complex design issues. The a final decision on the alternative solution is then made by the municipality. Fourth, despite the municipal support base, a large part of the decision-making process remains a political process. To a certain extent, the municipal project manager and Alderman are not able to make decisions without the approval of the municipal council. This slows down the project pace from the developer's perspective with all financial risks included.

7.1.2 Main research question

By having answered the sub research question, in the paragraph it is attempted to answer the main question of this research;

“How can the municipal active role be defined during the redevelopment initiating phase and what improvements can be made in the decision-making process between the municipality and private property owners of retail space for the redevelopment of monofunctional retail areas?”

To answer this research question, the question is split up in the following two components:

- Municipal active role
- Improvements in decision-making

Municipal active role – The municipal role can be defined as a proactive facilitating entity that sets the project boundaries in order to achieve the municipal predefined ambitions that contribute to a higher urban quality after the redevelopment is completed. In order to be able to predefine these ambitions, a sense of reality is required in which the performance of the urban area is assessed and faced. Together with external urbanists and designers, these ambitions can be made explicit and be translated to an actual plan. When taking this initiative actively, it is important to bring together private stakeholders and actively search for opportunities to implement their input in the project definition in order to stimulate their participation. This facilitating active role can be fulfilled in several ways. The most important aspect is to form a network between stakeholders which is focussed on both the initial plan and exploring the environment to catch new opportunities. The management of this network can best be executed by a separate entity that offers a proper defined authority and democratic quality, in which capital and expertise are bundled to maximise effectiveness. The governing structure can be both an extension of the municipal project team or as a separate organisation that contains external experts. The separate organisation can create more distance between the project and politics, add substantive capacity and prevent the project being influenced too much by political setbacks.

Because of the fragmented ownership and different project phasing and size, forming one of the classic governing structures (PPP, joint venture or consortium) seems difficult. Apart from investments in public space and infrastructure, the municipality is not able to invest in real estate development and share risk with private stakeholders. Thereby, the field of private stakeholders in these fragmented areas is very dynamic. Properties are sold to developers and investors back and forth, which could make it difficult to form a solid ‘team’ or governing structure that contains private stakeholders.

Improvements in decision-making – In urban redevelopment projects, the decision-making process tends to jam as a result of limited decision-making authority by the municipal project team. Different aspects such as a understaffed project team, a lack of expertise or political influences can be the cause of these limitations. Where private stakeholders have the responsibility to themselves, the municipal project team represents the public stakeholder and its political interests. In order to be able to make rational-decisions (in the future), it is important to establish an area vision or a masterplan strategy that reaches further than the local political term of office. With that in mind, more certainty can be created for private stakeholders that are willing to invest and develop. From the empirical research can be obtained that certain political changes, in terms of environmental and car-park policies, influence the design process after certain decisions were already made and implemented in the designs. These setbacks are accounted to the private stakeholder. In order to prevent these technical design issues becoming political objected instead of rational motivated, an external entity should govern these interests. Therefore, the separate governing organisation, as mentioned in the previous paragraph, can offer a part of the solution. The main task for this governing organisation is to govern the stakeholder network and make more rational-based decisions in relation to design, while keeping all interests in mind. One of the main challenges occurs in the case of project setbacks. In that case, the governing organisation has to inform the responsible Alderman and municipal council directly in

order to be able to steer. This requires transparent information flows from the governing organisation towards the municipality.

7.2 Recommendations for practice

From this research, multiple statements can be recommended in order to generalize the findings for other municipalities that face decaying monofunctional areas or have other desires for area redevelopment.

1. Establishment of a more flexible masterplan that is resilient to changes in societal needs as result of economic changes to mitigate risk during the project life-cycle. Focus in the initial plan while keeping exploring the environment.
2. Establishment of separate organisation that governs the network with the main task of making more rational-based decisions, based on evenly spread stakeholder interest, to prevent design issues becoming too political. This organisation, composed of experts and stakeholder delegates, should be funded by the public and private stakeholders in order to function.
3. Ruling municipal policies and regulations (environmental, mobility, etc) should be frozen from a certain moment in the project life-cycle to prevent process setbacks that are at risk of the private stakeholder.
4. By setting challenging urban development ambitions as a municipality, make sure to have a ambition-related significant level of staff in the municipal project team to accomplish these ambitions together with private stakeholders. If that is not the case, the network governance structure could take this over.

7.3 Recommendations for research

Further research can be done to the organisational structure within the municipal project teams. Since the teams are considered as one entity for this research, no clear view has been investigated on their team composition, efficiency, effectiveness and expertise. A research to this organisational structure can provide a more detailed definition of the municipal active role after the initiative phase of redevelopment projects. Thereby, additional research can be done to the shaping of the recommended external governance entity in fragmented case areas. One of the major challenges of this governance entity is how to involve the private stakeholders in such a dynamic ownership context.

8. Reflection

8.1 The process

The process of writing this research can be considered very rough. Despite, I managed to keep on going to finally reach this point. Especially, the road towards the P2 had many setbacks in searching for a topic and attaching a problem statement to that topic. The online meetings, as result of the COVID-19 pandemic, with my mentors and the potential graduation company gave a lot of useful suggestions and showed a lot of patience regarding my process. However, in my opinion I lacked in properly adopting the input as result of the online environment in which it was given. After not passing the first P2 attempt, I had to put all the loose ends together to form a coherent research proposal for the next attempt two weeks later. One of my personal persuasions to form a coherent proposal, was to focus on the *In de Bogaard* case because of the project scale and the proactive attitude of the local municipality towards it. With this addition, and having a complete research proposal, I managed to pass the P2 in my second attempt. Nevertheless, the necessary additions resulted in my potential graduation company by pulling of their hands and not offering me a graduation place anymore. They had no interest in the case and by having the focus on the municipality, apparently, the research had no added value to them. Since I was not able to visit their office anyway (COVID-19) and participate on their projects (company policy), I was not disappointed in their decision. It would mainly have been a CV upgrade instead of a challenging and fun experience. Thereby, I was also confident in finding and contact all the needed stakeholders by myself, which I did.

After the P2, I attempted to continue with the theoretical framework which again was not easy. I had very little motivation to do the theoretical research because of two reasons. The first reason is that I do not like to spend time on doing scientific research. The second reason is that I had very little positive energy to compensate that dislike because of the COVID-19 pandemic lockdowns and curfew. Having no social interaction with fellow students on the faculty, which I was used to and provided me all the positive energy to fight through tough courses, and little fun things to do in my free time, ended up in a bad marriage with Microsoft Word. Simultaneously, I started to contact the project manager from the municipality of Rijswijk to investigate the *In de Bogaard* case. The project manager was very enthusiastic to cooperate and provided all the needed information about the case, the municipal vision and project perspective and further contact details of other stakeholders. All the stakeholders that were interviewed in the empirical research, responded very quick and enthusiastic after I submitted my interview request, and invited me to their offices. The interviews were very interesting and gave me loads of positive energy to continue writing this thesis towards the P3.

During the P3, many elements of the research were still undetermined. Therefore, I decided together with my two supervisors to take a more pragmatic approach in order to finish this thesis as soon as possible. Therefore, we agreed on providing a thesis that is complete regarding the required components and has a story to follow. By that time, the faculty opened again and I was able to visit and study there more and more. This boosted the progress of my report tremendously. It also provided the opportunity to physically meet with my first supervisor which were very nice and helpful sessions in comparison to the online sessions.

8.2 The product

I am confident to hand in this report since I believe the topic is interesting and useful for stakeholders that deal with decaying retail objects. In addition to that, any research that is executed with practical motivations and a scientific character can be considered useful for obtaining knowledge or further investigations. Although, this research does not contain any pioneering findings in my opinion, it is one of the few scientific researches that focusses on the municipal role in approaching redevelopment of monofunctional retail areas. Therefore, it is useful to have qualitative data about the municipal perspective and the private property owners perspective. Dutch municipalities can use this document

to learn from the municipality of Rijswijk to a certain extent. For the municipality of Rijswijk, this document can be useful to evaluate their own activities and have a more critical look to the decision-making process. In terms of structure and consistency, I think I could have done a better job if I had certain elements of this research more clear in an early phase. In the final product, some of the elements are linked or attached to each other with too little explanation.

8.3 Personal view

What I learned most from this graduation journey is that I am capable of proceeding and staying patient with myself when losing motivation. I refuse to let this research take over my life and start feeling guilty on the moments I am not working on it. Especially after the P2 I realised this, and stayed more relaxed towards this process. In terms of research content, the major thing I learned is that project management is very hard if you have limited allowance to make decisions. On one hand, the political process guarantees societal quality but in the other hand, it can be frustrating while running a business which is very depending on economic and technical aspects. Despite the fact that the used case for this research contains a proactive municipality, many components have to pass the entire municipal council which takes a lot of time. In addition, my expectation of stakeholders acting from obtained experience rather than theoretical models, also became clear during the interviews. Therefore, I am very motivated to embrace my future career in a real estate development or project management company.

To conclude, I have to admit that I was not looking forward to my graduation research from the day I stepped in the faculty in 2015. Project courses with heavy student interaction and creative solutions as final product are more my cup of tea. After the completion of this report, I believe in this statement even stronger. Nevertheless, I gain a lot of positive energy in my social life which enables me to put time and effort in the things I have to do but do not really enjoy to do. Unfortunately, during my graduation period, everyone's social life ended abruptly by the pandemic which caused a huge motivation drop with me. Luckily, I do not like to give up on things and always fight to get what I want. In this case, that is to graduate from the TU Delft with a Master's Degree packed in the iconic red cardboard tube. Opening-up the faculty again, having physical meetings with my supervisor and starting-up my social life again have had a major contribution to achieving this point. Despite that fact that I am even more convinced of not becoming a scientific researcher, I could have done a way better graduation research if I would have written this one year earlier or one year later. Given the global situation in 2020-2021, this is the best I could have done.

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(Hilde Therese Remoy, 2010)
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(Hilde Therese Remoy & Van der Voordt, 2014; H.T; Remoy & Van der Voordt, 2007)
(Williams, 1997)

Appendix A – Interview protocol

1. Interview information

1.1 Type of interview

The in-depth interview is semi-structured where the topic is mainly fixed and a rough sequence of the interview is prepared. If the interviews need to be compared with each other, a rough sequence and prepared “bridge of topics” could be useful. The interview will mainly focus on events and processes in the work environment of the interviewee.

1.2 Goal of the interview

The goal of the interview is to obtain information about the organisational structure and decision-making process in complex projects. In this case (In de Bogaard, Rijswijk), the urban redevelopment of a monofunctional retail area is used to investigate. The data from these interviews is used to form a conclusion regarding the effectiveness of the organisational strategies regarding project success.

1.3 Interview timeline

The interviews are held between the 8th of March 2021 and the 9th of April 2021 with a different set of stakeholders involved in the case area. This set consists of property owners and the municipality.

2. Interview content

2.1 Introduction

- Ask the interviewee whether the interview can be recorded.
- After starting the recording, ask again to prove confirmation for recording.
- Explain the goal of the interview; *obtain an insight in the organisational structure between the In de Bogaard stakeholders and the effectiveness of the decision-making process within that structure.*
- Explain to what extent this information is used
- Introduce myself, including study background, study progress and personal interest in this topic.

2.2 General questions

- Ask the educational and professional background of the interviewee
- Ask the interviewee about his/her working period at the concerning organisation
- Ask the interviewee to describe the core business of the organisation.
- Ask the interviewee about the organisation’s general interests in In de Bogaard
- Ask the interviewee about the organisation’s property characteristics in the case area
- Ask the interviewee about the organisation’s involvement regarding the redevelopment timeline.

2.3 Questions related to organisational structure and decision-making

- How did the organisation got involved in the project?
- What was the role of the municipality in forming the master plan and project mission, what are the agreements with the municipality?

- How was the corporation between the municipality and the private organisation shaped in terms of project boundaries, investments and risk sharing?
- How is dealt with uncertainties such as changing demands, information flows and teamwork in this multi-actor redevelopment?
- What is the influence of these uncertainties to project success from your perspective?
- How is the decision-making process designed to prevent interfering interests or mitigate risks?

2.4 Personal experience regarding organisational structure and decision-making

- Can the organisational structure between stakeholders be considered team collaboration?
- Who is financially investing in what? Who is investing in what in relation to project responsibilities?
- To what extent are the additional investments by stakeholders spread evenly conform mutual benefits?
- Are you familiar with organisational structures decision-making processes between public and private parties that have worked more effectively?

2.5 Interview ending

- Are there any questions from the interviewee?
- Thank the interviewee for cooperating
- Emphasize that the transcript will not be shared with anyone else
- Ask if the interviewee would like to have a copy of the thesis report and would like to participate as a stakeholder delegate in the “stakeholder” panel.

Appendix B – Ethics review checklist

Delft University of Technology ETHICS REVIEW CHECKLIST FOR HUMAN RESEARCH (Version 18.06.2020)

This checklist should be completed for every research study that involves human participants and should be submitted before potential participants are approached to take part in your research study. This also applies for students doing their Master-thesis.

In this checklist we will ask for additional information if need be. Please attach this as an Annex to the application.

The data steward of your faculty can help you with any issues related to the protection of personal data. Please note that research related to medical questions/health may require special attention. See also the website of the [CCMO](#).

Please upload the documents (go to [this page](#) for instructions).

Thank you and please check our [website](#) for guidelines, forms, best practices, meeting dates of the HREC, etc.

I. Basic Data

Project title:	The end of monofunctional retail areas
Name(s) of researcher(s):	Boaz Amit
Research period (planning)	2020-2021
E-mail contact person	Boaz.amit95@gmail.com
Faculty/Dept.	Faculty of Architecture and the Built Environment
Position researcher(s):¹	MSc. Student
Name of supervisor (if applicable):	Hilde Remoy
Role of supervisor (if applicable):	Graduation supervisor

¹ For example: student, PhD, post-doc

II. A) Summary Research

(Please very briefly (100-200 words) summarise your research, stating the question for the research, who will participate, the number of participants to be tested and the methods/devices to be used. Please avoid jargon and abbreviations).

Dutch municipalities majorly rely on market forces to stimulate redevelopment. Nevertheless, this does not result in desired outcomes. Different researches conclude that the local municipality has to fulfil a leading role in this redevelopment in order to achieve the desired outcome. This research focusses on how this leading role is defined and how the corporation between the local municipality and private property owners can be improved.

B) Risk assessment & risk management

Please indicate if you expect any risks for the participants as a result of your research and, if so, describe these risks and how you will try to minimize them.

A potential risk is damaging the relationship between stakeholder that are interviewed. In order to minimize this, the research will not contain any names or company names that are directly related to the provided data. Also the obtained data will be presented as discrete as possible without losing its qualitative value

III. Checklist

Question	Yes	No
1. Does the study involve participants who are particularly vulnerable or unable to give informed consent? (e.g., children, people with learning difficulties, patients, people receiving counselling, people living in care or nursing homes, people recruited through self-help groups).		X
2. Are the participants, outside the context of the research, in a dependent or subordinate position to the investigator (such as own children or own students)? ²		X

² **Important note concerning questions 1 and 2.** Some intended studies involve research subjects who are particularly vulnerable or unable to give informed consent. Research involving participants who are in a dependent or unequal relationship with the researcher or research supervisor (e.g., the researcher's or research supervisor's students or staff) may also be regarded as a vulnerable group. If your study involves such participants, it is essential that you safeguard against possible adverse consequences of this situation (e.g., allowing a student's failure to complete their participation to your satisfaction to affect your evaluation of their coursework). This can be achieved by ensuring that participants remain anonymous to the individuals concerned (e.g., you do not seek names of students taking part in your study). If such safeguards are in place, or the research does not involve other potentially vulnerable groups or individuals unable to give informed consent, it is

Question	Yes	No
3. Will it be necessary for participants to take part in the study without their knowledge and consent at the time? (e.g., covert observation of people in non-public places).		X
4. Will the study involve actively deceiving the participants? (For example, will participants be deliberately falsely informed, will information be withheld from them or will they be misled in such a way that they are likely to object or show unease when debriefed about the study).		X
5. Sensitive personal data <ul style="list-style-type: none"> Will the study involve discussion or collection of personal sensitive data (e.g., financial data, location data, data relating to children or other vulnerable groups)? Definitions of sensitive personal data, and special cases thereof are provided here. 		X
6. Will drugs, placebos, or other substances (e.g., drinks, foods, food or drink constituents, dietary supplements) be administered to the study participants?		X
7. Will blood or tissue samples be obtained from participants?		X
8. Is pain or more than mild discomfort likely to result from the study?		X
9. Does the study risk causing psychological stress or anxiety or other harm or negative consequences beyond that normally encountered by the participants in their life outside research?		X
10. Will financial inducement (other than reasonable expenses and compensation for time) be offered to participants?		X
Important: if you answered 'yes' to any of the questions mentioned above, please submit a full application to HREC (see: website for forms or examples).		
11. Will the experiment collect and store videos, pictures, or other identifiable data of human subjects? ³		X
12. Will the experiment involve the use of devices that are not 'CE' certified? <i>Only, if 'yes': continue with the following questions:</i>		X
➤ Was the device built in-house?		X
➤ Was it inspected by a safety expert at TU Delft? <i>(Please provide device report, see: HREC website)</i>		X
➤ If it was not built in house and not CE-certified, was it inspected by some other, qualified authority in safety and approved? <i>(Please provide records of the inspection).</i>		X
13. Has or will this research be submitted to a research ethics committee other than this one? <i>(if so, please provide details and a copy of the approval or submission).</i>		X

appropriate to check the NO box for questions 1 and 2. Please describe corresponding safeguards in the summary field.

³ Note: you have to ensure that collected data is safeguarded physically and will not be accessible to anyone outside the study. Furthermore, the data has to be de-identified if possible and has to be destroyed after a scientifically appropriate period of time. Also ask explicitly for consent if anonymised data will be published as open data.

IV. Enclosures

Please, tick the checkboxes for submitted enclosures.

Required enclosures

- A data management plan reviewed by a data-steward.

Conditionally required enclosures

if you replied 'yes' to any of the questions 1 until 10:

- A full research application

If you replied 'yes' to questions 11:

- An Informed consent form

If you replied 'yes' to questions 12:

- A device report

If you replied 'yes' to questions 13:

- Submission details to the external HREC, and a copy of their approval if available.

Additional enclosures

- Any other information which you feel to be relevant for decisionmaking by the HREC.

V. Signature(s)

Signature(s) of researcher(s)

Date: 12-1-2021



Signature (or upload consent by mail) research supervisor (if applicable)

Date:

Appendix C - Bonus

