



# **Risks and success factors in transforming urban areas**

A management framework













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A management framework



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A management framework





# Introduction

*Why transforming monofunctional areas?*

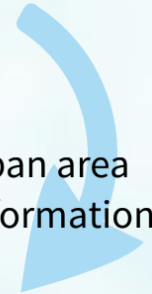


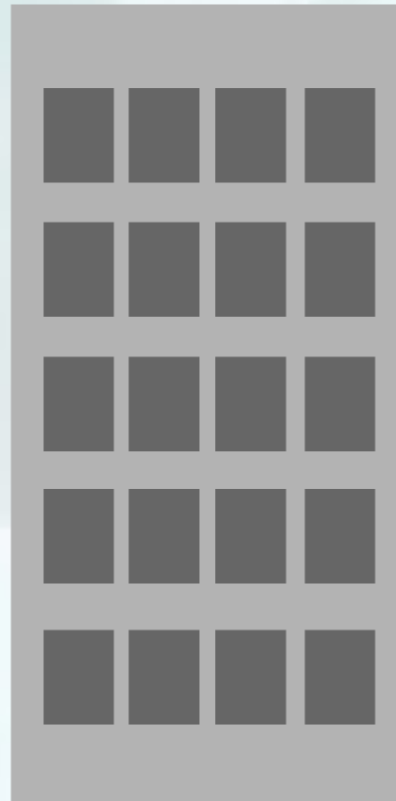
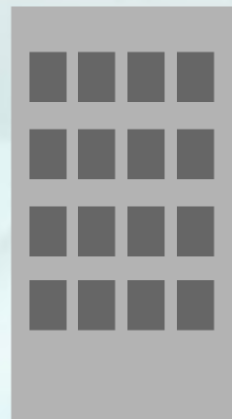
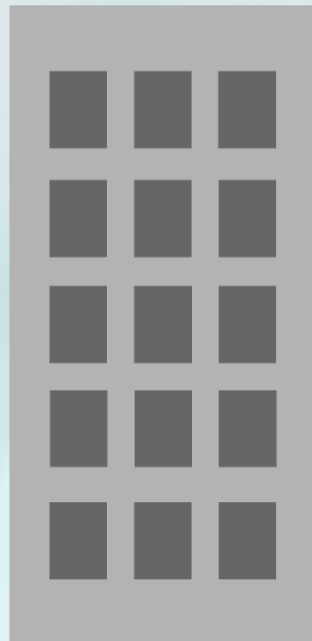
Monofunctional office areas



Mixed-use areas

Urban area  
transformations





Characteristics

Structural vacancy

EPC regulations

## Monofunctional office areas



# Characteristics



Focus on car accessibility



Dead ground floors



Only used 8 - 5

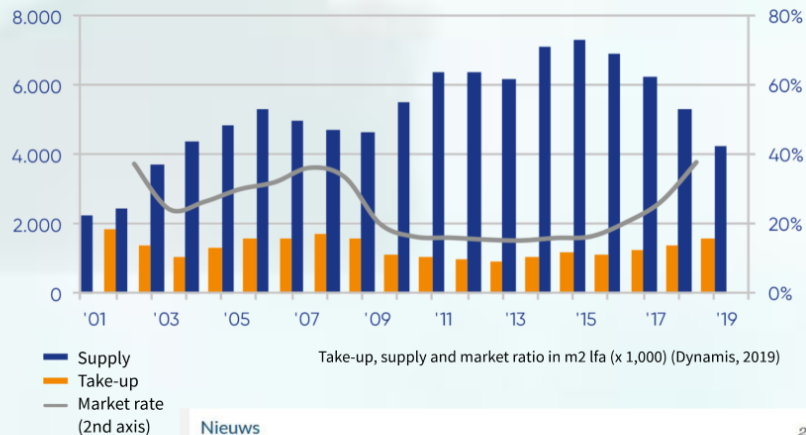


Increased risk of vacancy

# Structural vacancy

25 apr 2019, 08:08 **Innovatie**  
**Verkoop bedrijventerreinen trekt aan, minder leegstand kantoren**

leegstand landelijk is teruggelopen naar minder dan 10% en dat is voor het eerst sinds 2002.



Nieuws

24 jan

Cushman & Wakefield: 'Leegstand kantoren is nog niet op optimaal niveau'



Ter illustratie: © ROBIN UTRECHT  
Marco van den Berg 15-10-18, 06:00 Laatste update: 08:35

**Leegstand houdt Zwolse kantorenmarkt in de greep**

rond de 6%, maar in Capelle aan de IJssel staat 25,5% van de kantoorruimte leeg.



Archeffoto ter illustratie: © Koen Suyk  
Yvonne Keunen 14-05-18, 08:25 Laatste update: 08:36

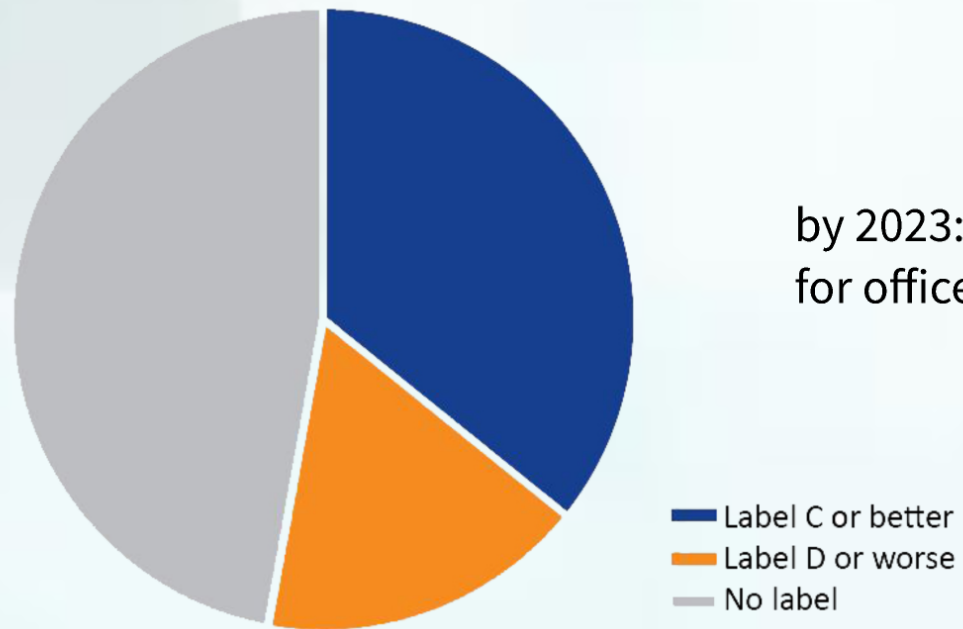
**Leegstand kantoren Rotterdam hoger dan in andere grote steden**

**De leegstand van kantoren daalt, maar niet structureel**

HOME  
Jeannine Julien - 19:52, 27 november 2017



# EPC regulations



by 2023: min. energy label C  
for office buildings

Energy label distribution in the supply as of January 1, 2019 by number of properties (Dynamis, 2019)



## Mixed-use areas



# Characteristics

- more liveable
- high adaptability
- more sustainable, less CO2 emission
- more efficient use of space

# Definition



Combination of min. 3 interacting and integrated functions that mutually support each other



Horizontally and vertically within a building, a block and the area; throughout time



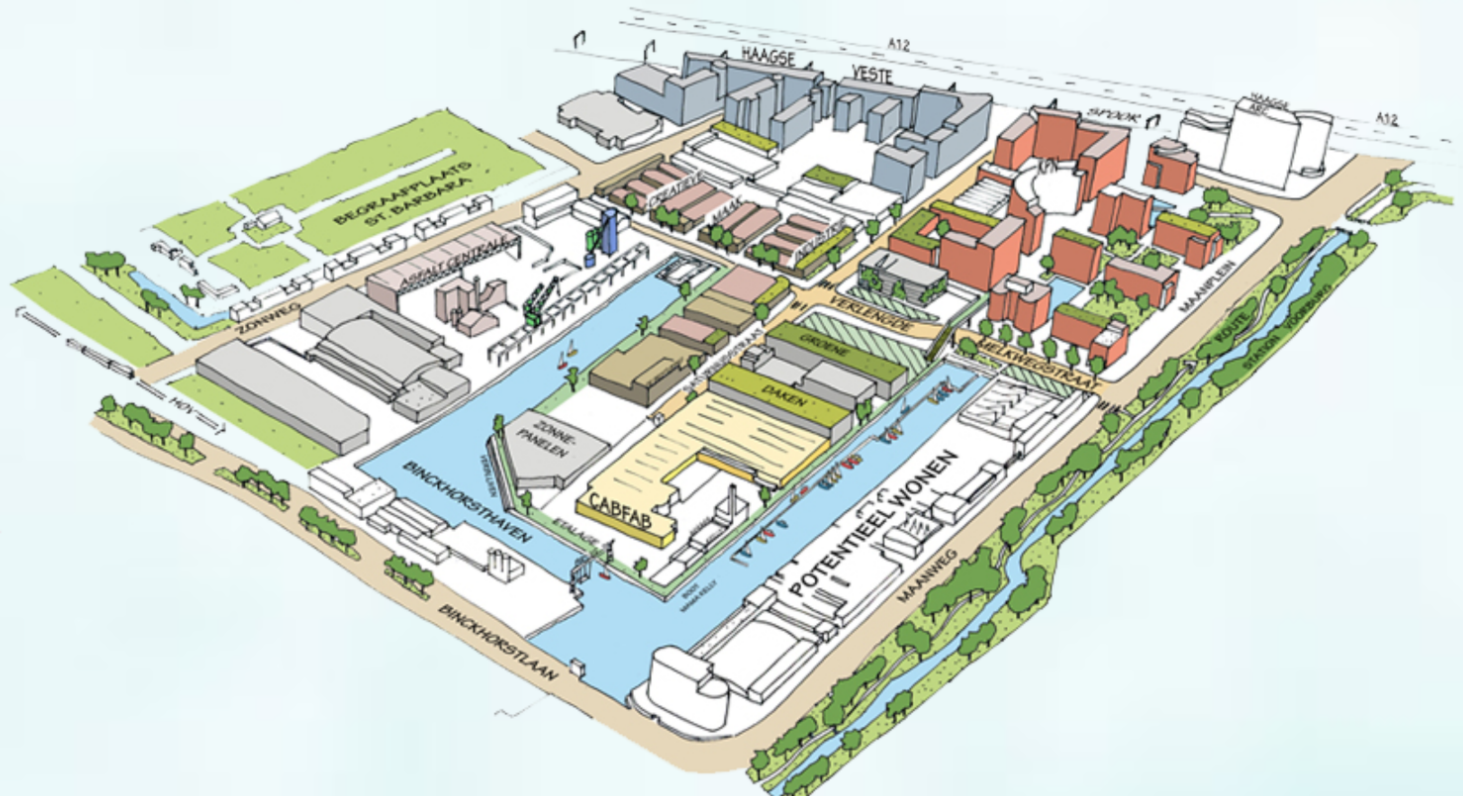
Density, optimization of space usage and close-grained



Diversity of people and built & natural landscapes

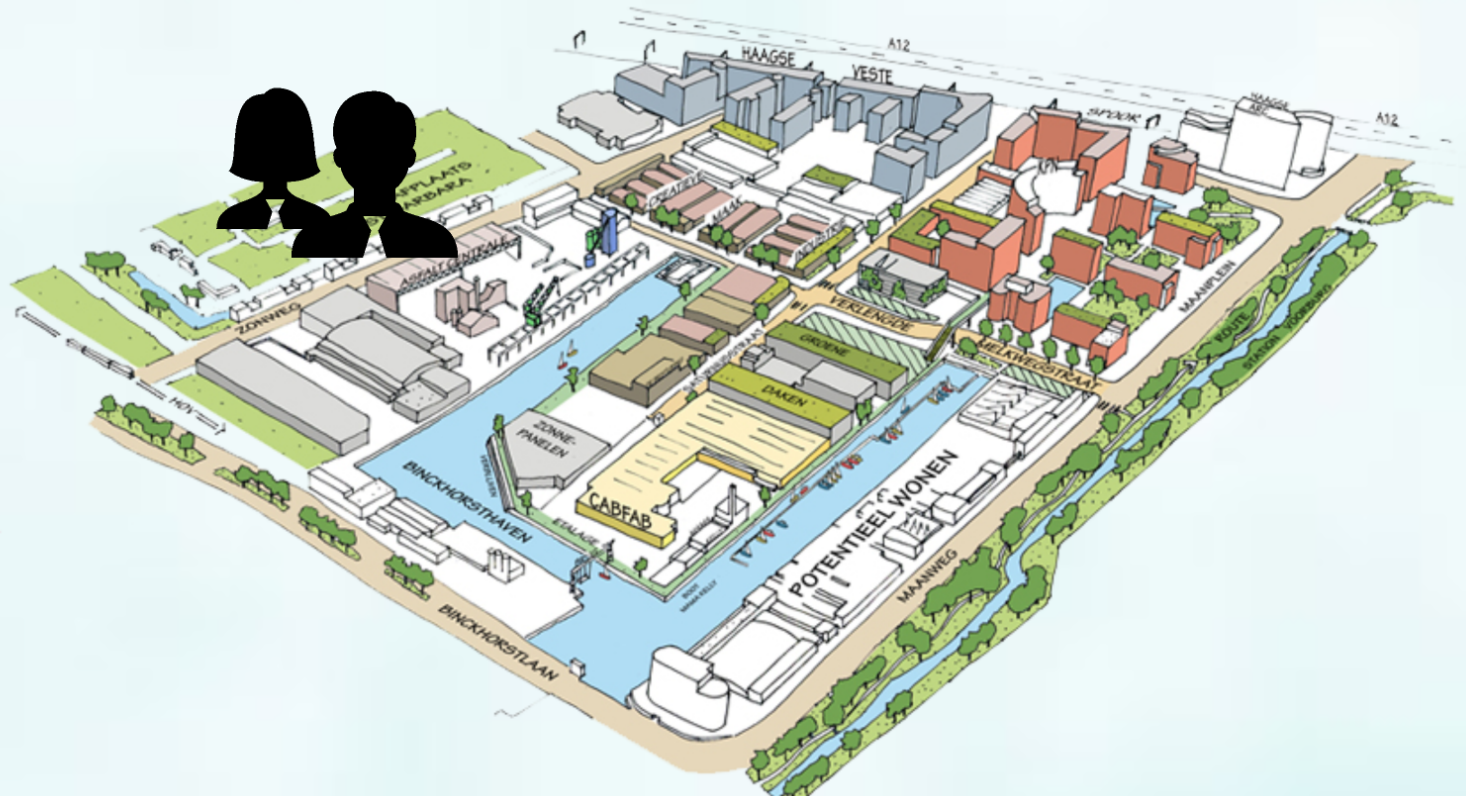


# Urban area transformations

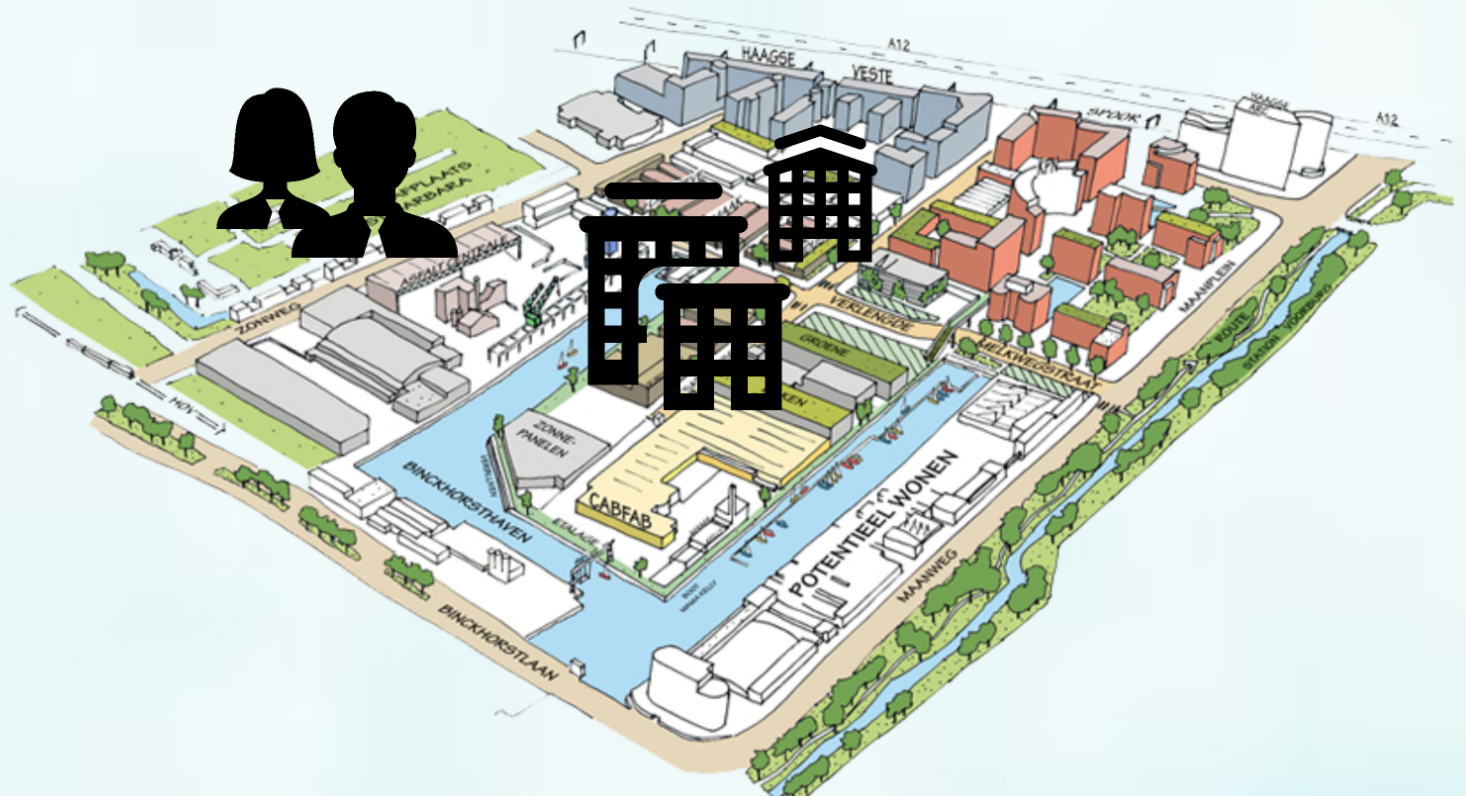




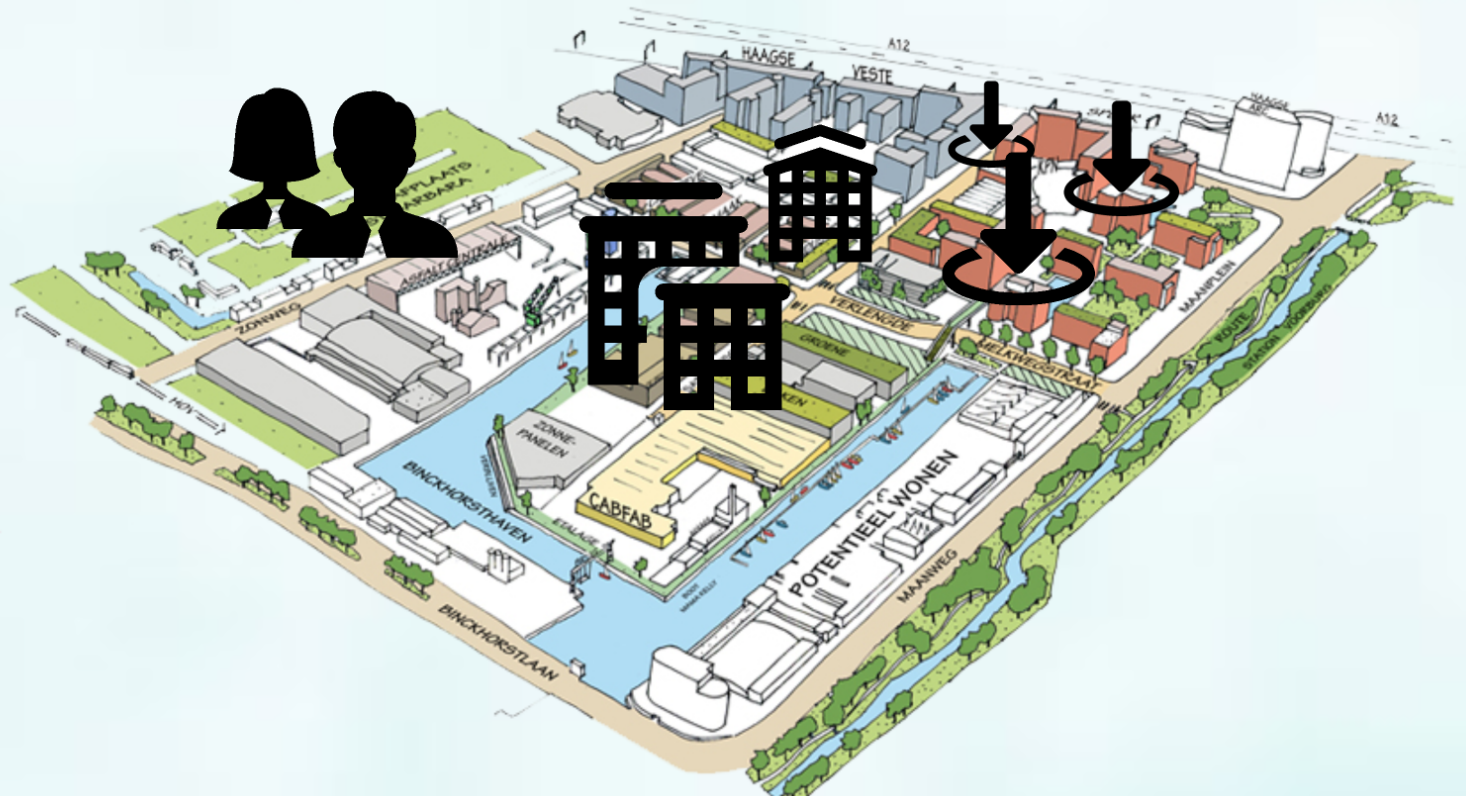
# Urban area transformations



# Urban area transformations

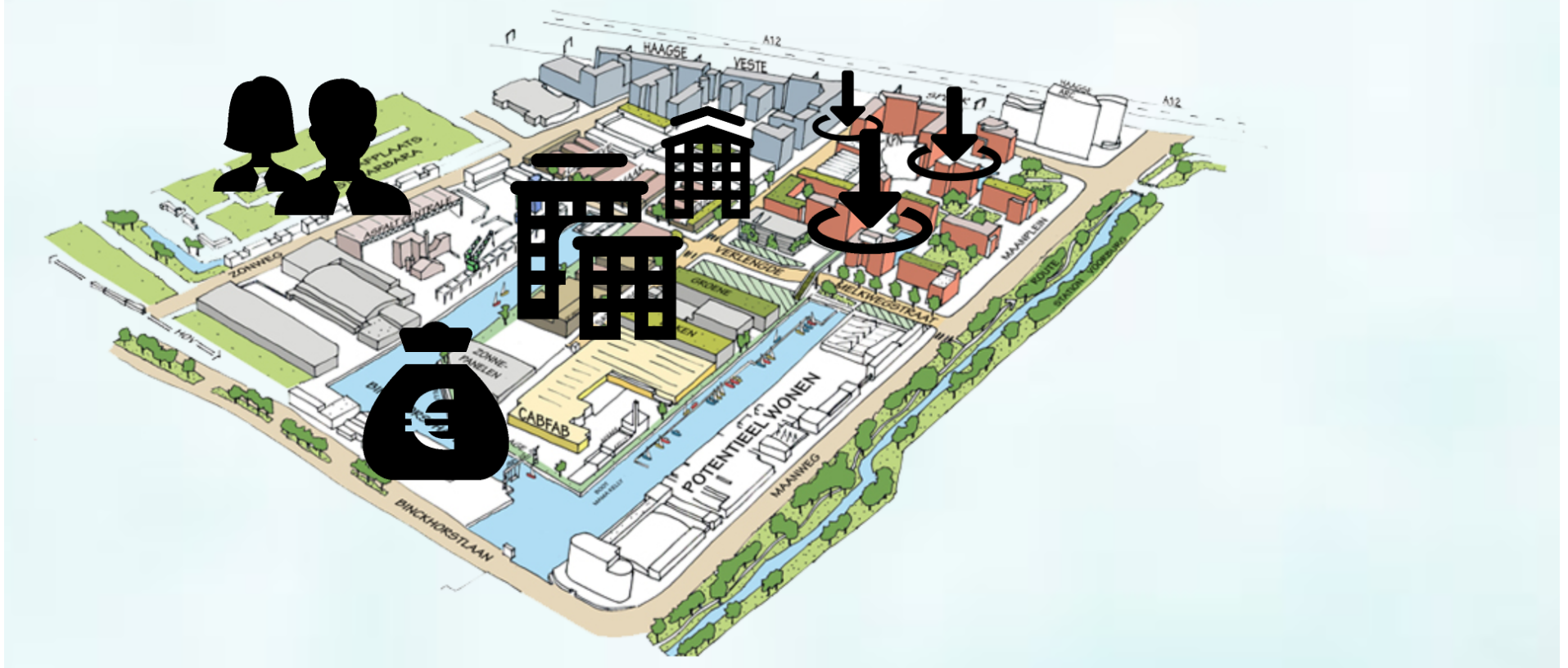


# Urban area transformations

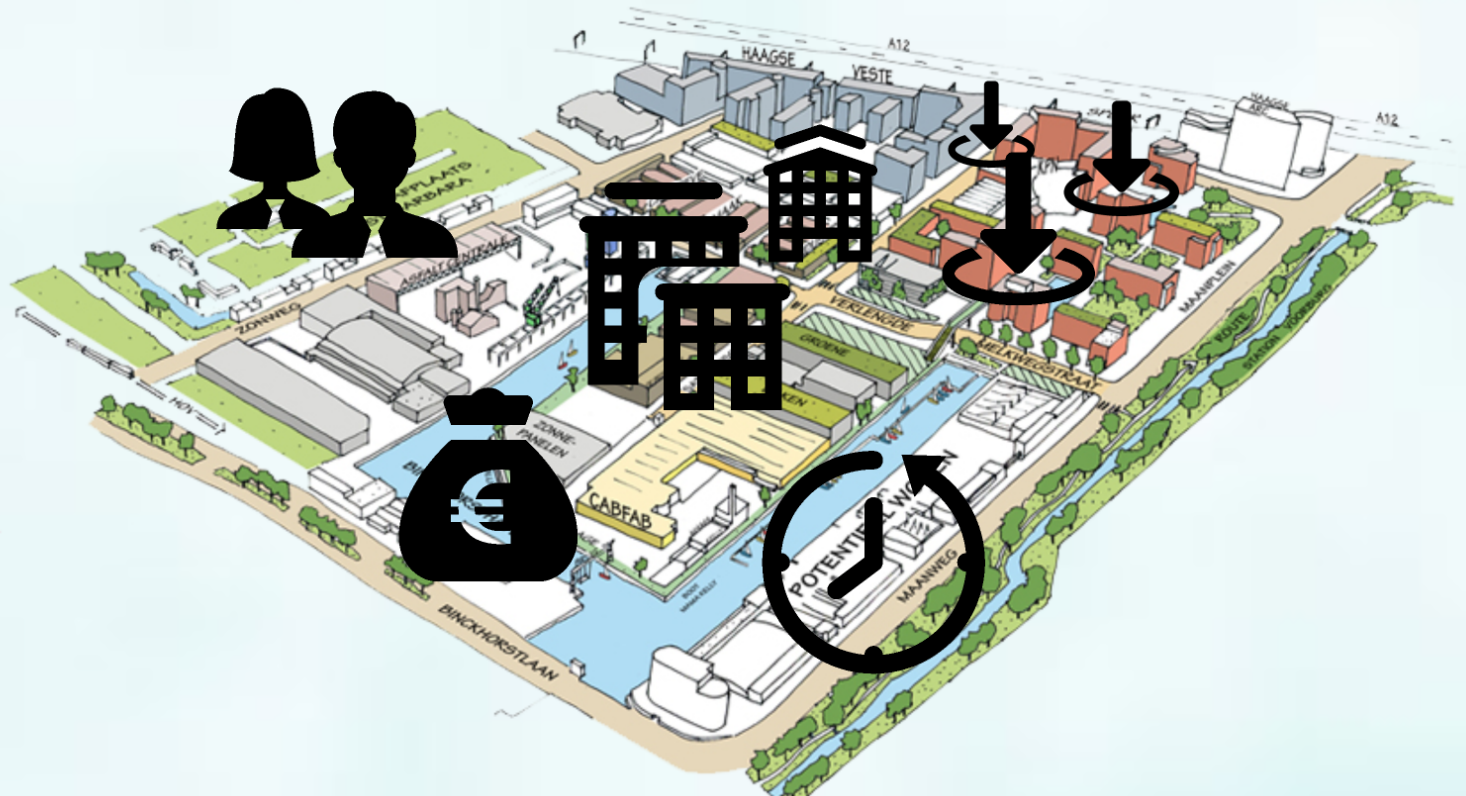




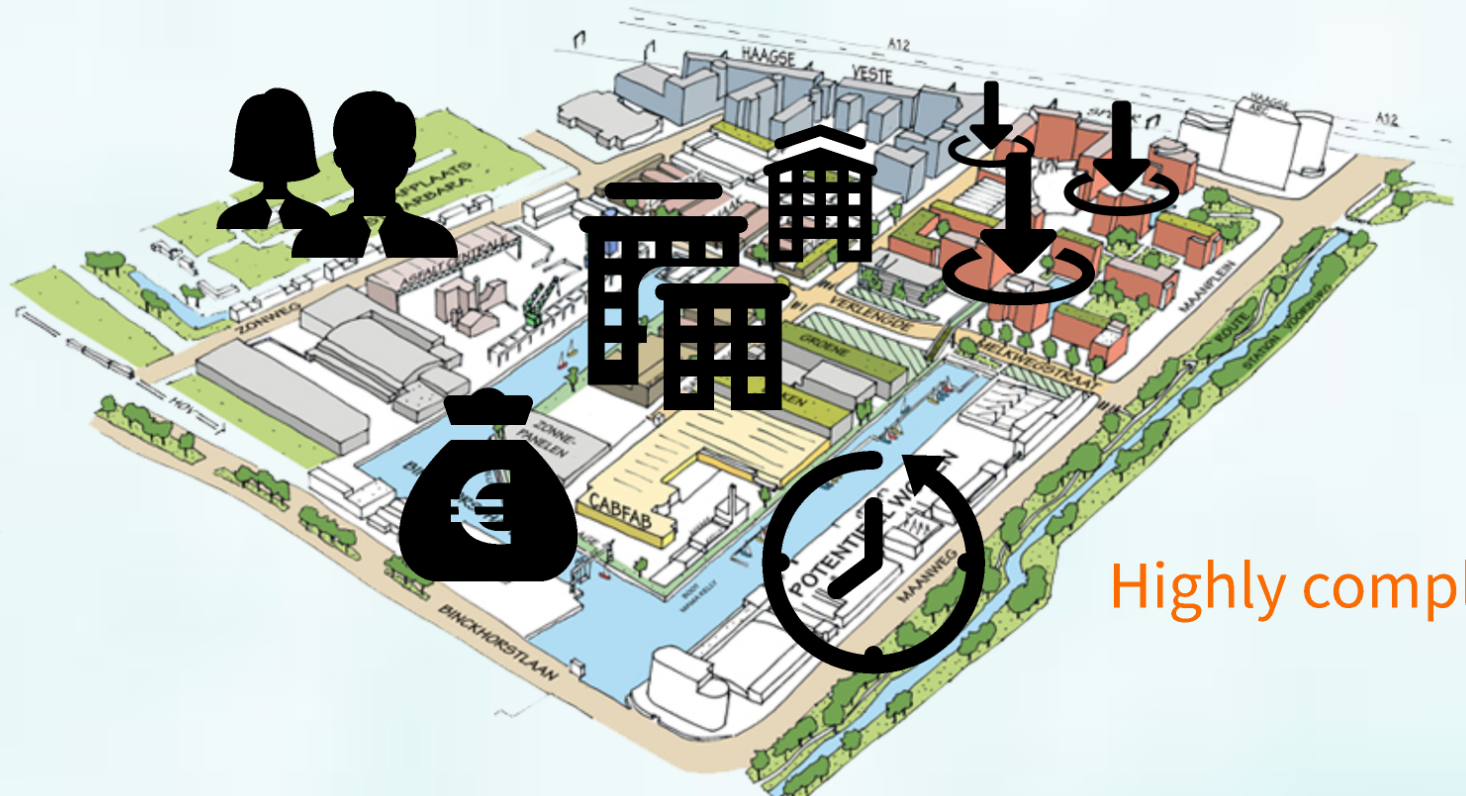
# Urban area transformations



# Urban area transformations



# Urban area transformations



Highly complex and risky





Risk:  
a situation that can cause a threat or  
opportunity in consequence of uncertainty



# Research question

“Which **risks and success factors** influence the process of urban area transformations from monofunctional to mixed-use areas and **how can they be managed?**”



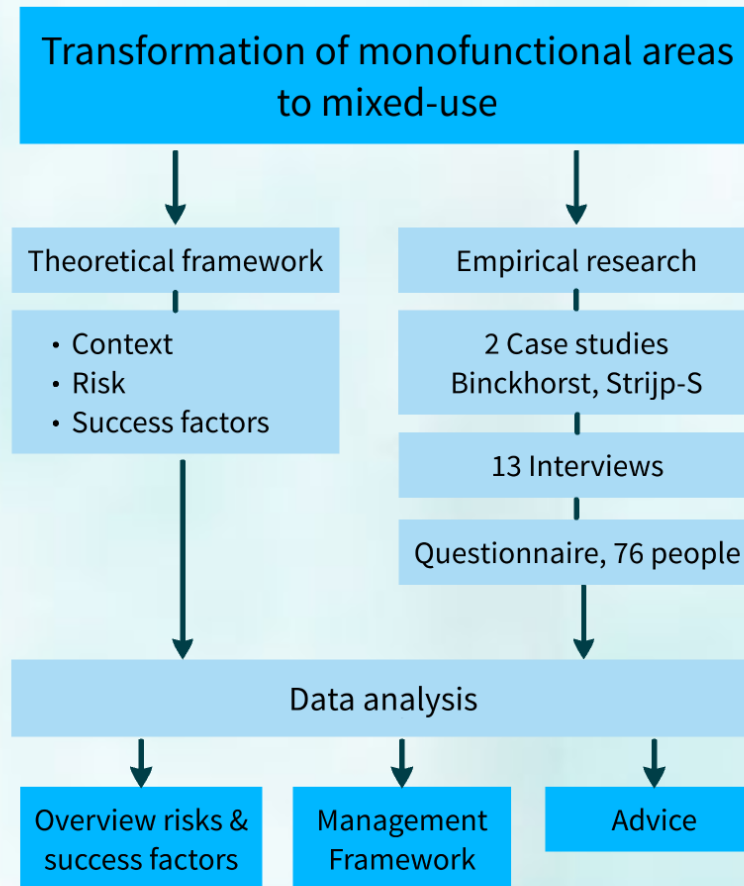
# Risks and success factors in transforming urban areas

A management framework

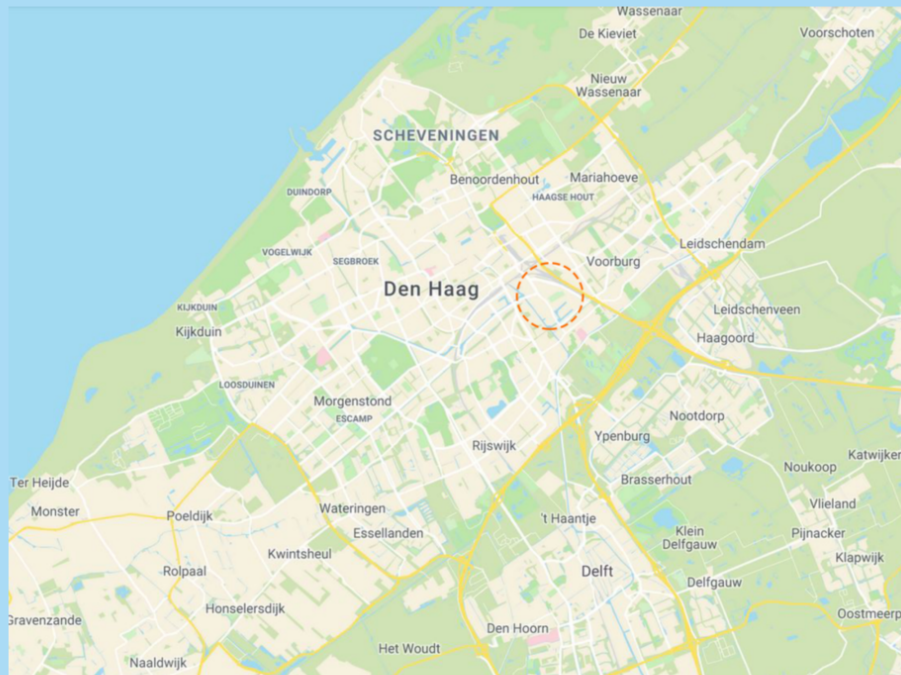


# Methodology

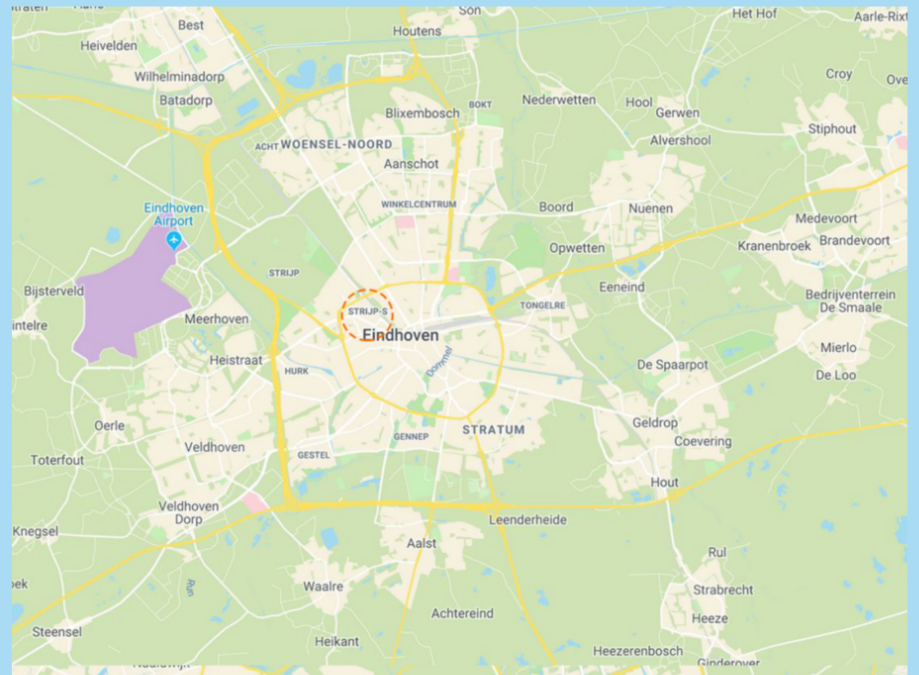
*How to answer the research question?*



## Binckhorst



## Strijp-S





Binckhorst



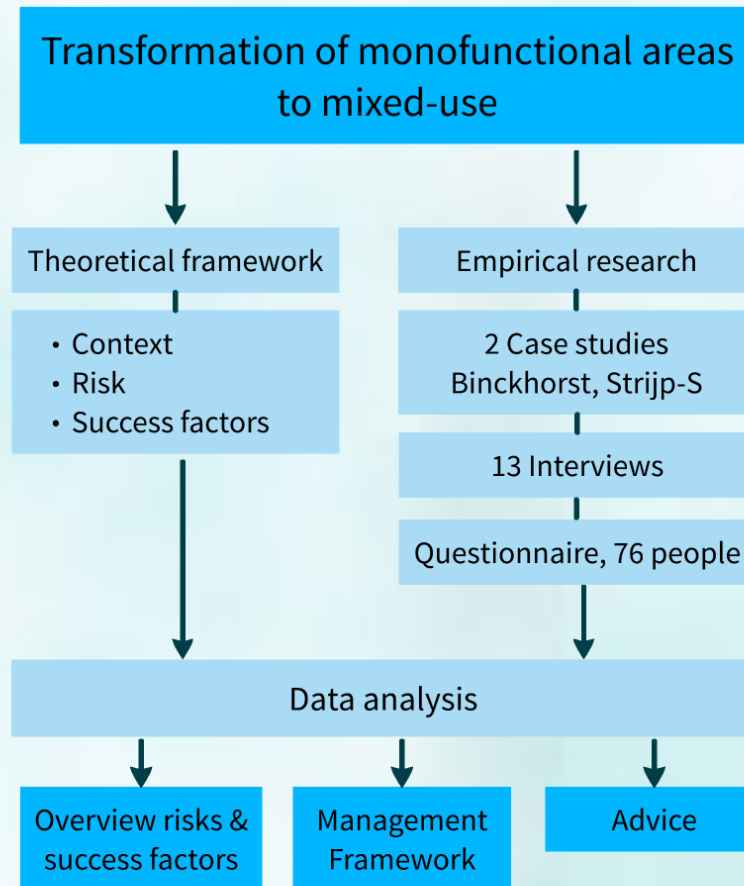
Strijp-S



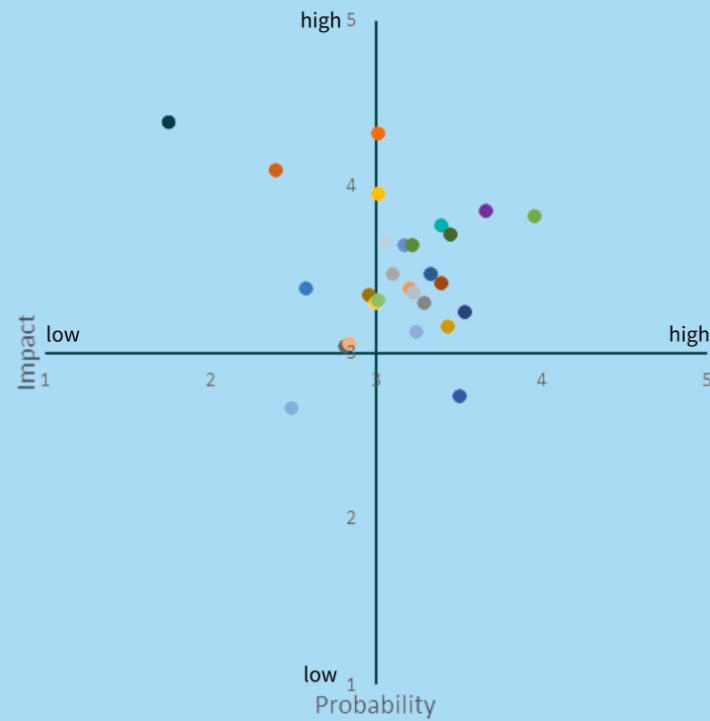


# Methodology

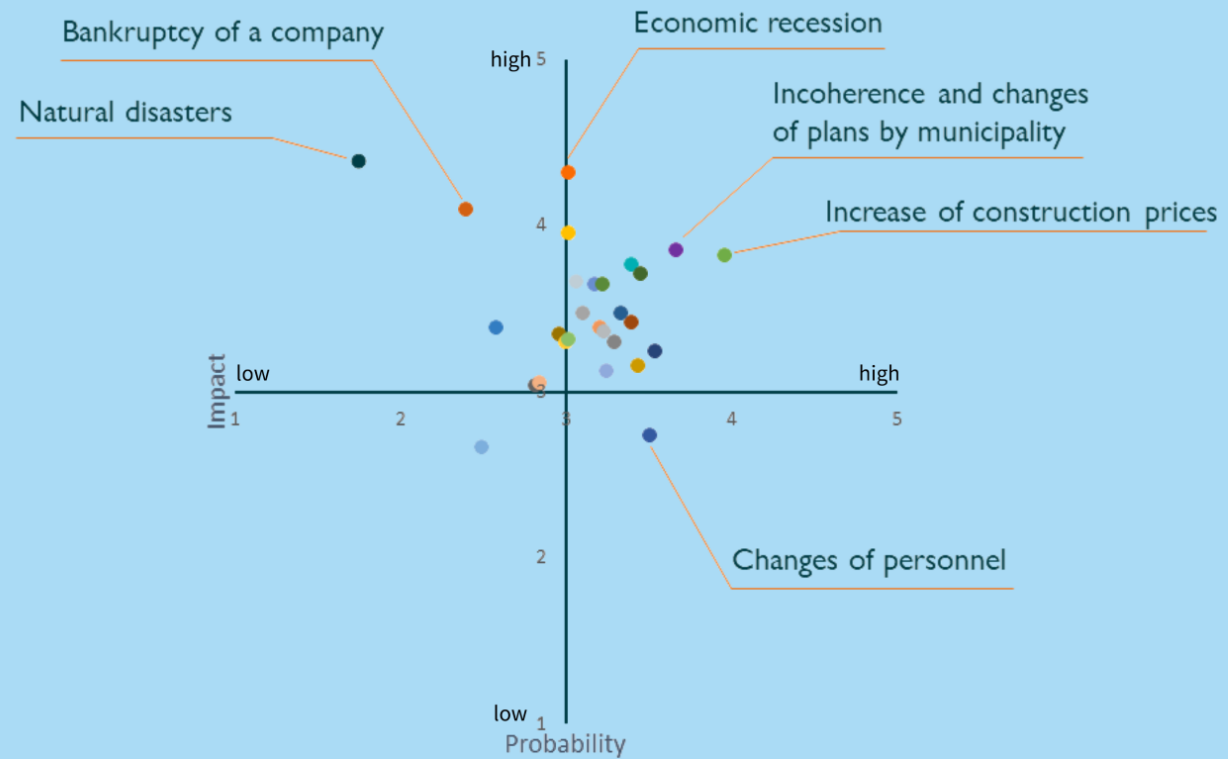
*How to answer the research question?*



# Main findings



# Main findings



## Other findings

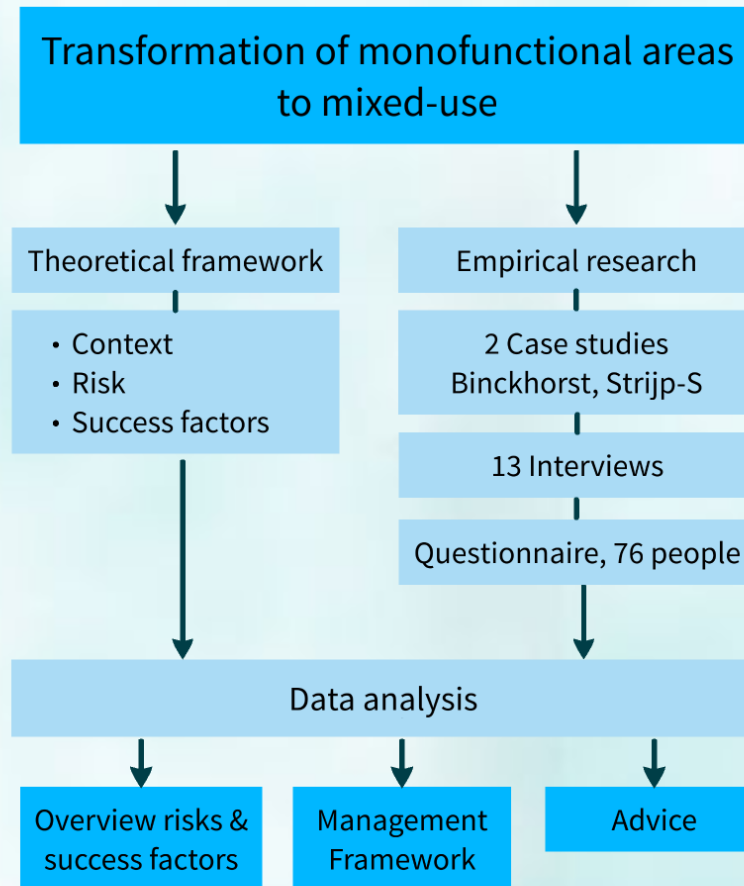
- The more actors, the more speculative behaviour and free-riders
- The less actors, the less complex the process - but not necessarily less risky
- The right mix of actors and informal collaboration makes the process less risky
- The economy can tremendously influence the approach of an area development



- Success factors increase the possibility to turn risks into opportunities or to minimize their negative impact and probability

# Methodology

*How to answer the research question?*



# Risks and success factors in transforming urban areas

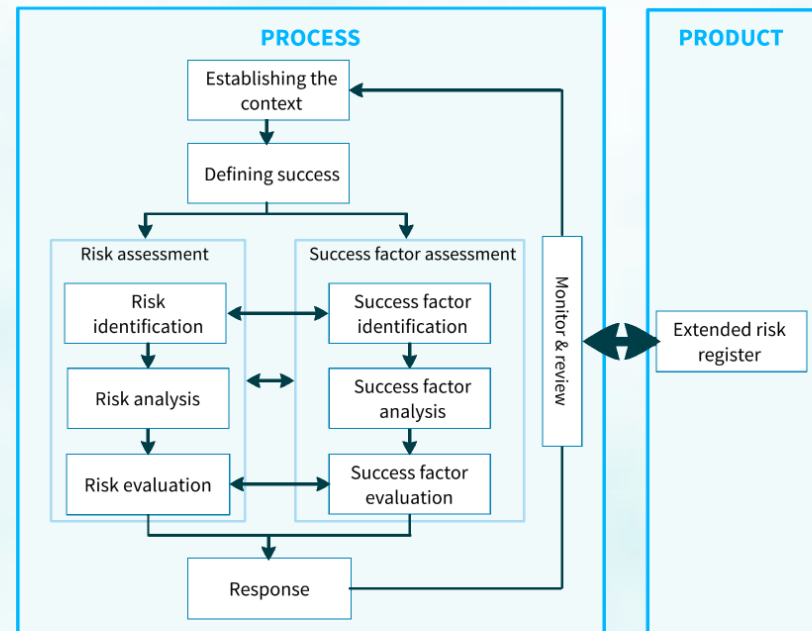
A management framework



# Results

*What are the main risks and success factors and how can they be managed?*

## Management Framework





# PROCESS

Establishing the  
context



```
graph TD; A[Establishing the context] --> B[Defining success];
```

A flowchart with two rectangular boxes. The top box contains the text 'Establishing the context'. A dark teal arrow points from the right side of this box to the right edge of the slide. Another dark teal arrow points from the bottom center of the top box to the top center of the bottom box. The bottom box contains the text 'Defining success'.

Defining success

# PROCESS

external context  
internal context

Establishing the  
context



Defining success

Context



Defining success



Risk assessment

Success

CONTEXT



successful process or product?  
for who?  
when is success measured?  
according to which criteria?

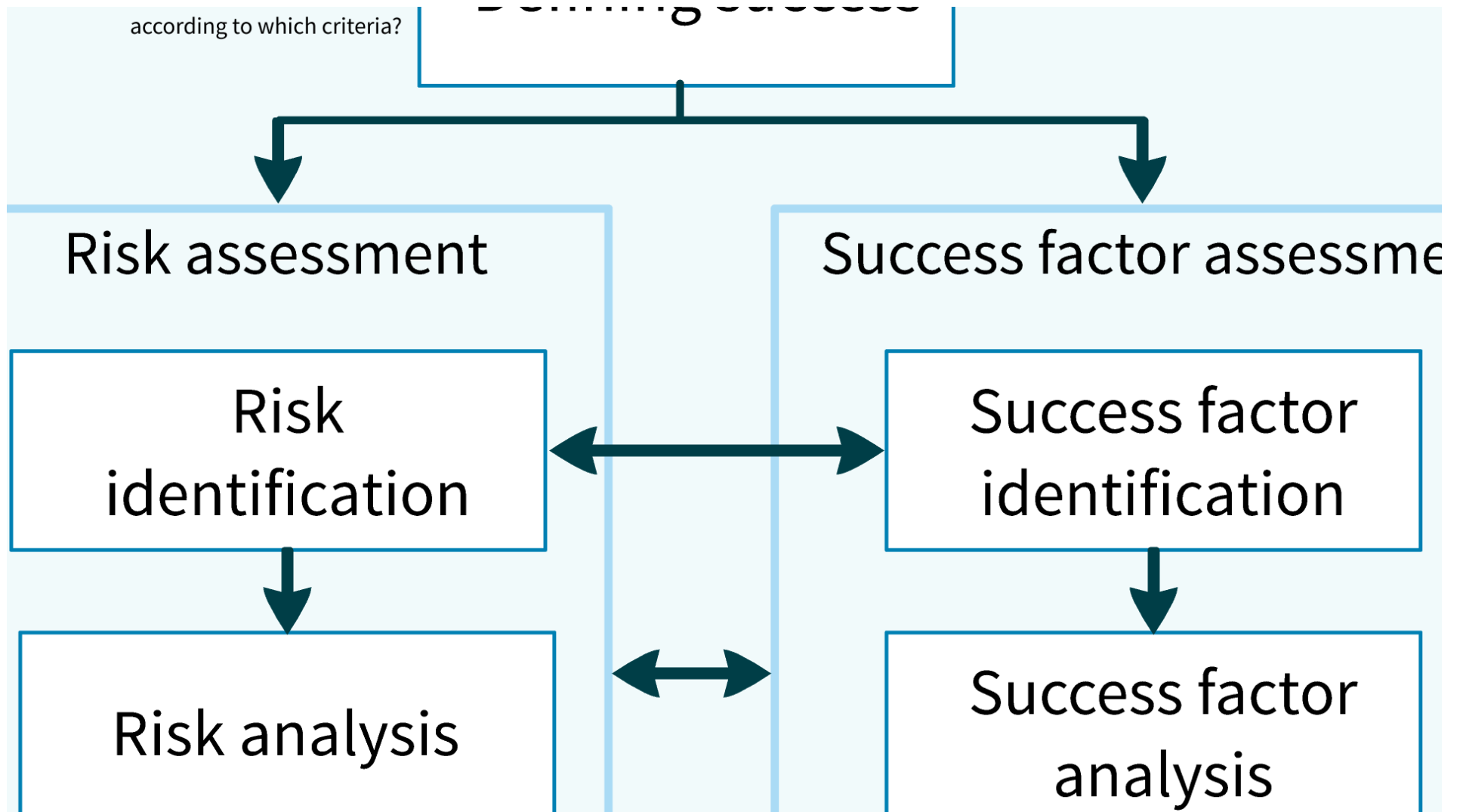
Defining success

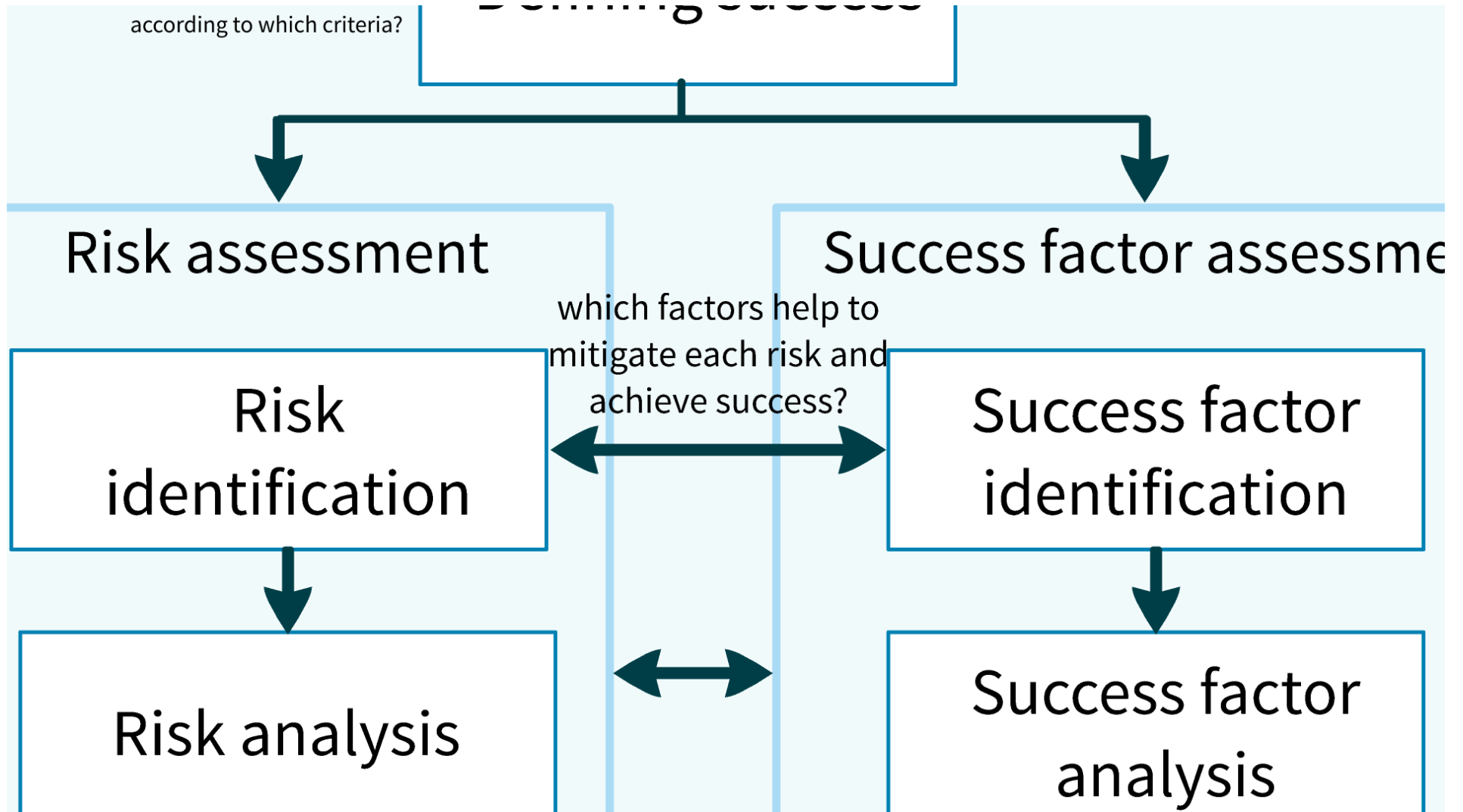


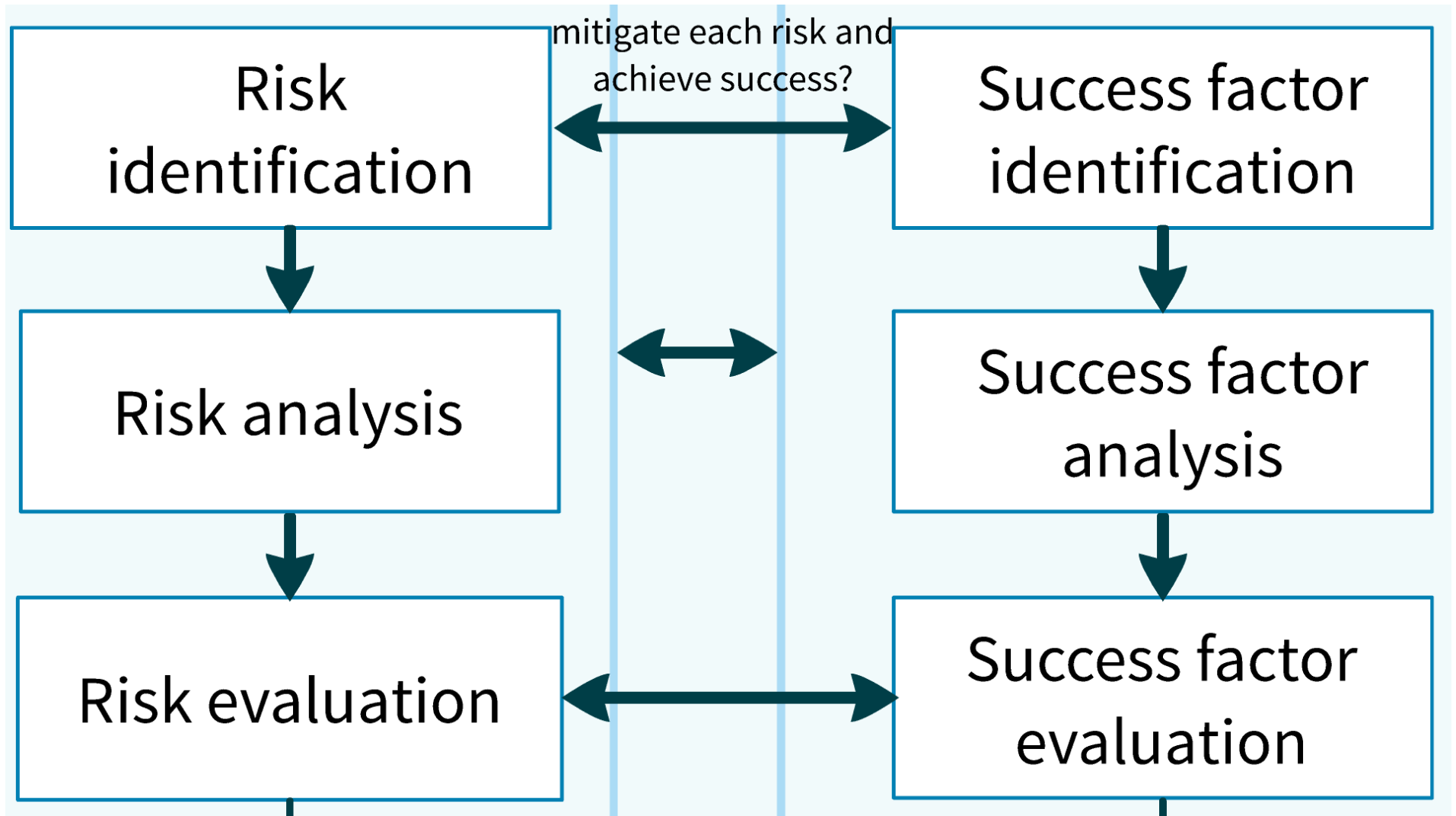
Risk assessment

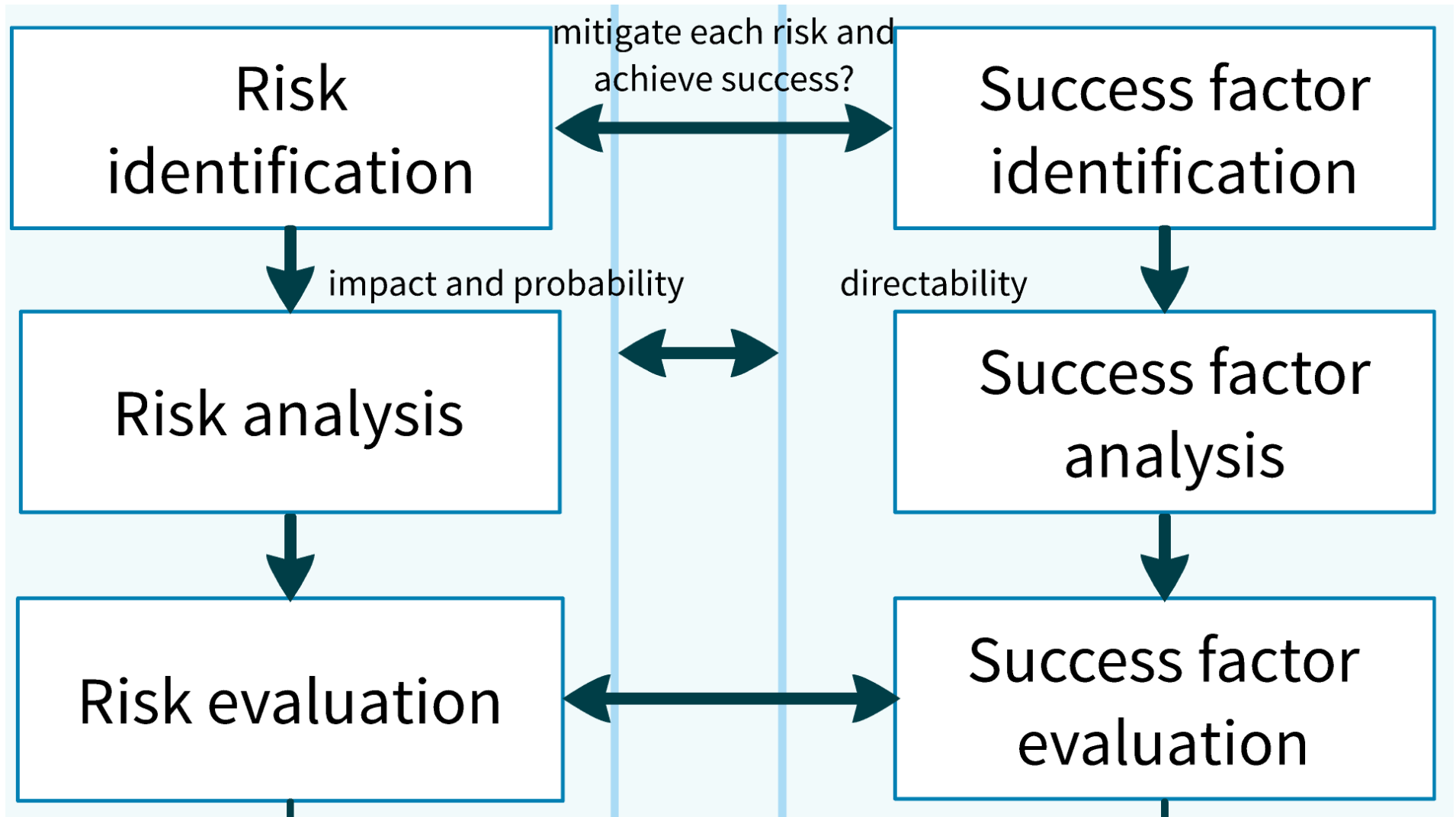
Success

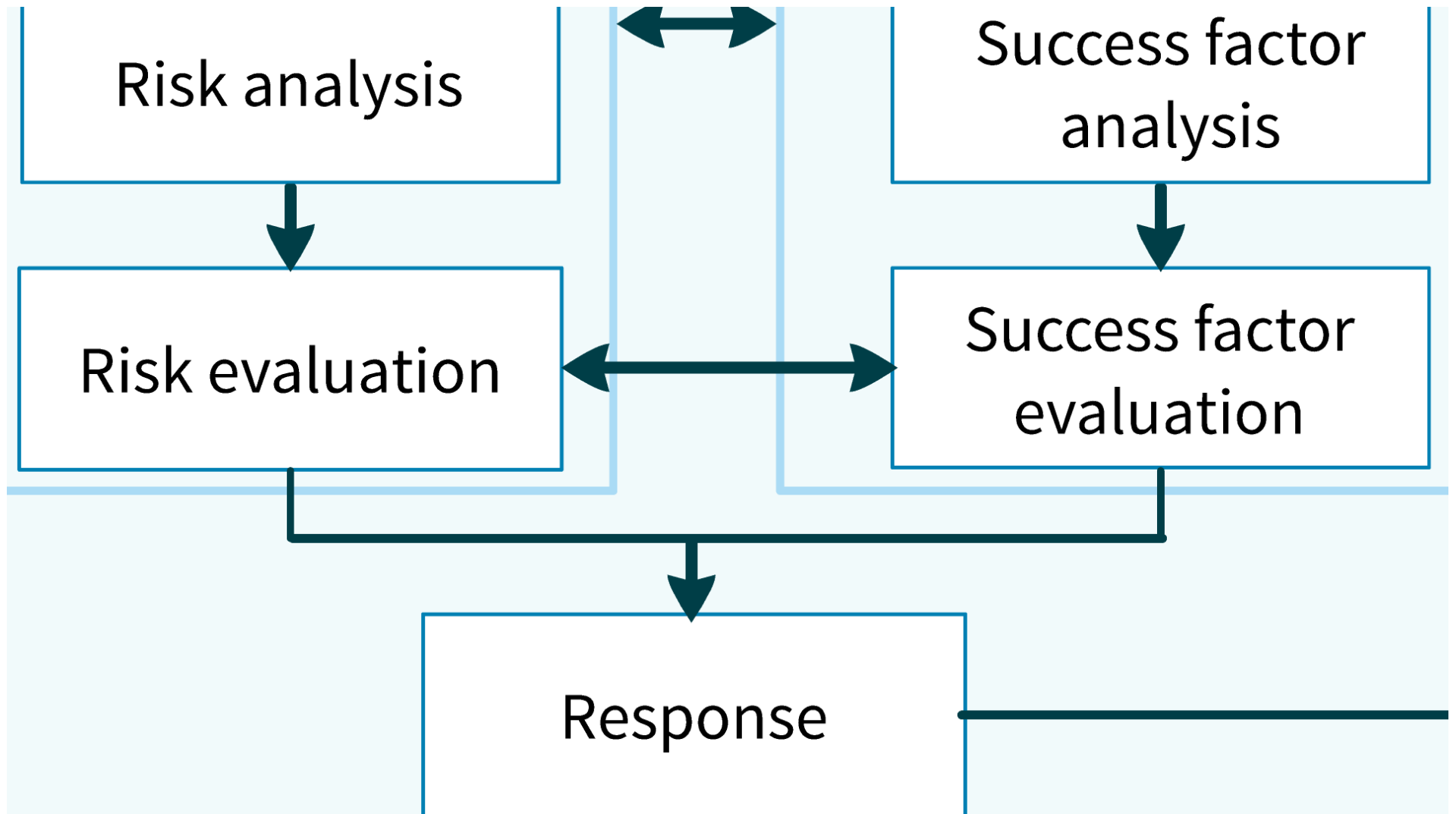


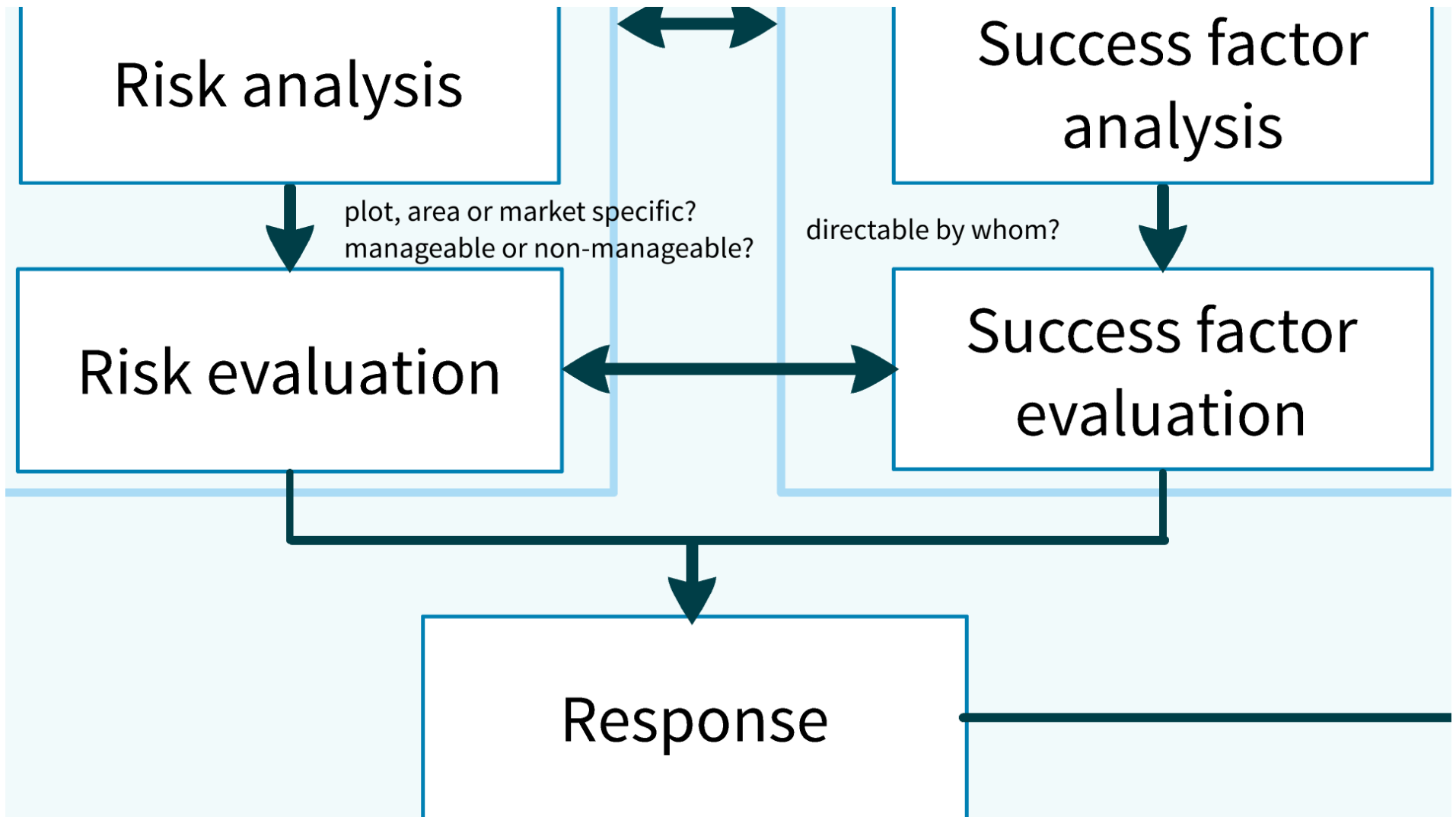




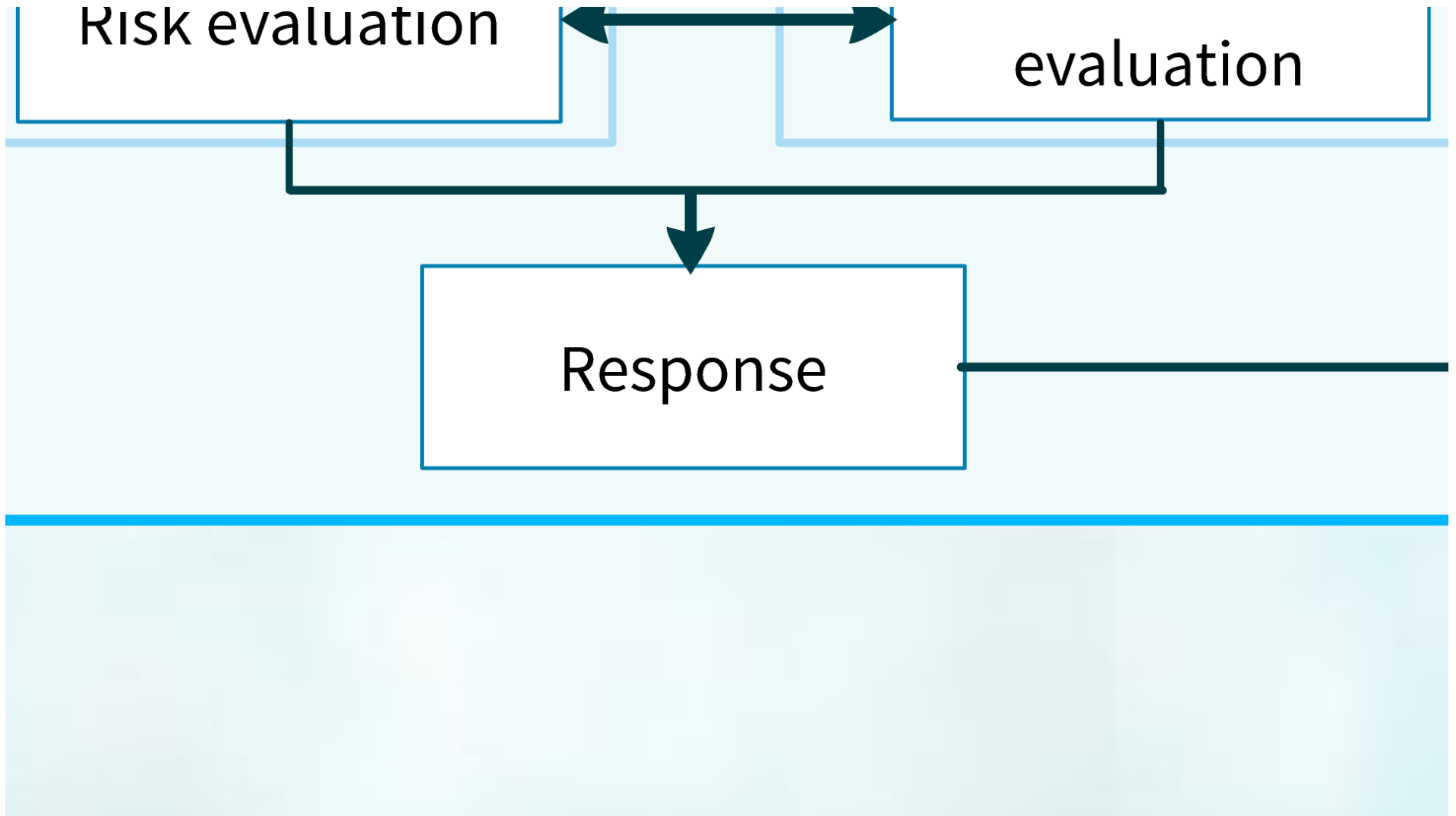


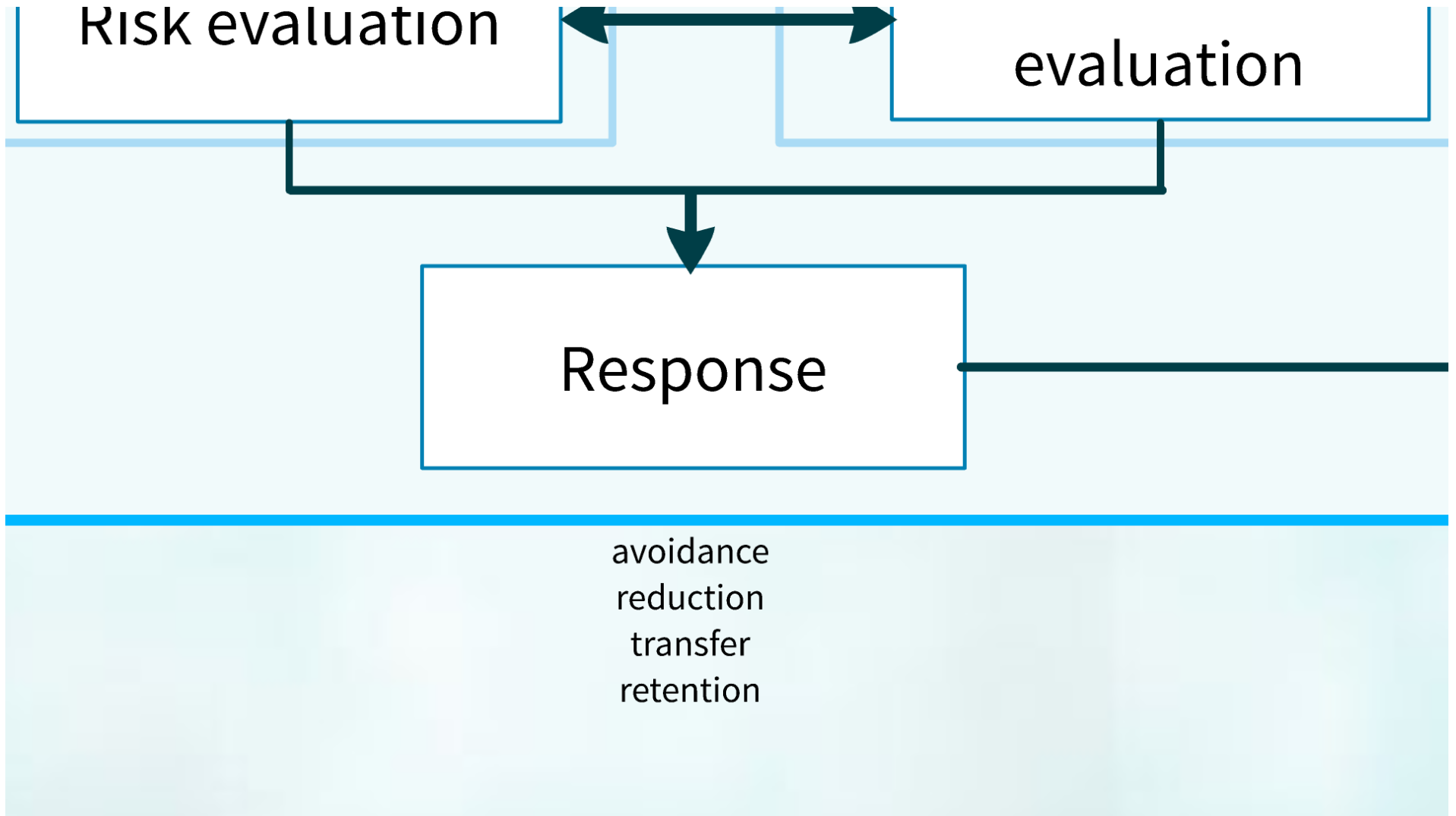












Assessment

tor  
on

tor

Monitor & review



Extended risk  
register

# Extended Risk Register

Risk category	Risk	Actor	Phase	Scope	Probability	Impact	P x I	Success factors (success factor group)	L1	L2	L3	Evaluation	Response
Planning	1 Wrong estimation of future demand	Developers, investors	Initiative, feasibility, maintenance	Area specific	3.29	3.17	12.78	Suitable cultural background (1); adaptable and flexible urban plan (2); well balanced micro planning and integrated functions, users and programs (4); suitable demographics (6); good economic climate (7) considering a change of approaches during economic changes or after other external events (8)	3	3	2		
	2 Insurmountable changes of plans by municipality	Developers, urban planners	Initiative, feasibility	Area specific	3.67	3.96	14.54	Early involvement and guidance by municipality (2); good informal communication and collaboration through platforms (3); adaptable and flexible urban plan (3); favourable political climate (6); no changes in legislations and regulations that influence the development negatively (8)	2	2	1		
	3 Incompatibility of existing and future functions	Developers, municipality, non-business companies	Feasibility, maintenance	Area specific	3.50	3.48	10.79	Create an informal platform for all actors (5); facilitate dialogues and connect people(5); find shared solutions for common problems (5)	-	1	2		
Financial	4 Resources don't cover expenses	Developers, contractors, investors	Maintenance	Plot specific	3.01	3.96	11.93	Good formal collaboration and contractual management (2); avoid speculative behaviour (2); good economic climate (7); and building in an early stage (8)	1	2	1		
	5 Economic recession	Everybody	Always	Market specific	3.01	4.93	13.93	Leave undetermined space to be filled later (3); try to maintain existing buildings (6); lease existing buildings temporarily at low price to generate early cash-flows (6); good economic climate (7); consider a change of approaches during economic changes (7); adapt phasing and the planned program (2); speed up development process during economic boom and reduce delays (7)	1	5	2		
Market (invest)	6 Increase of construction prices	Developers, contractors	Initiative, feasibility, realisation	Market specific	3.46	3.61	12.54	Good formal collaboration and contractual management (2); good economic climate (7)	1	1	-		
	7 Speculation	Developers, investors, municipality	Feasibility	Market specific	3.54	3.25	11.48	Mix of actors with different roles and strengths (2); choose reliable partners, establish good agreements and join forces (3); avoid speculative behaviour (2); high standards and regulations in the zoning plan (2); define key values of the area (6); maintain the area's authenticity, uniqueness and respect its heritage (8)	-	5	2		
	8 Imbalance between supply and demand	Developers, investors	Always	Market specific	3.39	3.42	11.60	Split the area in sub-areas with a spatial and chronological phasing (6); create a well balanced mix (6)	-	2	1		
Area (invest)	9 Loss of authenticity and unique character of the area	Investors, municipality, pioneers	Feasibility, realisation, maintenance	Area specific	3.81	3.44	8.58	Be critical about each other, willing to discuss and open to suggestions (2); early involvement and guidance by municipality (2); be critical on each other, willing to discuss and open to suggestions (2); focus on a long-term goals (6); define key values for the area (6)	-	2	2		
	10 Unbalanced mix of functions	Society, municipality, investors	Feasibility, maintenance	Area specific	3.56	3.35	9.90	Create a social business case for the whole area (2); estimate costs and values for society (2); focus on a long-term goals (6)	-	3	-		
Legal	11 Objections to building permits	Developers	Initiative, feasibility	Plot specific	3.33	3.48	11.59	Good informal communication (2); early involvement and guidance by municipality (2); be critical on each other, willing to discuss and open to suggestions (2); keep residents informed (8)	-	2	2		
	12 Objections to zoning plan changes	Municipality, developers	Initiative, feasibility	Area specific	3.45	3.71	12.80	Image of the area that people can identify with (1); good informal communication (2); early involvement and guidance by municipality (2); be critical on each other, willing to discuss and open to suggestions (2); keep residents informed (8)	-	2	3		
	13 Legal conflicts amongst parties	Everybody	Initiative, feasibility, realisation	Plot specific	3.17	3.65	11.58	Good formal collaboration and contractual management (2); create a shared vision (3)	-	2	-		
Political	14 Controversy with or within municipality	Developers, municipality	Initiative, feasibility	Area specific	3.20	3.39	10.86	Transparency of municipal plans (2); good informal collaboration and communication (2); early involvement and guidance by municipality (2)	-	2	1		
	15 Change of local political direction	Developers, municipality	Always	Area specific	3.23	3.36	10.87	Design an adaptable and flexible urban plan (3); favourable political climate (7)	1	1	-		
	16 New policies from central government	Developers, municipality	Always	Market or area specific	3.00	3.30	9.90	Design an adaptable and flexible urban plan (3); no changes in legislations and regulations that influence development negatively (8)	1	1	-		
	17 Controversy with adjacent municipality	Municipality	Initiative, realisation	Area specific	2.49	3.67	9.09	Transparency of municipal plans (2); good informal collaboration and communication (2)	-	1	1		
	18 Unsatisfactory performance of collaborating partners	Everybody	Initiative, feasibility, realisation	Plot specific	3.01	3.51	10.50	Choose reliable partners and join forces (3); mix of actors with different roles and strengths (2); establish good formal collaboration and contractual management (2)	-	3	-		
Organisational	19 Changes of personnel	Everybody	Initiative, feasibility, realisation	Area or plot specific	3.51	3.74	9.61	Choose reliable partners and join forces (3); mix of actors with different roles and strengths (2); ambition, long-term commitment and determination (2)	-	2	1		
	20 Bureaucracy of a company	Everybody	Feasibility, realisation	Plot specific	2.39	4.30	9.81	Transparency (2); avoid speculative behaviour (2)	-	1	1		
	21 Lack of employee identity	Municipality, developers, contractors	Feasibility, realisation, maintenance	Area or plot specific	3.29	3.30	10.87	Transparency of municipal plans (2); good informal communication and collaboration (2)	-	2	1		
	22 Internal complexity of municipality or companies	Developers, municipality	Always	Area or plot specific	3.43	3.16	10.65	Transparency of municipal plans (2); good informal communication and collaboration (2)	-	1	1		
	23 Accidents during construction	Contractors, developers	Realisation	Plot specific	2.58	3.39	8.75	Internal rules, control and insurance (2); ambitious, coherent and clear rules (3); adaptable and flexible plans (3)	-	3	-		
Environmental	24 Ground pollution	Owner, developer	Initiative, feasibility, realisation	Plot specific	3.22	3.65	11.75	Good formal collaboration and contractual management (2); test innovative ideas (5); find shared solutions for common problems (5)	-	1	2		
	25 Noise pollution	Developer, architect	Initiative, feasibility	Plot specific	3.25	3.33	10.84	Good formal collaboration and contractual management (2); test innovative ideas (5); find shared solutions for common problems (5)	-	1	2		
	26 Air pollution	Developer, architect	Initiative, feasibility	Plot specific	2.84	3.06	8.69	Good formal collaboration and contractual management (2); test innovative ideas (5); find shared solutions for common problems (5)	-	1	2		
	27 Discovery of protected flora and fauna	Developers, contractors	Initiative, feasibility, realisation	Plot specific	3.08	3.67	11.31	Design resilient plans (6); create a well balanced mix of natural and built environments (6); no negative influences of the region (8)	1	2	-		
	28 Natural disasters	Everybody	Realisation, maintenance	Area specific	3.74	4.30	16.14						

# Success factor Register

Success factor group	Success factor	Level of SF	Directable by whom
I	II	III	
1. Create awareness & place-making	Show customers, investors and developers that 'something is happening' by hosting events and promoting first completed developments	X	X
	Show municipal commitment by making investments in the area, publishing an urban vision and defining the zoning plan		X
	Attract pioneers to the area		X
	Respect the story of the place and its immaterial heritage	X	
	Implement public facilities and public transport as soon as possible and open the area for the public	X	
2. Good collaboration	Ensure a continuity of the brand of the area		X
	Suitable cultural background	X	
	Establish an image of the area that people can identify with		X
	Establish a mix of actors with different roles and strengths	X	
	Create transparency of municipal plans	X	
3. Adaptable and coherent urban plans	Early involvement and guidance by municipality	X	
	Choose reliable partners, establish good agreements and join forces	X	
	Establish good formal collaboration and contractual management	X	
	Establish good informal communication and collaboration through platforms		X
	Ambition, long-term commitment and determination from all parties		X
4. Good urban design and the right mix of everything	Be critical on each other, willing to discuss and open to suggestions	X	
	Create a business case for the whole area	X	
	Avoid speculative behaviour		X
	Internal rules, control and insurance	X	
	Create a shared vision and ambitions upfront, together with municipality and input from market parties	X	
5. Software & innovation	Define workable, coherent and clear rules in the zoning plan	X	
	Design an adaptable and flexible urban plan	X	
	Define high standards and regulations in the zoning plan	X	
	Estimate costs and values for society	X	
	Create a well-balanced mix of interacting and integrated functions, users and programs, horizontally, vertically and throughout the day	X	
6. Use existing strengths & opportunities of the area	Create a well-balanced mix of natural and built environments	X	
	Split the area in sub-areas with a spatial and chronological phasing	X	
	Focus on the quality of public space, activity of the place, the desired atmosphere, human scale and high density	X	
	Establish a good connection to the city centre	X	
	Suitable demographics	X	
7. Adapt to economic changes	Design a resilient area	X	
	Create an informal platform for all actors	X	
	Facilitate dialogues and connect people	X	
	Find shared solutions for common problems	X	
	Inspire and stimulate creativity, innovative and sustainability	X	
8. Framework conditions	Test innovative ideas	X	
	Leave space for innovation and make it open for everybody	X	
	Always focus on people and create communities	X	
	Define key values of the area	X	
	Maintain the area's authenticity, uniqueness and respect its heritage	X	
9. Keep residents informed	Leave undetermined space to be filled later	X	
	Try to maintain existing buildings	X	
	Leave existing buildings temporarily at low price to generate early cash-flows and attract pioneers	X	
	Focus on long-term goals	X	
	Good economic climate	X	
10. Keep residents informed	Consider a change of approaches during economic changes, e.g. from integrated to organic development	X	X
	Adapt phasing and the planned program	X	
	Speed up development processes during economic boom and reduce delays		X
	Sell building in an early stage	X	
	Favourable political climate	X	
11. Keep residents informed	No changes in legislations and regulations that influence the development negatively	X	
	No negative influences of force majeure	X	
	Keep residents informed	X	
		X	
		X	

Risk category		Risk	Actor	Phase	Scope	Probability	Impact	P x I	Success factors
Planning	1	Wrong estimation of future demand	Developers, investors	Initiative, feasibility, maintenance	Area specific	3,39	3,77	12,78	Suitable cultural bar urban plan (3); well integrated function demographics (4); change of approach certain external ev
	2	Incoherence and changes of plans by municipality	Developers, urban planners	Initiative, feasibility	Area specific	3,67	3,86	14,14	Early involvement informal communication platforms (2); adapt favourable political and regulations that (8)
	3	Incompatibility of existing and future functions	Developers, municipality, non-footloose companies	Feasibility, maintenance	Area specific	3,10	3,48	10,79	Create an informal dialogues and common problems
Financial	4	Revenues don't cover expenses	Developers, contractors, investors	Maintenance	Plot specific	3,01	3,96	11,93	Good formal collaboration avoid speculative building in an e sell building in an e
Economic (macro)	5	Economic recession	Everybody	Always	Market specific				Leave undetermined maintain existing building temporarily at low good economic climate

Specific	Probability	Impact	P x I	Success factors (success factor group)	L1	L2	L3	Evaluation Response
Specific	3,39	3,77	12,78	Suitable cultural background (1); adaptable and flexible urban plan (3); well-balanced mix of interacting and integrated functions, users and programs (4); suitable demographics (4); good economic climate (7); considering a change of approaches during economic changes or after certain external events (7)	3	3	2	
Specific	3,67	3,86	14,14	Early involvement and guidance by municipality (2); good informal communication and collaboration through platforms (2); adaptable and flexible urban plan (3); favourable political climate (8); no changes in legislations and regulations that influence the development negatively (8)	2	2	1	
Specific	3,10	3,48	10,79	Create an informal platform for all actors (5); facilitate dialogues and connect people(5); find shared solutions for common problems (5)	-	1	2	
Specific	3,01	3,96	11,93	Good formal collaboration and contractual management (2); avoid speculative behaviour (2); good economic climate (7); sell building in an early stage (7)	1	2	1	
Specific				Leave undetermined space to be filled later (6); try to maintain existing buildings (6); lease existing buildings temporarily at low price to generate early cash-flows (6); good economic climate (7); consider a change of approaches	1	5	2	



Success factor group	Success factor
1. Create awareness & place-making	Show consumers, investors and developers that 'something is happening' by hosting events and promoting first completed developments
	Show municipal commitment by making investments in the area, publishing an urban vision and de
	the zoning plan
	Attract pioneers to the area
	Respect the story of the place and its immaterial heritage
	Implement public facilities and public transport as soon as possible and open the area for the publi
	Ensure a continuity of the brand of the area
	Suitable cultural background
2. Good collaboration	Establish an image of the area that people can identify with
	Establish a mix of actors with different roles and strengths
	Create transparency of municipal plans
	Early involvement and guidance by municipality
	Choose reliable partners, establish good agreements and join forces

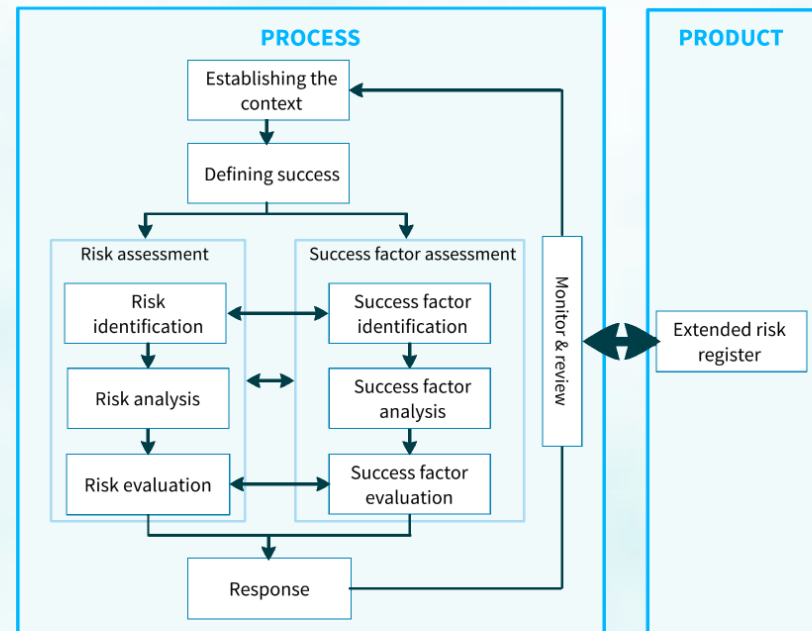
Success factor	Level of SF			Directable by whom
	I	II	III	
to 'something is happening' by hosting events and		X	X	Area manager, municipality, developers, pioneers
measurements in the area, publishing an urban vision and defining		X		Municipality
			X	Municipality, developers
local heritage		X		Everybody
to be as soon as possible and open the area for the public		X		Municipality
			X	Everybody
	X			—
to identify with			X	
to find strengths		X		Area manager, municipality, developers
		X		Municipality
/		X		Municipality
to unite and join forces		X		Everybody

Success factor	Level of SF			Directable by whom
	I	II	III	
to 'something is happening' by hosting events and		X	X	Area manager, municipality, developers, pioneers
measurements in the area, publishing an urban vision and defining		X		Municipality
			X	Municipality, developers
local heritage		X		Everybody
to be as soon as possible and open the area for the public		X		Municipality
			X	Everybody
	X			—
to identify with			X	
to find strengths		X		Area manager, municipality, developers
		X		Municipality
/		X		Municipality
to unite and join forces		X		Everybody

# Results

*What are the main risks and success factors and how can they be managed?*

## Management Framework



# Risks and success factors in transforming urban areas

A management framework



# Conclusion

*What did we learn?*

Recommendations

Takeaways

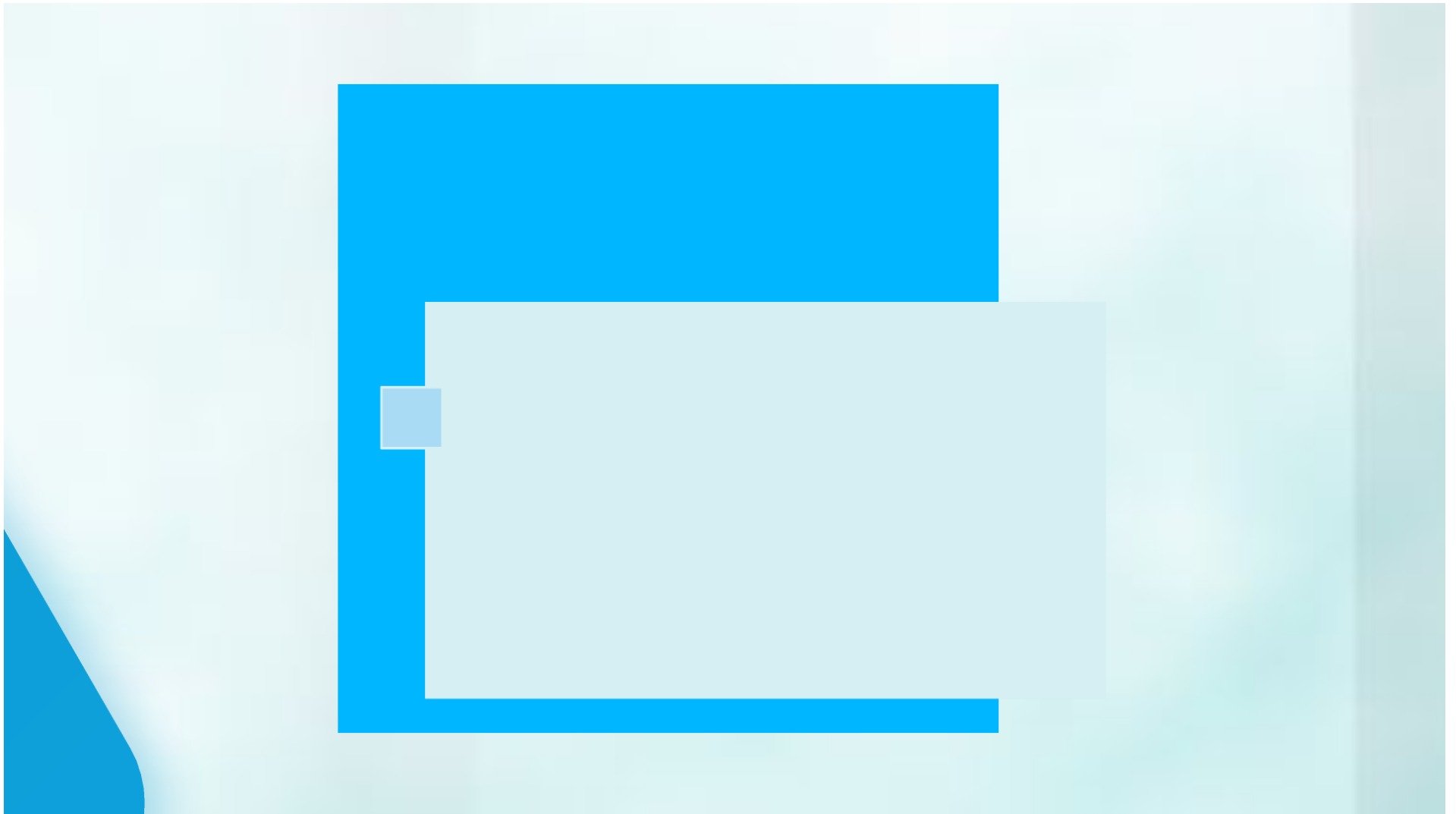




# Recommendations for further research

Study further cases to identify more risks and success factors and to extend the overview of possible factors.

Analyse Binckhorst and Strijp-S, in 5-, 10- or 20-years' time, to assess whether anticipated risks actually occurred and which success factors were most effective.



# Recommendations for practise

Apply the framework in a real-life case to identify and improve weaknesses based on the lessons learned from such an experiment.

Explore the later steps of the risk & success factor management process in more detail, namely response and monitoring. This should be done based on practical experience to analyse the effects of actions taken.

# Takeaways

Actively managing both risks and success factors is important to come to a successful outcome.

This helps to focus on the opportunities and not only on mitigating threats.



# Takeaways









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A. Beernink (2019)

“It is not about being the biggest or strongest, but how to be the most responsive to changes. One thing is for sure, everything will be different than we thought. So embrace the change.”



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# Thanks for your attention!

Questions?

# Risks and success factors in transforming urban areas

A management framework

