Resumen

En verano de 2018, CEPSA y el alcalde de Santa Cruz anunciaron el proyecto «Santa Cruz Verde 2030» —un plan ambicioso cuyo objetivo es la transformación de la refinería de petróleo en un barrio urbano. Sin embargo, hasta ahora no existe ninguna discusión crítica, aunque el proyecto podría reconfigurar el acceso de la ciudad al mar y su modelo turístico. En este contexto, este ensayo ofrece un análisis cualitativo mediante cinco entrevistas con actores del mercado inmobiliario, política, planificación urbanística y una asociación medioambiental.

El análisis señala que los encuestados se sienten mal informados por parte de los precursores del megaproyecto. El proyecto es interpretado como un símbolo elitista de cómo los desarrolladores entienden el urbanismo. Aparte de esto, las entrevistas identifican expectativas contradictorias en relación al megaproyecto. Mientras algunos actores apoyan que el proceso sea más acelerado, otros demandan un proceso de planificación más pensado, integrativo y participativo. Además, la campaña de marketing está observada críticamente y puesta en relación directa con las elecciones municipales. Los actores basan sus opiniones en experiencias con el barrio de Cabo-Llanos, un megaproyecto local anterior, que ha tenido efectos de polarización en la ciudad.

Palabras clave: megaproyectos, desarrollo urbano, planificación, participación, actores, Santa Cruz de Tenerife.

Abstract

In summer of 2018, Santa Cruz’ mayor José Bermúdez and the local oil refinery’s manager announced the megaproject «Santa Cruz Verde 2030» —an ambitious plan that seeks to transform the city’s largest industrial plant into an urban quarter. However, until now no critical public discussion has taken place, although the project is expected to reconfigure the city’s access to the sea and its tourist model. In this context, this paper offers a qualitative anal-
sis by means of five interviews with stakeholders from the real estate sector, politics, urban planning and an environmental association. The analysis shows that the interviewees feel insufficiently informed by the project’s initiators. The project is interpreted as an elitist symbol of how the project developers understand urban development and participation. Apart from that, the interviews identify a number of contradicting expectations regarding the megaproject. While some of the stakeholders want to accelerate the whole process, others call for a more integrative and participative planning approach. Moreover, the observed marketing campaign is viewed with criticism and thought to be directly linked to the upcoming elections. The stakeholders base their opinions on experiences from the Cabo-Llanos district, a former local megaproject that had polarizing effects on the city.

**Keywords:** megaprojects, urban development, planning, participation, stakeholders, Santa Cruz de Tenerife.

1. **INTRODUCTION**

Megaprojects have become typical elements of today’s urbanism around the globe. Cities such as Barcelona (22@), Valencia (Ciutat de les Arts i les Ciències) or Hamburg (Hafencity) have shown how megaprojects are used as an effective tool to reposition themselves within the global competition. However, behind the bright mask of megaprojects, there is often a less appealing story of underestimated costs, construction time and overestimated benefits. A «new generation of megaprojects» (Díaz Orueta y Fainstein, 2009, 761) is observed, which is linked to neoliberal practices and marked by the creation of sustainable project images. However, unmasking these concepts reveals rather unsustainable practices, particularly in the field of planning. Against this background, this paper focuses on Santa Cruz Verde 2030, an emerging megaproject on Tenerife, Spain, that was announced in summer of 2018 (see Figure 1). The project deals with the conversion of an inner-city oil refinery into a mixed-use urban quarter covering an area of more than 500,000 sqm. Until now, the urban planning process was characterized by exclusiveness, as the two project’s initiators, the local government of Santa Cruz de Tenerife and the refinery’s owner, the Compañía Española de Petróleos (CEPSA), have been negotiating behind closed doors. Yet, the project is expected to have considerable effects on the city’s urbanism. According to other studies (Hübscher, 2019), the project will double the city’s number of hotel beds and completely reconfigure the current urban setting.
In spite of that, little public discussion can be observed so far. Hence, this study contributes to enhancing the discussion by focusing on the planning process itself as seen through the perspective of relevant urban stakeholders in Santa Cruz rather than the project’s design as presented by the developers. By means of five qualitative interviews conducted with stakeholders from politics, urban planning, the real estate sector and an environmental association, the goal is to understand their perspective on the megaproject. Moreover, the question is raised if the experience of the Cabo-Llanos district, a previous local megaproject in Santa Cruz, has had effects on the stakeholder’s views of this project (see Figure 1).

The article is structured as follows. Based on the described motivation, chapter two sets up a theoretical framework for analyzing the megaproject. In chapter three the case study is introduced. The applied methods are discussed in chapter four. The fifth part of this article presents the empirical results and puts emphasis on planning, image and learning processes. A final conclusion summarizes these findings.

2. MEGAPROJECTS: GRAND IMAGES, LITTLE TRANSPARENCY?

Megaprojects (Flyvbjerg, 2017), large scale urban development projects (Moulaert, Swyngedouw y Rodríguez, 2001) or grands projets (Hanakata y Gasco, 2018), are terms often synonymously used to describe projects that are complex from different points of view (Brookes, 2014). On the one hand, mega-
projects are instruments to gain international audience and are expected to lead to multiple direct and indirect effects for the surroundings (Bruzelius, Flyvbjerg, y Rothengatter, 2002, 144). On the other hand, they have a long trajectory of faulty estimates, particularly when it comes to costs, construction time and final output, which is also referred to as the «iron law of megaprojects» (Flyvbjerg, 2014, 2).

In terms of defining megaprojects, different approaches exist. While some scholars focus on quantitative aspects such as costs and scale (Bruzelius et al., 2002) others put emphasis on qualitative elements. In this paper, I mostly refer to the second concept, as it allows me to explore (a) the large networks of stakeholders involved (Ruuksa, Artto, Aaltonen, y Lehtonen, 2008, 142), (b) the intertwined relationship between public and private actors (Richard, 2011, 240) and (c) the characteristics of the urban transformations induced by megaprojects (Moulaert et al., 2001, 75).

During the last two decades, Díaz Orueta and Fainstein observe a new generation of megaprojects (2009). This new wave is characterized by projects that try to avoid public protest, an experience which during the 80s and 90s of the last century put a hold on numerous megaprojects (Lehrer y Laidley, 2008, 788). In order to avoid protest movements, «new» megaprojects firstly incorporate mixed uses instead of focusing on a single aspect. By doing so, the projects can be marketed to a variety of groups as beneficial (Lehrer y Laidley, 2008, 800). Secondly, present megaprojects are often situated on brownfield sites, which minimizes direct displacement of inhabitants or local businesses (Díaz Orueta y Fainstein, 2009, 760). Thirdly, project managers put notable emphasis on marketing and image. One particularly popular concepts seem to revolve around sustainability. Green logics sometimes even serve to legitimize projects. The output, however, might significantly differ from what was promised. (Díaz Orueta y Fainstein, 2009, 764).

Deconstructing the sustainable mask of these projects may reveal numerous unsustainable practices, such as non-transparent planning mechanisms, as has been illustrated by Lehrer and Laidley (2008, 795). Rather than applying a participative approach to planning, megaprojects cater to the interests of the selected middle and upper classes (Swyngedouw, Moulaert, y Rodriguez, 2002, 547). Simultaneously, their conception lies at the margins of formal planning structures (Swyngedouw et al., 2002, 577). Hence, another paradox is identified when it comes to the relationship between project management and civil society. Megaprojects are often used to gain a wide public audience and thus increase the city’s visibility on a global scale (Cerro Santamaria, 2013, 54). Project marketing and communication focus on potential benefits of the project which are often expected to extend to the whole city. This also explains the high attractiveness to use megaprojects as a means during election campaigns (Locatelli, Mariani, Sainati, y Greco, 2017, 257). In this respect, a tendency of masking certain aspects such as high social and economic
costs of the projects is observed, also referred to as the «hiding hand» (Hirschman, 2015, 12).

The rise of megaprojects as a common tool of urban planning is not only linked to general political settings, but also to spatial and structural conditions in cities. It is observed that this kind of cooperation between public and private stakeholders has become an important tool in neoliberal frameworks (Harvey, 2007, 76) used to «reconfigure local land-use patterns» (Peck, Theodore, y Brenner, 2009, 61). Based on the increasing inter-city competitiveness and the prevailing logics of «producing a successful city» (Vives Miró, 2011, 1), city governments look for fostering growth and communicating economic success in order to reposition themselves within the global urban hierarchy. Particularly large scale urban development projects are not only regarded as powerful tools, but also as a new means to do planning and to achieve the mentioned objectives (Swyngedouw et al., 2002, 547). Against this background, deconstructing these planning processes is a compelling research focus, particularly if addressed from a local stakeholder’s point of view.

Considering the current popularity of megaprojects as an urban development tool, the considerable number of cost overruns, time delays or even project failures are astounding. Flyvbjerg concludes that, effectively, no learning has taken place (2005, 20), which can partially be traced back to the complexity and singularity of each megaproject (Brookes, Locatelli, y Mikic, 2015, 5). In the field of project design, however, megaprojects seem to have successfully learned from past protest movements. Considerable effort goes into presenting the project’s functions and benefits for all of civil society in a way that undermines the formation of resistance (Lehrer y Laidley, 2008, 787). Unlike in planning practice, science has undergone a documented learning process (for an overview of contributions, see for example Brookes (2015) and Zidane (2013)). What is left to examine is how civil stakeholders as a third relevant group next to scientists and practitioners learn from these experiences. Academic discourse has (widely) failed to pay attention to this field so far, which is why this article analyzes this angle by means of field research. Based on the research interest addressed here, the following chapter introduces Santa Cruz de Tenerife as a case study.

3. SANTA CRUZ: SELECTING THE CASE STUDY

This paper deals with the megaproject «Santa Cruz Verde 2030» on Tenerife, Spain. Santa Cruz is the capital of Tenerife and co-capital of the Canary Islands, one of the 17 Spanish autonomous communities. With its 200,000 inhabitants the city forms part of the metropolitan area of the island, where approx. 400,000 inhabitants live (ISTAC, Instituto Canario de Estadística, 2019). The case has been chosen for two reasons, linked both to the specific conditions of the place as well as to the identified research interest (Chapter 2).
Firstly, the analysis of the mentioned megaproject gives insights about whether and how local stakeholders have learned from previous large-scale urban developments in the city. Santa Cruz allows research into this specific angle because the deindustrialization of the oil refinery can be considered a long-term process that started in the 1990s (see Figure 2). More than 30 years ago, the eastern part of the refinery was dismantled, leaving space for the implementation of the so-called Cabo-Llanos Plan (Arencibia de Torres, 2005, 95). This megaproject had the objective to build a new and representative city center with commercial, administrative and recreational functions (García Herrera, Smith, y Mejías Vera, 2007, 292). However, the project has shown polarizing impacts on urban development, as gentrification processes have been observed (García Herrera, 2003). Two decades later, efforts of initiating a second deindustrialization process are observed. The argument that is put forward by the project’s initiators is linked to environmental and safety issues, as the industry is on the list of the 200 most contaminating industries in the EU (AbcCanarias, 2004). In June 2018, CEPSA and the city’s local government announced they would be dismantling the oil refinery and presented «Santa Cruz Verde 2030» (Santa Cruz de Tenerife Ayuntamiento y CEPSA, 2018b). Although experiences from other megaprojects did show severe difficulties when it comes to initiating learning processes, this essay supports the hypothesis that learning took place due to the same urban setting that the megaprojects «Cabo-Llanos» and «Santa Cruz Verde 2030» are located in.

The second motivation for choosing the case study is that the analysis will contribute to the ongoing planning process. As the project has just begun, the starting point of my investigation lies on the public-private agreement, announced in summer of 2018 (Santa Cruz de Tenerife Ayuntamiento y CEPSA, 2018a). However, the importance of this document can be questioned due to various reasons. First, the document is not binding, as it is not implemented in formal planning instruments. Second, a considerable amount of technical questions remain, such as juridical problems concerning the land classification and upcoming claims of formerly expropriated land owners (Reverón, 2019). Thirdly, the local government of the municipality has just changed in summer of 2019 after elections and the new mayoress has yet to comment on her vision of the project. In spite of that, the announced public-private agreement is currently the only existing and most detailed document of how the involved project’s initiators imagine the construction process of the megaproject to take place. It is therefore argued that the analysis of this case study not only enriches the discussion about megaprojects and governance in academia, but also helps understand the planning process of Santa Cruz Verde 2030 and thus contributes to increasing its transparency. This is also relevant against the background of the polarized urban setting, as the quarters surrounding the refinery have different social and economic vulnerabilities (Hübscher, 2018). The following chapter presents the methods applied in this study.
4. QUALITATIVE INTERVIEWS AS RESEARCH APPROACH

This paper aims to understand the planning process of the megaproject Santa Cruz Verde 2030 from a stakeholder perspective using a qualitative approach. Experts are interviewed with the help of semi-structured guidelines (Hernández Sempieri, Fernández Collado y Baptista Lucio, 2010, 418) that consist of key questions (Gill, Steward, Treasure y Chadwick, 2008, 291). This helps the conductor to stay focused on core research topics as well as enabling the respondent to put personal emphasis on certain aspects (Helfferich, 2011, 179). Hence, semi-structured interviews are regarded as a valuable tool in understanding not only stakeholder’s opinions, but also the logics in the background (Flick, 2004).

Five qualitative interviews were conducted in summer of 2019 in Santa Cruz de Tenerife (see Table 1). The interviewees were chosen by means of desktop research online. Some of them were selected due to their profession, others because they had joined the public discussion and commented on the megaproject by means of newspaper articles and interviews.
Apart from the interviewees listed above, I also contacted the initiators that were responsible for the elaboration of the plan Santa Cruz Verde 2030, but at this point they were not willing to take part in the investigation. However, their opinion is essential in order to contrast both internal and external points of view. Consequently, it must be highlighted that the prevailing results are limited to some extent as they focus on the external view of the megaproject in question.

The material was transcribed and analyzed using the software MAXQDA with a mixed-approach code system. While some of the codes were already defined based on the interview guideline (deductive), the code system was complemented by the material itself (inductive, Kuckartz, 2018, 64).

### 5. SANTA CRUZ VERDE 2030 - THE STAKEHOLDER’S PERSPECTIVE

This chapter presents the empirical findings of the conducted interviews and puts them into their theoretical context. Three subtopics are addressed. First of all, the general planning process is analyzed. Secondly, the created image of the megaproject in question is deconstructed. Thirdly, a potential learning process between the two local megaprojects «Cabo-Llanos» and «Santa Cruz Verde 2030» is investigated.

Although it was argued that the megaproject forms part of a long-term deindustrialization process, it is the surprising announcement of the megaproject that is causing contradicting perceptions among the interviewees. For some of them, such as those from the real estate sector, the project is not advancing fast enough. The representative of the local real estate association points out that from his point of view «there is no formalized agreement» (I1 Real
Estate Expert, 2019, l.6). He even questions the title of the announcement and insists that the document should rather be regarded to as «pre-agreement» (I1 Real Estate Expert, 2019, l.25). For the others the process is far too rushed (I2 Urban Planning Office, 2019, l.8). All of the stakeholders highly doubt the quality of the planning process and criticize prevailing uncertainties in the plan. Criticism ranges from «there is literally nothing» (I1 Real Estate Expert, 2019, l.24) to «it’s a plan without urbanism» (I4 Preservationist, 2019, l.18). Interestingly, the new head of the municipal planning office admits that he did not even study in detail the public-private agreement that was announced by the anterior government (I2 Urban Planning Office, 2019, l.5), which reflects the value he assigns to the document in question.

Apart from that, only one out of five interviewees felt sufficiently informed about the project itself. Only the representative of a monument protection association had insights into the process because she actively investigated and had contacts to the initiators in charge due to her former political career (I4 Preservationist, 2019, l.22). All the others clearly criticized the inadequate communication management of the megaproject’s initiators (I1 Real Estate Expert, 2019, l.24; I3 Real Estate Agent, 2019, l.32). One interviewee summarized it the following way: «In the initial phase of the agreement between CEPSA and the local government the process was not transparent at all, which means, [...] they sat down, they negotiated, they signed and there was nothing communicative about it.» (I5 Environmental Association, 2019, l.32). This policy of non-transparency is linked directly to the lack of substantial public discussion: «Those of us who could have been critical did not have enough information to be critical» (I5 Environmental Association, 2019, l.56). This observation mirrors what was described in chapter two as the underlying intention to prevent critical opinions. The problem is considered to be a structural one: «Certain political organizations have a habit of not being transparent, but of doing everything behind the citizen’s back. It’s a historical habit» (I5 Environmental Association, 2019, l.38). This non-transparent situation leaves stakeholders disappointed, particularly because it seems to be a regular thing in the city’s urban planning: «Every time the politicians go ahead, without considering that they motivate us [the urban stakeholders; author’s note], and then the years pass by, as it has happened in so many cases» (I1 Real Estate Expert, 2019, l.6).

As already indicated in chapter two, a strong focus on image related instruments is a typical character trait of current megaprojects. This is also observed in the prevailing case study. The interviewees notice «a very strong marketing campaign [...]» (I5 Environmental Association, 2019, l.32), among them representative 3D models in images and videos published by the megaproject’s initiator (I4 Preservationist, 2019, l.100). However, the whole marketing campaign is perceived as disproportional: «these are information and news with a hype, simply to create sensationalism in that moment» (I1 Real
Estate Expert, 2019, l.6). It is observed that «behind [the image], there is no contents» (I4 Preservationist, 2019, l.22). It needs to be emphasized, that the interviewees assign the strong motivation to present the megaproject on the media in a favorable light to the local government rather than CEPSA (I5 Environmental Association, 2019, p. 32). According to the interviews, this is based on political interests. A direct relation to the upcoming municipal election that took place within one year after the first announcement of Santa Cruz Verde 2030 is suggested (I1 Real Estate Expert, 2019, l.22; I5 Environmental Association, 2019, l.52). Others even see the upcoming election campaign as the main motivation behind the project: «I know that their priority was to announce the project before the elections» (I4 Preservationist, 2019, l.22). For the former mayor Bermúdez and his party, the regionalist Coalición Canaria, this strategy has paid off, as they increased their result about 28 % and thus defended their place as the largest parliamentary group with currently more than one third of all city councilors (La Vanguardia, 2019). Nevertheless, they lost the mayoralty, as oppositional left-wing parties formed a stronger coalition, which led to a change in the municipal’s government.

In this paper, the idea of a potential learning process in megaproject developments is put forward. Although other scholars observe that no such learning process is taking place, this study is based on the hypothesis that learning is expected due to a former local large-scale urban development project. This is because of the functional, spatial and temporal relation between both projects (Cabo-Llanos and Santa Cruz Verde 2030) that are analyzed here. The interviews show that such experience definitely exists. The knowledge that was built based on the first megaproject «Cabo-Llanos» is identified in two different fields, namely the conception of the project itself and the planning process.

When it comes to the conception, various interviewees criticize the exclusive character of Cabo-Llanos. From the perspective of real estate economics, «it’s a good area with a high demand» (I3 Real Estate Agent, 2019, l.57). However, the outcome is not affordable for the majority of the city’s population due to the strong speculation (I3 Real Estate Agent, 2019, l.42) This is an aspect that also other interviewees addressed (I4 Preservationist, 2019, l.22). Moreover, the quarter is still not entirely integrated into the city, both from a social and a spatial point of view (I1 Real Estate Expert, 2019, l.24). The prices on the Cabo-Llanos housing market (2,300 €/sqm on average; I1 Real Estate Expert, 2019, l.52) are more than 60 % higher than the city wide average (1,400 €/sqm; Idealista, 2019). Yet, a large disparity between price and quality is observed: «The buildings that we have here are simply miserable [...] and there is no architectural aesthetics» (I1 Real Estate Expert, 2019, l.24). Based on that experience, interviewees have the expectation that the Cabo-Llanos case should be taken as a lesson, «because we would do the same mistakes for a second time, as Cabo-Llanos’ urbanism has not been thought through either [...]». It
has generated urban spaces that are not urban at all.” (I4 Preservationist, 2019, l.18). In spite of that, it is observed that the current urban planning of Santa Cruz Verde 2030 is even less prepared than the Cabo-Llanos concept (I4 Preservationist, 2019, l.128). The consequences of this superficial planning approach in Cabo-Llanos are still seen today, as a considerable number of land plots have not been developed, particularly the ones with intended public use (I4 Preservationist, 2019, l.102). Contrary to that, publicly financed projects with tourist uses at the waterfront have been finished, such as the concert hall «El Auditorio», a congress center and a waterpark (see Figure 3). This is why there are those who call for a shift in priorities. Instead of starting to plan a new megaproject, the previous one should be completed first (I2 Urban Planning Office, 2019, l.8).

**Figure 3. Cabo-Llanos: spatial disparities between waterfront, brownfield sites and completed buildings**

Source: Own elaboration based on Open Street Map (2019)

### 5. CONCLUSION

When it comes to the planning process, Santa Cruz Verde 2030 reflects what has been observed in other case studies as well, such as a strong focus on
image related aspects and exclusive negotiation processes without participatory elements. However, this study could not prove or disprove one of the main points found in theory, namely the fact that the project design was intended to avoid protest movements, as the project initiators did not wish to be interviewed. Nevertheless, the interviewed stakeholders in the city support this allegation and argue that the megaproject was used as a political instrument during the municipal election campaign. From their point of view the whole process is highly obscure. This completely contradicts what has been promised by project initiators. The mismanagement of information that is viewed to be intentional, results in negative attitudes of the local stakeholders. While some of them are just very sceptical about the feasibility of the project, others are disappointed because of what they expect to happen moving forward. Santa Cruz Verde 2030 is presented in a way that does not encourage public discussions, but puts focus on image-related aspects instead. This seems to prove that project initiators are more concerned about selling the project as a success, rather than putting emphasis on contents or participation. These findings are in line with what other scholars have described (see Chapter 2). Santa Cruz Verde 2030 is thus regarded as another example of the new generation of megaprojects that is being observed worldwide. With regards to the learning process between «Cabo-Llanos» and «Santa Cruz Verde 2030», a gap can be identified. All of the interviewed stakeholders have negative associations with Cabo-Llanos relating to the planning process and the outcome. The interviewees name speculation, non-integration and poor urban qualities as the main deficits of the quarter. This is alarming because the available material of the current planning process of Santa Cruz Verde 2030 suggests even less quality than the former megaproject. Hence, the observation that project initiators are not «learning from past mistakes, or no one wants to learn» (Flyvbjerg, 2005, p. 20) also seems to apply to the prevailing case study. However, what other studies often neglect to address is the question if and to what extent learning took place within the broader urban network. In this respect, it has been shown that different local stakeholders have made similar experiences. Based on that, they actively propose ideas for improving the current planning process. This entails the request to enable an integration of stakeholders from different backgrounds (I4 Preservationist, 2019, l.24). Moreover, one interviewee suggests holding an international planning competition in order to increase the quality of the output (I1 Real Estate Expert, 2019, l.29). Apart from that, induced gentrification processes as previously observed in Cabo-Llanos are likewise seen as a major threat in neighboring quarters of the new megaproject and should thus be tackled ex-ante (I5 Environmental Association, 2019, l.120). This paper puts emphasis on the planning process of Santa Cruz Verde 2030 and reveals various deficits from different stakeholders’ points of view. More research remains to be done in order to learn about the project’s initiators
standpoint, although interviewing them proves to be difficult due to the high politic relevance of the topic. It is vital however, as it will contribute to a deeper understanding of the wider urban process, as neoliberal logics, touristification and waterfront redevelopment are the main drivers that have been shaping Santa Cruz de Tenerife for various decades.

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