Urban Renewal Strategies and Economic Growth in Ondo State, Nigeria: A Case Study

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A B S T R A C T

One of the negative effects of the high rate and pace of urbanisation in developing countries is the decay of urban centres. While this decay has eaten deep into the fabric of these settlements turning them into urban slums and ghettos with poor infrastructure, the effects of the decay are multifarious. Despite the fact that economy is the “life-wire” of urban centres, its untold downturn consequent upon urban decay is unimaginable because of the relationship that exists between environmental quality and economic growth. This calls for a proactive approach called urban renewal towards creation of successful urban places. This paper therefore reviews urban renewal strategies and their implications on economic growth with particular focus on Ondo State, Nigeria towards identifying the means of enhancing the sustainability of its economic proceeds. The study relied on secondary information sources and discovered that appropriate urban renewal strategies yields corresponding economic growth. The paper asserts that the urban renewal fit achieved in the state during the period 2009 to 2012 can be replicated in other states in Nigeria if similar political willpower is available. The paper recommends the participation of the public combined with appropriate strategies in urban renewal schemes for the best result and argues in conclusion that urban renewal is the only feasible solution to the current dwindling economic sector in Nigeria and other developing economies.


1. Introduction

The creation of successful urban place is not only germane to the effective functioning of our city centres but crucial to life in the cities which is hinged upon economic growth. Unfortunately, the built environment of urban centres in many developing countries like Nigeria is fast decaying (Ahianba, Ahianba, Dimuna & Okogun, 2008). While the spate of the decay is continually worsening, its spread varies in magnitude from city to city with consequential grave economic implications. Collapsing existing urban infrastructural facilities or complete lack of them in some urban centres, indiscriminate change of

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use, lack of use, abuse of use, unused and disuse of urban lands, which develops into slum, blight and decay of urban centres, unregulated development of urban fringes, which lead into development of ghetto and squatter settlements are among the too-numerous evidences of the decay in Nigerian urban centres. Others include incidence of urban villages and rise in crime rate, negative impacts of informal economic sector, and congestion of transport corridors, human induced disasters like fire outbreak, flood and erosion, incidence of destitution, homelessness, overcrowding, poverty, crime and diseases. The World Bank (2005) attributed this malaise to rapid urbanization, rural-urban migration and decades of speedy economic downturn, among others. These conditions will continue unabated except sustainable urban renewal strategies are formulated and implemented in urban centres. Presently, because of the causal relationship between the quality of the urban environment and economic activities, Nigeria is presently experiencing urbanisation of poverty (Babanyara, Usman & Saleh, 2010) in the urban centres. With the increasing scale and pace of urbanisation in Nigeria (Fadamiro & Adedeji, 2009; Arenibafo, 2016), the hope for economic growth amidst unstable public economic policies, global economic crises and its attendant consequences on developing nations, coupled with lip-service attention paid to environmental quality issues by the government, is dizzy. The outcome is a weak environmental support for economic activities in urban centres. This paper therefore reviews the impact of urban renewal strategies on economic growth in Nigeria with focus on Ondo State towards identifying the means of enhancing the sustainability of its economic proceeds. This becomes necessary in view of the importance of the economic sector as the major ‘driver’ of sustainable human settlements at all spatial scales from village to towns, cities, megacities and megalopolis.

2. The Need for Urban Renewal

The myriads of urban problems that have far-reaching economic implications on the urban populace can be identified as follow: Collapsing existing urban infrastructural facilities or complete lack of them in some urban centres; Increasing rate of street trading street parking and encroachment on road setbacks by informal activities as a result of lack of organized markets and shopping centres/shopping malls; Congestion of transport infrastructure-road and its precincts in particular, manifesting in accidents, hold-up and go-slow (Adedeji, Fadamiro & Adeoye, 2014). Others include human induced disasters like fire outbreak, flood and erosion; Inefficient urban infrastructure and utilities like power, water, drainage, hospitals, post and telecommunication; Unsanitary conditions resulting from poor waste disposal methods and blockage of drains (where they are available): Incidence of destitution, homelessness, overcrowding, poverty crime and diseases; Landlocked developments resulting from unorganized and unregulated new developments which cause lack of access to some land use activities; Lack of adequate data for policy makers, administrators, researchers and urban managers; Rural neglect, which results from sentimental regional development plans; Destruction of urban aesthetics as a result of lack of organized open space and destruction of informal open spaces. While the national status of the problem has been acknowledged, the magnitude of its presence in Ondo State cannot be overemphasized.

3. Theoretical Framework of Urban Renewal

Urban renewal has been described as a deliberate effort to change the urban environment through planned, large-scale adjustment of existing city areas to present and future requirements for urban living and working (Grebler, 1965; Osuide, 2004). According to Tetlow and Goss (1968), it is the elimination of excessive noises, smells and atmospheric pollution especially from the residential scene. Urban renewal or redevelopment has been considered as a tool to solving the problem of squatter settlement (Aluko & Amidu, 2006) and its theories were largely influenced by social, economic and historical developments as well as city planning movements immediately after the Second World War. Indeed, many countries embarked on rebuilding efforts, characterized by demolition of old dilapidated areas, large-scale clearance of city slums and construction of modern high-rise after the war (Gbadegesin, Oladokun & Ayorinde, 2011). Often, urban renewal schemes are fraught with many challenges which can be grouped into:

Physical: The proposed sites for the project may possess great challenges to its implementation. One of such site constraints is topography in terms of great differences between existing road levels.
and areas of possible extension. In a number of cases, there may be road meanders and possible encroachment into natural elements like rivers, streams and water ways are needed to be overcome. Not only that, the volume of existing services installation to be relocated may be high. These include electricity, water supply mains and communication installations.

Social: Urban renewal projects have always been fraught with social implications. This is due to the change of land use from private to public and reclamation of public open spaces that have been encroached upon for private use. Therefore, the required accompanying demolition of residences, commercial buildings, temporary structures and other physical elements usually attract public criticism by the affected. A strategic public re-orientation concerning the many benefits of the projects is a sure antidote even though the government has its entire implementation instrument at disposal.

Political: Political opponents who are not as visionary and courageous as the incumbent government may raise unguarded alarms to distract the government from its renewal goals of the cities. Public campaign and non-partial implementation concerning the demolition of all affected physical structures on the sites is crucial to putting to silence all “Sanballat and Tobiah”.

Cultural: One of the usual challenges to urban renewal schemes is the presence of cultural artefacts like shrines, historical emblems, graveyards, among others, along the re-development paths. This problem can become a stepping stone to project implementation by inclusive design approaches in majority where necessary.

Economic: The capital requirement for urban renewal projects is usually awesome. This is made up of necessary compensations, project fund and post-construction management. This problem could be overcome by a phased-approach to project implementation and overshot by the numerous benefits of the project aside from the prospect of revenue generation from some of its components which is a long-term advantage.

Large-scale redevelopment creates many social problems and encourages many city planners and scholars to question its effects and functionalities. Indeed, large scale renewal and redevelopment efforts have been criticized for neglecting the complexities of the urban fabric; it is not only uneconomical, but also damages the city’s heritage and degrades various socio – environmental qualities. As described by Waque and Hirji (2005), urban intensification produces a diversity of densely packaged, highly valued economic interests.

According to Olusule (2010), five procedural steps are necessary to be followed to accomplish a desirable urban renewal exercise for the community. They are: acquisition of land in accordance with the plan, relocation of residents from the acquired building into satisfactory quarters, site clearance – the razing of the structures on the land may be carried out only after the quality of such structures have been determined, site improvements and supporting facilities and services are undertaken by the agency and land may be built upon by agency or sold to original owners if compensations have been paid. Urban renewal has also been linked with the sustainable provision of basic amenities such as water, and electricity (Vander & Graaf, 2010; Newman, 2001; Ashley, Blackwood, Butler, Davies, Jowitt & Smith, 2004). The provision and continuous means of management of urban renewal products should also be part of the programme.

4. Urban Renewal Strategies

There are three basic Urban Renewal Strategies (Carmona, Heath, Oc, & Tiesdell, 2010). These are: Comprehensive Redevelopment, which can be applied to a structure or a cluster of structures where obsolescence and decay is absolute. It is otherwise called complete demolition and reconstruction; Rehabilitation or Renovation, which is the process of neighbourhood revitalization by removing worst structures repairing and constructing streets with additional parks and public utilities; Conservation, which concerns preservation of urban items with historic, cultural, aesthetic and architectural values.

The three can be broken down into action plan, which include the following (Wahab, Adedokun & Onibokun, 1990; World Bank, 1994); (1) Acquisition of a slum area or a blighted area or portion thereof; (2) Demolition and removal of buildings and improvements; (3) Installation, construction or reconstruction of streets, utilities, parks, playgrounds, and other improvements necessary in the urban renewal area the urban
renewal objectives of this appendix in accordance with the urban renewal plan; (4) Disposition of any property acquired in the urban renewal area including sale, initial leasing or retention by the municipality itself, at its fair value for uses in accordance with the urban renewal plan; (5) Carrying out plans for a program of voluntary or compulsory repair and rehabilitation of buildings or other improvements in accordance with the urban renewal plan; (6) Acquisition of any other real property in the urban renewal area where necessary to eliminate unhealthy, unsanitary or unsafe conditions, lessen density, eliminate obsolete or other uses detrimental to the public welfare, or otherwise to remove or prevent the spread of blight or deterioration, or to provide land for needed public facilities; and (7) Preservation, improvement or embellishment of historic structures or monuments. While these procedures are not mutually exclusive, they may not all present in a single scheme at one time.

Generally, urban renewal process is perceived to overhaul the congestion in the city centres (Vigdor, 2007). Its strategies can also be classified as filtration, social planning, the bootstrap strategy, replacement, guiding urban growth through investment and local government strategy (Balchin, Kieve & Bull, 1988). Filtration is based on the out – migration of households and employment followed by the clearance and redevelopment of vacated sites. It can also be in the form of expanded towns or satellite towns. The expanded towns received even less overspill than the new towns. Webster (2004) underlines the importance of peripheral development around metro cities, arguing that in case of fast growing urban centres, peri-urban areas have experienced rapid economic growth as that is the easiest environment in which new communities and manufacturing structures can be built, absorbing large numbers of migrants. This approach, however, calls for the resuscitation of new town creations in the time past in Nigeria such as satellite town, Lagos and Ajoda New Town in Ibadan.

Social planning, as described by Balchin et al. (1988), has been regarded as being secondary to physical and economic planning. It focuses on people rather than on urban space or property, and should first involve analyses of the basic causes of deprivation as a prelude to the application of needs – related policies. The bootstrap strategy entails rehabilitation and is mainly confined to housing. It does not involve the displacement of occupant and it is often thought that in economic terms, it is less costly than redevelopment, although evidence is conflicting. Needleman’s renewal theory thus suggested that the comparative economics of redevelopment and rehabilitation depends on (Newman, 1999):

(i) the rate of interest  (ii) the future life of the rehabilitated property and (iii) the differences between the running costs of the new and rehabilitated property. Normally, rehabilitation would be worthwhile if the present cost of clearance and building exceeds the sum of the cost of rehabilitation, the present value of the cost of rebuilding, and the present value of the difference in annual running costs.

5. Ondo State: an Overview

Ondo State (Figures 1 and 2) of Nigeria was one of the seven states created on 3rd February, 1976. It was carved out of the former Western State. The state covered the total area of the former Ondo Province, created in 1915 with Akure as the provincial headquarters. Ondo State took off formally on 1st April, 1976, consisting of the nine administrative divisions of the former Western State (Ministry of Information and Culture, 1979). These nine divisions then were Akoko, Akure, Ekiti Central, Ekiti North, Ekiti South, Ekiti West, Okitipupa, Ondo and Owo. Akure town ship was retained as the state headquarters. However, on 1st October, 1996, Ekiti State was carved out of Ondo State.

Location: The state lies between latitudes 5°45’ and 7°52’N and longitudes 4°20’ and 6° 05’E. Its land area is about 15,500 square kilometres. Ondo State is bounded on the east by Edo and Delta states, on the west by Ogun and Osun States, on the north by Ekiti and Kogi States and to the south by the Bight of Benin and the Atlantic Ocean.

Administrative Areas: The apex of the administrative structure is the state headquarters, Akure. Prior to the carving out of Ekiti State from Ondo State there were twenty-six Local Government Areas. Fourteen of these remained in Ondo State, and from these, additional four LGAs were created. As at now, there are eighteen LGAs in Ondo State. The physical and infrastructural conditions of Nigerian urban centres described under the conceptual framework of this study can be said to be true representation of Ondo State.
6. Methodology
The cityscapes of the State was studied to evaluate the environmental quality that has emerged from the institutional frameworks of the Ondo State Government’s relevant departments, especially the urban renewal products. Secondary data was used to glean renewal strategies of the state government and the products of the renewal efforts.

7. Urban Renewal in Ondo State
Ondo State Government (2012) identified the aim of its urban renewal programme as making the towns and cities in the state serene places for living, work and decent environment for leisure and attractive to investors through the following objectives: To harness the potentials of the towns and cities as engines of social and economic growth and development; To create orderliness and ensure that components of the towns and cities function efficiently; To improve the ecstasy of the towns and cities to promote healthy living; To promote tourism and enhance the urban economy. This aim and its objectives has been pursued through the following strategies (Ondo State Government, 2012):

Identification and delineation of contiguous urban communities as a key step in strategic management of urban areas with a view to providing community-based integrated infrastructure and services;

Sensitization and mobilization of community stakeholders such as neighbourhood organizations traditional institutions for sustainable improvement of urban communities; Baseline Survey for the collection of baseline data in order to generate statistically-valid estimates that quantify, characterize and measure the intensity and magnitude of slum conditions for formulating action plans;

Community Consultation and Participation for building confidence, establishing buy-in and ownership for project support and post implementation maintenance and sustainability. Integration and coordination of service delivery in the face of financial constraints;

Ownership of development projects by beneficiaries to ensure post implementation maintenance, protection of investment and sustainability.

Monitoring and Evaluation built into project development to ensure that lapses in design and implementation are noted early and correction made to improve project outcome.

These strategies have yielded urban renewal products in the state with resultant economic growth driven by uncommon political will. These products can be grouped into general goods neighbourhood and regional market infrastructures as shown in Table 2, specialised market infrastructure like Akure International Auto-mart (Figure 3), electrification, transportation infrastructures like Modern Motor Park, Akure, road dualisation and landscaping, general and specialised health facilities, sanitation and waste management infrastructures, and recreation facilities as shown in Table 1.
Table 1. Summary of urban renewal products in Ondo State, Nigeria.

<table>
<thead>
<tr>
<th>S/N</th>
<th>Component</th>
<th>Location</th>
<th>Urban Renewal Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>General goods Markets</td>
<td>State-wide</td>
<td>Re-construction, New developments</td>
</tr>
<tr>
<td>2</td>
<td>Mechanic Village</td>
<td>Akure</td>
<td>New construction</td>
</tr>
<tr>
<td>3</td>
<td>Electrification</td>
<td>State-wide</td>
<td>Rehabilitation, New construction</td>
</tr>
<tr>
<td>4</td>
<td>Model Motor Park</td>
<td>Akure</td>
<td>Rehabilitation, Re-construction</td>
</tr>
<tr>
<td>5</td>
<td>Recreation Parks</td>
<td>State-wide</td>
<td>Rehabilitation, New construction</td>
</tr>
<tr>
<td>6</td>
<td>Tomato Factory</td>
<td>Akure</td>
<td>Rehabilitation and Redevelopment</td>
</tr>
<tr>
<td>7</td>
<td>Health infrastructures</td>
<td>State-wide</td>
<td>New construction, Renovation</td>
</tr>
<tr>
<td>8</td>
<td>City Beautification</td>
<td>State-wide</td>
<td>Renovation, Rehabilitation, New construction</td>
</tr>
<tr>
<td>9</td>
<td>Flood and erosion control</td>
<td>State-wide</td>
<td>New construction</td>
</tr>
<tr>
<td>10</td>
<td>Housing Estates</td>
<td>State-wide</td>
<td>New construction</td>
</tr>
</tbody>
</table>

Source: Compiled from Ondo State Government, 2012

Table 2. Data on major market developments in Ondo State as urban renewal products.

<table>
<thead>
<tr>
<th>S/N</th>
<th>Location</th>
<th>Size</th>
<th>Operation</th>
<th>No of Open Stall</th>
<th>No of Lock Up Stalls</th>
<th>Available Facilities</th>
<th>Major Wares In The Market</th>
<th>Operation Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>NEPA Neighbourhood Market (Akure)</td>
<td>5.100 m²</td>
<td>Daily</td>
<td>192</td>
<td>24</td>
<td>Pipe-borne water, toilet, admin, block, parking, security post, canteen</td>
<td>Mainly food stuffs and general provision, Neighbourhood</td>
<td>Neighbourhood</td>
</tr>
<tr>
<td>2</td>
<td>NEPA Main Market (Akure)</td>
<td>1.325 Hec</td>
<td>Daily</td>
<td>-</td>
<td>275</td>
<td>Admin block, crèche, canteen, security post, pipe borne water, toilet</td>
<td>Varieties, City wide</td>
<td>City wide</td>
</tr>
<tr>
<td>3</td>
<td>Isikan Phases I and II</td>
<td>1.79 Hec</td>
<td>Daily</td>
<td>150</td>
<td>336</td>
<td>Admin block, pipe borne water, toilet, security post, electricity</td>
<td>Varieties, City wide</td>
<td>City wide</td>
</tr>
<tr>
<td>4</td>
<td>Ikare</td>
<td>2.13 Hec</td>
<td>Daily</td>
<td>520</td>
<td>-</td>
<td>Cold rooms, water supply, electricity supply, livestock section, milling section, grains section</td>
<td>Mainly food stuffs, textiles, and kitchen utensils, Regional coverage up to Ekiti and Edo States</td>
<td>Regional coverage up to Ekiti and Edo States</td>
</tr>
<tr>
<td>5</td>
<td>Okitipupa</td>
<td>2.00 Hec</td>
<td>Daily</td>
<td>531</td>
<td>108</td>
<td>Cold room, toilets, security post, admin block, fire station, canteen</td>
<td>Food stuff, general provision, textile, kitchen utensils etc.</td>
<td>City wide</td>
</tr>
<tr>
<td>6</td>
<td>Ondo (Mofere)</td>
<td>3.267 Hec</td>
<td>Daily</td>
<td>252</td>
<td>-</td>
<td>Admin block, water supply, toilets, security post, fire station, fire station, waste disposal management unit</td>
<td>Textiles, food stuff, general provision, kitchen utensils etc.</td>
<td>City wide</td>
</tr>
<tr>
<td>7</td>
<td>Igbokoda</td>
<td>2.83 Hec</td>
<td>Daily</td>
<td>932</td>
<td>150</td>
<td>Clinic, cold rooms, police post, canteen, water supply, toilets, admin block, etc.</td>
<td>Food stuff, various types of fresh and smoked fish, textile, kitchen</td>
<td>International with influence along West</td>
</tr>
</tbody>
</table>

Source: Compiled from Ondo State Government, 2012
The significance of these urban renewal products to economic growth cannot be overemphasized. Importantly, they were conceived to reach the entire economic population of the state, especially the informal economic sector which has the highest percentage. While most of the market-related renewal products have direct economic growth influence, others have indirect impacts on the economic growth of the state. Transportation infrastructures like roads and modern motor parks have indirect but high positive influence on the economy of the state as they provide economic linkages to other economic centres in the sub-region. Health infrastructures are not only germane according to the saying that “health is wealth” but as drivers for the health of the population to enhance active involvement in economic activities. In view of the provision of suitable spaces where economic activities are efficiently carried out, productivity is easily enhanced (Adedeji & Fadamiro, 2012).

8. Recommendation and Conclusion

Urban renewal products have an overwhelming impact on the overall quality of lives in cities and economic growth in particular. Even though it encompasses a gamut of problems, urban renewal is inevitable for the sustenance of urban life in city centres. It is almost compulsory for every urban human settlement considering the lifecycle of built environments in general with birth, use, decay and death phases.

The present study discovered that a great urban renewal fit was achieved in Ondo State, Nigeria. In view of the multi-dimensional goals of the programme targeted towards all economic groups in the state, its economic growth impact cannot be overemphasized. The informal economic sector of the population who has suffered gross neglect of their economic-related environmental concerns in the past has benefited immensely from the urban renewal programme of the Ondo State government. Consequently, because of the relationship between the quality of work environments and quality of outputs, economic growth has been enhanced in the state. The programme has been much successful because of its cardinal driving forces of vision, passion and properly directed actions. Also, the engagement of appropriate renewal strategies for peculiar components of the schemes with necessary methods of public participation, payment of required compensations, and impartiality in the implementation of the strategic plans was observed. This fit can be replicated in other states in Nigeria if similar political will is available.

In view of the results of this study, effective public participation combined with appropriate strategies are the sustainable tools for the best result in urban renewal programmes while urban renewal itself is the only feasible solution to the current dwindling economic sector in Nigeria.

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References


