



THE IMPACT OF GENTRIFICATION ON SUNYANI MUNICIPALITY DEVELOPMENT IN GHANA

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ABSTRACT

Purpose: The purpose of this study was to investigate the impact of gentrification on Sunyani municipality development. The objectives are to identify the benefits of gentrification and the challenges.

Design/Methodology/ Approach: The research adopted a case study approach. The population was 200 buildings. This research made use of 1the non-probability sampling method to sample 41 respondents. The main instrument used for data gathering was a questionnaire. The data was analysed using descriptive statistics that involved the use of mean scores and standard deviation with the aid of the Statistical Package for Social Sciences (SPSS, version 24).

Findings: Gentrification results in residential mobility and most of the buildings are redeveloped into commercial buildings to accommodate the financial institutions like the banks. 20-30 years period of ownership is being implemented by the developers in the area who engage in gentrification. The benefits are the creation of employment and development of the Central Commercial Area. Some of the challenges that were identified included Increased Social Vices; Land disputes among family members and Destruction of Community Bond.

Research Limitation/Implication: The study focused on traditional buildings in the study area.

Practical Implication: Planners who seek to avoid large-scale gentrification, or at least seek to further “development without displacement” and to maintain some minimum level of economic diversity in the nearby areas.

Social Implication: There need to be mandatory inclusionary housing policies should be in place that requires developers to set aside a significant percentage of new housing units at affordable rents for lower-income tenants.

Originality/ value: There has not been a study like this in the case study area and it has contributed to the existing body of knowledge by identifying 5 variables that bring benefits to gentrification.

Keywords: *Architecture; building; commercial; gentrification; partnership*

INTRODUCTION

Many municipal governments and developers believe that the process of neighbourhood revitalization through gentrification will help alleviate poverty and social exclusion by enhancing the life chances of lower-income groups while also increasing neighbourhood infrastructure and economic activity. Gentrification on the other hand is viewed as a negative socio-spatial

ISSN: 2408-7920

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development that increases class inequality and creates social polarization by driving lower-income groups from inner-city neighbourhoods.

According to Bärnthaler, Novy, & Stadelmann (2020), gentrification is a liberal and critical viewpoint resulting in social mixing and tolerance whereas others regard it as a destabilizing force for low-income groups and urban working-class residents. While the middle-class gentrifiers "colonize" and transform the inner city following their socio-economic interests, taste, and ethos, gentrification causes social strife, displacement, homelessness, and the loss of social variety. People of colour and those with lower incomes are particularly hard hit by the breakdown of community ties and the resulting loss of economic and political clout that follows. Because of this, resisting displacement becomes more difficult, and as a result, people become more vulnerable. Enclaves of support for vulnerable ethnic groups are destroyed by the shift in the geographic location of communities (Van Zandt, Peacock, Henry, Grover, Highfield, & Brody, 2012).

There are fewer housing options for lower-income residents after gentrification, according to Ding, Hwang, & Divringi (2016), who argue that gentrification has a negative impact on the availability of housing for lower-income individuals. As part of the positive gentrification rhetoric, it is said that gentrification can alleviate social exclusion, deprivation, and poverty in disadvantaged neighbourhoods by generating social mixing and cohesion between the more affluent newcomers and the less well-off original inhabitants.

According to this theory, gentrification reduces poverty by bringing people from different socioeconomic backgrounds together. As a result, social capital is transferred from wealthy to poorer neighbourhoods, increasing the prospects of the latter.

Banks, retailers, and other commercial enterprises now occupy previously residential buildings that were once home to families. These buildings have been converted for industrial usage. Most low-rise buildings that were previously used as stores have now been converted into story structures. Because of the rapid growth of Sunyani, many residents have begun making modifications to their old homes to incorporate the much-desired amenities. These include banking halls, workplaces, and educational and healthcare establishments. It is not hard to find evidence to support this claim.

Landowners in the municipality are sought out by investors with their resources to invest their money and resources in the "land" and form a partnership. Sunyani's Central Business District has undergone a tremendous expansion in infrastructure. A wide variety of businesses have sprung up in the municipality, including banking and microfinance offices, restaurants and hotels and rest houses, hospitals and clinics, to name just a few. A sign of gentrification can be seen here. The paper aims to investigate the impact of gentrification on Sunyani municipality development. The objectives are to identify the benefits of gentrification and the challenges.



THEORIES UNDERPINNING THE STUDY

This section focus on two theories that underpin this study and they are gentrification theory and the rent gap theory.

Gentrification theory

Gentrification, a process of neighbourhood transformation in which lower-income people are replaced by higher-income ones, has been documented by Grodach, Foster, & Murdoch III (2014). It has been suggested that gentrification is just "a process of transition," which implies an intended process, which puts it away from the automatic criticism that frequently comes with the term gentrification.

Adarkwa & Oppong (2005), stated that gentrification is a phenomenon that occurs when middle-class neighbourhoods in a city's core are transformed into affluent neighbourhoods by renovation, remodelling, or refurbishment, and this usually results in an increase in property values and the displacement of the poor.

There is a growing body of research that supports the use of gentrification theory as a credible analytical tool in the study of urban transformation around the world. "A wide range of local variables including pre-existing social polarization and governmental strategies of spatial economic restructuring" constitutes the "various corollaries" of gentrification, according to López-Morales, Ruiz-Tagle, Santos Junior, Blanco, & Salinas Arreortua (2021).

Ghertner, (2014) argued that neoliberalism's shift from a regulator to an actor in the market has led to an increase in gentrification. This global process relies heavily on the creation of alliances and active coordination between local governments and private capital.

Instead of the administrative approach to government that characterized urban policymaking during the 1960s and was aimed at improving urban residents' living conditions by delivering public goods and services, urban governance today has taken on an entrepreneurial bent (Sözen, 2010) Economic development in neoliberal urban areas relies heavily on public-private partnerships (PPPs).

More than just rising rent environments and an increase in higher-income groups, gentrification is about inequality, unequal power relations and the overriding of use-value by exchange value, far beyond Ghertner's (2015) basic description.

Even though Ghertner (2015) agrees that gentrification involves the displacement of lower-income residents by higher-income residents in "most of [the] world," he believes that other factors, such as land privatization and the regularization of non-private tenure regimes, are better suited to explain what is happening. He also believes that gentrification lacks adequate analysis methods for accounting properly for the various legal, property, and planning systems. According to



Ghertner (2015), theories of gentrification are unable to account for issues such as informal land tenure and the buildup of wealth through dispossession.

The gentrification theory ignores the mechanisms that lead to rent gaps in the first place, even though addressing this issue demands considering all of the local factors that contribute to this problem.

Rent gap theory

They have been more specific about this distinction in Rent Gap Theory from Economic Determinism accusations. Social connections and power struggle centred on the creation and consumption of values in the built environment drive property development and rent discrepancies. Gentrification is only theoretically linked to, and not accurately predicted, by the rent disparity (Hammel 1999a). The analytical potential of adding case studies from the Global South in analyses of gentrification and rent gap formation processes has been harmed since the distinction between the creation and closure of rent gaps has not always been made clear in gentrification debates.

Cleared or improved land does not necessarily experience either capital intensity or the class succession expected in the gentrification literature, according to Ghertner (2014). In other words, according to Krijnen, (2018), the initial clearing of the land may have been prompted by the creation of a rent gap. Because not every cleared area is subsequently redeveloped, the initial clearing could have been part of the first process of gentrification, namely rent gap formation, by removing obstacles to the exploitation of a plot's potential ground rent, Krijnen (2018) agrees. According to the rent gap theory, Krijnen's prospective ground rent will not be capitalized on until a later date (2018).

RESEARCH METHODOLOGY

The research adopted a case study approach. The population was 200 buildings. This research made use of the non-probability sampling method to sample 41 respondents. The main instrument used for data gathering was a questionnaire. This allowed the respondent to independently read and write their opinion on the matter without any bias. Therefore, landowners who have been in this partnership were contacted and given a questionnaire to respond to.

The questionnaire was a closed-ended type, in which responses were provided in line with the objectives. The data was analysed using descriptive statistics that involved the use of mean scores and standard deviation with the aid of the Statistical Package for Social Sciences (SPSS, version 24).

Forty-one (41) sets of questionnaires were administered, and thirty-six (36) were received, representing eighty-eight percent (88%), therefore, the discussion was based on all the thirty-six (36) responses received. In every partnership, a questionnaire was given to either the landowner or the developer, whoever was contacted, and in most cases, the caretakers of the facilities were contacted.

ISSN: 2408-7920

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FINDINGS AND DISCUSSION

Demolishing of Existing Buildings

Buildings that were rebuilt using the partnership agreement approach in the commercial district of Sunyani township or Municipality were mostly single-story buildings constructed using traditional materials such as laterite and adobe walling units finished with cement and sand mortar. Replacement of single-story buildings with multi-story ones has begun in the Municipal Business District.

The respondents were asked to remark on whether or not they demolished any existing buildings before constructing the new one, in light of the current development trend. The results obtained are presented in table 1.

Table 1: Demolishing of Existing Buildings

Action on Existing Buildings	Number of Respondents	Percentage of Responses (%)
Demolished	28	78
Not Demolished	8	22
Total	36	100

Source: Author's Field Survey, 2021

It could be seen from table 1, that twenty-eight (28) of the respondents, representing seventy-eight percent (78%), had their existing buildings demolished, with only eight (8) of them, representing twenty-two percent (22%), whose existing buildings were not demolished. Those whose existing buildings were not demolished were those who had their building on a portion of the land, not on the entire land, so there was no demolishing.

Handling of Incumbent Occupants

As previously indicated, people were living in the buildings that were demolished. Most of the building's tenants had rented out their rooms and had not yet reached the end of their tenancy period, thus a new home had to be found for their family members. Because of this, the respondents were asked to describe how the current inhabitants were treated in their responses. Other employees were relocated and given financial compensation, while others were relocated and given relocation assistance. Table 2 presents the summary of the findings.



Table 2: Handling of Incumbents Occupants

Handling of incumbent Occupants	Number of Respondents	Percentage of Responses (%)
Relocated	22	61
Compensated	11	31
Relocated and Compensated	3	8
Total	36	100

Source: Author's Field Survey, 2021

Table 2 shows how the incumbent occupants were handled in various ways. It could be seen that twenty-two (22) of the respondents, representing sixty-one percent (61%), said that the incumbent occupants were relocated, with eleven (11), representing thirty-one percent (31%), been compensated, and three (3) of the respondents, representing eight percent (8%), were both relocated and compensated.

In most cases, residents who had built homes on the land had to be relocated. Rather than developing the land directly, the developers plan to first build a home for the current residents. When an existing commercial building is being used for trading purposes, and the tenant is forced to move out before their rented-out period is over, compensation is available. According to these findings, residential mobility is a result of Gentrification, as previously reported by Ding, Hwang, & Divringi (2016).

The Developers in the Gentrification Partnership

The respondents were asked to indicate who the developers are. The developers could be an individual, most often businessmen, and they could also be corporate institutions, who want places for their business. Table 3 shows the developers, whether an individual or a corporate body, as indicated by the respondents.



Table 3: Developers

Developers	Number of Respondents	Percentage of Responses (%)
Individual	13	36
Corporate Entity	23	64
Total	36	100

Source: Field Survey, 2021

Table 3 indicates the developers in the Municipality. Thirteen (13) of the respondents, representing thirty-six percent (36%), are individual developers, while twenty-three (23) of them, representing sixty-four percent (64%) are corporate entities. These entities are those who are usually into banking, eateries, boutiques, insurance and many others.

Purpose of the New Building

The lands/buildings before development were having original uses, therefore, after the development, the respondents were asked to indicate the new use to which the building will be put. Table 4 shows the responses obtained.

Table 4: Purpose of New Building

Purpose of New Building	Number of Respondents	Percentage
Commercial	32	89
Both Commercial and Residential	4	11
Total	36	100

Source: Field Survey, 2021

Table 4 reveals the purposes which the new buildings are usually used for. Thirty-two (32) of the respondents, representing eighty-nine percent (89%), had the new buildings used for only commercial purposes, while, whereas four (4) of them, representing eleven percent (11%), had the uses to be both residential and commercial purposes.



These findings support the argument made by Immergluck, & Balan, (2018), who argued that mandatory inclusionary housing policies should be in place that require developers to set aside a significant percentage of new housing units at affordable rents for lower-income tenants. However, no one has mentioned any use that isn't just for home purposes. This aids in the expansion of economic activity by providing greater room for them. According to Twumasi-Ampofo & Oppong, (2017), most of the buildings that underwent gentrification were used mostly for commercial purposes. These findings verify their conclusions.

The Agreement

Most of the buildings, mostly storey buildings, are constructed using a partnership system. The most widely used systems in the Sunyani Municipality are Build and Share, Outright purchase of land and Build Operate Transfer. The respondents were asked to indicate which of the systems were used. Table 5 presents the findings.

Table 5: Agreement Implemented

Agreement System Used	Number of Respondents	Percentage of Responses (%)
Build and Share	23	64
Build Operate Transfer	3	8
Outright purchase of Land	10	28
Total	36	100

Source: Field Survey, 2021

Table 5 discloses that twenty-three (23) of the respondents, representing sixty-four percent (64%), used the Build and Share agreement, while three (3) of them, representing eight percent (8%), used the Build Operate Transfer agreement, but ten (10) of the respondents, representing twenty-eight percent (28%), went for an outright purchase of the land or portion of land for their buildings. Another agreement system is the Build Operate Transfer, which is also used in the Municipality. 20-30 years period of ownership is being implemented by the developers in the area. The findings validated the assertion of Ip, (2018) who claimed that the Build Operate Transfer agreement is mostly practised by the developers in gentrification.

Benefits Associated with Gentrification Partnership

A lot of benefits could be derived from the partnership system, concerning the structures developed in the commercial areas of the Municipality. Some of these benefits were listed for the respondents to rate them. Among the benefits were the creation of employment, shops for commercial purposes, and beautifying the city among others. Table 6 presents the respondents' ratings, standard deviation and the ranking of the listed benefits.



Table 6: Benefits of Gentrification in the Municipality

Benefits of Gentrification	Mean	Standard Deviation	Ranking
Creation of Employment	3.67	0.439	1 st
Development of the Central Commercial Area	3.61	0.478	2 nd
Shops for Commercial Purposes	3.44	0.535	3 rd
Beautifying the Commercial Area	2.72	0.914	4 th
Encourages diversity of Culture	2.64	0.798	5 th

Source: Field Survey, 2021

Five benefits were identified from the study, creation of employment was ranked first as the major benefit associated with the partnership system springing up in the Municipality recording 3.67 as the mean score. Whiles Development of the Central Commercial Area had the second ranking with 3.61 as the mean score. Shops for commercial purposes came third, with a mean score of 3.44 and beautifying the commercial area and encouraging diversity of culture ranked fourth and fifth, respectively.

Challenges Associated with Partnership in Gentrification

There are several challenges associated also with the partnership system to the parties and the Municipality at large. Some were listed for the respondents to rank, and they include the destruction of family bonds, displacement of incumbent occupants, creation of homelessness, and difficulties in acquiring permits among others.

Table 7: Challenges Associated with Partnership in Gentrification

Challenges	Mean	Standard Deviation	Ranking
Increased in Social Vices	2.83	0.934	1 st
Land Disputes among Family Members	2.61	0.774	2 nd
Destruction of Community Bond	2.61	0.951	2 nd
Loss of Full Ownership by Original Owner	2.53	1.000	3 rd
Displacement of Incumbent Occupants	2.47	0.803	4 th
Difficulties in Acquiring Permits	2.47	0.811	4 th
Creation of Homelessness	2.31	0.941	5 th

Source: Field Survey, 2021

Increased in Social Vices was ranked first among the challenges, with a mean score of 2.83. Land disputes among family members and Destruction of Community Bond were ranked second in position with a mean score of 2.61 respectively. Whiles Loss of Full Ownership by Original Owner placed third in the ranking with 2.53 as the mean score. Then displacement of incumbent occupants and difficulties in acquiring permits recorded 2.47 as the mean score to place the fourth position.



Whiles creation of homelessness was ranked the fifth with 2.31 as the mean score. This is consistent with the findings of Bärnthaler, Novy, & Stadelmann, (2020) who argued that gentrification results in the challenges identified in this study.

CONCLUSION

Most of the buildings are refurbished to accommodate financial firms like banks as a result of the gentrification process. A 20-30 year ownership period is being introduced by the gentrification developers in the neighbourhood. There are numerous benefits, including job generation, the development of the Central Commercial Area, commercial shops, and the beautification of the commercial area.

An increase in social vices, family land conflicts, the destruction of community bonds, the loss of full ownership by the original owner, the displacement of existing residents, permission difficulties, and the creation of homelessness were only a few of the issues that were noted.

Large-scale adaptive reuse projects that result in environmental facilities should be approached with caution, as these initiatives have a direct impact on property values in the immediate area and will swiftly drive up house prices. Planners who want to avoid or at least slow down the process of gentrification by promoting "growth without displacement" and keeping the local economy as diverse as possible. Mandatory rules requiring developers to set aside a considerable portion of new housing units at low-cost rents for those with lower incomes should be implemented.

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