

## **URBANIZATION IN KERALA**

The urban sector in Kerala comprise of five Municipal Corporations and 53 Municipalities. 25.97% of the population lives in urban areas. This is a little less than the National average. However unlike the other parts of the country the Urbanization in Kerala is not limited to the designated cities and towns. Barring a few Panchayats in the hilly tracts and a few isolated areas here and there, the entire state depicts the picture of an urban rural continuum. The Kerala society by and large can be termed as urbanized.

It is seen that in the year 1981, there were 106 census towns which accommodated 4,771,275 population which worked out to 18.74 percent of the total population; and in 1991 there were 197 census towns with a population of 76,80,294 which worked out to 26.44 percent of the total population). The Census of India 2001 recorded an urban population of 82,67,135 in the state which is 25.97% of the total population of 3,18,38,619 and is spreaded over 159 census towns in the state. When the urban content of the total population increased from 18.74 in 1981 to 26.44 in 1991, it showed a declining trend during the decade 1991 - 2001, with an urban content of 25.97 in 2001. The percentage decennial growth of urban population in the state was 60.89 during 1981-91. But during 1991-2001 it is only 7.64 %. The number of census towns is reduced to 159 too. The change in jurisdiction in statutory urban areas mainly speaks for this.

### **Prospects and options of urbanization in Kerala**

Urbanization trend in the state of Kerala shows marked peculiarities. Generally, increase in urban population growth rate is the result of over concentration in the existing cities especially metropolitan cities. This is true in the case of urbanization in the other states of India. But in Kerala, the main reason for urban population growth is the increase in the number of urban areas and also urbanization of the peripheral areas of the existing major urban centers. This is quite clear from the study of the density pattern also. Kerala has the third highest overall density of 819 persons per sq.km. (Next only to west Bengal and Bihar) in 2001. But the density pattern in our major cities and towns shows that, the increase in density is due to the overall population increase over the entire spread of Kerala, which is occasionally accentuated in the urban areas with nominal variations.

The dispersed settlement pattern, a result of historical trends, a liking for homestead type development, comparatively developed infrastructure in urban and rural areas, geographical reasons, availability of sub-soil water etc can be considered as both a prospect and a problem. In terms of investments in infrastructure development and social services sector, we spend quite a good share of our budgetary resources. When the scarce resources are spread thinly over the entire mat of Kerala, the accruing benefit is marginal. Whereas, selective investment in priority areas could show better results. The urban spread demands more investment in infrastructure development. Such an urban spread may result in depletion of agricultural areas. This trend may also increase transportation costs and energy consumption.

However, the dispersed settlement system does have certain positive aspects also. We do not have primate city development and metropolitan city development and the problems connected there with. The rural to urban migration which accentuates urban problems and urban poverty is only marginally present in the urban scenario of the state.

### **Economic role of Urban Areas**

The National Commission on Urbanization (N.C.U.), appointed by Government of India, in their recommendations have recognized urban areas as generators of economic momentum. The State Government also accepts the special economics inter-related to urban development. All urban areas do not have the same economic capabilities. The economic potential of an urban area may depend on a number of factors like geographic location, availability of economic infrastructure, regional linkages, and propensities for accepting further investments and creating spread effects.

Urban areas are characterized by their concentrations of different economic activities. One of the main reasons why an industry or another economic activity concentrates geographically is because of the so called 'agglomeration economics' that it can enjoy.

Exploring the positive factors of agglomeration economics, it is possible to exploit urbanization to aid economic development. Urbanization and Economic Development have long been recognized as concomitant factors. Policies need to be enunciated to use urbanization as a positive factor to aid economic development.

The state has only limited resources. It can not disregard or neglect the social commitments. The possibility of additional state investment in this sector is too remote. The financial position of urban local bodies is also not too rosy.

### **Criteria for Constitution of Statutory Urban Local Bodies**

There are no prescribed criteria for constitution of cities. Municipalities were elevated to the status of Corporations on considerations of their importance, pace of urbanization in the area, need for integrated development of the urban core and its neighborhood, density of population, income and demand for more progressive civic administration. The Kerala Municipalities Act does not prescribe any criteria for constitution of Municipalities. However Government as per G.O MS 108/67/HLD dt.2nd March 1967 had laid down the following standards for the constitution of new Municipalities.

- (i) The locality should predominantly be urban i.e. at least  $\frac{3}{4}$  th of the adult population of the area should be engaged in pursuits other than agriculture.
- (ii) The population of the locality should not be less than 20,000 and the density of population should not be less than 4000 per 2.59 sq.km. Except in hilly areas.
- (iii) Per capita revenue resources of the locality should not be less than Rs. 5.

Government visualize change in the scenario in tune with the pace of development and will formulate specific revised criteria and procedure for :-

- 1) Declaring an area as statutory urban local body.
- 2) Elevating local bodies to Municipal Status and
- 3) Effecting jurisdictional changes to existing statutory urban local bodies, in consideration of the peculiar settlement characteristics of the State.

### **Urbanization Strategy**

The poor picture depicted in the development scenario of our urban areas is mainly due to the lack of proper vision and master schemes, which envisage long term and short term effects of urban infrastructure improvements. Proper development strategy should cater to the development needs of urban society ensuring modern comfort levels and standard of living while preserving natural, cultural and historical entity of the city.

Considering the urbanization trends in Kerala, the urbanization strategy to be adopted for the state needs a broad based assessment. It has to take into account the fact that there are 58 statutory towns and 101 other census towns together with urbanized villages.

It is necessary to identify urban centres which demonstrate economic potentials and propensities and to priorities them. Such an attempt will lead to 'Selective Urban Development' which will give a fillip to development of many other sectors of development. Along with this approach the minimum required infrastructure support shall also be given to other not so economically potential urban area to serve an existing population. The Government shall identify such towns and cities and prepare urban development investment packages for preferential development treatment of such towns and cities, which require intersect oral investments.

The present practice of annual planning based on the budgetary provision envisioning only short period implementation is inadequate and will hamper the comprehensive mass scale development of the town. Therefore an integrated and co-ordinate planning strategy based on comprehensive master scheme which effectively reflects the social, cultural and heritage factors of every city is required.

### **Involvement of Private Sector**

Kerala is one of the advanced States in terms of physical quality of life index. It also is a model in the developing world for its achievement in social sectors such as health, education etc. At the same time the physical infrastructure in the State presents a very poor picture. Government is pre-occupied with its existing commitment on the social front thereby limiting its ability to make fresh investment in infrastructure.

The urban local bodies are supposed to generate their own financial resources. However, these bodies do not often muster the courage to levy taxes under their powers. Inadequate taxation and inefficient management both render the municipal services far from satisfactory. The infrastructure development is not in a position to keep pace with the population growth of such cities resulting in serious inadequacies in service. Since public funds for urban infrastructure projects are inadequate urban organizations have to look for alternative sources of funding from financial institutions. Participation and availability of private sector funds for development of infrastructure therefore becomes not only desirable but also absolutely essential. A number of options have emerged in private sector / non government organizations participation in the financing and management of urban services in India. These should be tapped to the benefit of the public. Out sourcing and Private Sector Participation have the following advantages:

- Utilization of Private funds thereby ensuring budget savings
- Timely availability of funds and thereby ensuring faster completion of project
- Efficiency in execution
- Savings in cost
- Development of Trade and Commerce
- Ability of Local Bodies/ Development Authorities to focus on other core areas
- Avoidance of problems of maintenance and administering personnel etc.
- Boost Government Revenue.
- Opportunities for capital market development
- Potential to stimulate foreign direct investments
- Availability of innovative technology

The presumption that involving private Sector in itself makes for higher level of efficiency is not correct. Some services seem to be more efficiently and effectively supplied, regardless of whether they are in public or private ownership. Introduction of private produces into urban service may bring benefits but it also brings risks. There is possibility or unwillingness of contractors to deal with less profitable areas, pressure to raise prices in monopoly situations, bankruptcy and difficulties of co-ordination between multiple producers. Government agencies are also not immune from these problems. Hence Government is likely to have an involvement in the role of fonder and regulator. Government should have an ultimate responsibility, but entire operational responsibility is to be transferred to private sectors. There shall be clear segregation between

Governmental functions and functions and services assigned to private sector. Provisions may include role such as establishing policies or plans and ensuring their implementation drawing up and monitoring contracts ensuring standards of service, financing, advising, enabling, co-coordinating, regulating and licensing or monitoring the production and management of service delivery. Government shall continue to perform the regulatory tasks.

Government is committed to provide the best service possible to the tax payer at the lowest possible cost. It would therefore explore all options such as outsourcing of service, privatization, Public Private Participation ( P.P.P ) etc., to achieve these objectives. The feasibility of involving co-operatives and N.G.O's will also be explored.

### **Urban Regulatory Authority**

Government will constitute an Urban Regulatory Authority. This Authority will be entrusted with the responsibility to ensure private sector participation in municipal services, avoid creation of monopolies in municipal services, maintain quality of services, make sure that the cost of services to the public is reasonable and will also function as a forum for receiving complaints/ suggestions etc., on all urban services. This authority will be given statutory powers to enforce these objectives. To begin with, issues relating to the power and water supply of Municipal Corporation of Thrissur will be brought under the purview of this Authority.

### **6.3 Development of Growth Centers**

The urban areas which have the potential to be developed as major growth centers with prospects in different sectors such as industries, tourism, I.T, trade, commerce etc., shall be identified, planned and developed. The growth centers will improve the economic status of the people of the region, curtailing unplanned urban spillovers and adverse impact on the productive agriculture sector in rural areas. This will help in improving the balanced economic development of the state. The status of infrastructure in such growth centers will also be improved to meet the increase in demand. Prospects for private – public participation in implementing various projects in growth centers will be explored.

### **Planned Development**

The development activities of cities and major towns in Kerala have not kept pace with their growing demand. The status of physical and social infrastructure needs immediate improvement. The urban areas will be prioritized and interim development plans will be prepared for those towns, which are not covered under development plans. This will facilitate in undertaking urban development projects for more towns under various schemes such as IDSMT (Integrated Development of Small and Medium Towns – a centrally sponsored scheme). Traffic Improvement and Management Schemes for these towns will be prepared and implemented in a time bound manner.

The 58 statutory towns in the state are classified under 5 categories based on the present developments in these towns and the future economic development potentials of these towns

Kochi city region has already attracted substantial industrial activity supported by well developed trade and commerce. The port, the newly developed airport and railway linkages have contributed to the development of Kochi region as the prime economic node of the state. This region rightly deserves the most priority status for convergence of infrastructure and development inputs. The National Commission on Urbanization has identified this Region as the Spatial Priority Urbanization Region (SPUR).

The capital city of Thiruvananthapuram is the apex centre of all governmental functions. The Executive and Legislative arms of the Government have their apex bodies functioning in this city which have contributed to the development of the present city structure. These institutions along with highly developed education and health facilities and the potential tourism centers within the city region demand that the capital city region be considered as a special priority region in the state. From the economic development point of view, Thiruvananthapuram city region is also considered as a priority city in the state.

Kozhikode city is the nodal point for all districts in the northern region. Kozhikode has traditionally been developed as a centre for forest and agro based industries. It has a high order of development in trade especially in food grains, marine products and spices. The city offers very high potential for development contributing to the economic development of the entire northern region of the state. In view of this Kozhikode is considered as the second priority city.

The urban agglomerations of Thrissur, Kannur, Kollam, Alappuzha, Palakkad and Kottayam, apart from being District Head Quarter towns also serve a very vast hinterland providing higher order facilities in services, marketing, health, education and production. Development inputs into these towns may have positive multiplier effects. Infrastructure development in these towns can attract many private sector production units which can contribute to the economic development of the state. Each one of these towns has already attracted specialized functions which could be further exploited. These towns deserve special priority treatment and are therefore classified under 'priority three' towns.

The remaining statutory towns are classified under priority four towns depending on their potentialities for development and their economic development capabilities.

6.3.4 Government will introduce a system of categorizing and prioritizing cities / towns for infrastructure investments in view of their respective roles in economic development. The Government will fix and publish appropriate criteria and their weight age for arriving at the priority; so that the local bodies can know how and how far they can come up and go down the priority ladder. Plan funds will be released only on assessment of performance of ULBs in the field of statutory obligations.

The Government will direct preparation of development strategies for each of these towns considered under the above classifications. Short term and long term development packages will be prepared for all these towns and the timely implementation of these development proposals will be coordinated with all the sectors involved in development. Projects under statutory town planning schemes shall get priority while preparing such development packages.

Spatio economic integration will be ensured in the budget proposals and budgetary allocation will be enhanced for implementation of Town Planning Schemes. The annual planning and budgeting system will be functionally linked with 5 year Development Plans and long range (20 - 25years) Perspective Plans.

At present there is no unified Town and Country Planning legislation for the state. The present Town Planning Acts have only very limited scope and provide for preparation of only General Town Planning Schemes for towns and Detailed Town Planning Schemes for priority areas. The Government proposes to bring out a unified legislation on Town and Country Planning with wider provisions for preparation of State Spatial Development Plans, Regional Development Plans, District Development Plans, Urban Development Plans and Special Area Development Plans.

Local Self Governments often ignore the future development issues of the towns as a whole and therefore major town level projects which transcend the boundaries of the wards were not given adequate importance. In order to overcome this gap in the comprehensive long term planned development of the towns, Government desire to support major town level projects and major innovative urban development projects taken up by ULBs. Government will create Kerala Urban Development Innovation Fund with specific guidelines for selection of projects, usage of funds etc.

### **Urban Land Policy-**

#### **Land Consolidation**

Land being the source of all civilization needs to be protected, preserved and used for greater good of the society. The procurement of land required for providing public facilities and services; even the essential ones; often meet with little scope due to the high density of population in the state. The problem is more acute in the urban areas. Procurement of land for such public purposes can be materialized through urban land consolidation. Possibilities for practices such as allocation of alternate land, issuing of TDR (Transfer of Development Right), urban land reconstitution, creation of Land Banks, popularizing land lease etc., shall be studied and explored.

Urban land being the base on which all urban activities take place it is important that Urban land management is made more effective. A comprehensive urban data base is a prerequisite for effective urban land management. The National commission on Urbanisation has emphasized this point in their recommendations. The Government shall make required arrangements to build up Urban Land Information System (ULIS) in a

phased manner. The traditional system of acquisition and processing of data is time consuming and liable to errors and is difficult for retrieval when necessary. The state Government have attempted to design and launch a special program to develop city / town maps using remote sensing; GIS and latest computer application technologies and Management Information System/Data Base for effective Urban and Regional Planning. The manpower and technical expertise in the state shall be effectively utilized including all the institutes and organizations involved in planning studies.

Government reserves the right to designate critical land for its best use. Indiscriminate conversion of low lying urban areas shall be regulated using policies arrived at based on scientific studies. Such a Land Utilization Policy shall among other things take into account our water resources, mineral wealth, agricultural land, forest land, rural and urban areas etc. Participation of a number of sectoral agencies, both Government and Semi-Government, may be required to prepare such a policy. Inter-sectoral dialogues would be encouraged towards preparation of such a state-level land utilization policy.

Government have powers to reserve any land required for future widening of road without denying the right of the land owner to enjoy the existing use of the land till land is taken over for road widening. In taking over land for road development, the principle of 'quid pro quo' shall be adopted which provides concessions to land owner for development and building in lieu of surrendering land for road development.

### **Development Charges**

Development charges shall be levied on every land transaction, new construction, and new commercial ventures that are coming up in any project area after the notification. In the cases of land transactions and new constructions it can be a one-time charge and in the case of commercial ventures it can be charged annually. In order to collect the charges a notification for land acquisition, a notification under the Town & Country Planning Act to ensure development control, a tender of particular work etc can be accepted. Development charges can be collected for all projects irrespective of the fact whether the projects are implemented by State, Central, Local Governments, Development authorities, PSUs, PSPs or purely private.

The Development Authorities can charge development charges wherever they exist and if there are no development authorities in existence it can be charged and collected by the local bodies. Depending upon the project the charges could vary from 5 to 15 years. The amount thus collected should not be unreasonably high and it can be mandated that prior permission of the Government be required to charge this. In order to avoid too many development charges there should be safe guards such as insisting floor tag on the project cost etc. . . . Projects, which are based on collecting user fee, need not be exempted from this levy, if those paying user fee and those getting benefits are different persons. In order to encourage people to surrender land for road widening etc they are given additional FSIs. In such cases certain formulae can be worked out. If the cost of surrendered land is more than the proposed development charges the landowners can be exempted from the development charges. Proportionate reduction in development charges for the land

surrendered can also be considered when the cost of surrendered land is lower than the proposed development charges. Moreover, the Development charges shall be applicable only to these who avail the benefit of the scheme.

Recently in urban areas, there has been a trend in construction of high rise buildings for residential apartments and for other uses. There have been arguments for and against such high rise buildings. In many cases there has been arbitrariness in permitting the maximum Floor Area Ratio. From the planning point of view the Floor Area Ratio (FAR) permissible for an area shall be based on the considerations of the infrastructure availability in the area. High rise-high density developments can be permitted only in those parts of the towns where the available infrastructure is well developed and/or the infrastructure capacity could be augmented without creating imbalance to the infrastructure system of the town. In such cases the additional cost for capacity augmentation can be collected from the developers. Parts of the town where such high rise-high density development can be permitted and where it cannot be permitted can be identified in each town and this can be incorporated in the zoning regulations of the development plans and regulations on high rise buildings.

### **Conservation of Heritage Structures And Open Space**

Historic towns in Kerala still possess heritage buildings and precincts though the economic pressures on prime urban land are threatening their existence. Also, in order to give impetus to tourism – one of the major sectors identified to boost the economic development of the state, conservation of the rich heritage structures and areas will be given priority. Appropriate schemes, projects and regulations will be materialized for meeting the above objectives. Wherever feasible, land owners of heritage sites may be offered T D Rs with higher FARs at alternative locations in lieu of maintaining the status / up keeping the heritage. The role of Art and Heritage Commission for Kerala will be strengthened for this purpose. By protecting Archaeological and cultural sites and establishing Museum and other adaptive uses, Urban Local Bodies can attract tourists from all over.

The extent of parks and open spaces in the urban areas of Kerala is far below the standard norms. Development of the same including those of specialized nature such as amusement parks, recreational walkways etc., will also be given appropriate weight age and encouragement. Prospects for involvement of N.G.O.s in the upkeep of parks and play grounds will be explored. Conversion of existing recreational open spaces for other uses will be prevented.

Government shall require all developers including government agencies to attach Environmental Impact Assessment (E.I.A.) statements to all applications for obtaining approval for major development projects. The Government shall issue necessary guidelines in this regard. Guidelines for preparation of Environmental Impact Statements will also be issued by Government.