

Urban Renewal Strategy Review Consensus Building Stage Concluding Meeting Discussion Summary

Date: 5 June 2010 (Saturday)
Time: 2:30 to 5:30 pm
Place: Auditorium, 9/F, The Hong Kong Federation of Youth Groups Building, 21, Pak Fuk Road, North Point, Hong Kong
No. of Attendees: 166 persons (excluding members of the Steering Committee on Review of the Urban Renewal Strategy , and representatives from the Development Bureau, Urban Renewal Authority and Government departments)

The moderator Mrs Sandra MAK briefed the attendees on the background and progress of the Urban Renewal Strategy (URS) Review. The Steering Committee on Review of the Urban Renewal Strategy (Steering Committee) after analysing and digesting the views collected during the "public engagement" stage, making reference to the results of a series of (a total of 7) topical studies, and considering the unique circumstances of Hong Kong, highlighted ten preliminary proposed directions for the future development of urban renewal. The Secretary of the Steering Committee (Ms Winnie SO of the Development Bureau) presented these preliminary proposed directions together with the explanatory notes on the "flat-for-flat" preliminary proposal. The ten preliminary proposed directions were elucidated in the "Public Views and Future Direction Paper for the Consensus Building Stage" of the URS Review (hereinafter called the "Future Direction Paper"), and released on 11 May, 2010.

In order to understand and gain a broader perspective on the views of the wider community at large, the Telephone Survey Research Laboratory of the Hong Kong Institute of Asia-Pacific Studies of the Chinese University of Hong Kong conducted randomly selected telephone interviews from 14 to 25 May. The moderator invited Mr. YIP Tin-sang to report on the "Surveys of Public Views on the URS Review". The video of the report has been uploaded to the URS Review website.

Public Discussion

1. District-based, Bottom-up (District Urban Renewal Forum), Social Impact Assessment and Social Service Teams

1.1 District Urban Renewal Forum (DURF)

Regarding the composition of the DURF members, some participants took the view that the setting up of a "bottom-up" DURF should be commended for its good intentions. Participants were worried however that if the DURF was appointed by the Government, it would not be able to fully utilize its professional resources and maintain its neutrality.

Other participants indicated that the public tender mode could be adopted, and the DURF could be run by community groups or Non-Government Organizations (NGOs). There was also a view that the “DURF” could be formed by democratic means such as election. It was also pointed out that although the social characteristics of the proposed DURF were emphasized consistently, the DURF would also be involved in matters such as land resumption, acquisition and compensation. As such, the DURF should also include professionals in the fields of acquisition and compensation.

Moreover, some participants considered that if the District Councils were all elected and in possession of sufficient resources with established planning committees, then they would be able to perform the functions of the proposed DURF. Hence, it might not be necessary to set up another platform with overlapping duties. Some of the participants however were worried that since residents do not have the right to speak up at the consultation meetings of the District Councils, they therefore do not want District Councils to run the DURF.

In respect of the DURF's independence, some of the participants had the perception that the documents and materials prepared by the secretariat would be inclined to the views of the Government, since the Government was responsible for the secretariat work of the DURF. Consideration must therefore be given as to how the independence of the DURF members could be safeguarded, and they should be allowed to make independent judgments in choosing renewal projects.

Some people were worried that the DURF would not be established under statute so the URA had no obligation to abide by its proposals. There was no mechanism to monitor how the authority would adopt the views of the people. The view was expressed that the district planning and social impact assessment had to be done with considerable sophistication, and would depend mostly on the sincerity and trust between the stakeholders.

Some participants suggested that apart from setting up the DURF, more resources should be allocated to mobilise local residents, whose voices should be heard on district issues.

Some of the participants criticised that urban redevelopment work in the past had destroyed the social network of the community, bonds between the residents and the customer network established by the shops. Some of the participants hoped that planning would come before redevelopment. Furthermore, it was hoped that in future, planning for redevelopment should include not only big shopping malls, but also it should have regard for the needs of various people by providing more choices and discouraging large developers/consortia from monopolising the market.

Some members of the Steering Committee responded that as URA had been restrained in the past by the operation mode of the existing mechanism, it had very often failed to meet some of the needs desired by the community, thus giving rise to confrontation between those affected by redevelopment and the URA. Therefore, it was hoped that by taking the opportunity of the URS Review, all parties could take a step forward to strive for the

building up of mutual trust to make future urban renewal meet the community needs. Moreover, some members also made reference to the example of the Harbour-front Enhancement Committee to demonstrate that the practice of Government appointment would not necessarily undermine the independence of the DURF. The Government could appoint a professional body which could then assign its representative to take up the relevant post.

1.2 Social Service Teams

In respect of the independence of the social service teams, some of the participants disagreed with an increase in the URA's internal manpower because there was concern that it would cause a conflict of interests for social workers, making their work even more difficult. There was also a view that if the NGOs were given community organization and advocacy work, whereas URA was entrusted with the management of case work, the affected residents would not choose to approach the social workers for help knowing that the latter was employed directly by the URA.

Some of the participants pointed out that, the existing practice requires social workers to comply with the registration requirement, hence every social worker should be accountable to his/her own profession. If there was a separation between case work and advocacy work, it would be very difficult for the social workers to handle the cases from a professional perspective. Many social services would be provided on the basis of case work. However, it would be difficult for the social workers to ignore advocacy work if certain affected residents were in need of such assistance. As the profession of social work nowadays advocates a multi-dimensional and one-stop service, there will be disagreement with the view that there should be a division of labour in social work services.

Some of the participants queried the way funds were allocated to the social service teams, and pointed out that some members of the social service sector thought that the conflicts of interests derived from urban redevelopment projects were more serious than those found within the general sphere of social services. Hence, they were of the view that if the URA was responsible for employing social workers, the results would be counter-productive. There was a view that social service teams should not receive funds from any organisations which were directly involved in the execution of urban redevelopment projects. Reference could be made to the Hong Kong Jockey Club's "Ping Wo Fund" model to establish a completely independent fund to employ social workers.

2. Compensation and Re-housing

2.1 Cash Compensation

Some of the attendees suggested that flexibility should be given to the consideration of the ways to deal with the compensations for elderly owners, owners of flats for rent, elderly people with financial difficulties, retirees, or other owners facing hardships owing to redevelopment. There was also a view that owner-occupiers and non-owner-occupiers

should receive the same amount of compensation.

In view of the existing, time-consuming process of land resumption and property acquisition, some participants suggested that the authority should increase the allowances given to affected owners and residents as an incentive for early handing over of their property to the URA.

2.2 "Flat for Flat" and "Shop for Shop"

Some participants pointed out that the recently completed redevelopment projects were all comprised of luxurious flats and it was unaffordable for affected owners to use the original, old flats in exchange for a new one. Some participants also requested the authority supplement the details of the "flat for flat" proposal. Some participants took the view that if the "flat for flat" proposal implied an increase in compensation, it would be akin to rewarding those owners who had failed to perform their duties to maintain their own property. These participants disagreed with this proposal because it would directly contradict the present principle that owners' are responsible for maintaining and preserving their own property.

The view was expressed that the URS should explain clearly whether future redevelopment would include the so-called "*buildings without redevelopment value*". If these buildings were to be converted to value in cash, then their values would be comparable to the prices of the buildings after redevelopment, hence the "flat for flat" mode could be activated to minimise disputes.

Some of participants hoped that the authority would conduct research on and attempt to implement the policy of in-situ "shop for shop" exchange to preserve the community network and characteristics.

The Development Bureau clarified that the "flat for flat" proposal in the Future Direction Paper was an additional option in lieu of cash compensation. There was to be no increase in the amount of compensation or change in principle.

2.3 Tenants

It was expressed that the authority should safeguard the rights of the residential tenants affected by urban redevelopment projects. Unless they were willing to move out, otherwise, the URA should provide the affected tenants with public housing estate re-housing arrangements in the same district or reasonable compensation in accordance with the records of the freezing survey made on the registration date.

Taking Shun Ning Road Project as an example, one participant pointed out that, there were tenants who had already been registered on the date of the freezing survey, but were forced to move out before the authority made the offers of compensation. This happened frequently in various districts. He suggested that all those tenants who had already been registered in the freezing survey be entitled to compensation. The policy of "re-housing

before compensation" should be adopted to plug the existing loopholes.

2.4 Others

One of the participants indicated that when the authority redeveloped tenement buildings, it must treat all affected persons including owners of rooftop structures fairly and equally, so affected owners could receive reasonable compensation.

3. The scope of urban renewal, URA's roles in redevelopment, and financial arrangements

3.1 The scope of urban renewal

Some participants pointed out that the URS should be a strategy for overall urban renewal in Hong Kong at large and should include the principles of sustainable development: i.e. to strike a balance between economic, environmental and social development.

There was a view that poor building management might be the result of the lack of management ability on the part of owners. Some participants suggested that the authority consider increasing the role played by the Home Affairs Department in the URS. This could expedite the promotion and formation of Owners' Corporations for buildings to prevent rehabilitated buildings from falling into disrepair again through mismanagement in the absence of owner corporations.

3.2 URA's roles in redevelopment

Some participants opined that irrespective of the role of the URA as a "facilitator" or an "implementer", relevant urban renewal projects must have good planning and citizens should be allowed to participate in the whole design. If the URA acted as a "facilitator" which assisted in searching for private developers to carry out redevelopment projects, there were concerns that private developers might not consider public views during the planning process.

Some participants opined that URA should play the role of a "helper" cum "technical supporter". As a public organization, URA should not play the role of a redeveloper or developer. Instead, it should help owners who would not be able to redevelop and rehabilitate their properties and play more the role of a "facilitator". Moreover, there was another opinion that URA should become a subsidiary of the Hong Kong Housing Society to assist in community redevelopment, and should not place its own benefit as its priority.

Some participants raised the point that thoughts should be given on the priorities of URA's future redevelopment directions: whether the residents should maintain their own properties with URA's assistance; or should affected owners be allowed to raise funds for developing their properties together with URA; or should the status quo be maintained in which URA would inform the residents of which districts required redevelopment.

Some attendees raised the point that the URA had an obligation to ensure that its projects would not only provide luxurious flats, and that all the flats in the redevelopment projects should be affordable by the residents in the same locality. Furthermore, some participants thought that the most important task of the authority lies in the formulation of a sound policy despite the public's primary concern over compensation issues.

Some of the participants opined that the authority should cooperate more with small owners instead of invoking the Land Resumption Ordinance at every turn. Besides, there was also a suggestion that apart from URA being an "implementer" and a "facilitator", URA should have joint ventures with the small flat owners to carry out redevelopment projects. If the owners were unwilling to sell their flats to the URA, they could self-finance the redevelopment project themselves, so as to resolve the existing mistrust that the flat owners had towards URA.

There was a view which pointed out that the process of urban redevelopment should be transparent and there should also have a good monitoring mechanism.

Regarding the participation of other stakeholders in the redevelopment process, there was the suggestion that private developers be included in the URS development process.

3.3 Financial arrangements

Some of the participants opined that URA should be a non-profit-making organization, the executives of which should not receive any bonuses.

There was a view that URA should follow the example of a listed company to make known publicly the details of its financial arrangements, with complete transparency to allow public examination. It should also take the initiative to invite the Audit Commission's scrutiny and set up a mechanism which enables the citizens to make consultations or lodge complaints regarding the URA's financial operations.

4. Others

4.1 Views regarding the report on the Survey of Public Views on the Urban Renewal Strategy Review

Some of the participants queried the telephone survey as being unscientific and opined that some of the questions should have been split into several short questions in order to help the interviewees to clearly express their views. Also, at the time of the survey, interviewees should be asked beforehand whether they understood the existing policies of the URA. If the interviewees had no knowledge of the existing policies, then the findings of the survey might be undermined by such limitations.

Mr YIP Tin-sang of the Telephone Survey Research Laboratory of the Hong Kong Institute of Asia-Pacific Studies of the Chinese University of Hong Kong responded that if

"the contents of the policies were complicated, the general public might not understand" be regarded as a reason for not interviewing and listening to the public views, then many surveys on policy consultations could only be conducted with experts. Similarly, surveys on public views would never be conducted, and as such, public views would never be known. Since the Public Engagement Consultant had already sought the views of people who were knowledgeable about or had been actively engaging in the issue, there was such need to employ other survey means to consult the wider, general public. That being said, the Steering Committee would be at liberty to assess the reliability and weight of the views collected.

Furthermore, regarding concerns about the methodology of the survey, Mr YIP stated that practicality must be taken into consideration. If a question was split into several questions, then the current sixteen questions might be increased to seventy to eighty questions which would not be feasible. Mr YIP further explained that if a question included several elements, the interviewees must totally agree with all the elements in the question for their answers to be counted as "agree". If the interviewees did not agree with one of the elements contained in the question, then their answers would be counted as "disagree". Moreover, if the interviewees would only agree with the elements under specific conditions, and would only disagree with the elements under certain conditions, then such answers would be counted as "other answers". The interviewees also agreed with this arrangement.

4.2 Views regarding the consultation process of the Urban Renewal Strategy Review

Some attendees protested against the Development Bureau's consultation arrangement for the URS Review. They said that the Development Bureau only listened but never responded to the views it had heard since the commencement of public engagement activities in July 2008. It was not until the beginning of May this year that it put forth some preliminary proposals (which lacked details) and the Future Direction Paper (which excluded many public comments and views). They were of the view that the exercise was a fake consultation and a failure to reach consensus.

5. Closing Remarks

Closing Remarks by Mr Thomas CHOW, Permanent Secretary for Development (Planning and Lands)

The Permanent Secretary understood that many proposals were still in dispute. He pointed out that at present the review of the Strategy was ongoing and the policy was yet to be amended. The authority would study the relevant details and initiatives when amendments to the URS were being made

In respect of the establishment of the DURF, most of the stakeholders were agreeable to the idea. The authority would investigate in detail ways to strengthen the DURF's independence and credibility as well as ways in which local residents could participate in DURF's work.

Concerning Social Service Teams and the deployment of social workers, the authority would continue to investigate whether it would be more appropriate for URA or independent bodies to employ social workers.

In respect of compensation and re-housing, he clarified again that having listened to the public views, the authority understood that the public would like to have other options besides cash compensation, and that residents could continue with their livelihood in the original communities where they had been living. The authority therefore proposed that apart from the existing cash compensation, there would be an additional option of "flat for flat". As to the details, the authority would adopt the criterion of "Home Purchase Allowance for a 7-year-old flat in the same locality" as passed by the Legislative Council, and would proceed to conduct a more detailed study.

In respect of the shops, the Government and URA would maintain the "people-centred" principle, and would as far as practicable endeavour to assist affected shop operators to relocate their shops in the same district to enable them to carry on with their business operation in the district.

In respect of the tenants, the authority would conduct a detailed study to make appropriate arrangements to assist affected tenants.

Finally, in respect of the future role of URA (as "facilitator", "implementer"), the authority would carefully consider the feasibility and relevant issues concerning URA taking up the dual roles simultaneously.

The Permanent Secretary thanked the participants and the Steering Committee for their participation in the meeting, and welcomed any views that the public would continue to express.

A-World Consulting
July 2010

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