

Urban Renewal Strategy (URS) Review Public Engagement Stage Gist of Topical Discussion 1: Redevelopment vs Rehabilitation

Date: 16th May, 2009 (Saturday)
Time: 2:30 p.m. – 5:00 p.m.
Venue: Rooms 1001 & 1002, The Hong Kong Federation of Youth Groups Building, 21 Pak Fuk Road, North Point, Hong Kong
No. of participants: 45 (including 2 members of the URS Review Steering Committee, 7 representatives from DEVB and URA as observers and 5 discussion group facilitators from the Association of Engineering Professionals in Society ^{Note1})

Mrs Sandra S.C. Mak of A-World Consulting Ltd., the host, briefly introduced the background of the URS Review. Participants were then invited to make public presentations and to join the subsequent group discussions. The key opinions and points raised were as follows:

Gist of Public Presentations

Presentation 1

Topic: Hong Kong Buildings - Condition Assessment of the 1946-1980 Building Population
Speaker: Dr. Gordon Anderson, consultant of the Urban Renewal Authority (URA)
(Please see Annex)

Buildings made from reinforced concrete have a finite life. Carbon dioxide in the air constantly corroded concrete, whereas chloride in the concrete, from the salt water flushing system of toilets, restaurants and kitchens, etc., all contributed to accelerating concrete corrosion by ten times.

The assessment was based on the analysis of two reports by the Architectural Services Department released in the 1990s. It was discovered that among

^{Note1} This categorisation of participants began to take effect on 7 July 2009. This gist was updated on the URS Review website on 13 July 2009 to incorporate this change.

the 7,500 buildings in the URA action areas that were over 30 years old, about 2,000 were in poor condition, while conditions of another 1,000 buildings were unknown. The studies also revealed a clear relationship between building age and deterioration. Apart from natural deterioration over time, another major reason was that many old buildings in Hong Kong were made of low-strength concrete, and were not constructed with a specific physical life in mind.

When a building had endured beyond its economic and functional life, it unavoidably needed to be demolished and rebuilt. For old buildings that were in good condition, rehabilitation might be considered. However, it must be noted that short-term repairs might only last for 3 to 4 years, then repairs would have to be conducted again. This might result in significant recurring expenditure to be borne by residents, without any substantial improvement in the overall living conditions or building structure.

Presentation 2

Topic: Redeveloping / Upgrading old and dilapidated districts as a form of improving the urban quality of Hong Kong - An overview of the general urban condition

Speaker: Mr Raymond Wai-man WONG, Lecturer of the City University of Hong Kong

All of Hong Kong's old areas were built around the Victoria Harbour. It was therefore difficult for any large-scale transformation in community development to occur. Old urban areas were very unfavourable for the disposition of a city's development. At the same time, as old urban areas lacked facilities, old buildings were ill disposed to the land use. Currently, many old buildings were built in the 1950s; but due to a lack of capital at that time, the quality of building materials varied, and thus these buildings were more prone to deterioration. In addition, residents of old urban areas were usually the elderly or low-income individuals. Together with other issues like the clustering of old buildings and complicated ownership issues, improvement was not easy.

The areas that received the most attention included Shau Kei Wan, Wan Chai, Central and Western District, Yau Ma Tei, Mong Kok, Tsim Sha Tsui, Kowloon City, San Po Kong, Kwun Tong, and Tsuen Wan, etc. Mr. Wong pointed out that although many buildings in Tai Kok Tsui were recently rebuilt, many streets and buildings of over 50 years old still remained. Obvious improvements

were seen in some old areas, such as Kowloon City and Wan Chai. In Wan Chai, the government has already redeveloped selected buildings. In Kowloon City, after the old airport was relocated, building height restrictions were partly lifted. Coupled with government incentives and subsidies, many old buildings in the area had participated in renewal voluntarily. Yet in other districts, such as Sai Wan Ho and Kwun Tong, the environment is still poor with much room for redevelopment.

The government provided incentives and subsidies for residents to carry out maintenance, which contributed to substantial improvement on the environment of many old alleys and lanes four to five years ago.

Gist of Group Discussion Report

Group discussions were carried out in five groups. The discussion results were as follows:

1. Considering the objective conditions of redevelopment or rehabilitation

Some participants suggested the following criteria for the selection of redevelopment or rehabilitation areas: the structural safety of buildings, living environment (such as living space per person), heritage or historical value, whether the local community network had been destroyed, whether the unique local community features would be diminished, whether tourism would be affected, sustainable development (including financial feasibility, social cost, fairness / justice, allocation of resources, etc.) and social impact assessment results, etc.

Some participants believed that the thoughts and sentiments of residents should be considered. From the case of Lee Tung Street, it was observed that once a redevelopment project was decided by the Land Development Corporation / URA, the decision could not be rebutted even in the face of opposition from some of the residents. Therefore, participants thought that there ought to be reasonable channels to allow residents to express their opinions on whether their areas should be redeveloped, so that the authorities could listen to more opinions from the residents before the implementation of urban renewal projects. Taking the case of the areas around the '13 Streets' in To Kwa Wan, Kowloon City, as an example, some participants noted that many residents hoped for redevelopment of the area, but the project had been severely delayed. It was suggested that when deciding between the

redevelopment and rehabilitation of a district, enhancement of participation by the residents concerned should be considered. Residents should also be allowed to participate before gazetting the redevelopment projects.

Some participants also pointed out that sentiments of residents would change over time, thus consideration should not only be based on residents' feelings from a particular period of time. Some participants pointed out that public views expressed at the start of a redevelopment project might also be different from current ones. Although a project might receive major support from the residents at the start, opposition from some of the residents might still emerge during the redevelopment process. The key was to balance opinions from all stakeholders.

Regarding the role of the District Councils (DCs), there were participants who thought that the DCs might not be able to represent the residents' will. It was hoped that a mechanism be set up to allow residents to participate directly in the consultation and decision-making processes. Some participants, however, thought that since the DCs were voted for by local residents, they were very representative and played a crucial role in the consultation process. Some participants also proposed an exchange of views between professional bodies and local residents, where both parties could participate in community redevelopment or rehabilitation as well as the decision-making process. Some participants thought that the URA's mode of operation in the past was often too mechanical and that URA had overemphasised redevelopment. Should urban renewal only rely on redevelopment, its pace would be hindered. Some participants believed that redevelopment might not be the best option. With an appropriate allocation and use of resources, rehabilitation could extend the physical and functional life of buildings. But some believed that localised rehabilitation was not feasible in the long term.

Some participants suggested that the government should subsidise urban redevelopment projects with flexibility in order to improve public facilities and refine community planning. Private developers usually placed little emphasis on transportation planning and community facilities; whereas more land was seen allocated for community functions in URA's land use planning (e.g., the Kwun Tong project). This would, however, increase the cost of redevelopment, which was unfavourable for the self-finance of URA.

2. “District-based” model of renewal

Regarding renewal strategies of old urban areas, some participants believed that more consultation activities should be held under the “people-centred” and “district-based” principles to let more residents participate. They also believed that it was necessary to have an appropriate mechanism to listen to and understand the viewpoints of residents and stakeholders. This mechanism must be credible, lawful, fair and open. In addition, some participants commented that “redevelopment” mainly involved demolition of old buildings and construction of new ones, while “urban renewal” emphasised on improving the living environment of residents in the district therefore, the latter is more favourable in bringing along community development.

Many participants expressed that planning of the whole district should be taken into account while preservation and renewal were being carried out. However, residents in the district might hold different viewpoints, and therefore it was rather difficult to take care of both the needs of the society as a whole and individual residents at the same time.

Some of the participants thought that local district features, for example, distinctive culture, functions and characteristics, should be taken into account when preserving historical buildings. For the coordination of the 4Rs, some participants thought that, depending on the local district features and economic values, different urban renewal proposals should be integrated and adopted flexibly, in order to achieve the same objective. Some participants thought it was improper to favour commercial elements alone. On the other hand, some opined that it would be more ideal to adopt redevelopment as the strategy for urban renewal when district revitalisation failed even with a large amount of money invested. The government should also adopt three-dimensional approach for urban redevelopment or renewal. Take Kwun Tong as an example, if the function of Kwun Tong as a transportation hub in the vicinity had to be preserved, and at the same time, community facilities were to be constructed and commercial activities conducted, the “high-rise development” approach should be adopted. This could also solve the problem of dense living environments in old urban areas.

Some participants indicated that various social problems might arise in newly-developed or redeveloped districts, such as Tin Shui Wai. Old communities were the major target areas of the URA. Therefore, careful research and consideration should be made before deciding which strategy amongst the 4Rs would be adopted.

3. Definitions of dilapidated buildings

There were participants who thought that the functional, physical and economic life of buildings should be considered when assessing whether a building was dilapidated. Since each building had its functional lifecycle, the aforementioned factors should be reconfirmed and reconsidered prior to redevelopment or rehabilitation. Hence, a set of criteria should be established with the assistance of professional bodies when assessing building conditions, including the structural, functional and economic life.

Specifically, some participants suggested ways of defining dilapidated buildings, including those which:

- had received a maintenance order or an advisory letter issued by the Buildings Department;
- were of old age; and
- the rehabilitation of such would not be cost-effective (i.e., if the cost of rehabilitation would be higher than that of demolition, then the latter should be adopted).

Some participants also suggested setting up a “dilapidated buildings grading system” to reduce conflicts between stakeholders.

4. Socio-economic factors to be considered during rehabilitation

Some participants brought up the “socio-economic” impacts of the rehabilitation of old buildings, including the community network of affected areas, living conditions of residents, heritage and historical values, architectural value and environmental considerations, etc.

The functional and economic lifecycles of a building or building mass should be considered during rehabilitation. If owners only carried out internal maintenance in their individual flats, it might not fulfil the demands and needs of the society as a whole.

There were participants who thought that other than private owners, URA and developers etc. should also be responsible for enhancing the quality of life of residents in the district. Apart from the buildings themselves, various community facilities should also be improved, e.g., the transportation network.

The maintenance of buildings relied on cooperation amongst various parties. Very often, owners' corporations had to be set up for effective implementation of maintenance projects. Although the government had already introduced the Building Rehabilitation Incentive Scheme, owners might not be willing to pay for themselves, which hindered the implementation of rehabilitation. The role of owners' corporations became more important as they could immediately handle potential risks and raise funds to facilitate the redevelopment process.

5. How to decide between redevelopment and rehabilitation

Some participants believed that rather than only considering the technical factors of construction, the degree of dilapidation and danger, that societal impacts (for example the intention of owners) should also be taken into account when choosing between redevelopment and rehabilitation.

6. The strategies of encouraging private owners' participation in maintenance

Regarding the encouragement of private owners' participation in maintenance, some participants believed that there was an urgency for building rehabilitation and was the responsibility of owners. Private owners should be encouraged to take up the responsibility for building maintenance through education, publicity and government incentives and subsidies. There were opinions about considering ways of assisting vulnerable groups to carry out building rehabilitation; for example, the URA could provide subsidies to elderly owners for building rehabilitation.

Moreover, some participants thought that mandatory establishment of owners' corporations in old buildings could provide a mechanism for residents and owners to express their opinions. Owners' corporations could suggest the authorities to order for the demolition of buildings when necessary. Other participants believed that legislations should be enacted to request for the mandatory regular building inspection and maintenance by the owners. Maintenance funds should be set up to subsidise low-income individuals, so as to call for private owners' participation in maintenance.

Government cooperation was necessary for building maintenance. Apart from capital input, the government could also cooperate with professional bodies to investigate whether the physical and economic lifecycles of individual or groups of buildings could be lengthened. Recently, the government announced the allocation of HK\$1 billion for private building rehabilitation. Participants believed that the society would welcome the initiative, which was the kind of work that government should be steering.

7. Appropriate use of public funds for building maintenance

Participants thought that more resources should be invested in improving the living environment of the communities.

8. Other opinions

- Strict boundaries and guidelines of the design for urban renewal were unnecessary.
- Some members of the public tended to think that URA made profit from urban redevelopment projects or by assisting private property developers. It was necessary for the URA to improve its image.
- There were always disagreements amongst stakeholders; for example, residents and shop owners might have different demands.
- With regard to compensation, participants pointed out that compensation by cash or re-housing in-situ should be considered if demolition and redevelopment were to be carried out. However, they thought that either ways had problems. For example, cash compensation was more direct but

residents would lose the right for re-housing in-situ for which it was even quite difficult to find suitable flats. As a result, they hoped the authorities could think of a better solution.

A-World Consulting Limited
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Annex: Summary of presentation entitled “Hong Kong Buildings - Condition Assessment of the 1946-1980 Building Population” (provided by Dr. Gordon Anderson)

The presentation described the condition of private sector buildings constructed on or before 1980 in Hong Kong. Assessment was based on analysis of two earlier reports by the Buildings Department produced in the 1990's. These reported the condition of approximately 4,300 buildings in the 1946-1959 age band and some 13,000 buildings in the 1959-1980 age band based on extensive visual inspection and detailed investigation. The key factors identified as being responsible for deterioration were reinforcement corrosion associated with carbonation of the concrete and moisture ingress.

The presentation placed special emphasis on the URA action areas which occupy the older urban parts of Hong Kong. Attention was focused on the prioritization of buildings that could potentially be in poor condition or whose condition was unknown since this information is of crucial importance to future building surveys.

Of the 7500 buildings which are over 30 years old and within the action areas, approximately 3000 buildings were identified for further inspection and investigation. About 2000 of these were believed to be in poor condition based on the results of the Building Department surveys. The condition of a further thousand buildings was not known, particularly pre-war buildings, consequently these were also prioritized for inspection.

Analysis and projection of the earlier Building Department results suggests that today on average 20% or more of the older building population may be in poor condition. While some buildings have been subject to repair, the extent and quality of rehabilitation work cannot be accurately determined.

A clear relationship was also established between building age and deterioration. Generally the older the building, the more likely it is to be in poor condition. Only a small percentage of buildings constructed in the late 1970's were believed to be in poor condition. In contrast up to 30% of those constructed in the 1950's may be in poor condition. There were also significant differences in the condition of buildings in different urban areas of Hong Kong.

It was emphasized that buildings made from reinforced concrete have a finite life. Many of the older buildings in Hong Kong contain low strength concrete. Consequently they are more prone to rapid deterioration than the buildings constructed today which use significantly stronger and more durable concrete. Also the original buildings were not constructed with a design life in mind. In contrast structures such as bridges and other major infrastructure today have a design life of 120 years or so and are designed to offer better durability performance. Similarly modern buildings are designed to last for 50 years or more and it is likely because of the improved design standard and properties of the materials used today, that they could last considerably longer without showing the pronounced deterioration encountered in many of Hong Kong's older buildings.

It must be recognized that the worst of the older buildings will have to be redeveloped since they have reached the end of their economic and functional lives. Moreover some buildings present significant safety risks (structural, sanitation/hygiene and fire). These buildings often provide poor quality living standards for the occupants. The best of the older buildings can be rehabilitated but clear choices should be made concerning the intended duration and nature of these repairs: are they to be short term and temporary (up to 5 years), medium term (5-10 years) or long-term (10-20 years)? These choices will have a significant impact on the rehabilitation costs involved and the construction methodology and repair technology applied. All too frequently the cheapest, short term repairs are applied. These may only last 3 or 4 years before it is necessary to conduct additional repairs. This approach reflects a lack of understanding of the deterioration processes involved and can result in significant recurring expenditure without any substantial improvement in living conditions or the durability performance of the structure.