

Urban Renewal Strategy Review
Consensus Building Stage
Professional Groups Consultation Meeting (1)
Discussion Summary

Date: 8 June 2010 (Tuesday)
Time: 6:00 to 8:00 pm
Place: Urban Renewal Exploration Centre (Room 601, Low Block, Grand Millennium Plaza, 181 Queen's Road Central, Hong Kong)
No. of Attendees : 22 persons (excluding members of the Steering Committee on Review of the Urban Renewal Strategy , and the representatives from the Development Bureau, Urban Renewal Authority and Government departments)

The host, Mrs Sandra MAK WONG Siu-chun, briefed the participants on the background and progress of the Urban Renewal Strategy Review. The Steering Committee on Review of the Urban Renewal Strategy (SC), after analyzing and discussing 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, had put forward ten preliminary proposals for the future of urban renewal. A briefing on these preliminary proposals was delivered by the Development Bureau’s representative. The preliminary proposals were recorded in the Public Views and Future Direction Paper for the Consensus Building Stage of the Urban Renewal Strategy Review (hereinafter referred to as the “Future Direction Paper”), and released on 10 May 2010. After these briefings, the host invited participants to express their views which were responded to by the SC members.

Public Discussion

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

1.1 District Urban Renewal Forum (DURF)

Some participants supported the setting up of the proposed DURF, and that the district aspirations of the DURF should coordinate with the aspirations of Hong Kong as a whole. The participants suggested that reference could be made to the example of Singapore to adopt a “Regional Planning” approach to solve cross boundary issues. There was a concern that the DURF members would only take a narrow view of the opinions and issues within a district. If the DURF objected to a certain item for public facilities under the redevelopment proposal, it might go to the extreme of turning down the entire proposal, thus undermining holistic planning within or between districts. Hence,

one/some of the attendees suggested that the matters that the DURF could resolve should be restricted. Moreover, some participants took the view that redevelopment also involved issues like transport and public health, thus in addition to the focus on social problems, financial aspects should also be addressed.

Some of those present worried that if every DURF was of the view that its own project was more important than others, URA would not have the resources to commence various projects at the same time. Hence, a mechanism should be set up to determine the projects priorities. One of the participants used the “Thirteen Streets” area in an old district as an example that in addition to the multiple ownerships involved, there were also various projects nearby like the former animal quarantine depot, the former “Kai Tak Airport” site, and the redevelopment of Kwun Tong Town Centre, hence emphasis should be placed on the importance of holistic planning.

To promote the flow of information, there was a suggestion to increase transparency by setting up an online e-Forum to facilitate the public to search for online public information. Furthermore, each DURF could set up its website or online tools like Facebook. Through online social networks, the public would be able to express their views and the “bottom-up” approach would be enhanced.

Some participants noted that the URA is governed by the Urban Renewal Authority Ordinance which empowers it to complete acquisition. If the proposed DURF relies only on the Planning Department, there would be some concern that the Government would not be able to acquire land and commence projects, unless the Ordinance invests it with additional power. Moreover, as the DURF would not be a statutory organization, there was concern that the current statutes would not be able to govern its operation.

Concern was expressed that the public might not be able to submit appropriate urban renewal plans with proposals for the Government to conduct research on urban redevelopment areas so as to let people in the community express views on the proposals, nor would it be able to propose designs to attract residents to participate in redevelopment or rehabilitation. However some participants took the view that the “bottom-up” approach would face difficulty in reaching consensus in the district. Meanwhile one/some of the attendees thought that through public education, the public’s expectations of urban renewal could be drawn closer to reality.

One suggested that in order to listen to the views of the community, the District Building Management Liaison Teams set up by the Home Affairs Department could be mobilised to assist building owners to form owners’ corporations. The teams should be attached to the URA, and to maintain contact with the residents to facilitate the work of the DURF.

Attending SC members opined that as good city planning and a quality city environment needed the participation of professionals, members of the DURF should therefore include professionals, and assessment should be made on the basis of objective information like the extent of dilapidation of the building and the cost effectiveness of rehabilitation.

1.2 Social Service Teams

Some participants indicated that Social Service Teams (SSTs) should be experienced in administration, compensation and rehousing matters, and were of the view that the work of SSTs should not be limited to social welfare alone. Since economic and environmental issues were also involved, it was suggested that the SSTs should be renamed as Community Development Teams and should provide services for the DURF.

The Development Bureau made a consolidated response and indicated that the “Future Direction Paper” mentioned that the authority would conduct a more comprehensive and in-depth “Social Impact Assessment”, and had already conducted scientific studies like “Economic Impact Assessment Study” for the purpose of assisting the DURF’s discussions.

2. Compensation and Rehousing

2.1 “Flat for Flat” and “Shop for Shop”

Some participants indicated that when the DURF submitted the planning proposals, it should strive for the “comprehensive” planning of the land use of the city on behalf of the residents, and should also propose layouts for the buildings under redevelopment projects to help those affected owners who were minded to opt for a “flat for flat” arrangement, so that they would not have to make up for a great difference in price. There was also a view which hoped that the Government would strike a balance between deriving profits from redevelopment projects and meeting the redevelopment wishes of the residents.

Regarding “shop for shop” arrangement, there was a view that space for particular shop types should be reserved in the project area, and the shop owners in the original old district should be informed of such plans to enable them to appreciate the chances of returning to the project area to resume business. For instance, businesses like garages for car repairs stood a relatively low chance of resuming business in the original district. The Government should coordinate with the relevant departments and maintain communication with the shop owners.

One of the participants took the view that the “economic incentives” mentioned in the “Future Direction Paper” could expedite the redevelopment progress, however, if there were no concrete mechanisms or methods proposed, those incentives could cause some citizens to have unreasonable expectations and ultimately trigger confrontation at the time of the redevelopment.

The Development Bureau clarified that the term “economic incentives” mentioned in the “Future Direction Paper” referred to the economic incentives under the preservation policies, and the authority did not have any plans to change the current levels of economic incentives for the urban redevelopment compensation or rehabilitation. The “flat for flat” proposal was an option for the affected owner-occupiers, and not for

adjusting the levels of compensation.

2.2 Others

There were views that some of the old district elderly owners were very often in need of funds to carry out rehabilitation and redevelopment, hence, it was suggested that reference be made to overseas examples of setting up loan funds: to mortgage the current property of an elderly owner with the URA and to rehabilitate the property for that elderly owner. When the elderly owner passed away the property would be assigned to URA.

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

3.1 The scope of urban renewal

Some pointed out that the height of the current newly-built buildings had been increased to 40-50 floors as compared with 20-30 floors in the past. The authority must consider incentives or methods to enable profits to be derived from these buildings when in future they would be redeveloped.

There was a view that urban renewal policies as implemented in various big cities predominantly focused on rehabilitation followed by redevelopment and Hong Kong should make reference to such policies. Regarding preservation, there was a view that public funds should be used wisely and there was no need to preserve various buildings of the same kind of architecture, such as police stations.

3.2 URA's role in redevelopment

One of the participants took the view that reference could be made to current legal aid practices and suggested that if owners wished to redevelop their property, the URA could play the role of an “examiner” to perform a preliminary feasibility study on that project to determine its redevelopment value.. If it was feasible and the owners had gathered all the ownerships and lacked only the funds for redevelopment, the URA could release a loan and upon the completion of the project, repayments would be made to the URA. Moreover, there was a view that URA could play the role of a “coordinator” to talk to private developers about redevelopment on behalf of the owners and impose limits on the profits that the developers could derive.

One participant indicated that if the URA played the role of a “facilitator”, there might be a surge of owners approaching the URA and seeking assistance which would be a cause of concern should the URA’s resources be unable to meet such a demand. There was also a suggestion to outsource such work.

Some of the attendees worried that if the URA played the role of a “facilitator” and acted as the redevelopment project consultant, this would cause competition with providers of the same kind of consulting service in the market. If owners of most of the projects sought assistance from URA, this might affect the diversities of urban renewal proposals.

There was query on the URA’s current credibility and that society lacked urban renewal policy making organizations which were both well recognized by the public at large and possessed professional knowledge.

3.3 Financial arrangements

Some participants took the view that for the sake of enhancing the flexibility of urban redevelopment by building public facilities like parks and promoting economic benefits to surrounding areas, then the requirement of maintaining a balance between income and expenditure in respect of each project should be relaxed. Moreover, some took the view that it was not essential that the authority should gain profits from the redevelopment. If the principle of self-financing could be set aside it might be more beneficial to social development.

There was a view that redevelopment should focus on long-term values instead of giving top priority to short-term commercial principles. The authority had to strike a balance between the monetary profits derived from the redevelopment projects and the citizens’ housing quality.

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