

Urban Renewal Strategy (URS) Review Gist of Envisioning Stage Focus Group Discussion

Date: 15th October 2008 (Wednesday)
Time: 6:30p.m. – 8:30p.m.
Venue: Conference Room, A-World Consulting Ltd., Unit 2402, 24/F,
Admiralty Centre II, 18 Harcourt Road, Admiralty, HK
Group: Commercial organization — property developers etc.
No. of participants: 10 (7 Observers)

The representative of A-World Consulting Ltd. briefly introduced the background of URS Review. Mr. Lee Kam-hung, the facilitator, then invited participants to express their views.

1. Summary of Views¹

1.1 Urban renewal should not only focus on economic benefits [1]

- 1.1.1 Unlike property developers, Urban Renewal Authority (URA) should have social responsibilities. Therefore, profit should not be their only consideration when implementing urban renewal projects.
- 1.1.2 There were public concerns about the high density of the urban renewal developments at the moment. URA should consider and balance the overall interests of the community in this aspect.

1.2 Mode of collaboration with developers [1]

- 1.2.1 Under the current mode of collaboration, property developers had to bear all risks in carrying out redevelopment projects. Although this encouraged low-cost development mode, it might not be able to fulfil public interest. URA should consider other modes of collaboration, for example, sharing dividend upon flat sale etc.
- 1.2.2 Cost was the major consideration of property developers. For the current projects under tendering, the costs borne by property developers were nearly equal to the land value. This situation had to be improved.

1.3 Rigid Government policies [3]

- 1.3.1 Where revitalization of old area was considered feasible, the Government should take concerted actions on the policy side, for instance, speeding up the relevant approval procedures or providing tax concessions.

¹ [1] represents highest priority

- 1.3.2 The Government should take the lead to implement some long-term non-profitable development projects, for example, the arts and cultural projects. In so going, the private organizations would follow suit at the opportune time.
- 1.3.3 Many Government ordinances (e.g. Buildings Ordinance) concerning redevelopment were inflexible, entailing many unnecessary constraints on urban renewal when it was planned by property developers.
- 1.4 Design elements in urban renewal projects could be considered to facilitate adjustments of bidding price [3]
 - 1.4.1 Due consideration should be given to design elements of a proposal in approving project tenders. This would facilitate project commencement in future.
 - 1.4.2 The Government might also consider taking concerted actions on the policy side, e.g. adjusting the land value of the renewal projects.
- 1.5 Regeneration and revitalisation more important than redevelopment; environmental protection and greening to be strengthened in urban renewal [5]
 - 1.5.1 Certain urban renewal projects should focus on regeneration and revitalization rather than redevelopment.
 - 1.5.2 The planning of urban renewal should be more flexible in order to speed up the process of renewal, for example, preserving old buildings and injecting new commercial elements. If the option of redevelopment was taken, the original local characteristics of the redeveloped area might not be preserved.
 - 1.5.3 Environmental protection and greening should be strengthened in urban renewal. Consideration should be given to the density of development and the provision of public open space.
- 1.6 Mixed development model – residents and developers to participate in development and planning together [6]
 - 1.6.1 Urban renewal should focus on revitalization and preservation, and consider the wishes of the local residents.
 - 1.6.2 Mixed development model might be considered in allowing the local residents to exchange property ownership instead of providing them with cash compensation only.
 - 1.6.3 Reference could be made to the development model of “social housing” in Nordic countries.

- 1.6.4 The experience of Singapore, which invited property developers to participate in the planning of urban renewal at an early stage, could also serve as a reference.
- 1.7 URA to develop projects independently to enhance flexibility [6]
 - 1.7.1 URA might consider carrying out the entire urban renewal project, including construction, independently. With developers' participation in urban renewal, the project cost would inevitably be increased to serve their profit-making purposes.
- 1.8 Paying attention to market changes in the planning process [6]
 - 1.8.1 As preparation took time, there were cases where the market and the public opinion had already changed when the projects were launched for tendering. Thus URA should take into account market changes so as to ensure that urban renewal would not be affected even at times of economic downturn.
- 1.9 Public and private sectors to discuss conservation standards [6]
 - 1.9.1 Public and private organizations should discuss more on conservation and its standards.
- 1.10 Amalgamating land, setting regulations, selling land ownership [6]
 - 1.10.1 As developers were slow in resuming land ownership for redevelopment, the Government should consider providing assistance such as amalgamating land and setting regulations.
 - 1.10.2 Currently the land ownership of redevelopment projects belonged to URA. The authority might consider selling the land ownership to developers in allowing the latter with greater flexibility.
- 1.11 Feasibility of redevelopment in industrial areas [6]
 - 1.11.1 Consideration should be given to redeveloping vacant land in industrial areas for urban renewal purposes.
 - 1.11.2 URA might also consider revitalizing unoccupied factory buildings.

2. The priority of issues

2.1 Participants prioritized the issues discussed as below:

<i>Issues</i>	<i>Priority</i>
Urban Renewal should not only focus on economic benefits	1
Mode of collaboration with developers	1
Rigid government policies	3
Design elements in urban renewal projects could be considered to facilitate adjustments of bidding price	3
Regeneration and revitalisation more important than redevelopment, environmental protection and greening to be strengthened in urban renewal	5
Mixed development model – residents and developers to participate in development and planning together	6
URA to develop projects independently to enhance flexibility	6
Paying attention to market changes in the planning process	6
Public and private sectors to discuss the conservation standards	6
Amalgamating land, setting regulations, selling land ownership	6
Feasibility of redevelopment in industrial areas	6