

Steering Committee on Review of the Urban Renewal Strategy

Notes of the 8th Meeting

Date: 23 March 2010 (Tuesday)

Time: 2:30 p.m.

Venue: Room 822, Central Government Offices (West Wing)

Present

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| Mrs Carrie LAM | Secretary for Development (<i>Chairperson</i>) |
| Mr Andrew CHAN | |
| Mr HO Hei-wah | |
| Mr KWAN Chuk-fai | |
| Mr David C LEE | |
| Professor David LUNG | |
| Mr Vincent NG | |
| Professor Nora TAM | |
| Dr Peter WONG | |
| Ms Ada WONG | |

Absent with Apologies

Professor Stephen CHEUNG

In Attendance

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| Mr Thomas CHOW | Permanent Secretary for Development (Planning & Lands) (Acting Chairperson for Agenda Item 5) |
| Mr Tommy YUEN | Deputy Secretary (Planning and Lands) |
| Mr Raymond CHEUNG | Political Assistant to Secretary for Development |
| Miss Amy CHAN | Administrative Assistant to Secretary for Development |
| Mr Terence YU | Press Secretary to Secretary for Development |
| Mrs Ava NG | Director of Planning |
| Mr Herbert LEUNG | Deputy Director (Gen) of Lands |

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| Mr S T LAM | Deputy Director of Buildings |
| Mr Quinn LAW | Managing Director, Urban Renewal Authority |
| Ms Iris TAM | Executive Director, Urban Renewal Authority |
| Ms Winnie SO | Principal Assistant Secretary (Planning & Lands) (<i>Secretary</i>) |
| Ms Miranda YEAP | Assistant Secretary (Urban Renewal) |
| Miss Jane KWAN | Assistant Secretary (Urban Renewal) |
| Dr LAW Chi-kwong | Policy Study Consultant (University of Hong Kong Research Team) |
| Dr Y C WONG | Policy Study Consultant (University of Hong Kong Research Team) |
| Ms Lisa HO | Policy Study Consultant (University of Hong Kong Research Team) |
| Mrs Sandra MAK | Public Engagement Consultant |
| Ms Nelly FU | Public Engagement Consultant |

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The Chairperson welcomed all to the meeting. She said that as urban redevelopment and building safety had recently become a hot topic, it would probably arouse more public discussion about the URS at the Consensus Building Stage.

Item 1: Confirmation of Notes of the Previous Meeting

2. No comments had been received on the draft notes. The meeting confirmed the notes of the previous meeting held on 5 January 2010.

3. The meeting noted the following updates to the discussion items of the last meeting:

Radio Response Sessions on Commercial Radio 1 (CR1) and Radio Television Hong Kong (RTHK)

4. The Chairperson thanked the Steering Committee Members who had accompanied her at the four one-hour radio response sessions on CR1. While

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only a few callers could be taken within each of the one-hour programmes, the Meeting generally considered that the attempt was useful. One Member who also hosted radio programmes said that the sessions were useful in arousing public discussion. The Meeting noted that SDEV had also appeared on Backchat of RTHK to discuss the subject with the English-speaking community.

5. The Chairperson said that based on present progress, we would have to extend the third stage of the Review, that is, the Consensus Building Stage, to the middle of the year.

Item 2: Public Engagement at the Consensus Building Stage (SC Paper No.7/2010) [Confidential Item]

6. The item was recorded under separate confidential cover.

Item 3: Social Impact Tracking Study on the Hai Tan Street/Kweilin Street and Pei Ho Street Redevelopment Project (SC Paper No. 8/2010)

7. The Chairperson welcomed Dr Y C Wong from HKU to present the progress of the Tracking Study on Hai Tan Street/Kweilin Street and Pei Ho Street project with a powerpoint.

8. Dr Wong explained the three-stage approach to examine the social impact of relocation caused by redevelopment on the affected residents and business operators in the Hai Tan Street/Kweilin Street and Pei Ho Street Project. The subjects of the study were divided into four strata, namely, the residential tenant households; the owner-occupier households; the tenant shops operators; and the owner-operators. All the subjects

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would be interviewed three times in the course of the study. The first interview, i.e. the one during the baseline study, was conducted at their original homes/shops, and the first and second tracking interviews would be conducted at their new homes/ shops. The first round of the tracking interview had been conducted with the following preliminary findings:

- (a) A majority of the affected respondents (70.0%) were still living in the Shamshuipo area after relocation. In general, tenants in the tracking study were living in bigger flats than when the baseline study was conducted;
- (b) After moving to their new homes, a higher percentage of the respondents expressed that there had been an increase in their daily transportation time and cost;
- (c) A majority of respondents reported that relocation had had no, or only mild impact on them or their family in all aspects of life;
- (d) There was an obvious reduction in the frequency of contact, the level of trust and relationship with the neighbours/ relatives among the respondents in the new community after relocation;
- (e) Most of the respondents expressed that their health conditions were good;
- (f) The number of business operator respondents was small; however, all except one of the business operator respondents continued their businesses in the same district;
- (g) Many of the respondents expressed that there were improvements in their living environment;
- (h) Twenty-eight affected owner-occupiers were identified to have made property purchases in or before July 2009 according to records at the Land Registry. Over 80% bought flats in Shamshuipo (14) or adjacent areas, such as Lai

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Chi Kok (4) or Mongkok (3). Over half of them bought flats of older age (over 30 years). Also, over half (57.1%) of them bought a flat that was smaller than their original one. A substantial proportion of owner-occupiers had opted for older and smaller flats, and kept a considerable portion of the cash compensation received (over \$1 million) for other purposes. In response to the Chairperson's enquiry as to whether these owner-occupiers were mostly elders, Dr Wong undertook to check.

Dr Y C Wong

9. Dr Wong also highlighted to the Meeting that the interviewees confirmed that they found that they were in much better shape after relocation than they anticipated at the time of the baseline survey before removal.

Item 4: Executive Summary of the “Economic Impact Assessment Study on the URA’s Urban Regeneration Projects” (SC Paper No.9/2010)

10. The Chairperson invited the URA team to present the paper. The URA representative said that the Consultants, in response to Steering Committee Members’ comments on the last occasion, had made an effort to interview those shop operators who were previously located within the project boundary but had relocated to the surrounding areas when the area was redeveloped.

11. The URA representative said that as a whole, the project (K13) was welcomed by the local community. It had generated positive impact on the local economy during the acquisition phase, the construction and the operational stages. There was some negative impact though in the form of temporary disruption to the neighbouring businesses during the construction phase and also the creation of competition to local retailers after

the project was completed. The Chairperson acknowledged that these findings would help articulate how we should rightfully view the cost and benefit of redevelopment projects.

Item 7: Work Plan for the Urban Renewal Strategy Review in 2010 (SC Paper No.12/2010)[Confidential Item]

12. The item was recorded under separate confidential cover.

Item 6: Study on Building Maintenance Programmes (SC Paper No.11/2010)

13. The Chairperson recapitulated that after the Ma Tau Wai building collapse incident, she had undertaken in LegCo that DevB would take a series of follow up actions in relation to building safety. This included inspection of the 4,000 buildings aged 50 years or above across the territory, speeding up the introduction of the Mandatory Building Inspection Scheme and the Mandatory Windows Inspection Scheme, reviewing the enforcement measures of the Buildings Department (BD) including the follow-up to the completion of BD's 10-year programme for removal of unauthorised building works, a review of the situation of "sub-divided flats"(劏房), the coordination of different financial assistance and loan schemes on building maintenance, taking into account the impact of Operation Building Bright, and the strengthening of public education on building safety.

14. The Chairperson said that the progress report now was an information document highlighting that the Government would -

- (a) build on the URA and HKHS's initiative to launch a joint telephone hotline on building management and maintenance to try to develop a "one-stop service" to support the building owners in building works;
- (b) consider consolidating the various financial assistance schemes currently available to the building owners; and
- (c) map out a robust publicity and public education programme to arouse and sustain people's awareness and cultivation of a building safety culture.

15. The Chairperson invited Members to send in any related views on this subject not covered in the "menu" of initiatives to which she had committed with a view to strengthening the Government's support to building safety.

Steering
Committee
Members

16. A Member reiterated that the Chief Executive should take note that there was a serious problem of building management in the old districts. Also, on a related note, the rent of the "sub-divided flats" had been on the rise and it had become increasingly difficult for those underprivileged living in these cubicle flats.

17. Another Member suggested that apart from educating the public, to ensure that our industry professionals had a good working knowledge of building maintenance, knowledge of building maintenance issues should form part of the professional requirements on Authorised Persons and Registered Structural Engineers.

(The Chairperson left at this juncture.)

Item 5: Executive Summary of the Study on “The Achievements and Challenges of Urban Renewal in Hong Kong” (SC Paper No.10/2010)

18. The Acting Chairperson invited the Policy Study Consultant to present the paper. The Policy Study Consultant briefed the meeting that his research team at HKU was invited to conduct this study in August 2009 and the study had been based on documentary review with materials provided by the URA and a secondary analysis of studies conducted by the URA and other organisations. Interviews with relevant stakeholders were conducted and public views collected in the context of the URS Review were also taken into account.

19. The Policy Study Consultant then briefed the Meeting with a powerpoint. He reported having looked into the following cases under the 4Rs -

- Redevelopment – Lee Tung Street/McGregor Street Project (H15);
- Rehabilitation – Tai Kok Tsui Cluster and Chung Sing Building;
- pReservation – Mallory Street/Burrows Street project; and
- Revitalisation – Tai Kok Tsui Street Beautification

20. On redevelopment, the Policy Study Consultant highlighted the following conclusions for Members’ reference -:

- (a) Compared with the number of projects commenced by the Land Development Corporation and the complexity and level of controversies in many of the ex-LDC projects, URA had speeded up urban redevelopment. As yet, given the rapid ageing rate of buildings,

and the poor state of repair, urban redevelopment remains a big challenge for Hong Kong;

- (b) A district-based planning mechanism should be put in place;
- (c) the roles of the URA under the four Rs had to be reviewed and rewritten in the URS;
- (d) there was a need to review the compensation for different types of owners affected by URA redevelopment projects;
- (e) the existing regimes on building rehabilitation should be urgently reviewed, including current legislation related to land and buildings, coordination among different government departments, and our community building efforts with respect to building management;
- (f) it was essential to review whether the URA could in the long run remain financially viable, particularly with respect to the evolving public expectations, changing context of urban renewal in the future and the changing role of URA.

Item 8: Any Other Business

21. Barring any need for special meetings, the next scheduled Steering Committee meeting would be held on 20 May 2010. There being no other business, the meeting closed at 6:10 pm.

**Secretariat, Steering Committee on Review of the URS
April 2010**