



## **Social Impact Tracking Study on Hai Tan Street/Kweilin Street and Pei Ho Street Redevelopment Project**

### ***Issue***

1. Social impact study progress report after the first tracking study.

### ***Background***

2. In March of 2009, the Urban Renewal Authority (URA) commissioned the Term Consultancy Team of the Department of Social Work and Social Administration (SWSA) at the University of Hong Kong (HKU) to conduct a Social Impact Tracking Study on Hai Tan Street/Kweilin Street and Pei Ho Street Redevelopment Project.
3. The study targets include the residents and business operators in Shamshuipo area located along Hai Tan Street between Yen Chow Street and Nam Cheong Street and north of Tung Chau Street. The study areas comprise Nos. 169-203 (odd numbers) and 216-222 (even numbers) Hai Tan Street, Nos. 7-23 (odd numbers) Kweilin Street, Nos. 1-14 Pei Ho Street, and Nos 230-250 (even numbers) Tung Chau Street. The total project area is approximately 7,740 square meters.
4. A three-stage study has been proposed by the HKU Term Consultancy Team to URA to examine the social impact of relocation caused by redevelopment in the study areas to the existing residents and business operators. The subjects of the study are divided into four strata; 1) the tenant residential households, 2) the owner-occupier households, 3) the tenant shops, and 4) the owner-operators. Quantitative method was applied to examine the issue. All the subjects would be interviewed three times in this study. The first

one, i.e. the baseline study was conducted at their original homes, and the 1st and 2<sup>rd</sup> tracking interview would be conducted in their new homes/ shops. The fieldwork is carried out by Policy21 Limited.

5. On top of the survey, with the help of URA, the recent property purchasing records of some affected owner-occupiers in the Hai Tan Street/Kweilin Street and Pei Ho Street redevelopment project were identified from the Land Registry. Data such as the location, age, size and value of their new properties were used to compare with their previous properties in the redevelopment area to examine the impact of redevelopment to these households and the adequacy of the compensation obtained from URA.

### ***Challenge faced by tracking study***

6. By August 2009, only around half of the expected consents (178 consents, 51.3%) were received by URA. Policy21 Limited then interviewed the heads of the households. The initial response rate of the baseline study was around 98.3%, with a total 175 successful cases and the fieldwork of the baseline study was completed in late August 2009.

7. The house-warming interview, i.e., the first tracking study, was conducted after the subjects had moved to their new homes/ shops. However, many households and business operators still stayed in their original units in the affected area (66 of them as at March 10). The response rate of the study as at 20 February was 34.3%, with 60 interviews being successfully conducted.

### ***Preliminary findings***

8. A large majority of the affected respondents (70.0%) were still living in Shamshuipo area after relocation. In general, tenants had an obvious increase in living area. The percentage of the tenants living in units with 250 square feet or less in space were very much lower in this tracking study (47.0%) than that in the baseline study (79.0%). There was not much change among owner-occupiers between two studies in their flat size except that a lower percentage of them were living in larger units of over 1,000 square feet in size. A large majority of the tenants (84.4%) and owner-occupiers (81.3%) reported that the living environment improved after moving.

9. After moving to their new homes, a higher percentage of the respondents who were working, worked outside Shamshuipo, and the daily transportation time and cost of them on average also increased after moved out. However, there was a sharp reduction of monthly expenditure among tenants, and the reduction also occurred among owner-occupies, but to a lesser extent.

10. A large majority of respondents reported that relocation had no, or had only mild impact to them or their family in all aspects of life: housing, work opportunity, education, medical support, and social life. The situation was much better than they had expected in the baseline study.

11. There was an obvious reduction in the frequency of contact, and relationship with the neighbours/ relatives among the respondents in the new community after relocation. The trust level of over half of the tenants towards their new neighbours had not been rebuilt after relocation at the time of interview (baseline “trust to very much trust”: 84.9%; 1<sup>st</sup> tracking: 25.7%). However, many of them still believed that their neighbours would give them a hand when they needed help (71.4%). The frequency of using community facilities in general reduced, but still many of them had used the leisure facilities in the area that they had moved to.

12. Most of the respondents expressed that their health conditions were good. A higher percentage of the tenants reported that they were in better health conditions than the owner-occupiers. It could be because that the owner-occupiers were older on average.

13. The number of business operator respondents was small and therefore it is difficult to make analysis at this stage. However, all except one of the business operator respondents continued their business in the same district, which is consistent to the preference shown in the baseline study.

14. Many of the respondents expressed that there were improvements in their living environment, such as building hygiene and building facilities during the first tracking study. Their satisfaction towards the new living environment also increased on most of the aspects being asked.

15. With the help of URA, 28 affected owner-occupiers were identified to have recent entries in the Land Registry property purchasing records on or

before July, 2009. Over eighty percent bought flats in ShamShuipo (14) or adjacent areas, such as Lai Chi Kok (4) or Mongkok (3). Over half of them bought relatively old flats (over 30 years). Also, over half (57.1%) of them bought a flat that was smaller than their original one. Looking at the values of the flats they bought, close to half of them (46.3%) had over one million balance pocketed when compared the value of their new properties with the compensation obtained from redevelopment. A quarter (28.5%) had over 2 million. Apparently, a substantial proportion of owner-occupiers opted for relatively old and smaller flats, and kept the balance for other purposes. One possibility was that some children had already left their parents prior to or during relocation. The old parents thus did not need the same space in their new homes. We would confirm this in the 2<sup>nd</sup> tracking study.

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