

立法會  
*Legislative Council*

LC Paper No. CB(1)1832/02-03

(These minutes have been seen  
by the Administration)

Ref : CB1/PL/PLW/1

**Panel on Planning, Lands and Works**

**Minutes of meeting  
held on Friday, 2 May 2003 at 8:30 am  
in Conference Room A of the Legislative Council Building**

**Members present** : Dr Hon TANG Siu-tong, JP (Chairman)  
Hon LAU Ping-cheung (Deputy Chairman)  
Hon James TIEN Pei-chun, GBS, JP  
Ir Dr Hon Raymond HO Chung-tai, JP  
Hon James TO Kun-sun  
Hon CHOY So-yuk  
Hon Timothy FOK Tsun-ting, SBS, JP  
Hon TAM Yiu-chung, GBS, JP  
Hon Albert CHAN Wai-yip  
Hon WONG Sing-chi  
Hon IP Kwok-him, JP

**Members attending** : Dr Hon David CHU Yu-lin, JP  
Hon Fred LI Wah-ming, JP  
Hon LAU Kong-wah  
Hon Emily LAU Wai-hing, JP  
Hon Andrew CHENG Kar-foo  
Hon LI Fung-ying, JP

**Members absent** : Hon WONG Yung-kan  
Hon LAU Wong-fat, GBS, JP  
Hon Abraham SHEK Lai-him, JP

**Public officers  
attending**

**: Agenda Item IV**

Mr Daniel CHENG  
Principal Assistant Secretary for Housing, Planning and  
Lands (Planning and Lands)

Mr John CHAI  
Project Manager (New Territories East)  
Territory Development Department

Mrs Joanna KWOK  
Chief Engineer (Tseung Kwan O)  
Territory Development Department

Mr Michael CHAN  
District Planning Officer (Sai Kung)  
Planning Department

**Agenda Item V**

Miss CHEUNG Siu-hing  
Deputy Secretary for Housing, Planning and Lands  
(Planning and Lands) 2

Ms Olivia NIP  
Principal Assistant Secretary for Housing, Planning and  
Lands (Planning and Lands) 4

Mr Billy LAM  
Managing Director  
Urban Renewal Authority

Mr Andy LEE  
Executive Director  
Urban Renewal Authority

Mr Ian WONG  
General Manager (Property and Land)  
Urban Renewal Authority

**Clerk in attendance :** Miss Salumi CHAN  
Chief Assistant Secretary (1)5

**Staff in attendance :** Mrs Queenie YU  
Senior Assistant Secretary (1)6

Ms Sarah YUEN  
Senior Assistant Secretary (1)10

Miss May LEUNG  
Legislative Assistant

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**I. Confirmation of minutes of meeting**

(LC Paper No. CB(1)1486/02-03 — Minutes of the meeting held on  
4 April 2003)

The minutes of the meeting held on 4 April 2003 were confirmed.

Matters arising from the last meeting

2. The Chairman recapitulated that at the last Panel meeting held on 4 April 2003, Mr IP Kwok-him had suggested that the following two items be discussed by the Panel in due course:

- (a) Resumption and management of private streets; and
- (b) Control system for signboards.

3. The Chairman advised that in order to facilitate the Panel's consideration of Mr IP's suggestion, he had directed the Clerk to obtain the relevant information on the proposed discussion items. As revealed, the item of "Improving the management of private streets" was on the Panel on Home Affairs (HA Panel)'s list of outstanding items for discussion. Moreover, the two subjects mentioned in paragraph 2(a) and (b) above had been discussed at the meeting between LegCo Members and members of Wan Chai District Council (WCDC) on 3 April 2003. The LegCo Members who attended the meeting had agreed that the issues relating to the resumption and management of private streets be referred to the HA Panel for consideration, and that the Administration be requested to advise on the updated progress of the establishment of a control system for signboards.

4. On the subject mentioned in paragraph 2(a) above, Mr IP Kwok-him pointed out that one of the major difficulties encountered in the resumption of private streets was land ownership, and that members of the Panel on Planning, Lands and Works (PLW Panel) might wish to express their views in this aspect. Members agreed that the HA Panel be requested to invite members of the PLW Panel to join the discussion when the subject was scheduled for discussion at a meeting of the HA Panel in future.

Clerk

5. As regards the subject mentioned in paragraph 2(b) above, members agreed that the need for discussing the subject at a meeting of the PLW Panel be considered after the Administration's response had been received.

## **II. Information papers issued since last meeting**

6. Members noted the following information papers issued since the last meeting -

- (a) Information notes on issues raised by Tsuen Wan District Council members at the meeting with LegCo Members on 23 January 2003 (LC Paper Nos. CB(1)1351/02-03(01) and (02));
- (b) Information notes on issues raised by Sai Kung District Council (SKDC) members at the meeting with LegCo Members on 23 January 2003 (LC Paper Nos. CB(1)1462/02-03(01) and (02));
- (c) Information paper on 92CD — Yuen Long, Kam Tin, Ngau Tam Mei and Tin Shui Wai drainage improvements, stage 1, phase 2 — Kam Tin and Ngau Tam Mei (LC Paper No. CB(1)1490/02-03(01));
- (d) Information notes on reprovisioning of typhoon shelters in South East Kowloon raised by LegCo Members at the case conference with the Administration on 30 August 2002 (LC Paper Nos. CB(1)1480/02-03(01), (02) and (03)); and
- (e) Information notes on management scheme for display of roadside non-commercial publicity materials raised by the Chairman of Wan Chai District Council (LC Paper Nos. CB(1)1502/02-03(01) and (02)).

7. On the information paper mentioned in paragraph 6(c) above, the Chairman pointed out that the Administration would submit the relevant proposal to the Public Works Subcommittee (PWSC) for consideration at its meeting on 11 June 2003.

## **III. Date of next meeting and items for discussion**

(LC Paper No. CB(1)1485/02-03(01) — List of outstanding items for discussion

LC Paper No. CB(1)1485/02-03(02) — List of follow-up actions)

Joint meetings for May 2003

8. The Chairman reminded members of the arrangements for two joint meetings in May as follows:

- (a) A joint meeting with the Panel on Environmental Affairs had been scheduled for Wednesday, 14 May 2003 at 10:45 am to discuss the “Establishment of the Sustainable Development Fund” and “Vision and mission of the Council for Sustainable Development”; and
- (b) A joint meeting with the Panel on Housing had been scheduled for Friday, 16 May 2003 at 8:30 am to discuss the “Design of sewerage system of residential buildings in Hong Kong”.

Regular meeting for June 2003

9. Members agreed that the following two items be discussed at the next regular meeting scheduled for Friday, 6 June 2003 at 8:30 am -

- (a) Town Planning Board — statutory powers, composition and criteria for appointment of members; and
- (b) Computerized Building Records Management System.

10. On the discussion item mentioned in paragraph 9(b) above, members noted that the Administration planned to submit the relevant proposal to the Finance Committee (FC) for consideration at its meeting on 11 July 2003.

**IV. Feasibility Study for Further Development of Tseung Kwan O**  
(LC Paper No. CB(1)1485/02-03(03) — Paper provided by the Administration)

11. The Chairman advised that following the Panel’s discussion on the “Feasibility Study for Further Development of Tseung Kwan O (Feasibility Study)” at its meeting on 12 December 2001 and PWSC’s approval of the upgrading of the Feasibility Study to Category A project in May 2002, the Administration would consult the Panel on the various development themes proposed for Tseung Kwan O (TKO) Town Centre South and Pak Shing Kok (PSK) at the meeting.

12. The Principal Assistant Secretary for Housing, Planning and Lands (Planning and Lands) (PASHPL(P&L)) briefed members that in late July 2002, the Territory Development Department (TDD) commissioned a study to formulate a comprehensive plan for the further development of TKO. Following the Stage 1 Public Consultation conducted in September and October 2002 to collect initial public views on the key issues and direction for the further development of TKO, Stage 2 Public Consultation commenced in May 2003 to consult the public on the proposed

development themes (DT) for TKO Town Centre South and PSK. The Project Manager (New Territories East) of Territory Development Department (PM(NTE)/TDD) then gave a power-point presentation, highlighting the objectives of the further development of TKO, the views collected during Stage 1 Public Consultation and the key features of the four proposed DTs.

*(Post-meeting note: The power-point presentation materials were issued to members vide LC Paper No. CB(1)1605/02-03 on 6 May 2003.)*

### Public Consultation

13. Responding to the Chairman, PM(NTE)/TDD advised that after the completion of the Stage 2 Public Consultation by the end of May 2003, the Administration would draw up a preferred development plan for further detailed assessments and then consult the public on the plan under the Stage 3 Public Consultation by the end of 2003.

14. Ms Emily LAU Wai-hing considered it important for the local community to participate in the planning process for the further development of TKO. As far as she knew, a great majority of the local community was against further reclamation in TKO. In response, the Chief Engineer (Tseung Kwan O) of Territory Development Department (CE(TKO)/TDD) advised that the Administration fully appreciated the importance of public participation in the planning process and therefore conducted public consultation on the Feasibility Study in various stages of the process. In Stage 1, public views had been collected through consultation with the Sai Kung District Council, holding of a public forum, and submissions by post, fax or email. The major concerns expressed by the public were about the need for further reclamation, population density, impact of more housing provision on property value, quality of the environment, provision of more open space and recreation facilities, etc.

15. At the request of Ms Emily LAU, PM(NTE)/TDD undertook to provide the following information:

(a) Stage 1 Public Consultation

- Number of people consulted;
- Number of submissions received;
- Summary of the views received, including the number of people in support or against the proposed reclamation.

(b) Stage 2 Public Consultation

- A schedule of consultation activities organized by the Administration.

### Development Themes 1, 2 and 3

*General views*

16. Members in general did not support further reclamation in TKO, particularly for housing development. They were pleased to note that the Administration had decided not to pursue DT 4: “Maximize housing and recreation development”. Members expressed their views on the following three proposed DTs -

DT1: “No further reclamation”

DT2: “Maximize recreation potential — recreation and water sports”

DT3: “Maximize development with water frontage — landscape crescent”

17. Mr Andrew CHENG Kar-foo pointed out that the local concern group in TKO supported the principle of “no further reclamation” and therefore considered DT1 more acceptable. Noting that DT2 and DT3 would require further reclamation to provide about 41 and 55 hectares (ha) of land for maximizing recreation potential and development with water frontage respectively, Mr CHENG considered that the objective of providing more land for recreation purpose could be achieved without further reclamation. As far as he knew, about 15 of the 60 hectares (ha) of land zoned for District Open Space at TKO Landfill Stage 1 had been planned for use as sporting grounds. He suggested that the remaining 45 ha of land be used under DT1 for recreation purpose. PM(NTE)/TDD explained that given the environmental concerns raised by the Environmental Protection Department (EPD), there was development constraint for the site. CE(TKO)/TDD added that while land on the periphery of the landfill site had been reserved for outdoor sporting grounds, the development of the remaining area was restricted on safety grounds because of harmful gas emission. At the request of Mr CHENG, PM(NTE)/TDD agreed to provide information on the development plans for the 60 ha of land in question.

18. Mr WONG Sing-chi enquired whether DT1 could be modified to provide the leisure and recreation facilities proposed under DT2 and DT3 in a smaller scale. PASHPL(P&L) and PM(NTE)/TDD considered it difficult to do so without further reclamation. Mr WONG did not support further reclamation. He suggested that the land reserved for the proposed housing development for an additional 32 000 people under DT1 be used for the provision of open space and recreation facilities. He requested the Administration to consider his suggestion.

Admin

19. Mr TAM Yiu-chung did not support further housing development in TKO. He pointed out that due to poor planning in the past, TKO was flooded with housing blocks. In planning for the further development of TKO, consideration should be given to improving the urban design and quality of life, and reducing the population density. The provision of additional open space and amenity facilities was preferable.

20. Mr LAU Kong-wah shared Mr TAM Yiu-chung’s views. He noted that under DT1, DT2 and DT3, the population projected for TKO Town Centre South would be 32 000, 62 000 and 62 000 respectively, and the total population for TKO would be

Admin

460 000, 495 000 and 495 000 respectively. He considered that no matter which development theme would finally be adopted, the total population of TKO should be capped at 460 000 and the population density should not be further increased. PASHL(P&L) pointed out that the average plot ratio and population density of the three development themes were about 3.5 to 4.5 and 600 persons per ha respectively, which were lower than those based on the current Outline Zoning Plan (OZP) (i.e. plot ratio = 6, and 965 persons per ha). At Mr LAU's request, PASHL(P&L) agreed to provide information on the comparison of the plot ratio and population density of TKO Town Centre South under the current OZP, DT1, DT2, DT3 with those of other towns, such as Shatin. He also agreed to consider Mr LAU's views that the total population of TKO should be capped at 460 000 and that no further reclamation would be conducted in TKO.

Admin

21. Mr IP Kwok-him considered DT2 more preferable. He however shared Mr LAU Kong-wah's concern about the population density in TKO. He therefore requested the Administration to reduce the total population projected for TKO. Noting that the projected population for PSK would be 5 000 under DT1 and 10 000 under DT2 and DT3, Mr IP also requested the Administration to adopt the projected population of 5 000 for DT2. PASHL(P&L) agreed to consider Mr IP's views. He also pointed out that the development theme to be adopted could be a mix of the features of the three DTs.

22. Ir Dr Raymond HO Chung-tai was also concerned about the population density in TKO. While the three proposed development themes had their own merits, the total population projected for TKO would be increased from the current 300 000 to 460 000 or 495 000. Ir Dr HO considered that the projected population and population density of TKO should be reduced to improve the living environment. He also objected to further reclamation in TKO. PASHPL(P&L) pointed out that the vision of the Feasibility Study was to improve the urban design and living environment of TKO. To achieve this vision, the three proposed development themes were drawn up for public consultation. The Administration would take into account the views collected during the consultation period before formulating a preferred development plan for detailed assessment.

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23. Mr Albert CHAN Wai-yip considered that town planning should cater for the needs of the people. As TKO had been developed into a new town with plenty of housing blocks, the housing need of the people had already been addressed. In considering the further development of TKO, the Administration should aim at addressing the current needs of the people and should no longer focus on housing development. As regards the three proposed development themes, Mr CHAN considered DT2 more preferable, as it would maximize the recreation and leisure potential of the Town Centre South through the creation of a "leisure island" and water sports centre, and provide a high quality vibrant waterfront district. He suggested that the Drainage Channel be developed for international races, such as canoeing, and training ground for different kinds of water sports. PM(NTE)/TDD



agreed to consider Mr CHAN's views.

### Transport network

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24. Members considered it important to strengthen the transport network of TKO to cope with the long-term traffic demand and to facilitate its further development. In this connection, Ir Dr Raymond HO considered that dual four-lane should be planned for the Western Coast Road (WCR). PM(NTE)/TDD advised that the Administration was considering the tunnel and coastal alignment options for WCR. The current thinking was to adopt a dual two-lane carriageway. Ir Dr HO raised his objection and pointed out that a dual two-lane carriageway could not meet the long-term traffic demand in TKO. He urged the Administration to take into account the projected population and traffic demand in planning for the form and design of WCR, as they could hardly be upgraded after construction. The Chairman shared Ir Dr HO's view. He requested the Administration to plan for a dual four-lane, or at least a dual three-lane, WCR. PM(NTE)/TDD agreed to consider Members' views.

25. Ms Emily LAU and Mr LAU Kong-wah expressed grave concern about the slow progress of the WCR project. Mr Andrew CHENG held the view that the overall planning of WCR would have impact on the selection of the appropriate development theme. He therefore requested the Administration to provide detailed information on the progress of the WCR project.

Admin

26. Mr LAU Kong-wah was concerned whether an efficient external transport network would be provided to achieve the vision of the Feasibility Study, i.e. to build TKO into a new town that could boast of its convenience. Ir Dr Raymond HO was concerned whether pedestrian walkways and carriageways would be separated to reduce noise nuisance and improve the environment. PM(NTE)/TDD appreciated Members' concerns and agreed to take their views into consideration.

### Planned development for Area 137

27. Responding to Ms Emily LAU's enquiry, PASHPL(P&L) advised that Area 137 had been reserved for industrial and related uses, including the possible relocation of Town Gas.

### Tourism development

28. Mr LAU Kong-wah noted that one of the key issues raised by the public during Stage 1 Public Consultation was the enhancement of TKO's supporting role to tourism development in Sai Kung. He asked whether this issue had been addressed under the three proposed development themes. The District Planning Officer (Sai Kung) of Planning Department advised that as TKO was in the vicinity of Sai Kung, development of resort hotels, sidewalk cafes and shops was proposed for the waterfront to enhance the attraction for tourists.

Concluding remarks

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29. The Chairman urged the Administration to consider Members' views and concerns raised at the meeting in formulating the development plan for TKO. At the request of Members, PASHPL(P&L) undertook to provide the information mentioned in paragraphs 15, 17, 20 and 25 within two weeks as far as practicable.

*(Post-meeting note: The English and Chinese versions of the information provided by the Administration mentioned in paragraphs 15, 17, 20 and 25 were issued to members vide LC Paper Nos. CB(1)1838/02-03(01) and CB(1)1857/02-03(01) on 30 May 2003 and 2 June 2003 respectively.)*

**V. Work of the Urban Renewal Authority**

(LC Paper No. CB(1)1485/02-03(04) — Paper provided by the Administration)

30. The Deputy Secretary for Housing, Planning and Lands (Planning and Lands)2 (DSHPL(P&L)2) referred members to the paper provided by the Administration and Urban Renewal Authority (URA). She highlighted the following points-

- (a) The Government had put in place a package of financial support measures for URA to facilitate the implementation of the urban renewal programme. The Executive Council had approved in principle in May 2002 land grants at nominal premium in respect of urban renewal and rehousing sites. FC had approved in June 2002 a commitment of \$10 billion for equity injection into URA by phases in the five financial years from 2002-03 to 2006-07. The first injection of \$2 billion had been made in July 2002;
- (b) URA had commenced implementation of urban renewal projects in 2002-03 and the projects were in good progress;
- (c) Under the URA Ordinance (Cap. 563), urban renewal included the redevelopment of dilapidated buildings, rehabilitation of old buildings and preservation of buildings of historical, cultural or architectural interest. Rehabilitation was an integral part of urban renewal. In this connection, a Rehabilitation Task Force had been established by URA in May 2002 and funds had been reserved in URA's Corporate Plan (CP) for carrying out rehabilitation works. URA was formulating the details of its rehabilitation strategy;

- (d) In December 2002, URA and the Hong Kong Housing Society (HS) signed a Memorandum of Understanding (MOU) that provided for a strategic partnership between the two bodies in implementing urban renewal projects;
- (e) In March 2003, the Financial Secretary (FS) approved URA's second five-year CP for April 2003 to March 2008 and the annual Business Plan (BP) for 2003-04. The approved CP consisted of 59 new projects, including all of the remaining uncompleted projects of the Land Development Corporation (LDC). The approved BP consisted of 19 new projects that would commence in 2003-04; and
- (f) URA estimated that by the end of the development period in 2016-17, it would achieve a surplus of \$0.4 billion with a cash balance of \$10.4 billion and no liabilities. This was in line with the Government's policy intention that the urban renewal programme should be self-financing in the long run. However, the financial forecasts might be affected by a number of medium and long-term assumptions made by URA. The Government would keep under close review the performance of URA in delivering the urban renewal programme and its financial position through the annual examination of URA's CP and BP.

31. The Managing Director of URA (MD/URA) briefed members that URA had adopted a "4Rs" strategy comprising redevelopment, rehabilitation, preservation and revitalization. On redevelopment, URA had commenced implementation of eight redevelopment projects in 2002-03. It had also been making active preparation to cross the thresholds of the other "3Rs" in its second BP.

#### Financial forecast

32. Given the present economic downturn, Mr IP Kwok-him queried whether it was too optimistic for URA to forecast that by the end of the development period in 2016-17, it would achieve a surplus of \$0.4 billion with a cash balance of \$10.4 billion and no liabilities. MD/URA pointed out that the forecast was made on the basis of a number of assumptions adopted in the financial projections in URA's CPs prepared in 2001 and 2002, including the following assumptions -

- (a) For a redevelopment project, the demolition works should commence normally within 24 months from the commencement of the project; and the construction works would be completed within about 36 months after vacant site had been made available;

- (b) A 50:50 joint venture approach whereby the developers would contribute half of the land value of the assembled site at the start of the development stage and share the development costs and profits with URA equally;
- (c) HS would bear all the costs and expenses for the projects undertaken under the strategic cooperation; and
- (d) Nominal premium would be payable in respect of urban renewal sites and land for the URA's rehousing purposes.

33. MD/URA further pointed out that since March 2001 when Government's new compensation policy came into effect, there had been substantial changes in the overall economic climate and the property market situation. As a result of the economic downturn, property value had dropped by 24.4% from March 2001 to March 2003, and land value had dropped by about 18% from March 2002 to March 2003. URA aimed to strike the right balance between the high costs of acquisition and compensation, relative to the current economic environment and property market condition, and the momentum and sustainability of its urban renewal programme in the long run. URA would constantly monitor the situation and, where necessary, address the need for keeping its compensation policies and priorities in alignment reasonably with economic reality and its financial resources.

34. Responding to Mr IP Kwok-him, DSHPL(P&L)2 said that the Administration had, in the annual examination of URA's CP, reviewed the assumptions adopted by URA in its financial projections. The Administration considered the assumptions made in URA's first and second CP acceptable and reasonable at the time of their preparation. MD/URA added that under the Urban Renewal Strategy (URS), URA was tasked to implement an urban renewal programme consisting of some 200 projects in 20 years and the urban renewal programme was to be self-financing in the long run. URA was endeavouring to achieve this target.

35. Mr IP Kwok-him was not convinced. He wished to put it on record that he queried the forecast that by the end of the development period in 2016-17, URA would achieve a surplus of \$0.4 billion with a cash balance of \$10.4 billion and no liabilities.

36. Mr James TO Kun-sun suggested that the URS and the viability of the redevelopment projects be reviewed in the light of changing circumstances in the economy. Nevertheless, the 25 uncompleted projects of LDC should be accorded priority. In response, MD/URA pointed out that the 25 uncompleted projects of LDC had already been accorded priority.

37. Mr LAU Ping-cheung declared that he was a non-executive director of URA Board. He enquired about the impact of not adopting the 50:50 joint venture approach

with developers on URA's financial forecast. MD/URA said that the URA Board would consider the details of each project carefully before deciding on the best approach for that project.

38. Mr LAU Ping-cheung asked what support the Housing, Planning and Lands Bureau (HPLB) offered URA in the implementation of urban renewal programme. DSHPL(P&L)2 said that HPLB had actively assisted URA in many respects by, for example, working out and securing the necessary financial support package for the urban renewal programme, processing the many statutory applications from the URA such as land resumption requests, providing advice on issues related to the preparation and processing of the CP and BP, coordinating with other Government departments as appropriate to facilitate the URA's work etc.

39. Noting that the Government would recover from URA the staff cost of the Urban Renewal Team of the Lands Department (\$30 million) for processing land resumption to make land available for redevelopment by URA, Mr James TO enquired whether the cost could be absorbed by the Government so as to reduce the operational expenditure of URA. DSHPL(P&L)2 advised that when URA was established in May 2001, the Administration had fully assessed the situation and decided that part of the operational expenditure previously borne by LDC, such as the staff cost of the relevant teams of the Planning Department and the then Planning and Lands Bureau involved in urban renewal work, should be absorbed by the Government. It had also been decided that the staff cost of the Urban Renewal Team of the Lands Department should be borne by URA. The Administration had taken this into account fully in working out the package of financial support measures for URA.

#### Redevelopment projects

40. Mr Albert CHAN noted that in 2002-03, URA had commenced implementation of only eight redevelopment projects and the tentative timing for completion of these projects varied between 2008 and 2010. He criticized URA for the slow progress in implementing redevelopment projects. MD/URA considered the criticism unfair to URA. He pointed out that in 2002-03, URA had not only commenced the eight redevelopment projects, but also continued to implement ten on-going projects inherited from LDC. In 2003-04, URA would commence ten redevelopment projects, including three in association with HS. To be fair to the owners and tenants concerned, Mr CHAN considered that URA should provide a concrete timetable for implementing the remaining projects of LDC.

#### Rehabilitation projects

41. Referring to paragraph 10 of the paper, Mr TAM Yiu-chung noted that URA planned to implement four pilot rehabilitation projects in 2003-04. He pointed out that owners of dilapidated properties actually expected that URA would acquire their properties for redevelopment so as to improve their living environment. Ms CHOY So-yuk shared his view. MD/URA appreciated the expectation of the property owners concerned. He acknowledged that the existing acquisition and compensation policy which offered an average of some 300% of the market value of

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an old flat was a disincentive for owners to upkeep and preserve their buildings. Moreover, the URA had no coercive power to compel owners to rehabilitate their buildings. Therefore, the pilot rehabilitation projects, which were voluntary, must provide appropriate support and incentives to property owners in order to encourage them to undertake proper repair and preventive maintenance. The buildings involved were those rundown but still serviceable buildings. Mr TAM pointed out that some of the property owners concerned were elderly people while some had no income. They might not have the ability and resources to undertake proper repair and maintenance works. MD/URA advised that the current thinking was to help the owners by providing professional advice and some materials, such as paint. Mr TAM and Ms CHOY considered that the repainting of a flat should not be a priority item in rehabilitation projects. Ms CHOY considered that the focus of rehabilitation projects should be placed on repair and maintenance of old facilities, such as toilets and drainage system. MD/URA said he would take members' views into consideration.

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42. Mr TAM Yiu-chung pointed out that the name of URA gave rise to the expectation that URA was mainly tasked to implement redevelopment projects. DSHPL(P&L)2 considered that the misunderstanding might be caused by the Chinese version of the name of URA (市區重建局). In fact, rehabilitation was an integral part of urban renewal. This was reflected in section 5(d) of the URA Ordinance where it was stated that one of the purposes of URA was to "prevent the decay of the built environment of Hong Kong by promoting the maintenance and improvement of individual buildings as regards their structural stability, integrity of external finishes and fire safety as well as the improvement of the physical appearance and conditions of that built environment". The Chairman considered that publicity should be stepped up to enhance public awareness of the work of URA. DSHPL(P&L)2 and MD/URA agreed with this point. MD/URA added that URA would join hands with the Buildings Department and Home Affairs Department to promote building maintenance and rehabilitation.

#### Consultation with affected persons

43. Citing the redevelopment project in seven streets in Tsuen Wan, Mr Albert CHAN pointed out that the affected persons had not been consulted on the changes in the project. He urged URA to improve in this aspect. MD/URA pointed out that URA had established four District Advisory Committees (DACs) in target areas. DACs comprised local residents, professionals, District Council members, academics, etc. More DACs would be set up as and when projects in other districts were launched in future.

#### Impact of the strategic partnership between URA and HS on URA staff

44. Referring to paragraph 12 of Annex to the paper, Ms LI Fung-ying noted that HS had undertaken to implement seven URA redevelopment projects within the next four years. Ms LI was concerned about the impact of such an arrangement on the



employment opportunities of URA staff. MD/URA pointed out that rolling forward from the first, the second five-year CP consisted of 77 redevelopment projects, including the seven projects to be undertaken by HS. The cost of the seven projects was only about 10% of the total cost of the 77 projects. URA staff would have a lot of work to do in implementing redevelopment projects and making preparation for the remaining “3Rs”, i.e. rehabilitation, revitalization and preservation. Responding further to Ms LI, MD/URA assured members that as far as he could see at this point in time, the employment opportunities of the existing URA staff would not be affected by the implementation of redevelopment projects by HS.

#### Conduct of URA Board member and staff

45. Referring to paragraph 16 of Annex to the paper, Ms LI Fung-ying noted that on the advice of the Independent Commission Against Corruption, URA had formulated a comprehensive set of guidelines on the avoidance of conflict of interests for all members of URA Board as well as staff. As far as she knew, the guidelines covered a variety of subjects, including declaration of interests, avoidance of conflict of interests, and disclosure and use of confidential or sensitive information. While all URA staff had already signed an undertaking that they would comply with the guidelines, some members of URA Board had refused to sign the undertaking. MD/URA confirmed that three members of URA Board had voluntarily chosen not to sign the undertaking. Responding to the Chairman, DSHPL(P&L)2 said that it was for the individual member of URA Board to decide whether or not to sign the undertaking. The Government would not interfere with their personal decision.

46. Ms LI Fung-ying considered it important for all members of URA Board and staff to observe the guidelines, in particular the guidelines on disclosure and use of confidential or sensitive information. If members of URA Board were allowed to choose whether or not to sign the undertaking, it would be very unfair to the staff. In the event of any unauthorized disclosure of confidential or sensitive information, the staff handling the projects in question would be put in a very unfavourable position. MD/URA pointed out that this was only a hypothetical situation. So far, there had not been any such cases.

47. Referring to the media reports about the alleged misconduct of some members of URA Board and staff, such as corruption and conflict of interests, Mr Albert CHAN considered that URA should ensure the integrity of its Board members and staff. Otherwise, the public would have no confidence in URA. In this connection, he considered it necessary to strengthen the mechanism for monitoring the performance and accountability of the URA Board. MD/URA pointed out that the media reports referred to by Mr CHAN were only about a few incidents happened shortly after the establishment of URA. There had been no more such criticisms against the URA Board in the recent year.

**VI. Any other business**

48. There being no other business, the meeting ended at 11:00 am.

Council Business Division 1  
Legislative Council Secretariat  
5 June 2003