

29 June 2010

Clerk to the Panel on Development
Legislative Council Secretariat
3/F Citibank Tower
3 Garden Road
Central, Hong Kong

By e-mail only
(panel_dev@legco.gov.hk)

Dear Sirs,

Re: Review of the Urban Renewal Strategy (URS) – Consensus Building Stage

RICS(HK) fully supports the 10 Preliminary Proposals recommended by the URS Review Steering Committee in its Paper “Public Views and Future Direction” released on May, in particular the following 4 key new initiatives:

- (1) To set up District Urban Renewal Forums in old districts to plan and achieve a better co-ordination and balance among the 4R Strategy, i.e. Redevelopment, Rehabilitation, pReservation, and Revitalization in UR projects within these old districts. These forums will be chaired by government-appointed professionals with UR expertises, and comprise of local community representatives, professionals, NGOs, business associations, and representatives from both URA and relevant government departments.
- (2) To offer a “flat-for-flat” option besides cash compensation assessed on the market value of a notional seven-year-old flat in the same district, but the affected owners choosing this option must pay the price difference between market value of the new flat and the assessed cash compensation.
- (3) To widen the role of URA from only the implementer of UR projects to also a facilitator e.g. to assist flat owners to assemble titles for redevelopment on their own by ways of tendering the assembled project to, or collaboration with developers for redevelopment. However, URA will not provide compensation or re-housing assistance to the affected owners or tenants in these URA facilitated projects.

- (4) To carry out social impact assessments for each UR project, both on a district basis and on a project basis.

Since the announcement of the URS Review back in July 2008, our URS Review Task Force has then been proactively and continually participating in the Envisioning, Public Engagement and Building Consensus stages of the URS Review. In particular, our Task Force organised an URS Conference on 25 July 2009 by inviting three overseas UR experts as speakers to share their best practices and experiences in their respective overseas successful UR projects.

On 11 November 2009, based on the findings of the above Conference, we submitted our Report – “Best Practice in Urban Renewal” to the Development Bureau. Please find below the web link for the full report:-

http://www.rics.org/site/scripts/download_info.aspx?downloadID=4104&fileID=4911

On 5 January 2010, we further submitted to the Development Bureau our views on the questions set out in the eight Topical Discussion Series in the Public Engagement Stage of the URS Review.

In our above submissions to the Development Bureau, we have proposed, amongst other recommendations, the following proactive measures, which are in line with the various Preliminary Proposals recommended by the URS Review Steering Committee on May 2010 :-

(1) Public engagement mechanism

RICS suggested of conducting public consultation through local focus groups, by inviting members of local District Boards, IOCs, and other local residents to share their opinions and views on the proposed redevelopment projects in their respective districts.

(2) URA's role as facilitator or service provider

RICS proposed URA could take the role of a facilitator or a service provider to assist the various private building owners and/or the developers, at a service charge, to designate the respective old urban areas in question, either for redevelopment or rehabilitation as appropriate, and on a self-financing basis with all costs borne by the respective building owners and/or the developers.

(3) The need for social impact assessment or social cost-benefit analysis

RICS suggested it is necessary to assess the less intangible social benefits or effects (direct, e.g. public space, indirect, e.g. health and safety, external e.g. air quality, and distributional, e.g. employment) of an urban renewal project e.g. by carrying out a Social Cost-Benefit Analysis. UR cannot be sustainable if the people and the environment are not taken into account, but in the end it needs to be made economic sense.

(4) The "flat-for-flat" option

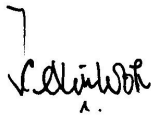
RICS suggested "flat-for-flat" option, but the property should be determined by market value instead of area size due to fluctuating market price under unforeseen circumstances.

We are indeed very pleased to see many of our recommendations as detailed in our above submissions to the Development Bureau have now been adopted by the Steering Committee of URS Review, and all the hard works that our Task Force have put in over the past few years are well worth

Our Task Force was set up in August 2008, and consists of experienced FRICS members from different Professional Groups which cover the wide variety professional expertise necessary for urban renewal projects, including Building Control, Building Surveying, Facilities Management, Planning and Development, Project Management, Quantity Surveying and Construction, and Valuation etc.

Should you require hard copy of "*Best Practice in Urban Renewal 2009*" or need any assistance in this matter, please contact me at 2529-6783 or Ltdavtse@yahoo.com.hk, or Mr. David Cheung, (e: dcheung@rics.org T: 2116-5512) our HK Manager at RICS Asia Office.

Yours faithfully,



David Tse
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RICS International Governing Councillor
Chairman of URS Review Task Force, RICS (Hong Kong)

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