

香港特別行政區政府

The Government of the Hong Kong Special Administrative Region

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9 September 2020

Ms Doris Lo
Clerk to Panel on Development
Legislative Council Complex
1 Legislative Council Road
Central, Hong Kong

Dear Ms Lo,

**Legislative Council Panel on Development
Work of the Urban Renewal Authority**

Thank you for your e-mail of 24 June 2020, inviting us to provide supplementary information on matters raised in six submissions received at the meeting of the Legislative Council Panel on Development held on 23 June 2020. The supplementary information provided by the Urban Renewal Authority ("URA") is set out in the Appendix for reference please.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Angie Chung'.

(Angie Chung)
for Secretary for Development

**Legislative Council Panel on Development
Meeting on 23 June 2020
Response of the Urban Renewal Authority to
Submissions on the Work of Urban Renewal from Deputations and Individuals**

Issues Raised in Submissions	Response of the Urban Renewal Authority	Relevant Submissions (Legislative Council Paper Number)
<p><u>(1) Rehousing arrangements for residents affected by redevelopment</u></p> <p>(a) Requiring tenants affected by redevelopment to produce proofs after the freezing survey is cutting into the residents' rehousing benefits</p>	<p>When providing rehousing arrangement or ex-gratia allowances to domestic tenants affected by redevelopment, the Urban Renewal Authority (URA) shall conduct a comprehensive and accurate freezing survey and obtain relevant proofs (such as requiring residents to submit address proofs as of the date before the freezing survey) in accordance with the Urban Renewal Strategy (URS), so as to verify the eligibility of the tenants to ensure proper use of public resources and prevent abuse of the compensation arrangements or the rehousing resources.</p> <p>When conducting the freezing survey, the URA will record the occupation status of the properties concerned at that time and the record would serve as reference for the screening survey to be conducted with residents in future. The URA will provide written suggestions to tenants on the address proofs they should retain to verify their occupation status. As the situation of each domestic tenant differs, the required documentary proof(s) for each case may also be different. When</p>	<p>CB(1)796/19-20(01) CB(1)807/19-20(01) CB(1)807/19-20(02) CB(1)807/19-20(04) CB(1)807/19-20(05)</p>

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	conducting the screening survey, the URA will assist domestic tenants in preparing relevant documentary proofs.	
(b) The URA should discuss and confirm the rehousing arrangements with affected residents before signing any “legal agreements” with them	<p>Within four months after the completion of the freezing survey, the URA will start contacting tenants affected by the redevelopment project to explain the policies and arrangements of the offer of ex-gratia allowance and/or allocation of rehousing units. Information materials such as “Smart Tips” and general guidelines would also be distributed. Subsequently, when the compensation offers are made to the tenants, responsible staff of the URA would explain to them in detail the contents in relation to compensation and/or rehousing arrangement so that they could make suitable choices.</p> <p>Eligible domestic tenants who have accepted URA’s compensation offer are required to execute a surrender of tenancy agreement with the URA, agree to the arrangements of the offer of ex-gratia allowance and/or allocation of rehousing units stipulated in the said agreement, and surrender the occupied units to the URA as scheduled. Meanwhile, the URA would undertake to provide ex-gratia allowances and/or allocate rehousing units to the residents concerned in accordance with the terms and conditions of the surrender agreement. The aforesaid arrangement would not only safeguard the interests of both the eligible residents and the URA, it would also ensure that all eligible residents would receive ex-gratia allowances and/or be allocated rehousing units in a transparent,</p>	

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	<p>reasonable, fair and impartial manner. If the residents eventually consider the allocated rehousing units unsuitable for them, they could still opt for the ex-gratia allowance in pursuant to the said agreement as an alternative.</p>	
<p>(c) The URA should offer to provide copies of documents executed with the affected residents</p>	<p>In general, staff of the URA will explain the contents of the completed forms/declaration forms to the residents concerned. If the residents so require, the URA will also provide copies of the completed forms to the residents. Upon completion of the forms/declaration forms, residents may also take photos of those forms for record.</p>	
<p>(d) The URA is requested to develop rehousing estates to provide rehousing in the same district to maintain the community network</p>	<p>The role and area of work of the URA are primarily to renew old urban areas. URA distinguishes itself from the Hong Kong Housing Authority (HKHA) and the Hong Kong Housing Society (HKHS) and there is an appropriate division of labour. The HKHA and the HKHS are responsible for providing subsidised sales flats (SSF) and public rental housing (PRH).</p> <p>According to past experience, most tenants affected by URA's redevelopment projects have already registered on the Waiting List of PRH applications and are waiting for allocation of PRH units. Currently, for PRH units provided by HKHA and HKHS for rehousing tenants affected by URA's projects, the URA will reserve units in urban area (including area in the vicinity of the redevelopment sites) as far as possible though it would also be subject to the</p>	

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	<p>supply of such flats. The aforesaid measure would assist tenants in maintaining their community network.</p> <p>In addition to providing rehousing option which is subject to means test, to enhance the rehousing arrangement, the Government will soon introduce rehousing arrangement which is not subject to means test. The Government has invited the HKHS to build dedicated rehousing estates at suitable sites which would provide flats for rental and SSF. This would provide another housing option for future eligible residents who would need to relocate due to the Government's development programme and URA's projects.</p> <p>Besides, the Urban Renewal Social Service Team (URSST) would actively organise events such as family visits, talks, voluntary services, workshops and visits, in redevelopment area after the commencement of the redevelopment projects. By encouraging residents to participate in a series of activities, it is expected that the residents would establish and strengthen their communication and connection, as well as interaction and exchange such that they could maintain the community network after moving out of the redevelopment area.</p> <p>Within six months after residents have moved out of the affected premises, URSST will continue following up each case to help them adapt to the new environment and integrate into the community as soon as possible.</p>	

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<p>(e) Request for allocation of PRH units on par with or larger in size than those allocated under the general Waiting List (for 3-person and 4-person families)</p>	<p>The URA's PRH allocation arrangement must comply with the household population requirements set by the HKHA or HKHS at the time of flat provision. Subject to the availability of resources, the URA would include 3-to-4-person flats in the balloting for rehousing flat allocation for 3-person families and 4-to-5-person flats for 4-person families as far as possible. However, given the tight supply of 3-to-4-person flats and 4-to-5-person flat, the URA also needs to reserve some 3-to-4-person flats for 4-person families and 4-to-5-person flats for 5-person families in its PRH allocation based on the principle of fair and rational use of PRH resources.</p>	
<p>(f) Query on the appeal mechanism for the freezing survey</p>	<p>On the commencement day of a project, the URA will conduct a freezing survey and the information obtained therein would be used as the basis to determine the eligibility of affected persons for ex-gratia allowances or re-housing. For three consecutive days (including the commencement day), URA staff will visit the domestic residents and business operators within the redevelopment site to conduct the freezing survey. If the residents or operators are not in their unit or shop on those three days rendering the URA unable to contact them, the URA will leave the contact method for the residents or operators to contact the URA to complete the registration.</p> <p>When conducting the freezing survey, staff of the URA will provide relevant domestic residents or business operators with a privacy policy statement, which</p>	

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	<p>states the means of requesting inspection and change of personal particulars. The aforesaid statement is available at the URA website: https://www.ura.org.hk/en/privacy-policy-statement.</p> <p>If for some reasons the residents or business operators did not complete the freezing survey, they can explain the reasons why they could not register in the freezing survey in writing and provide relevant information to URA. URA will put the information on record. If registered residents or business operators consider it necessary to rectify the records in the freezing survey or provide supplementary information, they may also submit a written request to the URA. The information on the occupation status of the subject properties as stated by the residents or business operators will be put on record. During the process, the residents or business operators could at any time call URA's hotline or enquire with the case officer to rectify the information or provide supplementary information. After the URA have successfully acquired the properties with tenancies in its development projects, it will then handle issues in relation to the ex-gratia allowance and/or rehousing arrangement for the tenants concerned gradually and case officers will follow up the cases. By then, the URA will conduct a screening survey with the affected tenants, measure the occupied area and collect documents, so as to further assess their eligibility for ex-gratia allowance and/or rehousing arrangement. If residents or business operators are dissatisfied with the URA's decisions, they may submit a written request to the</p>	

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	URA Review Committee for case review.	
<p><u>(2) Relocation arrangements for business operators affected by redevelopment</u></p> <p>(a) Request for considering the implementation of relocation proposal for shop tenants</p>	<p>According to URA’s current policies, eligible non-domestic properties owner and tenants would be provided with ex-gratia allowance and there is no shop relocation arrangement. This is also consistent with the Government’s policy on compensation for resumption of lands. If relevant shop tenants encounter difficulties in leasing shops, the URA will assist business operators in finding shops through the Urban Redevelopment Facilitating Services Company Limited, a wholly-owned subsidiary company of the URA.</p> <p>Besides, upon approval of individual projects (including Kai Tak Road/Sa Po Road Development Scheme (KC-015)), the URA will consider reserving some non-domestic floor area and offer priority to operators which are essential to bringing out the local characteristics of the project areas to lease the shop premises so that such local identities could be preserved and continued. In the past, similar special arrangements have also been implemented in other URA projects after deliberation.</p>	<p>CB(1)807/19-20(02) CB(1)807/19-20(03)</p>
<p>(b) Request for a review of the compensation policy for shop tenants and enhancement of the</p>	<p>In general, regardless of whether domestic properties or shop units are concerned, the URA will only liaise with tenants on compensation pursuant to the <i>Principles for Tenant Re-housing and Ex-gratia Allowance</i> after the URA successfully acquires the properties. In respect of the shop units as mentioned in the</p>	

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<p>compensation payment process</p>	<p>submissions, if the URA fails to acquire the properties and the Lands Department subsequently invoked the power of resumption under the Lands Resumption Ordinance (Cap.124) to resume the land and properties interests, the Lands Department will handle the compensation for shop tenants according to its compensation policy. In such situation, the URA will compare its offer (assuming that the Lands Department does not resume land but rather, the URA successfully acquires relevant property interests) and the land resumption compensation offer from the Lands Department. If the URA's offer is found to be more generous, an ex-gratia allowance will be offered to eligible shop tenants with the additional ex-gratia allowance amount being the difference between the two offers (if any). Therefore, even if the land and property interest are resumed by the Lands Department, the amount of compensation for shop tenants will not differ.</p>	
<p>(c) Inconsistent compensation policies before and after land resumption lead to policy loopholes</p>	<p>In addition, the submissions enquire the reasons for the Lands Department to adopt "area" in the formula for calculating the compensation amount. Following the current policies and practice, after relevant land has been reverted to the Government, tenants of commercial properties are entitled to an ex-gratia allowance equivalent to three times the amount of the rateable value of the resumed properties prevailing as at the date of reversion. In accordance with established policies (passed by the Finance Committee of the Legislative Council in 1984 and 1988), the Government considers that ex-gratia allowance for tenants of commercial properties should not be less than that for eligible business</p>	
<p>(d) The unexpected emergence of a compensation calculation formula on the basis of "business operation area", which has not been stated in any open documents highlights a lack of transparency</p>	<p>In addition, the submissions enquire the reasons for the Lands Department to adopt "area" in the formula for calculating the compensation amount. Following the current policies and practice, after relevant land has been reverted to the Government, tenants of commercial properties are entitled to an ex-gratia allowance equivalent to three times the amount of the rateable value of the resumed properties prevailing as at the date of reversion. In accordance with established policies (passed by the Finance Committee of the Legislative Council in 1984 and 1988), the Government considers that ex-gratia allowance for tenants of commercial properties should not be less than that for eligible business</p>	

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	<p>undertakings in squatter structures affected by the development clearance exercises (the calculation basis of the allowance is the occupying area at the time of conducting clearance registration). Therefore, the Lands Department will calculate the amount of ex-gratia allowance for legal occupiers of commercial properties based on the aforesaid principle, and the higher compensation amount will be adopted as the compensation offer.</p>	
<p>(3) The URA is requested to deal with the environmental hygiene issues in the redevelopment areas, such as rodent infestation and accumulation of refuse, washing of stairways and building patrols, as well as the security of the buildings</p>	<p>Most properties in redevelopment area have fallen into disrepair and lack proper building management, which lead to undesirable environmental hygiene. The URA has been actively improving environmental hygiene and ensuring the safety of residents. Upon acquiring individual units, the URA will carry out its responsibility as an owner and take care of the maintenance and management work. Depending on the actual situation and needs, the URA will also conduct repair and cleaning work in the common area of the buildings.</p> <p>If the land affected by a redevelopment project has been resumed by the Government under the Lands Resumption Ordinance (Cap.124), the URA will engage professional property management companies to carry out cleaning work for the common areas of buildings in its redevelopment projects. Apart from regular cleaning work, ever since the COVID-19 outbreak, additional manpower has been deployed to clean and disinfect the common areas of buildings at least once a week and “virus disinfection points” have been set up at each security</p>	<p>CB(1)796/19-20(01)</p>

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	<p>post.</p> <p>The URA has also arranged contractors to remove large furniture and sundry items to maintain the cleanliness and environmental hygiene of the common areas in its projects.</p> <p>Moreover, property management companies will conduct regular inspections at rodent infestation blackspots and adopt appropriate rodent control measures as recommended by the Food and Environmental Hygiene Department. Such measures include increasing the dosage of rodent bait and number of cage traps, adjusting and adding a considerable number of rodent bait devices and cage trap locations, as well as filling rat holes.</p> <p>As for the security issue of the buildings, security guards of the property management companies conduct patrols four time per day in each acquired building. Under special circumstances (such as the presence of drug abusers), patrols will be conducted more frequently to ensure the safety of residents. In common areas with insufficient lighting, the URA will also install more electric lights to eliminate hidden blackspots.</p>	

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(4) Request for a comprehensive review of the URS	<p>The revised URS promulgated by the Government in February 2011 was formulated after a two-year review with extensive public consultation and consensus-building. Many initiatives proposed in the 2011 URS have already been fully implemented.</p> <p>The URA commenced the Yau Mong District Study in May 2017 to explore more effective ways to pursue urban renewal and to draw on the study outcome to examine the efficacy of various initiatives under the 2011 URS. The study is expected to be completed within 2020.</p>	CB(1)807/19-20(03)
<p><u>(5) The Thai Community (KC-015 Project)</u></p> <p>(a) How to relocate the Thai Migrant Workers Union Hong Kong</p>	<p>The URA has been liaising with the non-governmental organisations (NGOs) serving the Thai community in Kowloon City and visits have been conducted to enhance understanding of their operations.</p> <p>For NGOs within the area of the redevelopment project, such as the Thai Migrant Workers Union Hong Kong which serves the Thai community, they are treated similarly as other affected owners or tenants of non-domestic properties in all redevelopment projects. The URA will assign case officers to liaise with the occupants upon commencement of the property acquisition process to gain</p>	CB(1)807/19-20(02)

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	<p>understanding of their needs and provide them with suitable assistance and support.</p> <p>The URA will, pursuant to existing policies on acquisition, compensation and rehousing, offer cash compensation to such owners of non-domestic properties affected by redevelopment. Affected parties may use such cash compensation flexibly to purchase or rent another premise to continue with their operations. Non-domestic tenants will also receive an ex-gratia allowance and an ex-gratia business allowance, with a maximum amount equivalent to 6-times of the rateable value of the property, so as to help them pay the necessary removal expenses.</p> <p>Responsible staff of the URA will also help these occupants of non-domestic properties to collect information of suitable premises within the district, so as to provide them with the best possible help in identifying suitable premises to continue with their operations. If approval has been obtained to proceed with the KC-015 project in future, the URA will collect the views of stakeholders concerned and consider reserving some non-domestic floor area for lease to operators which are essential to bringing out the local characteristics of the project area, so that such local identities could be preserved and continued. In the past, similar special arrangements had also been implemented for other URA projects after deliberation.</p>	

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<p>(b) Request for providing equally detailed information in Thai and languages of other ethnic minorities as compared to those published in Chinese and English, as well as ensuring the availability of translated versions for all documents and forms to be signed with the ethnic minorities</p>	<p>Documents issued to persons affected by the URA’s redevelopment projects are generally published in the two official languages of Hong Kong (Chinese and English). To cater for the needs of individual Thai residents who do not know Chinese or English to obtain information on the redevelopment project, the URA has arranged their staff to be accompanied by interpreters to help the Thai residents in need of interpretation service during the freezing survey of the KC-015 project. In addition, the URA has held briefing sessions for the Thai residents affected by the project to deepen their understanding of the project planning process and the compensation and rehousing policies. The briefing sessions were conducted in English, aided by consecutive interpretation in Thai. The URA has also published “Smart Tips” in Thai to explain the specific compensation and rehousing arrangements. Relevant documents are available at https://www.ura.org.hk/en/redevelopment/owners-corner and https://www.ura.org.hk/en/redevelopment/tenants-corner/rehousing-and-ex-gratia-allowance-policies . In addition, a Thai translation for the project planning process is also available to provide the Thai residents a clearer picture of the flow of the whole redevelopment project and their rights and interests.</p>	