

**立法會**  
**Legislative Council**

LC Paper No. CB(1) 2128/99-00  
(These minutes have been seen  
by the Administration and cleared by  
the Chairman)

Ref: CB1/BC/9/99/2

**Bills Committee on  
Urban Renewal Authority Bill**

**Minutes of meeting held on  
Monday, 12 June 2000, at 4:30 pm  
in the Chamber of the Legislative Council Building**

- Members present** : Hon Edward HO Sing-tin, SBS, JP (Chairman)  
Hon HO Sai-chu, SBS, JP  
Hon LEE Wing-tat  
Hon LEE Cheuk-yan  
Hon NG Leung-sing  
Hon Christine LOH  
Hon CHAN Yuen-han  
Hon Andrew WONG Wang-fat, JP  
Hon Emily LAU Wai-hing, JP  
Hon TAM Yiu-chung, GBS, JP
- Members absent** : Hon Gary CHENG Kai-nam, JP (Deputy Chairman)  
Ir Dr Hon Raymond HO Chung-tai, JP  
Hon Ronald ARCULLI, JP  
Hon James TO Kun-sun  
Dr Hon LEONG Che-hung, JP  
Hon LEUNG Yiu-chung  
Hon WONG Yung-kan  
Hon FUNG Chi-kin  
Dr Hon TANG Siu-tong, JP
- Public officers attending** : Mr Stephen FISHER  
Deputy Secretary for Planning and Lands  
(Urban Renewal and Buildings)
- Ms Olivia NIP  
Principal Assistant Secretary for Planning and Lands  
(Urban Renewal)

Mr T K LEE  
Assistant Director/Urban Renewal (Ag)  
Planning Department

Mr J D SCOTT  
Senior Assistant Law Draftsman

Ms R CHAI  
Government Counsel

**Clerk in attendance** : Miss Odelia LEUNG  
Chief Assistant Secretary (1)1

**Staff in attendance** : Ms Bernice WONG  
Assistant Legal Adviser 1

Miss Becky YU  
Senior Assistant Secretary (1)3

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**I Clause-by-clause examination of the Bill**  
(LC Paper Nos. CB(1) 1424/99-00(06) and 1802/99-00(04))

Clause 8. Duty of public officers to state public interest

No particular comments were made on the clause.

Clause 9. Answer to Legislative Council

2. The Deputy Secretary for Planning and Lands (DS/PL) advised that the reference to “Chairman” under clause 9 would be deleted and substituted by “Managing Director” to take account of the decision to adopt a non-executive chairman model for the Urban Renewal Authority (URA). Ms Emily LAU did not agree to the proposed amendment. She held the view that as the Chairman would be responsible for the operation of URA, he should be required to attend committee and subcommittee meetings of the Legislative Council (LegCo) to answer questions from Members. DS/PL explained that under the new proposed structure of the URA Board, there would be a non-executive Chairman and an executive Managing Director for URA. The former would lead the URA Board in its deliberations and guide the Board in its decision-making while the latter would be responsible for administering the day-to-day affairs of URA and for the conduct of the general business of URA. As the Chairman would not be a full-time staff of URA, DS/PL considered it not reasonable to require him to attend LegCo meetings upon request lest this would impinge on his personal business. Besides, as concerns over URA would mainly focus on the implementation of redevelopment projects, it would be more

appropriate for the Managing Director who would be directly responsible for the conduct of business of URA to attend committee and subcommittee meetings of LegCo to answer questions from Members.

3. The Chairman did not accept the Administration's explanation since the candidate concerned should be well aware of the possible impact of the post of Chairman of URA on his personal business before accepting the appointment. Expressing similar view, Mr LEE Wing-tat opined that there was a need to enhance communication between LegCo and statutory bodies. To this end, consideration should be given to making it compulsory for chairmen of these bodies to attend committee and subcommittee meetings of LegCo to exchange views with Members on issues of common concern. Such an arrangement should not be too demanding on the chairmen concerned as meetings in relation to the works of individual statutory bodies would only be held on a need basis. He quoted an example where the Chairman of the Housing Authority had personally requested to attend meetings of the Panel on Housing to discuss with members on building problems in public housing estates.

4. While acknowledging members' concern, DS/PL reiterated that it would not be appropriate to specify in the Bill the requirement for the Chairman of URA to attend LegCo meetings since non-compliance would mean contravening the law. He cautioned that this would discourage potential candidates from accepting the appointment. Mr LEE Wing-tat was not convinced of the Administration's response and remarked that he would move an amendment to require both the Chairman and the Managing Director of URA to attend committee and subcommittee meetings of LegCo upon request.

5. Mr LEE Cheuk-yan however considered an amendment not necessary since clause 9 already stipulated that the Chairman and executive directors of URA should attend committee and subcommittee meetings of LegCo. The Managing Director who was also an executive director of URA would have to attend these meetings by virtue of clause 9.

#### Clause 10. Resources of Authority

6. Ms Emily LAU asked if the Administration remained confident that URA could achieve a balanced account for the 20-year urban renewal programme. DS/PL advised that the presumption of a balanced account was arrived at based on the findings of a recent study on the property market. The Administration however would not rule out the possibility that capital injection from the Government might be required for URA to implement the urban renewal programme. Ms LAU expressed concern about the pressure which URA might have to achieve a balanced account. DS/PL responded that the Administration recognized that the pace of urban renewal would hinge on the economic situation. It was anticipated that more resources would be allocated to expedite urban renewal in the event of a booming economy.

7. As to whether the Administration would include in clause 10(4) the need for URA to take into account public interest in handling finances, DS/PL considered this inappropriate since the legislative effect of such a provision was not clear.

Clause 11. Borrowing powers

8. On clause 11(4), DS/PL advised that the provision for URA to seek approval from the Financial Secretary before borrowing by way of overdraft from sources other than the Government was to ensure proper control on URA's power to borrow money.

Clause 12. Power to lend money

9. Mr LEE Wing-tat and Ms Emily LAU opined that the Administration should stipulate clearly in clause 12(1) that URA might lend money, including the proposed bridging loan, to landowners and tenants affected by redevelopment projects. DS/PL replied that under clause 12, URA might lend money to any person or persons for the purposes of implementing an urban renewal project. The description of "any person or persons" would include property owners and tenants. He nevertheless undertook to seek legal advice on the practicality of the members' view.

*(Post-meeting note: The Administration's response was circulated to members vide LC Paper No. CB(1) 1864/99-00(02).)*

10. Mr NG Leung-sing enquired about the circumstances under which the Secretary for the Treasury (S for Tsy) might give directions of a general or specific character to URA in relation to the amount of money which might be lent under clause 12(2). By way of illustration, DS/PL advised that S for Tsy might need to give directions on the way in which URA should lend money to property owners in the implementation of the proposed preventive maintenance of buildings scheme. He nevertheless stressed that the clause referred to conferred on S for Tsy residual power to ensure proper control on URA's power to lend money.

Clause 13. Guarantee by Government

Clause 14. Use of surplus funds

Clause 15. Debt of Authority

11. No particular comments were made on these clauses.

Clause 16. Accounts, audit and annual report

12. Referring to clause 16B of the draft Committee Stage amendments (CSAs) of the Administration (LC Paper No. CB(1) 1802/99-00(04)), the Assistant Legal Adviser 1 (ALA 1) asked if it was intended that the current appointment of the auditor of the Land Development Council (LDC) would expire upon the dissolution of LDC, and that URA would appoint an auditor upon its establishment. DS/PL explained that under clause 32(5), every contract entered into by LDC which was in force immediately before the commencement of the URA Ordinance should, as from that date, have effect as if URA was substituted for LDC, and the contract or other agreement might be enforced by or against URA. As such, the appointment of the LDC auditor would remain valid upon the transfer from LDC to URA until its natural expiry.

### Clause 17. Exemption from taxation

13. On clause 17A(2) of the Administration's draft CSAs, ALA 1 enquired about the circumstances under which the Secretary for Planning and Lands (SPL) could prepare, revoke or amend the urban renewal strategy (URS) without first consulting the public. DS/PL advised that in general, URS would be reviewed and updated every two years. To tie in with the review of the policy document, the Planning Department would update its urban renewal strategy study. The public and the professional institutes would be involved in the updating exercise of the urban renewal strategy study and the urban renewal strategy policy document. Nevertheless, there might be circumstances where minor changes, such as the inclusion of certain buildings for preservation, to the policy document might arise during the interim. SPL would decide whether the public should be consulted on these changes.

14. The Chairman and Mr LEE Wing-tat however pointed out that the scope of clause 17A(2) as drafted was too wide. They considered that the clause should be amended to the effect that only changes which were not fundamental in nature would not be subject to public consultation. In reply, DS/PL cautioned that the proposed amendment might limit the flexibility of SPL to deal with different situations. He nevertheless undertook to consider members' view.

*(Post-meeting note: The Administration's response was circulated to members vide LC Paper No. CB(1) 1864/99-00(02).)*

15. As regards the types of information which would not be disclosed under clause 17A(3) of the Administration's draft CSAs, DS/PL advised that these would include redevelopment plans, boundaries of project areas and dates of clearance etc. He added that the purpose of the clause was to prevent people from challenging the validity of the urban renewal strategy because certain sensitive information was not disclosed.

### Clause 18. Corporate plan

### Clause 19. Business plan

### Clause 20. Publication of project

16. No particular comments were made on these clauses.

### Clause 21. Objections to projects to be implemented by way of a development project

17. On clause 21(3), the Chairman opined that the Administration should expressly provide that an assessment similar to that in clause 22(3)(c) would be conducted for a development project. DS/PL undertook to consider the Chairman's view.

*(Post-meeting note: The Administration's response was circulated to members vide LC Paper No. CB(1) 1864/99-00(02).)*

18. On clause 21(7) of the Administration's draft CSAs, Mr LEE Wing-tat and Miss CHAN Yuen-han remained of the view that the one-month objection period for owners affected by an amended development project was inadequate. Mr LEE said that

he might move an amendment to further extend the objection period. DS/PL responded that the one-month objection period should suffice since, according to past experience, the majority of amendments to redevelopment projects were in fact initiated by property owners. Besides, the prolonged objection period would exacerbate the anxiety of the affected residents. The Assistant Director/Urban Renewal (Acting), Planning Department (AD/UR (Ag)) also pointed out that under Section 7 of the Town Planning Ordinance (Cap. 131) (TPO), any person who wished to object to a proposed amendment to a draft plan should send his objections to the scheme within the publication period of three weeks. No complaints had so far been received on the duration of the objection period. To facilitate a better understanding on the objection procedure, Mr LEE requested and the Administration undertook to provide a flow chart showing the major steps in processing objections to a development project.

*(Post-meeting note: The Administration's response was circulated to members vide LC Paper No. CB(1) 1864/99-00(02).)*

19. Mr LEE asked how the Administration could ascertain that the majority of the affected owners would support the amendments to a redevelopment project. DS/PL advised that under clause 21(3), URA would need to consider all objections to a redevelopment project and submit the project, its deliberations on the objections and any objections which were not withdrawn to SPL for consideration. URA would have to consult all the owners directly affected by the amendments. It would reject the amendments if these failed to have the support of most of the affected owners.

20. As to how URA could inform those owners who would likely be affected by the amendments, DS/PL advised that at present, LDC would publish the amendments in the newspapers and put up notice in the affected areas to inform owners concerned. The social work teams funded by LDC would also help to disseminate the message to the residents. It was anticipated that similar arrangements would apply to URA.

#### Clause 22. Development schemes

21. Ms Emily LAU asked if the Administration would provide an objection mechanism for development schemes under clause 22(2). In reply, DS/PL considered this not necessary as objections to a proposed development scheme would be dealt with by the Town Planning Board (TPB) under TPO.

22. Miss CHAN Yuen-han opined that the Administration should spell out in detail the scope of the social impact assessment in clause 22(3). Given that there was a lack of clear definition on "social impact assessment", DS/PL cautioned that the proposed inclusion of the phrase in the Bill might give rise to disputes.

#### Clause 23. Development projects to accord with Town Planning Ordinance

23. Noting that the appeal mechanism provided for under new clauses 23A and B of the Administration's draft CSAs was modelled after that of TPO, Mr TAM Yiu-chung enquired about the experience of TPB in dealing with appeals under TPO. AD/UR (Ag) advised that more appeals were received in the initial period after the enactment of TPO.

It also took a longer time for the Chairman of the Appeal Board to handle individual appeals at the outset. However, the number of appeals had been stabilized over the years and the time taken for the Chairman to process appeals had been subsequently reduced as experience accumulated. As to whether SPL would be represented by Government counsel in appeals, DS/PL advised that this had yet to be decided but according to the Administration's practice, Government counsel would only be required if the other party to an appeal was represented by lawyers.

24. Ms Emily LAU asked if appellants who failed to give seven days' notice of their intention to abandon the whole or part of the appeal under clause 23B(6) would be subject to penalty. DS/PL advised that under clause 23B(16), the Appeal Board might order any party to an appeal to pay the costs and expenses incurred by the Appeal Board in hearing and determining the appeal. Under the circumstances referred to by Ms LAU, the appellants concerned might be required to reimburse the administrative cost for the Appeal Board to be established. AD/UR (Ag) however pointed out that according to TPB's experience, no one had been penalized as a result of withdrawal of appeal. At members' request, the Administration undertook to provide an estimate on the costs and expenses for the setting up of an Appeal Board under clause 23A.

*(Post-meeting note: The Administration's response was circulated vide LC Paper No. CB(1) 1864/99-00(02).)*

25. Referring to clause 23B(8), Mr LEE Wing-tat questioned the rationale for holding hearings of the Appeal Board in private. In reply, DS/PL pointed out that there might be situations where appellants had to disclose personal interests which they might not wish to be divulged in public, the clause would provide flexibility for the Appeal Board to hold a hearing or part of a hearing in private after consulting both the appellant and SPL. While acknowledging the Administration's explanation, Mr LEE considered that the Administration should specify in the Bill that hearings of the Appeal Board should not be held in private unless in exceptional circumstances. DS/PL took note of Mr LEE's view.

## **II Any other business**

26. The Chairman reminded members that the next meeting would be held on Wednesday, 14 June 2000, at 8:30 am.

27. There being no other business, the meeting ended at 6:30 pm.