

**立法會**  
**Legislative Council**

Ref: CB1/BC/9/99/2

LC Paper No. CB(1)1985/99-00  
(These minutes have been  
seen by the Administration  
and cleared by the Chairman)

**Bills Committee on  
Urban Renewal Authority Bill**

**Minutes of meeting held on  
Tuesday, 16 May 2000, at 10:45 am  
in Conference Room A of the Legislative Council Building**

- Members present** : Hon Edward HO Sing-tin, SBS, JP (Chairman)  
Hon Gary CHENG Kai-nam, JP (Deputy Chairman)  
Hon HO Sai-chu, SBS, JP  
Hon LEE Wing-tat  
Hon LEE Cheuk-yan  
Hon NG Leung-sing  
Hon James TO Kun-sun  
Hon Christine LOH  
Hon LEUNG Yiu-chung  
Hon Andrew WONG Wang-fat, JP  
Hon WONG Yung-kan  
Hon Emily LAU Wai-hing, JP
- Members absent** : Ir Dr Hon Raymond HO Chung-tai, JP  
Hon Ronald ARCULLI, JP  
Hon CHAN Yuen-han  
Dr Hon LEONG Che-hung, JP  
Hon TAM Yiu-chung, GBS, JP  
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 (Acting)  
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 Meeting with the Administration**  
(LC Paper No. CB(1) 1463/99-00(01))

Members continued to discuss the Administration's response to comments made in submissions to the Bills Committee on the Urban Renewal Authority Bill circulated vide LC Paper No. CB(1) 1463/99-00(01).

Disposal of land resumed

2. As to how owners affected by urban renewal projects could share the benefits of redevelopment, the Deputy Secretary for Planning and Lands (DS/PL) advised that owners concerned might participate in an owners' participation scheme in some cases provided that they were prepared to share the development risk of the project. Having regard to the substantial financial risks involved, such a mode of project implementation might not be suitable for small property owners.

Rehousing arrangements

3. Ms Emily LAU asked if cash compensation would be offered as an alternative for rehousing. DS/PL advised that tenants affected by land resumption for urban renewal projects would be rehoused to public rental housing (PRH) provided by the Housing Authority (HA) or the Housing Society (HS) according to their eligibility. A cash allowance would be given by URA to those tenants who did not qualify for PRH. Those who had a justifiable reason for not accepting PRH might also receive the cash allowance. For example, elderly persons who intended to retire to their home village in the Mainland might receive the cash allowance. Affected tenants who did not wish to move into interim housing (IH) flats might also receive the cash allowance. Any person who had received the cash allowance in lieu of rehousing should not be eligible for any form of rehousing or housing assistance for a period of time, for example three years. While agreeing that certain restrictions should be imposed on the receipt of compensation, Ms LAU considered it necessary for the Administration to clearly explain to the public

such restrictions to avoid any misunderstanding. DS/PL took note of Ms LAU's view. He also agreed to confirm in writing that an affected tenant who did not wish to move into an IH flat could opt for a cash allowance.

*(Post-meeting note: The Administration's response was circulated to members vide LC Paper No. CB(1)1679/99-00(04).)*

4. Since rehousing was intended to be a form of compensation for displaced tenants, Ms Emily LAU and Mr LEE Cheuk-yan considered it not reasonable to require them to meet the same eligibility criteria, including the residence rule and the income and assets test, as applied to applicants on the Waiting List (WL) in order to be eligible for rehousing to PRH units of HA. DS/PL clarified that apart from HA, HS had also agreed in principle to act as a rehousing agent of the Urban Renewal Authority (URA). As HA and HS had different rehousing criteria, tenants who failed to meet those of HA might still be eligible for rehousing to PRH units of HS.

5. As to whether URA could allocate PRH flats to displaced tenants at its discretion, DS/PL explained that under the preliminary agreement with HA, HA would provide an annual quota of up to 1,000 PRH and IH units from its existing stock or from its newly-built units, if available, to URA for rehousing affected tenants. The Government would, over a period of five years, provide sufficient land to HA for the construction of an equivalent number of PRH and IH units which had been provided to URA. URA would screen affected tenants in accordance with the established eligibility criteria laid down by HA to ascertain their eligibility for PRH. To safeguard rational allocation of the scarce public housing resources, URA could only allocate PRH units to affected tenants who could meet the eligibility criteria. Those who failed to meet the criteria might be offered Green Form status for the purpose of applying for various subsidized home ownership schemes administered by HA. He added that the main elements in the respective preliminary agreements with HA and HS were similar, but HS had agreed to accord greater flexibility to URA so that it might, through negotiation with HS, alter the terms of the agreement to meet its rehousing need.

6. Members generally considered the preliminary agreement with HA too rigid. The Chairman was particularly concerned about those displaced tenants who failed the income and assets test by a narrow margin. They would neither be eligible for PRH under the rehousing policy of HA nor afford a self-owned flat in view of their income. To this end, the Chairman opined that URA should be given discretion to allocate PRH flats to tenants affected by urban renewal. Mr CHENG Kai-nam echoed that arrangements should be in place to enable URA to rehouse tenants on compassionate grounds. Mr LEE Cheuk-yan did not agree that URA should be dictated by HA in making rehousing arrangements for displaced tenants bearing in mind that URA would reimburse HA the development costs of the PRH units provided by HA. Mr LEUNG Yiu-chung also expressed concern about the difficulties displaced tenants would have after rehousing to PRH flats. He pointed out that tenants would be required to undergo a comprehensive means test, covering both income and net assets, after ten years' residence and every two years thereafter. Those with household income exceeding the specified limits would be required to pay extra rent. Mr LEE Wing-tat considered that the ultimate solution to members' concerns was for URA to devise its own rehousing policy. To this end, the Government should grant land to HA for the construction of rehousing flats for URA so that the latter could have unfettered discretion in respect of allocation of these flats.

7. In reply, DS/PL emphasized that unlike private developers who were only required to pay compensation to tenants affected by redevelopment in accordance with the Landlord and Tenant (Consolidation) Ordinance (Cap.7), the Government had made a commitment that no one affected by urban renewal would be rendered homeless. As URA did not have sufficient rehousing resources to help accommodate affected tenants, assistance from HA had to be sought. The preliminary agreement with HA was considered acceptable to both HA and URA. Ms Emily LAU enquired how URA would handle rehousing matters should it have sufficient rehousing resources. DS/PL advised that if so, URA would devise its own rehousing criteria. Ms LAU remarked that it might not be fair if displaced tenants were subject to different sets of eligibility criteria for rehousing at different times of urban renewal. DS/PL explained that compared with WL applicants, tenants concerned had an edge already since they would be rehoused to PRH within a relatively short time by virtue of redevelopment. It was reasonable that they should be subject to the same eligibility criteria as WL applicants.

8. Mr Andrew WONG remained concerned that many displaced tenants, particularly those elderly tenants who earned their living by leasing their properties, might not be able to meet the rehousing criteria of HA. In response, DS/PL assured members that purpose-built flats within or near the project areas would be constructed for rehousing elderly tenants. Mr James TO was not convinced of the Administration's response. He held the view that URA should be given the discretion to allocate a certain percentage of the annual quota of PRH flats from HA to displaced tenants in accordance with its own rehousing criteria. Mr LEE Cheuk-yan suggested that URA should purchase 1,000 PRH flats from HA for rehousing tenants affected by urban renewal projects using its own criteria. As HA was responsible for the management of PRH flats, Mr Andrew WONG considered it more appropriate for URA to rent the 1,000 PRH flats from HA and sublet those flats to displaced tenants using its own criteria. DS/PL advised that following the last meeting on 9 May 2000, the Administration had relayed members' request to HA to provide a quota of flats to URA for rehousing affected tenants on compassionate grounds. A reply from HA was still awaited. He undertook to reiterate members' concerns expressed at the current meeting to HA for consideration.

*(Post-meeting note: The Administration's response was circulated vide LC Paper No. CB(1) 1679/99-00(04).)*

9. As to whether the Administration would consider offering rent allowance to affected tenants, DS/PL affirmed that URA would provide temporary rent allowance to displaced tenants during the interim period before rehousing could be arranged for them.

#### Others

10. Mr James TO sought information on the social work teams to be set up by URA. DS/PL advised that the Land Development Corporation (LDC) currently had two social work teams. URA would set up a social work team in each of the nine urban renewal target areas. The structure of the social work teams would be in line with the current practice of Social Welfare Department taking into account the population in the target areas. To facilitate a better understanding, the Administration undertook to explain in writing the establishment and operation of the social work teams with reference to the experience of LDC.

*(Post-meeting note: The Administration's response was circulated vide LC Paper No. CB(1) 1679/99-00(04).)*

11. Mr TO noted that at present, LDC had to engage and pay for the service of certain government departments, including the Lands Department. He asked if such an arrangement would cease after the establishment of URA. DS/PL advised that the arrangement referred to was necessary as the Lands Department did not have sufficient staff to deal with land resumption for LDC. Consideration was being given to financing the posts concerned by the Administration subject to the availability of resources.

## **II Any other business**

12. Members agreed to hold two additional meetings as follows:

- Monday, 5 June 2000, at 8:30 am; and
- Wednesday, 7 June 2000, at 8:30 am.

*(Post-meeting note: The meeting on 7 June 2000 was subsequently rescheduled for Monday, 5 June 2000, at 12:45 pm.)*

13. There being no other business, the meeting ended at 12:10 pm.

Legislative Council Secretariat  
30 October 2000