

Bills Committee on Urban Renewal Authority Bill

Concerns raised at the meeting on 26 April 2000

Members requested the Administration -

- (a) to take into account all relevant factors in fixing a certain percentage of the value of non-domestic premises as the basis of business loss. A member has quoted various difficulties faced by tenants and owners of small shops affected by redevelopment such as calling of loans by banks, dwindling of new orders for business, etc. Members consider that the Administration should encourage small businesses to continue with their trades elsewhere by providing special allowances;
- (b) to illustrate with examples the differences in compensation to owners and tenants offered by private developers vis-à-vis the Urban Renewal Authority (URA) for resuming properties for redevelopment;
- (c) to confirm whether the Home Purchase Allowance payable to eligible owners covers legal fee, stamp duty and decoration cost;
- (d) to discuss with banks the implications if the amount of compensation payable to an owner is insufficient to redeem the mortgaged property to be resumed; and
- (e) to provide supplementary information on the administrative and operational arrangements concerning rehousing of tenants to public rental flats of the Housing Authority (HA). Members are gravely concerned whether the majority of tenants affected by URA redevelopment projects are eligible for rehousing to public rental flats in local or nearby districts in accordance with the established criteria laid down by HA and the preliminary agreement.