

Bills Committee on Urban Renewal Authority Bill

Concerns raised at the meeting on 9 May 2000

Members requested the Administration -

- (a) to seek legal advice on how the following situation will be dealt with: where a sale and purchase agreement on a property has been signed and before execution of the agreement, the Chief Executive-in-Council approves the resumption of the property under the Lands Resumption Ordinance (Cap. 124). Members are concerned about the validity of the agreement in this circumstance and whether the resumption order will be enforced against the vendor or the purchaser;
- (b) to confirm whether the claim for business loss under section 10(2)(d) of the Lands Resumption Ordinance covers termination of business. The Administration is requested to advise if there have been such cases in relation to redevelopment projects undertaken by the Land Development Corporation;
- (c) to explain how the Administration/URA will handle hardship "negative asset" cases. Members are concerned that if the amount of compensation payable to the owner is insufficient to redeem the mortgaged property from the bank, the mortgagor may go bankrupt and face all the dire consequences due to compulsory land resumption by Government;
- (d) to discuss with the Housing Authority (HA) on the possibility of according first priority to the Urban Renewal Authority (URA) in having casual vacancies which may arise from existing public housing estates to meet the agreed annual quota. This arrangement will facilitate URA to rehouse affected tenants in local or nearby districts;
- (e) to discuss with the Housing Authority on the viability of allocating a certain number of public rental housing units out of the annual quota to URA for rehousing tenants who do not fulfil HA's eligibility criteria but who are considered suitable for rehousing on compassionate grounds; and

- (f) to provide an outline of a social impact assessment to be undertaken by the Administration or URA before implementing a redevelopment project. In this connection, you are requested to consider the view of the Centre of Urban Planning and Environmental Management of the University of Hong Kong in its submission dated 31 March 2000 to the Bills Committee and comment on its suggestion on how a social impact assessment should be done.

Legislative Council Secretariat

10 May 2000