

## **Bills Committee on the Urban Renewal Authority Bill**

### **Acquisition of Land for Redevelopment - Differences between Private Developers and the Urban Renewal Authority**

#### **Issue**

At the Bills Committee meeting held on 26 April 2000, Members asked for a comparison between the land acquisition process of private developers and that of the future Urban Renewal Authority (URA). In particular, Members would like to know the different terms and conditions offered by private developers and the URA to owners and tenants.

#### **Private Developers**

2. Private developers can only acquire land through negotiation with land owners. Prices are determined in the market. If a private developer is trying to assemble a site for redevelopment, the last few owners to sell to the private developer can often demand a higher price for their flats.

3. The Land (Compulsory Sale for Redevelopment) Ordinance (Cap. 545) enables a private developer who owns not less than 90% of the undivided shares in a lot to make an application to the Lands Tribunal for an order for the sale of all the undivided shares in the lot for the purposes of the redevelopment of the lot.

4. Private developers are not bound to rehouse affected tenants. If a private developer has acquired tenanted premises, it is required (as the landlord) to pay compensation to the affected tenants under the Landlord and Tenant (Consolidation) Ordinance (Cap. 7) if the premises are repossessed by the private developer for redevelopment.

**URA**

5. Under the Urban Renewal Authority Bill, the URA may request the Secretary for Planning and Lands to recommend to the Chief Executive in Council the resumption of the land required for an urban renewal project. Affected owners will be compensated fairly. All owners will be compensated according to the same policy and principles. Affected tenants will be provided with appropriate and affordable rehousing.

Planning and Lands Bureau

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