

立法會

Legislative Council

LC Paper No. CB(1) 2124/99-00

(These minutes have been seen
by the Chairman and cleared by the
Chairman)

Ref: CB1/HS/1/99/2

Subcommittee to study the Urban Renewal Authority White Bill

**Minutes of meeting held on
Tuesday, 11 January 2000, at 4:30 pm
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 Ronald ARCULLI, JP
Hon CHAN Yuen-han
Hon WONG Yung-kan
Hon Jasper TSANG Yok-sing, JP

Members absent : Ir Dr Hon Raymond HO Chung-tai, JP
Hon NG Leung-sing
Hon James TO Kun-sun
Hon Christine LOH
Dr Hon LEONG Che-hung, JP
Hon Andrew WONG Wang-fat, JP
Hon TAM Yiu-chung, GBS, JP
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

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

I Confirmation of minutes of meeting
(LC Paper No. CB(1) 735/99-00)

The minutes of the meeting held on 9 November 1999 were confirmed.

II Meeting with the Administration

Discussion on the Administration's response to the views expressed by deputations
(LC Paper Nos. CB(1) 469/99-00(01), (02), (03), 527/99-00(01), 679/99-00, 705/99-00(01), (02), (03), 721/99-00(01), (02) and (03))

Compensation for land resumed

2. Noting the Assistant Legal Adviser 1 (ALA 1)'s remarks that Articles 6 and 105 of the Basic Law (BL) had provided for the protection of the right of private ownership of property and the right of individuals to compensation for lawful deprivation of their property respectively, the Chairman asked how the Administration could ensure that owners affected by redevelopment projects of the Urban Renewal Authority (URA) would be fairly compensated. In reply, the Deputy Secretary for Planning and Lands (DS/PL) assured members that the provisions relating to land resumption under the Bill were in conformity with BL. Owners of domestic properties resumed for redevelopment would be compensated in accordance with the Lands Resumption Ordinance (Cap. 124) (LRO). In addition to the statutory compensation under LRO which would be the open market value of the resumed properties, affected owners would also be eligible for an ex gratia allowance to enable them to purchase a ten-year-old replacement flat comparable in size and in the same locality of the resumed flats. The Chairman however pointed out that the development value of the resumed properties had not been taken into account in the calculation of compensation. DS/PL clarified that LRO stipulated that only the existing value of the properties should be used as the basis for compensation.

3. Mr CHENG Kai-nam asked if the Administration would consider using a newer flat as the basis for calculating the cost of a replacement flat. DS/PL advised that the use of a ten-year-old flat as the calculation basis for the home purchase allowance was endorsed by the Finance Committee in April 1997. Nevertheless, in view of the divergent views received on the proposed package for compensation, the Administration would review the position at the end of the consultation period.

4. The Chairman enquired about the Administration's response to the question of planning blight raised in the submission from the Hong Kong Bar Association (LC Paper No. CB(1) 705/99-00(03)). The Assistant Director/Urban Renewal (Acting), Planning Department (AD of P (Ag)) explained that redevelopment proposals of URA could be implemented either by way of a development project or by way of a development scheme. The former applied to proposals which required no change in the land use whereas the latter applied to proposals which required a major change in the land use. In the latter case, approval from the Town Planning Board (TPB) had to be sought. The broad time frame for completing the statutory planning procedures for a development scheme was about 16 months. In view of the relatively short processing time, the statutory planning procedures should not cause any major planning blight to a development scheme area. The Chairman however pointed out that the processing time referred to only applied after the development schemes were published in the Gazette. As development proposals in the five-year corporate plans and the annual business plans of URA were to be kept secret, there was no guarantee that there was no blight during the interim. Besides, URA might submit to TPB for approval proposals which required change in the land use before these were included into the corporate plans as in the case of the Land Development Corporation (LDC). DS/PL admitted that at present, the Administration did not know as to how LDC would implement its redevelopment projects. However, as URA would be required to submit each year a corporate plan to the Financial Secretary for approval, the Administration would have better control over the work of URA. The circumstances described by the Chairman would unlikely happen.

5. Noting that approval from TPB would not be required for development projects which required no change in the land use, Miss CHAN Yuen-han expressed concern that affected owners would be deprived of the opportunity for lodging objection against these projects. DS/PL advised that under the existing Land Development Corporation Ordinance (Cap. 15), there was no formal procedure for lodging objections against development projects. However, clause 21 of the Bill provided that any person who considered that he would be affected by a development project might raise objections. URA had to consider all objections and to discuss with the objectors the issues involved. It would then submit the development project, its deliberations on the objections and any objections which were not withdrawn to the Secretary for Planning and Lands (SPL) for his consideration. After considering the development project and the objections, SPL might either make an amendment to the project to meet an objection, authorize URA to proceed with the project with or without amendment or decline to authorize the project. The objection procedure was indeed an improvement over the present system. The Chairman did not accept the Administration's explanation. He pointed out that at present, LDC was required to negotiate with affected owners on acquisition for the land required which might last for a long time. URA could however apply for direct resumption of the

land one month after the publication of the development project. ALA 1 added that unlike other similar legislation such as the Town Planning Ordinance (Cap. 131), Foreshore and Sea-bed (Reclamations) Ordinance (Cap. 127), Roads (Works, Use and Compensation) Ordinance (Cap. 370) and Railways Ordinance (Cap. 519) where a two-month objection period was provided, objectors under the Bill would only be given one month to raise their objections.

6. As regards the circumstances under which SPL would decline to approve a development project, DS/PL explained that in considering a proposed development project and the relevant objections, SPL would have regard to the public interest and the rights and interests of the residents in the project area. Each case would be considered on its own merits. Mr Ronald ARCULLI asked how the Administration could handle divergent views of residents, particularly those elderly residents who were reluctant to move to other areas, on a development project. In reply, DS/PL reiterated that the Government's policy was to balance the interests and needs of all sectors of the community and not to sacrifice the lawful rights of any particular group. He added that purpose-built flats within or near the project area would be constructed for rehousing elderly residents.

7. Miss CHAN Yuen-han however stressed that individual interests should not be compromised for the sake of public interest. She held the view that a separate appeal mechanism should be established to consider objections against SPL's determination on objections against URA development projects. Given that the Bill already provided for an elaborate system to consider objections against URA development projects, DS/PL considered that there was no real need for an additional appeal mechanism as this would inevitably delay the whole project approval process. Members were not convinced of the Administration's response. They opined that the Administration should seriously reconsider the proposal put forward by Miss CHAN.

(*Post-meeting note:* The Administration's response was circulated vide LC Paper No. CB(1) 863/99-00(01).)

8. On the criteria for selecting buildings within a project area for redevelopment, DS/PL advised that apart from the age, structural conditions of the buildings and the integrity of their external finishes and the fire safety conditions of these buildings, the Administration would take into account the living conditions of residents and the surrounding environment of the project area. A building which was structurally safe but without the necessary facilities such as flush toilets would also be considered for redevelopment. As rehabilitation was a practicable and viable option to redevelopment of buildings, Mr LEE Wing-tat opined that the Administration should work out a set of objective guidelines to determine whether a building should be redeveloped or rehabilitated. Owners should be required to engage professionals to ensure that their buildings were rehabilitated up to the standards as required by the Administration. In reply to Mr TSANG Yok-sing's question, AD of P (Ag) confirmed that there had been a previous case where part of the site of a proposed project was excised from the project area on the grounds that the owner concerned undertook to redevelop the building on his own.

9. While agreeing with the need for urban renewal, Mr Ronald ARCULLI cautioned about the conflicts and oppositions which might arise in the course of urban renewal. To minimize the chances for confrontation, the Administration should conduct thorough public consultation with a view to reaching a consensus with the public before the implementation of urban renewal projects. DS/PL took note of Mr ARCULLI's view.

Rehousing

10. DS/PL advised that the Government had reached a preliminary agreement with the Housing Society (HS) on rehousing arrangements for tenants affected by the redevelopment projects of URA. Under the agreement, HS would:

- provide sufficient number of rental flats from its existing housing stock or from newly-built blocks to URA for rehousing affected tenants. In return, the Government would grant land to HS for the construction of an equivalent number of flats provided by HS; and
- construct pump-priming blocks on sites granted to HS for the purpose of rehousing tenants affected by URA redevelopment projects.

As regards the discussion with the Housing Authority (HA), DS/PL anticipated that an agreement would be reached as soon as practicable. At members' request, DS/PL undertook to advise in writing the agreement reached by the Government with HS and that with HA, if available.

(*Post-meeting note:* The Administration's response was circulated vide Annex to LC Paper No. CB(1) 863/99-00(01).)

11. Mr CHENG Kai-nam opined that the Administration should consider offering subsidized housing loan schemes to affected tenants so as to reduce the demand for public rental housing flats. Mr Ronald ARCULLI agreed that Mr CHENG's proposal would provide greater flexibility and incentive for affected tenants to move out of their premises, particularly those in non-domestic properties who would be the major hurdle in land resumption. DS/PL replied the proposed offer of loan schemes would incur substantial administrative cost. He nevertheless undertook to reconsider the proposal.

III Any other business

12. Members agreed to hold another meeting on Thursday, 25 January 2000, at 4:30 pm.

13. There being no other business, the meeting ended at 6:05 pm.