

立法會
Legislative Council

LC Paper No. CB(1) 2125/99-00
(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
Thursday, 20 January 2000, at 2:30 pm
in Conference Room A of the Legislative Council Building**

- Members present** : Hon Edward HO Sing-tin, SBS, JP (Chairman)
Ir Dr Hon Raymond HO Chung-tai, JP
Hon LEE Wing-tat
Hon NG Leung-sing
Hon James TO Kun-sun
Hon CHAN Yuen-han
Hon Jasper TSANG Yok-sing, JP
Hon TAM Yiu-chung, GBS, JP
- Members absent** : Hon Gary CHENG Kai-nam, JP (Deputy Chairman)
Hon HO Sai-chu, SBS, JP
Hon Ronald ARCULLI, JP
Hon Christine LOH
Dr Hon LEONG Che-hung, JP
Hon Andrew WONG Wang-fat, JP
Hon WONG Yung-kan
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 Meeting with the Administration

Discussion on the Administration's response to concerns raised by members at previous meetings

Meeting on 30 November 1999
(LC Paper No. CB(1) 554/99-00(01))

On *compensation for owners and tenants*, Mr James TO considered that the Administration should set out in the Bill the principles for compensating owners whose properties were resumed for the redevelopment projects of the Urban Renewal Authority (URA). The Deputy Secretary for Planning and Lands (DS/PL) advised that under clause 24 of the Bill, URA might apply to the Secretary for Planning and Lands (SPL) requesting him to recommend to the Chief Executive in Council (CE in C) the resumption of land required for its redevelopment projects. Land resumption for URA would be conducted under the Lands Resumption Ordinance (Cap. 124) (LRO) and affected owners would be compensated according to the Ordinance. In addition to the statutory compensation under LRO which was the fair market value of the resumed properties, owners would also be eligible for the Home Purchase Allowance (HPA) which was an ex gratia allowance payable to enable them to purchase a ten-year-old replacement flat comparable in size and in the same locality of the resumed flat. As HPA for all resumption under LRO was the same, it would not be appropriate to single out HPA for owners affected by redevelopment projects of URA by making their HPA statutory.

(Post-meeting note: The Administration's response was circulated vide LC Paper No. CB(1) 875/99-00(03).)

2. As regards the eligibility criteria for HPA, DS/PL advised that only one full HPA payment would be offered to an owner-occupier in a resumption exercise, irrespective of the number of flats he owned. Given that affected owners would have no choice but to

surrender their flats in the case of direct resumption of land for redevelopment, Mr TO considered that owners should be entitled to full HPA payments in any event and such an entitlement should not be subject to the Administration's discretion depending on individual circumstances. In reply, DS/PL reiterated that the purpose of urban renewal was to improve the living conditions of residents in old urban districts rather than to share with them the profit of redevelopment. Moreover, an owner who considered himself to have suffered injustice in consequence of maladministration in connection with the payment of HPA might seek judicial review of the case.

Meeting on 6 December 1999
(LC Paper No. CB(1) 584/99-00(01))

3. On *target areas*, the Assistant Director/Urban Renewal (Acting), Planning Department (AD of P (Ag)) explained that in an urban renewal strategy study recently completed by the Planning Department, 200 projects for priority development had been identified. As most of these projects were clustered in a number of old urban districts, the Administration considered that instead of implementing urban renewal on a project-by-project basis, urban redevelopment and rehabilitation should be planned for larger areas with a view to restructuring the older built-up areas in an integrated manner to meet the demand for modern living and hence the demarcation of the nine urban renewal target areas.

4. Mr James TO enquired about the situation of those priority projects which fell outside the boundaries of the nine target areas. DS/PL advised that the main difference between redevelopment projects which fell within and outside the nine target areas lied in the rehabilitation of buildings. To improve building safety, the Administration was formulating a new proposal for the preventive maintenance of buildings and would consult the public shortly. If the proposal was supported, a statutory scheme would be introduced to require owners of older buildings which were not properly maintained to carry out preventive maintenance and proper repairs of their buildings. Consideration was being given for URA to administer the scheme within the nine target areas while the Buildings Department (BD) to administer the scheme in other areas. Nevertheless, there would be close liaison between BD and URA to ensure that notices to repair or rehabilitation would not be served on owners and tenants whose properties had been earmarked for redevelopment by URA.

5. As regards the impact of the scheme on the financial situation of URA, DS/PL assured members that the Administration would provide sufficient resources for URA for the implementation of the scheme. It was anticipated that the scheme would not become an onerous financial burden on URA as owners concerned would be responsible for the maintenance of their buildings. To facilitate a better understanding, members requested and the Administration undertook to provide further information on the responsibilities between URA and BD in the maintenance and rehabilitation of buildings within and outside the nine target areas.

(Post-meeting note: The Administration's response was circulated vide LC Paper No. CB(1) 875/99-00(03).)

6. On *rehousing demand survey*, Mr James TO noted the Administration's concern on the possible confusion which a sample survey might cause. He however remained of the view that efforts should be made to obtain a more accurate estimate on the number of tenants to be affected by URA projects to ensure that sufficient resources could be made available to rehouse these tenants. DS/PL explained that as it was estimated that URA would require about 5,000 rehousing units for the first five years of the 20-year urban renewal programme, the annual provision of 1,000 public rental housing flats by the Housing Society would be sufficient to meet the demand, not to mention the additional 1,000 rehousing units per year to be provided by the Housing Authority. AD of P (Ag) added that sites for construction of rehousing flats had been earmarked to meet the demand in the initial years. He nevertheless assured members that a review of rehousing needs would be conducted after the 2001 Census when more up-to-date demographic information would be available. Moreover, URA would conduct freezing surveys to ascertain the actual number of affected residents after individual redevelopment projects had been published in the Gazette.

7. On *disposal of resumed land*, Mr James TO held the view that small property owners should be given the opportunity to participate in redevelopment projects if they were willing to share the financial risks. DS/PL advised that the Administration was not opposed to owners' participation. He however cautioned that small property owners might suffer serious losses if the redevelopment projects were not profitable. This would be at variance with the objective of urban renewal of improving the living conditions of residents in old urban districts.

8. On *executive chairman*, Miss CHAN Yuen-han was disappointed that despite repeated requests by members, the Administration insisted on adopting an executive-chairman model for URA. Mr James TO enquired about the advantage of having an executive Chairman for URA. DS/PL advised that the proposed structure of the URA Board was modelled after that of the Mass Transit Railway Corporation and the Kowloon-Canton Railway Corporation. As URA would be responsible for the implementation of a large number of redevelopment projects and building repair works, the arrangement of an executive Chairman to take on executive functions would ensure that he would be directly accountable for the performance of URA. Miss CHAN was not convinced of the Administration's response. She remained concerned about the lack of proper checks and balances on the power of the executive Chairman. At members' request, DS/PL undertook to reconsider the structure of the URA Board.

(*Post-meeting note:* The Administration's response was circulated vide LC Paper No. CB(1) 875/99-00(03).)

Meeting on 14 December 1999
(LC Paper No. CB(1) 675/99-00)

9. On *composition of the Board*, Miss CHAN Yuen-han noted that the executive Chairman and the two other executive directors, being appointed by the Chief Executive, together with four non-executive directors being public officers would take up half of the seats of the URA Board. She pointed out that such a composition would enable the Government to have a dominating role in the URA Board. Expressing similar concern,

Mr James TO considered that there was a need to increase the number of non-executive directors who were not public officer to enhance public confidence in the Board. DS/PL undertook to consider the members' views.

(Post-meeting note: The Administration's response was circulated vide LC Paper No. CB(1) 875/99-00(03).)

Meeting on 11 January 2000

(LC Paper Nos. CB(1) 828/99-00(01) and 863/99-00(01))

10. On ***objections against proposed development projects***, the Assistant Legal Adviser 1 (ALA 1) pointed out that under the Railways Ordinance (Cap. 519), the Secretary for Transport could only authorize a scheme if there were no objections. The period for raising objections was 60 days. Otherwise, he would have to submit the scheme together with all the objections to the Chief Executive in Council for authorization within a period of nine months. Similar provisions also existed in the Town Planning Ordinance (Cap. 131) and the Foreshore and Sea-bed (Reclamations) Ordinance (Cap. 127). Under the Bill, the objection period for development projects was only one month. In addition, SPL would have the ultimate decision on whether a development project should proceed after considering the objections. Miss CHAN Yuen-han noted ALA 1's remarks. She reiterated that there should be a separate appeal mechanism against SPL's decision on objections against development projects. DS/PL clarified that as development projects required no change in the land use, other developments within the project areas would not be affected. Moreover, in considering a proposed development project and objections to it, SPL would have regard to the public interest and the rights and interests of the residents in the project areas. Mr James TO however pointed out that in reality, people would tend to withhold developments in the proximity of a project area after the publication of the project. DS/PL took note of members' views.

11. In reply to Mr TO's question, DS/PL confirmed that any person other than those residing in the project areas could raise objection to the projects. He pointed out that as redevelopment projects might involve redesigning of transport and road networks which would affect people in other areas, the proposed arrangement aimed to provide an opportunity for those affected to raise objections.

II Any other business

12. There being no other business, the meeting ended at 4:30 pm.

Legislative Council Secretariat
20 November 2000