

Subcommittee to study the Urban Renewal Authority White Bill

Concerns raised at the meeting on 14 December 1999

Members requested the Administration -

- (a) to refine the drafting of clause 9 to make it categorically clear that the Chairman and the executive directors of Urban Renewal Authority (URA) shall attend meetings of committees and subcommittees of the Legislative Council only as intended by the Administration. The way clause 9 is presently drafted implies that the Chairman and the executive directors of URA shall attend Legislative Council meetings as well;
- (b) to review the composition of the Board of URA as stipulated in clause 4. In accordance with the proposed composition of the Board, the number of executive directors appointed by the Chief Executive plus the number of non-executive directors who are public officers would be equal to that of non-executive directors who are not being public officers. Members are gravely concerned that such composition would enable the Government to have a dominating role in the Board;
- (c) to explain the meaning of clause 4(5) and illustrate with examples as to how this subclause would operate; and
- (d) to explain with examples as to how the financial viability of URA's projects would be enhanced by the proposed relaxation of plot ratio. Members have pointed out that since one of the objectives of urban renewal is to improve the environment by providing more open spaces and community facilities, there may not be net gains in the plot ratio of a redevelopment site as a whole after discounting the spaces earmarked for these purposes.

Legislative Council Secretariat

16 December 1999

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23 December 1999

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Urban Renewal Authority White Bill
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Total no. of pages: 6

Dear Miss Leung,

**Subcommittee to study the
Urban Renewal Authority White Bill**

Thank you for your letter of 16 December 1999.

My response to the points raised in the second paragraph of your letter is as follows:

(a) Clause 9

In order to enhance the accountability of the Chairman and the Executive Directors of the Urban Renewal Authority (URA), clause 9 of the Urban Renewal Authority Bill (the White Bill) provides that:

“The Legislative Council and its committees and subcommittees may request the Chairman and the executive directors to attend its meetings and they shall comply. The Chairman and the executive directors shall answer questions raised by the Members of the Legislative Council at the meetings.”

At the Subcommittee meeting held on 14 December 1999, Members asked whether the Government would designate the Chairman or the Executive Directors of the URA to attend Legislative Council meetings to answer oral questions on behalf of the Government. As only officials are designated by the Government to sit in on Legislative Council meetings and to speak on behalf of the Government, the Chairman and the Executive Directors of the URA (who are not officials) will not be so designated.

To clarify the situation, we propose to amend clause 9 to read (tentatively) as follows:

“The committees and subcommittees of the Legislative Council may request the Chairman and the executive directors to attend its meetings and they shall comply. The Chairman and the executive directors shall answer questions raised by the Members of the Legislative Council at the meetings.”

(b) Composition of the Board

Clause 4(1) of the White Bill provides that:

“There shall be an established board to be named the Board of the Urban Renewal Authority comprised of the following members –

- (a) a Chairman, who is at the same time an executive director and is not a public officer;
- (b) 2 other executive directors, not being public officers;

- (c) 7 non-executive directors, not being public officers; and
- (d) 4 non-executive directors who are public officers.”

According to this sub-clause, the URA Board will consist of 10 non-officials and 4 officials. The officials will not be in a position to “dominate the Board”.

(c) Clause 4(5)

Clause 4(5) of the White Bill provides that:

“A member of the Board of the Authority who is appointed as an executive director shall be responsible to the Board of the Authority for the day to day management and administration of the affairs of the Authority and all matters relating to that responsibility shall be determined by the Chief Executive.”

The intention of the second half of clause 4(5) is to allow the Chief Executive to determine what the responsibility of an executive director is, in case of doubt. On further consideration, we agree that the words “and all matters relating to that responsibility shall be determined by the Chief Executive” are not really necessary. We will consider deleting this phrase when we revise the Bill.

(d) Proposed relaxation of plot ratio controls

At present, plot ratio controls are imposed under:

- (i) the Building (Planning) Regulations made under the Buildings Ordinance (Cap. 123); and
- (ii) individual Outline Zoning Plans approved under the Town Planning Ordinance (Cap. 131).

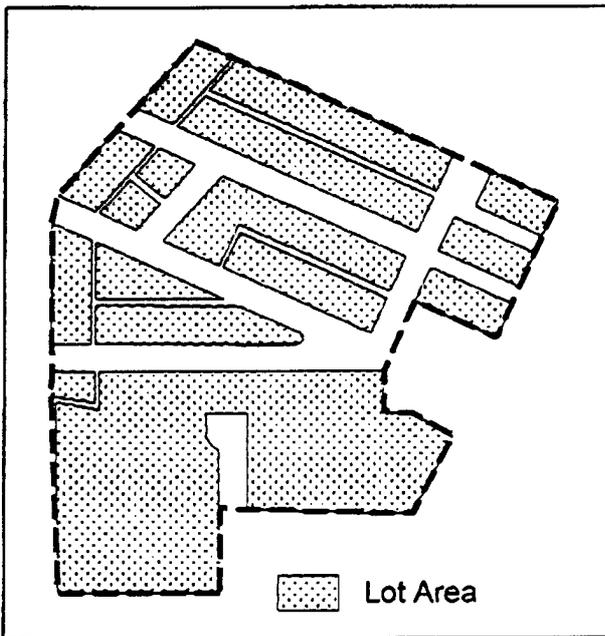
One of our proposals to enhance the financial viability of URA redevelopment projects is to relax plot ratio controls to the maximum permitted levels under the Building (Planning) Regulations.

Members have asked for an example as to how this will work. One such case is set out at the Annex for illustration.

Yours sincerely,

(Stephen Fisher)
for Secretary for Planning,
Environment and Lands

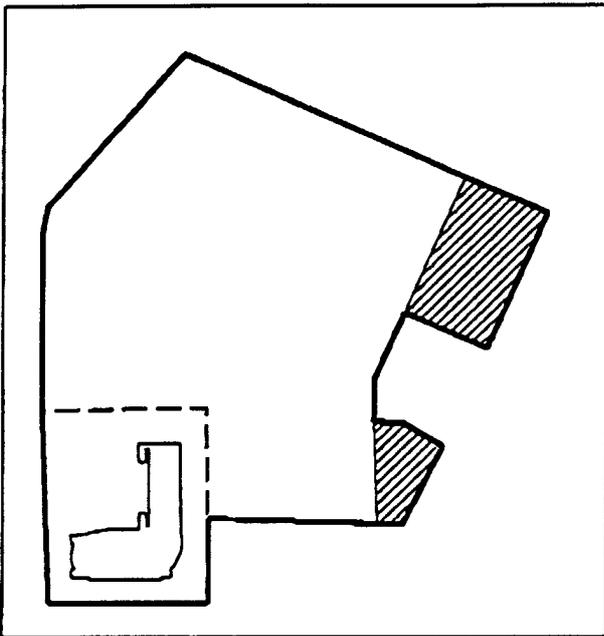
c.c. Director of Planning (Attn: Mr T K Lee)

Impact of Relaxation of Plot Ratio Controls on Financial Viability of a URA ProjectCase 1 : Current Piecemeal Development of Site

Total Lot Area	=2.84 ha
Plot Ratio(maximum permitted under current outline zoning plan)	=7.5 (Domestic) =1.5 (Non-domestic)
Domestic gross floor area	=213,000m ²
Non-domestic gross floor area	=42,600m ²
Total gross floor area	=255,600m ²

Impact of Relaxation of Plot Ratio Controls on Financial Viability of a URA Project

Case 2 : Comprehensive Redevelopment of Site with Relaxed Plot Ratio Controls



-  Open Space (included for project area calculation)
-  School site (excluded from project area calculation)

Total Project Area	=3.19 ha (school excluded from project area calculation)
Plot Ratio (maximum plot ratio permitted under Building (Planning) Regulations)	=9.33 (Domestic) =1.00 (Non-domestic)
Domestic gross floor area	=297,600m ²
Non-domestic gross floor area	=31,900m ²
Total gross floor area	=329,500m ²