(16) in PELB(UR) 25/99/12 (99) CS1/HS/1/99

17 November 1999

Tel. No.: 2848 2598

Fax No.: 2905 1002

Miss Odelia Leung
Clerk to Subcommittee
Subcommittee to study the
Urban Renewal Authority White Bill
Legislative Council Secretariat
Legislative Council Building
8 Jackson Road
Central
Hong Kong

Fax No.: 2877 8024 Total no. of pages:

Dear Miss Leung,

Subcommittee to study the Urban Renewal Authority White Bill

Thank you for your letter of 10 November 1999.

In the third paragraph of your letter, you outlined two suggestions put forward by Members at the meeting held on 9 November 1999 and asked us for our views.

My comments on the two proposals are as follows:

(a) Proposed temporary rent allowance

It was suggested that a temporary rent allowance should be provided to residents displaced by the redevelopment projects of the Urban Renewal Authority (URA) during any interim period before rehousing could be arranged for them. The URA will be provided with adequate rehousing resources so that it could take forward its urban renewal projects. However, the proposal would be an effective interim measure should there be a temporary shortage of rehousing units (perhaps in the concerned district). We will consider the proposal in further detail and will make a recommendation to the URA on this.

(b) Principles of assessment of compensation

We are aware that the principles of assessment of compensation stipulated in section 11 of the Lands Resumption Ordinance (Cap. 124) and the additional rules for determining compensation in section 12 of the same Ordinance may not be generally acceptable to owners whose properties are resumed by the Government. We will ensure that the compensation offered to owners is fair and reasonable and that the compensation system is open and transparent. We are prepared to review the compensation system (including its appeal mechanism).

Yours sincerely,

(Stephen Fisher) for Secretary for Planning, Environment and Lands (18) in PELB(UR) 25/99/12 (99) CS1/HS/1/99

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Dear Miss Leung,

Subcommittee to study the Urban Renewal Authority White Bill

I refer to your letter of 10 November 1999.

At the meeting held on 9 November 1999, Members asked

for:

- (a) the estimated residential units required for rehousing tenants affected by the implementation of the redevelopment projects of the Urban Renewal Authority (URA); and
- (b) the estimated flat production by the URA.

I attach two tables setting out the estimated rehousing units required (Annex A) and the estimated flat production figures (Annex B) for Members' reference.

Yours sincerely,

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

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Estimated Rehousing Flats Required by the Urban Renewal Authority

Period	Number of Rehousing Flats Required
2001 - 2005	3,600
2006 - 2010	5,000
2011 - 2015	5,600
2016 - 2020	1,400 1
<u>Total</u>	15,600 ²

<u>Notes</u>

- 1. This figure is based on the assumption that no new projects would commence after rehousing is completed for the last batch of the 200 priority projects in the early half of this 5-year period.
- 2. On average, the Urban Renewal Authority will require about 1,000 rehousing flats a year.

Estimated Flat Production by the Urban Renewal Authority

Period	Number of Flats Produced
2001 - 2005	3,300 1
2006 - 2010	19,900
2011 - 2015	22,700
2016 - 2020	18,100
<u>Total</u>	64,000 2

<u>Notes</u>

- 1. The number of flats produced for the first five years is comparatively low because no flats would be produced in the first few years of the operation of the Urban Renewal Authority due to the time required for site assembly and construction.
- 2. For an average year, the Urban Renewal Authority will produce about 4,000 flats.