

市區重建局  
URBAN RENEWAL  
AUTHORITY

*Quality Living  
Sustainable City*

Mr Barry CHEUNG Chun-yuen

### Quality Living, Sustainable City

The URA made good progress during the year with its programme to improve the quality of life for the many thousands of people in Hong Kong whose homes are blighted by urban decay.

When our current projects are completed, including those in which we are partners with the Government and the Housing Society, the URA will have helped to rehouse over 30,000 people. We will have achieved this by redeveloping the 780 or so dilapidated, decaying and often dangerous buildings in which they had lived. In addition, our programme of rehabilitation will have benefited 40,000 apartment owners in over 500 buildings, and we plan to rehabilitate 1,000 more buildings in the years to come.

At the same time, our strategy has been evolving rapidly in response to the changing aspirations of our community. We know that the solutions we adopt to tackle urban degeneration must also enhance the entire urban environment. We must not limit our goals to replacing slum dwellings with the decent accommodation our Hong Kong families deserve. Our projects must also contribute to the preservation of our architectural heritage, the protection of the natural environment and the creation of a city we can all be proud of.



URA Chairman Mr Barry Cheung meets the residents of Kwun Tong Town Centre to understand their concerns.

### Rapid Progress at Kwun Tong

Our highest priority during the year was the Kwun Tong Town Centre, the largest and most complex project the URA has ever undertaken. It covers two sites measuring 5.35 hectares on which 24 buildings are located. These are home to some 5,000 people -- almost 1,800 households -- as well as over 500 shops and hawker stalls.

The project made excellent progress, thanks to the cooperation we have received from the Kwun Tong community. The URA was determined to take full account of the public's views, and we carried out an extensive consultation exercise throughout

## Chairman's Statement

the two years of the preliminary planning stages. We have maintained an intensive ongoing programme of engagement with the community and have carefully managed the implementation process. The public's engagement has helped the URA team to design a project that will transform this important area into a comfortable, safe and attractive environment for everyone who lives and works there.

There were 1,657 separate properties on the two sites. The first task was to obtain the owners' agreement to sell their interests to the URA. The offers went out at the end of 2008. By June this year, 97 percent of the 754 domestic owner-occupiers had accepted the URA's terms, and the overall acceptance rate had reached 80 percent of all properties.

This marks a record acceptance rate for the early stages of such a large urban renewal project. The owners' positive response demonstrates that the URA had set property valuations that were fair and reasonable. Our success also reflects the dedication of URA staff in meeting with those people affected and providing open, sympathetic answers to the questions that inevitably arose as they faced significant decisions about their homes and businesses.

## Responding to the Community

Kwun Tong is just one of 47 redevelopment and preservation projects we currently have in hand. During the year, we decided to expand our programmes by helping more owners to form owner corporations and by lowering the requirements for buildings eligible for assistance. In addition, we have expanded the range of building clusters where we are helping with the design and repainting of the external facades to beautify the overall appearance of entire neighbourhoods.

In all that we do, we know that our starting point must be the local community and that we must adapt our schemes in response to changing community aspirations. In Wan Chai, for example, we have adjusted the approach taken in an existing joint venture redevelopment contract in order to preserve the architectural style and other important heritage elements of the Old Wan Chai Market Building. In nearby Lee Tung Street and McGregor Street, we have proposed a scheme that incorporates a Wedding City theme, reflecting the deep roots of the wedding industry in the area, while accepting that extensive building decay meant that redevelopment was the only solution.

Our shophouse conservation strategy, which we introduced in early 2008, has gone from strength to strength. Two such projects have been launched in Mong Kok. At Prince Edward Road West and Shanghai Street, we will preserve, restore and adapt for re-use two clusters of verandah-style shophouses. Here again, extensive public consultation played an important role, with over 80% of people in the area who were polled showing a clear preference for preserving these historic buildings. The Town

## Chairman's Statement

Planning Board will discuss the development scheme plans for both projects very soon. We have also identified 28 more shophouses of lower heritage value that we aim to preserve through our new Voluntary Acquisition and Voluntary Restoration Schemes.



(From left) Legislative Councillor Professor Hon Patrick Lau, URA Chairman Mr Barry Cheung, Secretary for Development Mrs Carrie Lam and Convener of Old Wan Chai Revitalisation Initiatives Special Committee Mr Stephen Ng at the official opening of the Idea Shop.

## Supporting the Urban Renewal Strategy Review

Throughout the year, we have continued to work with the Government in a wide variety of ways for the benefit of the people of Hong Kong and our urban environment.

In his February 2009 Budget Speech, the Financial Secretary announced an initiative to combine building rehabilitation with job creation, called Operation Building Bright. The URA readily joined hands with the Government and the Hong Kong Housing Society and are contributing \$150 million of our capital towards implementing this \$1,000 million scheme, which aims to benefit 1,000 buildings and to create much needed employment.

In cooperation with various Government Departments, the URA has already rejuvenated 19 streets totalling 6,000 metres in length. During 2008, we worked closely in support of the Development Bureau and the Wan Chai District Council on implementation of the district-based Old Wan Chai Revitalisation Initiative.

In addition to working with the Government on redevelopment initiatives and job creation, we have welcomed the opportunity to provide further support for the major review of the Urban Renewal Strategy (URS) that was launched last year. We have provided financial resources and established a core team to manage the programme in support of the consultation. Activities include creation of a dedicated website, the establishment of an "idea shop" in Wan Chai, organising public forums, seminars and surveys and studying urban renewal in other relevant cities. We will continue to actively support the Development Bureau in carrying out the next stages of the Review.

# Chairman's Statement

## A Catalyst for Environmental Change

One of the most urgent issues for the contemporary city is environmental degradation and if Hong Kong is to live up to its aspiration to be Asia's World City, we have to tackle environmental sustainability.

I believe that the URA can play an important role in leading by example. Our goal must be to incorporate environmental sustainability in all aspects of our work. Hong Kong has more than 40,000 buildings, with 500 to 600 new structures being built each year. They consume nearly 80% of our electricity and in the process produce about half of Hong Kong's greenhouse gas emissions, which have risen by 18% in the last decade.

If we modify our existing building stock and build structures that use less energy, we will over time make a significant improvement to our environment. The world already has the simple technologies that can be retrofitted to buildings to make them more environmentally efficient. Old and new, every building in Hong Kong can make a direct contribution to reducing pollution.

In May, we set out our policy on environmental sustainability, which is now at the core of our urban renewal strategy. The policy draws on the experience of many cities overseas, and is based on the latest environmental technology, as well as the advice of leading experts in the field.

Its guidelines cover six main environmental provisions: energy efficiency, water conservation, environmentally-friendly building materials, greening, the collection of recyclable waste and finally, the reduction of construction waste and environmental nuisances during construction.

Our current project in Lee Tung Street will be the first to incorporate all of these environmental provisions in a comprehensive way. We estimate that by applying all these features, carbon dioxide emissions will be cut by about 23 percent. This is equivalent to planting 170,000 trees, or 20 percent of the total planted each year in Hong Kong.

## Outlook

We expect to be no less busy in 2009 than we were last year. We will also be driven by the same sense of urgency.

There are well over 100,000 people living in dilapidated buildings across Hong Kong, and the scale of urban decay will get worse each year unless a considerable



Greening features at the Wan Chai Road/Tai Yuen Street Project (The Zenith).



## Chairman's Statement

effort is made by the Government and the community. There are currently about 18,000 buildings over 30 years old, with 3,600 in poor condition. Half of those in poor condition were identified as such more than a decade ago. Most have no management committees, so maintenance and repairs are neglected. The current economic downturn is likely only to reduce the spending on repair and maintenance needed to prevent building decay.

Kwun Tong will continue to be our top priority. The scale of the development and of the acquisition programme means that we will need to use new methods to raise the increased funding that will be required as the project progresses.

We began to prepare for this task at the end of 2008 by obtaining the Financial Secretary's approval to borrow by means of bond issues as well as through bank loans and other sources. We successfully secured a AA+ rating from Standard & Poor's and in July this year issued HK\$1.5 billion in three-year notes, which were enthusiastically taken up by a wide range of institutions. This is a useful diversification of our funding and contributes to the development of the Hong Kong bond market.

In all our projects we will focus on improving quality of life for all Hong Kong. This means that we will seek to preserve buildings that are of historical or architectural merit, and to revitalise districts through projects that build on those themes that had already taken root in the neighbourhood.

We firmly believe that the URA's work is most successful when we are able to take a comprehensive, district based approach to our work, so that we can maximise the social, architectural and environmental benefits to the local neighbourhood and the wider community.

We welcome the opportunity to contribute to future policy through our input into the URS review, and the consultations it involves. Working in partnership with the community and exploiting expertise from around the world as well as from Hong Kong's own professionals, urban renewal can both help those people in dire need of better housing and act as a catalyst for improvement in Hong Kong as a whole. Our goal is simply to give the people of Hong Kong what they want and deserve - a built environment that is sustainable, offers a good quality of life and holds the prospect of even higher standards for their children.

**Barry CHEUNG Chun-yuen**  
**Chairman**  
31 July 2009