

# Chairman's Statement

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Mr Barry CHEUNG Chun-yuen

## **A Year of Challenges, Change and Progress**

The past year has been one of challenges and change for the URA but I believe we made good progress on several fronts.

First, the issue of urban decay remained urgent in terms of solution and action. With more than 110,000 of Hong Kong's poor still living in appalling housing conditions, we remained conscious of the need to act quickly. At the same time, we had to be ready to meet our community's rising expectations and increasingly sophisticated aspirations. The public expects new considerations to be taken into account, such as heritage conservation. The URA's response has been to be more open and proactive, and to develop a sensible and balanced approach for each of our projects.

The year was marked, therefore, by a change in the level of engagement and outreach by the URA. We increased our efforts to make the best use of our dialogue opportunities not just with those who were affected by the URA's initiatives and projects, but also with groups who might be affected more indirectly.

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As for progress, we reached a number of important milestones.

For example, the redevelopment of Kwun Tong Town Centre, the biggest project ever undertaken by the URA, has progressed through the planning stage and is being considered by the Chief Executive in Council. The Master Layout Plan will be submitted to the Town Planning Board soon. In the meantime, I have promised the owners in the redevelopment area that they should be able to receive purchase offers for their properties by the end of 2008.

During the year, we also came up with innovative redevelopment solutions for our more complex projects. Working with our joint venture partner, conservation experts and the local community, we devised a way to preserve the core elements of the old Wan Chai Market, while honouring our contractual commitments. Separately, 2,600 square metres of gross floor space have been set aside in four renewal projects for social enterprises. And we have enhanced our compensation measures in favour of owners and businesses in the renewal areas.

The Chief Executive's Policy Address of October last year entrusted the URA with new responsibilities for conservation. As a result, we have expanded our conservation strategy to cover 48 pre-war shophouses, a project that will be a major contribution to the preservation of important features of our architectural past which are particularly valued by the community. This is now perhaps the most ambitious initiative of the URA in terms of safeguarding significant heritage elements of our city.



Examples of rare pre-war shophouses in Hong Kong.

When it comes to corporate governance, we are keenly aware of the community's desire for the URA Board to operate with complete transparency. Since I assumed chairmanship last May, I have made it a practice to brief the media after each Board meeting. This policy of open communication seems to have helped to improve public perceptions of our endeavours and to promote wider understanding of the objectives of the URA.

### Putting People First

The URA was set up seven years ago, tasked with a unique social mission: namely to improve conditions for those still living in rundown, squalid housing in the urban areas without even basic amenities. Unlike profit-driven private developers, we have to juggle many objectives simultaneously. Our goal is to achieve sustainable developments that represent the best value and return for the community, while incorporating heritage preservation and, most importantly, improving the quality of life for less fortunate Hong Kong people.

### Embracing Environmentally Sustainable Development

The URA is also keenly aware of the need for a sensible and balanced approach for its projects. We fully support the Government and the community in working towards a sustainable future for Hong Kong. We use every measure possible to protect the environment and to reduce the use of depletable natural resources. Our regeneration projects are founded on a simple premise: meeting the present generation's needs without compromising the ability of future generations to meet theirs.

In the course of last year, we continued to improve the standards, quality and the neighbourhoods of URA projects, and we sought to make every area as green and environmentally-friendly as possible. As testament to our environmental credentials, Vision City, a newly completed redevelopment in Tsuen Wan, won a platinum award under the Hong Kong Building Environmental Assessment Method, for environmental features.

### Preserving Our Heritage

The community's interest in, and awareness of Hong Kong's heritage has increased dramatically in recent years. That has resulted in a greater focus on how the URA has been preserving and restoring historical buildings as an important part of our "4Rs" strategy: Redevelopment, Rehabilitation, pReservation and Revitalisation. Much remains to be accomplished. But already the revitalised heritage buildings in the Johnston Road project have in the meantime emerged as the pride of not only the URA, but also of local

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preservation experts. It is well received by the general public and tourists. The URA has more such initiatives in the pipeline, with the conservation theme park in Nga Tsin Wai Village and the restored shophouses in Mallory Street as two examples of major preservation projects that are due to commence soon.

### Quality of Life A Priority

Urban regeneration makes sense if it makes people's lives better. That is why our people-oriented approach is underpinned by the conviction that our projects are driven by the community's priorities and needs. The URA will continue to fine tune its planning strategy so as to keep in step with society's changing aspirations and needs. The wishes of local residents, traders and business people who want a greater say in the regeneration of their neighbourhoods will also continue to be valued as we try to act upon the views and suggestions raised during public consultations.

In addition, uppermost in our minds will be our duty to cause the least disruption to people's daily lives while work is in progress. To this end, four teams of social workers are deployed for our projects to help ensure a smooth transition period for everyone affected in a redevelopment area. And for our projects at Sai Yee Street and Lee Tung Street, thematic designs that aim to preserve local characteristics have been chosen.

### Enhanced Measures in Compensation

I am also pleased to report here that compensation for residents and others directly affected by the URA's projects, and who have to relocate during redevelopment, was enhanced during the past year. One important objective is to try and make it feasible, for those affected owner-occupiers, to eventually return to the same location, should they wish to do so.

### Benefiting the Community

When planning a redevelopment project, we constantly challenge ourselves on the question of its eventual benefits to local residents. Our aim has to go beyond just helping those living in abject squalor to move to better living conditions. Wherever we can, we strive to revitalise public spaces for the widest possible range of public activities and enjoyment. We also make sure we enhance government, communal and institutional facilities, improve hygiene and sanitation, and provide safer public environments.



Kwun Tong Town Centre project : preserved old trees and new water feature at Yue Man Square.

Over the years, we have been able to allocate a total of about 20,000 square metres of open space and about 55,000 square metres of facilities, such as public transport interchange, multi-purpose activity hall, indoor stadium, youth centre and elderly home. And we will continue to do so with our upcoming projects, such as those at Peel Street/Graham Street and Lai Chi Kok Road/Kweilin Street. For these, we have already allocated space at nominal rents to non-governmental organisations, in support of their provision of facilities for social and community purposes.

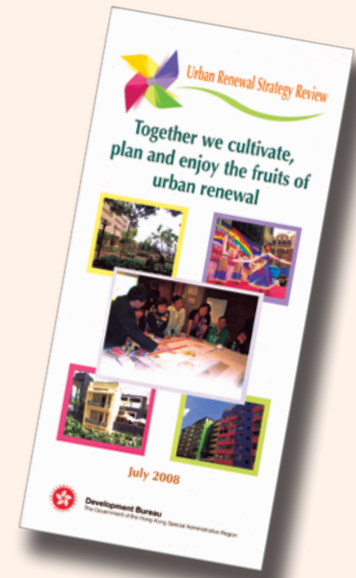
The social dimension will continue to be our priority at each and every stage of our urban regeneration work, from planning and rebuilding to follow-up monitoring. We want to make sure that our efforts bring tangible benefits to the largest number of people.



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### URS Review - An Opportunity to Change for the Better

The Authority intends to be a dynamic, forward-looking organisation that is in step with community aspirations, and that is focused on improving the quality of life for Hong Kong people who have been impacted negatively by urban decay. The URA therefore sees the Government's review of the Urban Renewal Strategy as an invaluable opportunity for re-assessment and long-term planning. This initiative should allow us to tap into the collective wisdom of the community and assist us when devising more innovative and cost-effective ways to fulfill the Authority's goal of tackling urban decay. The URA Board and its management team look forward to receiving feedback from all its stakeholders.



Public consultation leaflet of the Urban Renewal Strategy Review.

Open-mindedness will be crucial throughout this process, and our promise is to listen and to consider the opinions of our direct clients and the community at large. We are also drawing on the widest possible field of international expertise. By studying the urban renewal experiences of comparable overseas and Mainland cities, we can borrow and adapt planning models and methods to solve the problems of Hong Kong.

### Looking Ahead

The future will require the URA to be even more open and accountable in serving the community. We will explore the feasibility of introducing a scheme that invites people at the district level to express their preferences about how their neighbourhood should be regenerated. The URA would produce master plans to show how a rundown urban environment could be transformed. If the plan in a given area were strongly supported, the Authority would work with the Government and make best endeavours to help people in the area make their renewal vision a reality. This scheme would take into account the community's high premium on social dialogue and its respect for the right to property ownership. We will strive to rely more on implementation methods that emphasise consensus building and commonly accepted market principles.

## A Historic Milestone

By the end of 2008, the URA, together with its predecessor the Land Development Corporation, will have fulfilled 20 years of urban regeneration. The archives are already full of videos, photographs, anecdotes and oral accounts that bear testimony to the significant contribution made by the URA and its partners to improving people's lives. There are many lessons to learn, and as the Authority passes this historic milestone, I sincerely invite all our stakeholders to help us develop and achieve an urban renewal programme that all of us in Hong Kong can be proud of. We will listen to each and every opinion. We understand the faith placed by the public in us. We know that we have an extraordinary opportunity to improve the lives of families living under unacceptable conditions. We also recognise our responsibility to find the appropriate balance between the needs, expectations and aspirations of not just this generation, but of the next as well. We are determined to help take Hong Kong forward in a manner that befits its aspiration to become Asia's world city.

**Barry CHEUNG Chun-yuen**

**Chairman**

**31 July 2008**