

要征服的不是山峰，是我們自己
艾蒙·希拉里
It is not the mountain we conquer but ourselves.
Edmund Hillary

步向新境界 Towards NEW FRONTIERS

行政總監報告

MANAGING DIRECTOR'S STATEMENT

二零零三 / 零四年度是我們推行市區重建局（市建局）五年業務綱領的第二個年頭。在頭一年，我們的工作有兩大重點，一方面是及早推行前土地發展公司（土發）已公佈的二十五個項目的其中八個，包括三個「前期項目」；另一方面是籌劃全新的四大業務策略（重建發展、樓宇復修、文物保育及舊區活化），奠定基礎和未來的路向。踏進第二年，我們加倍努力，正式完成了三個「前期項目」的地盤清場工作。與此同時，亦啟動了其餘三大業務的首批項目，使本局的市區更新步向一個新境界。

回顧過去一年，本港的宏觀環境出現不少挑戰，但我們本著開墾的精神和務實的態度，仍能取得滿意的成果。在非典型肺炎肆虐、政治氣候變化和物業市場波動的困難環境下，本局的三個「前期項目」進入了



林中麟先生
Mr Billy LAM Chung-lun

2003/04 is the second year of implementation of the Urban Renewal Authority's (URA) Five-year Corporate Plan. In the first year, we focused on making an early start on eight of the 25 to-be-commenced redevelopment projects announced by our predecessor, the Land Development Corporation (LDC) and taking various initiatives to lay the ground work for our newly-adopted 4Rs strategy (Redevelopment, Rehabilitation, pReservation and Revitalisation.) We advanced to the second year with a strong determination to complete site clearance for the three 'early launch projects', as well as plans for sustaining the momentum of the redevelopment programme and opening up new frontiers for the other Rs.

Looking back, it has been a challenging and rewarding year. Amidst the very difficult environment of SARS outbreak, intense political issues and fluctuating property market, we moved towards the final stage of an untested land assembly procedure for three 'early launch projects.' At the same time, we launched the Lee Tung Street redevelopment project, the largest of all so far, an unprecedented rehabilitation trial programme for special target buildings and a series of innovative projects in preservation and revitalisation. Initial results have been very encouraging.

最後階段，對我們首次採用全新的土地徵集程序，更是一場嚴峻的考驗。同時，我們又開展了大型的利東街重建項目；推出創新思維的樓宇復修試驗計劃；以及推動了一連串創意的文物保育及舊區活化項目。這些工作的初步成果和公眾反應都令人鼓舞。

重建發展的新里程

最令人欣慰的，是過去兩年來我們投放在三個「前期項目」（分別位於灣仔、大角嘴及深水埗）的努力，終於取得很好的成果。到二零零四年三月底，我們成功地在廿四個月的目標期內，全部完成收購、收地及地盤清場工作。這項成績對市建局來說，具有深遠意義。一方面，它顯示了如果物業市道配合之下，這套全新的土地徵集程序，是實際可行的，可以作為日後其他重建項目的楷模。另一方面，我們避免了重蹈「土發年代」的覆轍，不再受困於冗長甚至似乎無休無止的程序，因此，我們的合作夥伴及社會人士，包括政府、立法機關、地產發展商及銀行機構等，亦得以對市區重建工作重拾信心。

二零零二年初，本局將土發已公布的二十五個項目，優先納入五年業務綱領內。至今我們已開展了其中十七個項目，包括六個與香港房屋協會（房協）合作發展的項目。這十七個項目的總發展成本估計約為一百三十億元，其中約百分之七十的成本是來自市建局的十一個項目。這批項目預計於未來四至七年內陸續完成。落成後，將提供總數約五千五百個住宅單位，五萬九千平方米商業樓面，二千六百平方米公眾休憩用地及一萬一千平方米社區設施，包括日間護理中心及護理安老院。詳情另載於「業務回顧」一章。

二零零四年一月初，我們正式展開十七個項目中最大型的灣仔利東街重建項目，向業主提出收購建議，估計總發展成本達三十五億八千萬元。灣仔舊區是市建局優先更新的行動區之一，利東街項目位於舊區中心，地盤面積約為八千九百



地產發展商參予競投合作發展市建局的項目。
Estate developers tender for the joint development of the URA project.

Redevelopment

By the end of March 2004, we were able to report that acquisition, land resumption and site clearance for the three early launch projects in Wan Chai, Tai Kok Tsui and Sham Shui Po have been completed on time within the 24-month target schedule. This has a far reaching significance for the URA. On the one hand, it indicates that, property market conditions permitting, the new land assembly programme is realistic and can be used as a model for future redevelopment projects. On the other hand, it allays the fear of a protracted, agonizing process in the LDC days and inspires fresh confidence from our stakeholders and partners, including the Government, the Legislature, private developers and banks.

To date we have commenced 17 of the 25 'LDC-announced' projects to which priority has been given in our Corporate Plan. The commenced projects represent a total estimated development value of \$13 billion, about 70 per cent of which accrued to 11 projects undertaken by the URA. The remaining six are undertaken in association with the Hong Kong Housing Society (HKHS). These projects are scheduled to be completed at different times within the next four to six years. Together they will deliver about 5,500 new flats, 59,000 square metres of commercial floor area, 2,600 square metres of public open space and 11,000 square metres of floor area for community facilities such as day care centres and elderly homes. Details are given in the Operating Review.

In early January 2004, we formally issued acquisition offers for the \$3.58 billion Lee Tung Street project in Wan Chai, the largest project so far launched by the URA. Wan Chai is one of our high priority action areas for urban regeneration. Located in the centre of this area, the 8,900-square metre site is conceived as a comprehensive development area (CDA) and will be implemented with an integrated 4Rs approach. Parallel to the acquisition process, we have initiated an on-going programme of local consultation through community workshops, meetings with the District Council and local residents, and a professional development concept competition for this particular project.

Acquisition work for the Lee Tung Street project has happened to coincide with a rising property market which tended to raise the expectations of owners, even though the acquisition offers were equivalent to 2.9 times the open market value of owner-occupied domestic flats. However, cash compensation is not, in our experience, the only assistance that the owners need. Equally important is the practical assistance that our frontline staff and social service team give to individual owners on a personal basis, such as finding new homes to buy, providing a larger cash deposit, house moving service and helping to deal with various individual family problems wherever possible. As this Report goes to print in early September, acquisition results have been satisfactory, with acceptances by 71 per cent of the owners overall and 83 per cent of the domestic owner-occupiers.

平方米，會採用「綜合發展區」方式予以規劃。我們會在區內揉合四大業務策略的特色，同時進行重建、復修、保育和活化工作。在收購物業的同時，我們舉行了一連串地區諮詢活動，透過社區工作坊、與區議員及區內居民會面，並且邀請專業人士參與利東街項目發展概念比賽等，廣徵民意。

利東街項目的收購工作，碰巧遇上物業市道急劇上升。雖然市建局給予自住住宅業主的收購建議已是相等於其物業市值的二點九倍，業主仍難免對補償金額有更高的期望，因此收購過程並不容易。然而，根據我們的經驗，現金補償並非業主唯一的需要。同樣重要的是，我們前線員工和社區服務隊為個別業主提供的實質援助，例如協助他們另購新居所、提高買樓按金數額、協助搬遷和處理個人及家庭問題。本報告於九月初付梓時，項目的收購進度令人滿意，佔總數百分之七十一的業主及百分之八十三的住宅物業的自住業主，已經接受市建局的收購建議。

除了上述的新項目，我們承繼了十個土發已開展而仍在動工之中的合營重建項目，在本年內也取得良好進展。上環帝后華庭是土發於一九九零年推出的首個主要住宅項目，項目於年內竣工，一千一百四十八個住宅單位全部售罄。帝后華庭的居民不但可享用這個現代化的居停，更可分享多種公共設施，包括以中藥園為設計特色的園林，全新的熟食中心及寬敞的休憩空間。另外，擁有五百七十六個住宅單位的油麻地窩打老道八號項目已接近竣工，百分之七十八的單位現已售出。規模宏大的旺角朗豪坊的平頂儀式也順利舉行，這個集酒店、寫字樓及商場於一身的項目提供達十六萬七千平方米的樓面面積，預計本年底全面營業。朗豪坊不單是九龍區第二高的樓宇，建築和外型設計更是屬頂尖水平，毫無疑問，它將成為區內的新地標，帶動相鄰地帶的活化過程，進一步刺激經濟活動。

樓宇復修的新計劃

樓宇復修是我們一個全新的工作領域，亦為市區更新帶來了嶄新的一面。在二零零三年第二季，非典型肺炎肆虐香港，喚醒了全港市民對樓宇保養及維修的關注。我們抓緊時機，擴大推行樓宇復修試驗計劃，目的是透過技術和物資的援助，鼓勵業主立法法團，在履行法定修葺令之上更上層樓，把「基本安全維修」提昇至「預防性」的全面復修。本局初步已協助大角嘴、油麻地及旺角各區多幢樓宇參與復修計劃，成績甚佳，並獲傳媒廣泛報導。鑑於計劃受到業主歡迎，我們遂於二零零四年五月把樓宇復修工作擴大，推行一個總投資達二億一千萬元的五年計劃，預料在市區內將有五百四十幢住宅大廈、約三萬二千四百個單位受惠。整個計劃包括兩個部份，第一個是針對收到屋宇署法定修葺令的樓宇業主，他們可參與一個由市建局提供物料資助及技術支援的計劃；另一個是免息貸款計劃，對象是協助沒有收到任何法定命令的業主，主動進行樓宇復修。

樓宇復修是預防市區老化的有效方法，亦可減少對業主和租客因重建發展而需要搬遷所引起的不便。樓宇復修衍生的好處更不止於此，它還可刺激經濟，創造商機，為建造業工人創造就業機會，亦可為物料供應商及其他相關行業帶來不少的商機。



In addition to the newly commenced projects, we have made good progress in the 10 unfinished joint venture redevelopment projects inherited from the LDC. Queen's Terrace in Sheung Wan, the first major residential project initiated by the LDC in 1990, was completed and all of its 1,148 flats were sold during the year. Residents in the new development enjoy not only a modern home but also share with their neighbours a host of public facilities including a specially designed Chinese herbs garden, a new food bazaar and plenty of open space. In Waterloo Road, Yau Ma Tei, another 576-unit residential project was nearing completion and about 78 percent of the units have been sold. In Mong Kok, a mega 167,000-square metre project now known as Langham Place saw its topping-out ceremony and is targeted for full opening before the end of this year. Langham Place boasts a state of the art architectural design with a hotel, office and retail complex and will be the second tallest building in Kowloon. No doubt it will become an important landmark and kick-start a sequential revitalisation process in the surrounding areas.

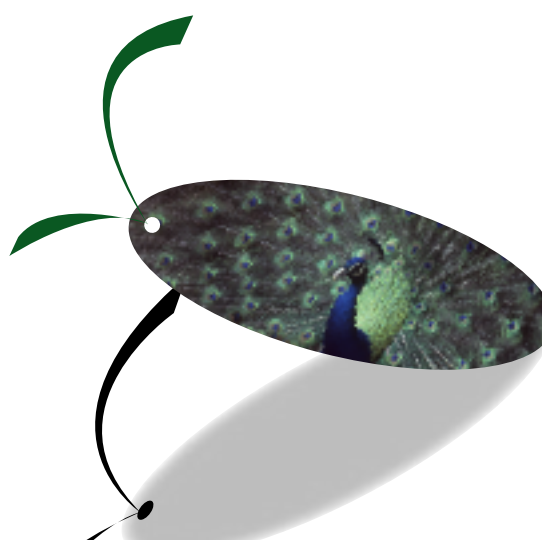
Rehabilitation

Rehabilitation is a new frontier that offers exciting prospects for urban renewal. The SARS outbreak in the second quarter of 2003 has triggered a territory-wide awakening to the importance of building care and maintenance. We seized the opportunity to extend our rehabilitation trial scheme to provide technical assistance and material incentives to encourage owners' corporations to carry out preventive maintenance on top of statutory repair and safety works to their buildings. Initial success achieved in the rehabilitation of several tenement blocks in Tai Kok Tsui, Yau Ma Tei and Mong Kok received extensive attention of the mass media. As the scheme was so well received, in May 2004 we have extended it to a \$210 million, five-year programme for 540 residential buildings with an estimated 32,400 units throughout the urban area. The programme now comprises two separate schemes - a material incentive scheme for buildings under statutory repair orders from the Buildings Department and the other in the form of interest-free loans for buildings under self-initiated rehabilitation works by the owners.

Building rehabilitation is an effective measure of preventing urban decay. It also reduces the social disruption that would otherwise be caused by redevelopment, with the displacement of affected owners and tenants. The spin-off benefits, however, could go beyond this considerably in terms of economic stimulation. Rehabilitation done on a large scale also has the potential of creating employment for construction workers and business opportunities for material suppliers and other trades.

Revitalisation

On revitalisation, we have taken our first foothold in Sheung Wan, one of the oldest commercial districts in Hong Kong. Our philosophy is to beautify the street-level



我們跨出的第一步決定了未來。
伏爾泰
The first step which one makes in
the world, is the one on which
depends the rest of our days.
Voltaire

舊區活化新創意

在舊區活化方面，我們選擇上環做我們的第一個目標區，因為它是香港最早期發展的商業區之一，而且富有本土特色和風格。我們的目標是透過美化街道和環境，將本局在這區內的大型重建項目及文物保育項目串連起來，發揮協同效應。在上環區內，市建局有多個已完成或全新的項目，包括新紀元廣場、帝后華庭、西港城和剛公布的士丹頓街重建項目。因此，上環區完全具備活化的基本條件。上環活化工作的首期工程已開始，我們正在動工擴建西港城鄰近的休憩用地，成為一個名為「上環坊」的社區活動廣場，預計於二零零五年上半年完工。其後我們會將美化工程擴展至鄰近以出售燕窩及海味聞名的街道。第二期工程亦正在積極計劃中，我們的構思是在文武廟對面的斜坡，建設一處「文化梯田」，以結合文武廟、摩囉街及荷李活道一帶的古玩文物店，為這個遊客熱點增添魅力，現正與政府和各有關團體商談合作細則。

文物保育新焦點


政府於年內發表了文物保育諮詢文件，社會人士因此對文物保育更形關注。市建局的四大業務策略之一是文物保育，我們自當為保存具建築價值樓宇盡一分力。我們認為將富有歷史文化價值的樓宇翻新，設計成為具特色的場所，用作大眾消閒、文化及特色購物活動，是文物保育的最佳方法。年內我們全面翻新百年古蹟的上環西港城，正是沿著這方向進行。西港城建於一九零六年，是本港罕有的愛德華式建築。它於二零零三年七月重新開放，提供一個跳懷舊舞的場地、優質花布店及種類多樣的中西特色店舖，成為消閒、消費的新熱點。市民在消閒中，又可欣賞特色懷舊的建築風格。

在灣仔區，我們進行了三個文物保育項目，分別位於莊士敦道、船街及皇后大道東，它們屬於本局在區內推行兩個重建項目的一部份，總共是七幢戰前「廣州式」樓宇和一幢本港四、五十年代典型的獨立商住樓。在現今香港來說，這些二十世紀初期的民房，可說碩果僅存。保育工作預算與重建工程同步進行，將於四至六年內完成。

新合營發展項目

本財政年度下旬，物業市場轉趨活躍，我們於二零零四年初，恢復為合營項目進行招標。上次我們為荃灣市中心及堅尼地城加惠民道這首兩個合營項目招標是二零零二年，相距有十九個月。首個招標的是楊屋道項目，地盤面積共七千二百三十平方米，是荃灣市中心項目的連繫地盤，獲地產發展商熱烈反應。項目預算於二零零七年竣工，配合鄰近的荃灣市中心項目，相信會帶來相輔相承的效果。

二零零四 / 零五年度剛開始之際，我們也順利展開其他四個合營重建項目的招標工作，包括灣仔莊士敦道、大角嘴櫻桃街、深水埗福榮街及深水埗保安道。



environment that is anchored to our major redevelopment or conservation projects in order to achieve a more holistic impact. Sheung Wan fits this philosophy perfectly as the URA has already undertaken a number of finished or new projects in the area, including the Grand Millennium Plaza, Queen's Terrace, the Western Market and a newly announced redevelopment project in Staunton Street. Phase 1 of Sheung Wan's revitalisation has begun with the conversion and enlargement of the open area adjacent to the Western Market into a town square and gradual extension of beautification work to the nearby streets famous for their Chinese herbs, swallow nests and dried seafood shops. Phase 2 which is under active planning involves the construction of an 'arts terrace' on a sloping site opposite the Man Mo Temple so as to create a more vibrant and attractive tourist destination together with the temple and the adjacent antique shops in Cat Street and Hollywood Road.

Preservation

Preservation became a focus of public attention during the year with the Government's publication of a consultative document on heritage preservation. The URA's commitment to preservation of buildings of architectural value is enshrined in its 4Rs strategy. As we see it, one of the most effective approaches to preservation is to bring life to a heritage building by converting it into a distinctive facility for public leisure, cultural and specialty shopping activities. This is precisely what we did with an overhaul of the century-old, Edwardian-style Western Market in Sheung Wan during the year. Since its re-opening in July 2003, Western Market has enjoyed an increasing patronage attracted by its ballroom dancing facility, an array of quality cloth shops and a judicious mix of specialty shops.

In Wan Chai, we have committed ourselves to three more preservation projects that form part of our redevelopment work in Johnston Road, Ship Street and Queen's Road East. They comprise a total of seven pre-war Cantonese buildings of the early 20th century style and a four-storey shop-house of the 1940's/50's which are fast disappearing species in Hong Kong. Conservation work is expected to be completed along with the redevelopment projects in four to six years' time.

New joint venture developments

Thanks to a revived property market in the second half of the fiscal year, we were able to resume open tender for our joint venture development projects in early 2004, a lapse of 19 months since the first two joint venture projects, Tsuen Wan Town Centre and Ka Wai Man Road, Kennedy Town, took place in 2002. The 7,230-square metre Yeung Uk Road site, a linked site to the Tsuen Wan Town Centre, attracted very enthusiastic response from private developers. This project is expected to be completed in 2007, with a synergistic effect on the adjacent Tsuen Wan Town Centre project.



財務及成本控制

自二零零一年五月成立以來，我們不斷努力控制成本，節省開支，以改善財政狀況，並取得理想成績。在二零零三 / 零四年度，本局的淨營運虧損為七千五百萬元，較去年二億二千一百萬元的虧損，減少了百分之六十六。

二零零三年五月，我們收到政府第二期注資二十億元，使本年度的淨資產轉為正數九億八千九百四十萬元，較去年出現淨負數的九億三千五百五十萬，情況得到改善。

結語

在取得去年的成績之餘，我們感到政府、社會及各界人士的支持和信心也不斷增加。市建局成立至今，只有三個年頭，我們要完成政府的《市區重建策略》內訂下的二十年工作使命，面對的仍是漫漫長路。相對公眾的期望和市區日漸老化的嚴重性，我們的能力和資源仍然是捉襟見肘。近日社會人士有各種建議，希望多些引入私營機構參與，以加快市區重建。但本港目前的物業收購政策令成本高昂，一般來說達物業市值的三倍，往往令私人發展商卻步。所以，如果真的要吸引私人發展商參與市區重建，似乎需另闢途徑，尋求一套財政上較為可行的政策。


最後，本人謹藉此機會，多謝董事會、各委員會、合作夥伴及社會人士，在過去一年對市建局的鼎力支持及指導。對為市建局及土發貢獻十二載，現正退休的董事會主席劉華森博士，我更要向他衷心致謝，祝願他松柏長青、生活愉快。二零零四年五月一日，鄭維新先生出任董事會主席，本人謹此熱烈歡迎鄭先生履新。本局在他睿智的領導下，將會進一步發揚光大，實踐我們市區更新的抱負。最後，我亦要多謝全體同事，他們不畏艱辛，克盡厥職，取得良好成績，本人引以為傲。

行政總監

林中麟

二零零四年七月三十一日

市建局向銀行界代表介紹樓宇復修計劃。
URA briefs the bank representatives about its rehabilitation schemes.



As the new 2004/05 fiscal year began, we were making smooth progress in implementing a tender schedule for joint venture partnership for four more sites acquired for redevelopment, namely Johnston Road, Wan Chai; Cherry Street, Tai Kok Tsui; Fuk Wing Street and Po On Road, Sham Shui Po.

Financial and cost management

Since establishment in May 2001, we have made tremendous efforts to improve our financial position by means of stringent cost control. The hard work has begun to produce results. For 2003/04, the net operating deficit was \$75 million, a 66 per cent decrease from the \$221 million deficit in the previous year. With the receipt of the second tranche of \$2 billion capital injection from the Government in May 2003, our consolidated balance sheet at the end of the fiscal year has returned to the black with net assets of \$989.4 million, compared with net liabilities of \$935.5 million in the previous year.

Conclusion

The past year's results and the continued support of the Government, other stakeholders and the community have given us more confidence in moving forward. Still, the URA is just barely three years old and a long way off from completing the 20-year mission set out in the Government's Urban Renewal Strategy. In the face of continuing high expectations of the public and the magnitude of the urban decay problem, our means are modest. There have been various suggestions recently that more private sector participation be brought in to help speed up the pace of urban renewal. However, the high cost of compensation for property acquisition, which generally amounts to three times of open market value, is likely to discourage private developers from joining this task. Clearly, a different approach and a more financially viable solution has to be found to attract them to come forward.

Finally, I wish to thank all members of the Board and Committees of the URA as well as our partners and stakeholders for their guidance and support during the past year. To the Chairman of the Board, Dr. Lau Wah-sum who is retiring after 12 years of contribution to the URA and LDC, I express my sincere gratitude and wish him a long and happy retirement. I welcome Mr. Edward Cheng who joined us as the Chairman of the Board on 1 May 2004. I am sure that the URA will continue to thrive well under his leadership. My final tribute goes to all my colleagues whose hard work and productive results are a constant source of pride for me.

Billy LAM Chung-lun
Managing Director
31 July 2004