

CORPORATE SUSTAINABILITY

Urban renewal is about people. Adopting a holistic approach, the URA embraces visionary concepts of sustainable development in its diversified business strategy to create quality spaces for people to live in, to run their business, to explore and enjoy. To achieve this, we forge strong and constructive partnerships with the community, NGOs and our many relevant stakeholders.

Our sustainable urban renewal strategy not only yields new, smart and green buildings but also embraces revitalisation and the maintenance of existing buildings, so as to improve the living standard of households in older districts. This helps extend the lifespan of buildings, beautify their façades and slow down the pace of urban decay.

Hardware aside, the URA is also proactive in communicating and engaging the community, such as our efforts to listen and respond to the views of a wide cross-section of stakeholders in the Staunton Street vicinity in Central and find a consensual way forward on revitalisation, and the city-wide briefings for building owners held over the year on various rehabilitation schemes.

The COVID-19 pandemic has brought Hong Kong to a halt this year and dealt a severe blow to our economy and small businesses. We have offered rent relief to help tide some 700 tenants over the difficult times.

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Drive Our Economy

The URA endeavours to revitalise the urban neighbourhood through strengthening the economic, social and environmental fabrics for the benefit of the community. Through a process of careful planning for sustainable urban renewal, we create space for business and job opportunities while bringing re-composition of the social landscape.

Special Measures under COVID-19

To complement the package of measures announced by the Government in April 2020 to help businesses stay afloat and to keep workers in employment amidst the pandemic, the URA offered rent relief to its residential tenants from March to September 2020 and commercial tenants from April to September 2020, involving a total of around \$100 million. This measure would benefit over 720 residential and commercial tenants of the URA's premises, as well as the shop operators of the malls in joint-venture development projects who were in such needs. Additionally, the URA implemented an advance payment scheme to support its contractors and consultancy firms, and expedited the recruitment process of about 100 job vacancies in 2020.

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Preserving Local Economic Activities

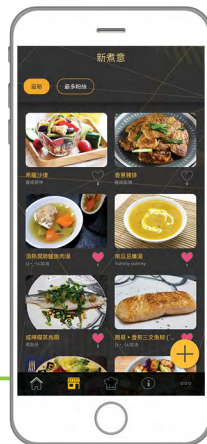
Similar to the URA's Prince Edward Road West revitalisation project, the recently opened 618 Shanghai Street (details covered in page 43 of the Operating Review Chapter) serves to showcase how the overall physical environment could be improved to cultivate a place where old meets new while espousing economic vibrancy for the local community.



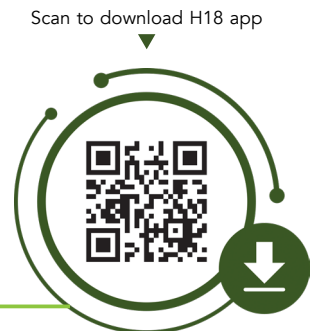
Unique local shops at 618 Shanghai Street.



The URA continued to adopt tactical measures along with the implementation of the H18 Peel Street/Graham Street Project in order to keep the nearby century-old market intact as well as to enhance vibrancy. The revitalised Graham Market, with the new market block at Site B of H18, has become an iconic spot for local residents to purchase a vast variety of their daily needs. A tailor-made mobile app was developed and launched in December 2019 to provide users with shopping guides and cooking ideas with recipes as a way to promote business of the Graham Market, connect it with the community, thereby enhancing market vibrancy.



The "H18" Mobile App connects Graham Market, H18 CONET merchants and the community.



Facilitating Social Enterprises to Thrive

During 2019/20, the URA continued to render properties concessionary tenancy to non-governmental organisations (NGOs) and social enterprises (SEs), e.g. The Association of the Hong Kong Central and Western District Limited, The Hong Kong Council of Social Service, The Procurator General in Hong Kong of the Salesian Society, Church Body of the Hong Kong Sheng Kung Hui, The Hong Kong Federation of Youth Groups, Light Be, International Social Services (Hong Kong Branch), Social Ventures Hong Kong, New Life Charitable Foundation Limited and Mighty Oaks Foundation Limited, in our rehousing blocks, acquired properties URA-owned properties and dedicated preserved historic buildings. In particular, the URA has invited a social enterprise named Dignity Kitchen to operate on the second floor of 618 Shanghai Street, appreciating their mission of revitalising the lives of the disadvantaged and disabled people through employment and vocational training, and echoing URA's mandate in revitalising the community in old urban area through urban renewal works.



5,000m²
 URA properties leased to NGOs and SEs

3,890m²
 URA-managed Government, Institutional and Community (GIC) areas for various community purposes (in 2019/20 financial year)



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Care for Our Environment

Environmental sustainability interweaves various stages of urban renewal as well as being a tenet that guides our strategies and operations. The URA aims to spearhead the development of green-and-smart buildings and innovative urban design in order to provide high quality homes and sustainable living for our citizens.

Promoting Green Buildings

While acknowledging that redevelopment and construction works would inevitably pose impacts on the environment, the URA has put in effort in its planning objectives to create low-carbon neighbourhoods and green buildings for a sustainable development of the environment. The URA has continued to embrace green building design in its redevelopment projects, thereby improving the energy efficiency of buildings, reducing water consumption and waste generation as well as providing more green areas for the local community. With the combined efforts of both the URA and our joint-venture partners, the URA attained the final BEAM Plus rating in five more projects during 2019/20, aggregating to a total of 14 projects with Hong Kong BEAM Platinum rating plus one project with BEAM Plus Platinum rating and seven projects with BEAM Plus Gold rating. At the same time, 17 projects in the design or construction stage have already received provisional BEAM Plus rating.

The URA not only dedicates effort to promote new green buildings, but also strives to improve the green elements of existing buildings through rehabilitation. The URA introduced the Green Item Subsidy (GIS) (which won a Hong Kong Green Building Council Award in 2016) under the “Common Area Repair Works Subsidy” to encourage property owners to use environmentally-friendly building materials and to install energy-saving facilities when carrying out building maintenance and repair works. Up to 30 June 2020, the URA had approved GIS applications from the owners of about 320 building blocks (approximately 15,600 units) amounting to a total subsidy of around \$18 million.

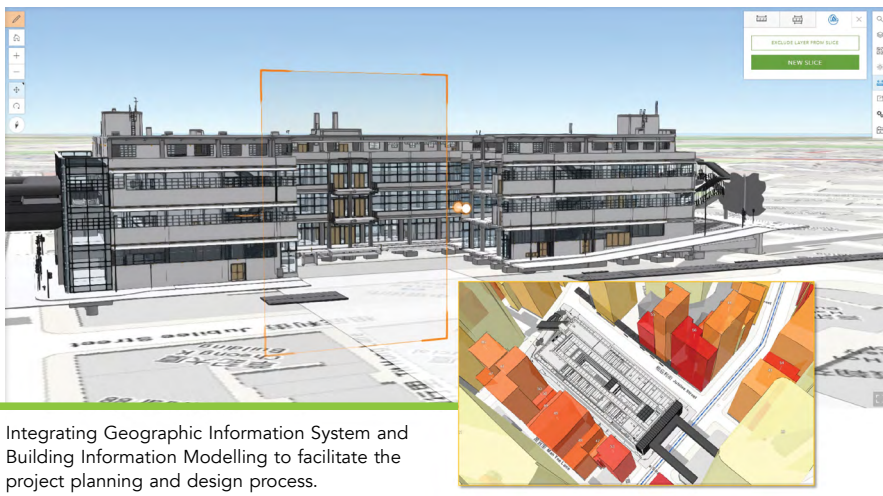
Envisioning a smart city

In addition to green buildings of high environmental standards, we have pressed on to incorporate “Smart Building” concepts into development projects covering five aspects, namely “Design”, “Information”, “Environment”, “Convenience” and “Management”. Smart Building will create smart quality and vibrant living and advocate the development of “Smart City” in Hong Kong. Smart features like home energy and water consumption systems, home health and wellness systems, smart displays, home waste management systems, building information modelling (BIM) and building management systems have been adopted in various URA projects. eResidence, the first URA project to incorporate these smart features was completed in 2019/20.

The URA intends to expand its Smart City initiatives to not only buildings, but also as a district wide approach. A study on smart use of underground space and smart provisions of city infrastructural facilities in the Kowloon City area was commenced in 2019/20 with target to be completed in early 2021.

The smart display provides residents of e-Residence with various useful information including the availability status of the “e-laundry”.





Integrating Geographic Information System and Building Information Modelling to facilitate the project planning and design process.

In 2019/20, the URA continued its development of an Urban Renewal Information System ("URIS"), a map-based integrated and shared platform for more effective and efficient information management and sharing within the URA. The BIM-Geographic Information System integration tools and environmental assessment tools, was developed under the URIS to facilitate project planning and design. Applications facilitating URA's operations in urban renewal are also under development. In addition, the URIS is expected to augment the development of common spatial data infrastructure by the Government and enhance data sharing with Government departments. It is envisioned that URIS would ultimately become a smart governance tool to facilitate urban renewal planning and implementation. The system is expected to be completed in 2021/22.

The URA has also continued to forge BIM in its business operations, not only to build smarter buildings with smarter management but also to reduce carbon footprints through efficient project management, thereby achieving sustainable construction. The BIM-Facility Management ("FM") system for 618 Shanghai Street was completed in Q4 2019 to enhance the efficiency of property management of the project. This BIM-FM platform will be further applied to the commercial portion of eResidence and the Central Market, and possibly other future projects to be retained by the URA.



Applying BIM Technology to property management of 618 Shanghai Street for enhancement of work efficiency through remote control of devices and automatic reminders for regular maintenance inspection to upkeep the facilities.



The application of BIM in the 618 Shanghai Street project has won a number of accolades, including the US AEC Excellence Awards 2019 and the Hong Kong BIM Award 2019 by Autodesk for its comprehensive application of BIM across the project's entire building lifecycle and development of a sustainable BIM-FM platform. The Central Market was also awarded the Hong Kong BIM Award 2019 by Autodesk for its application of BIM. The URA has received the Autodesk Hong Kong BIM Awards for three consecutive years.

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Applying Green Innovative Technology

The URA has always been keen to explore the applicability of green innovative technology in its projects. For example, a biofilter system was installed at H6 CONET¹ as a green wall to improve the indoor air quality. A distinctive drop of pollutants such as VOC, PM10 and CO₂ in the air flow has been realised since the installation. With the biofilter system, visitors in H6 CONET can enjoy clean and fresh indoor air. Meanwhile, an energy flooring, a versatile custom-built flooring system generating electricity via walk-through electro-magnetic induction of pedestrians, was another pilot green initiative installed at the Tung Man Street entrance of H6 CONET. The renewable energy can be used in real-time lighting displays for interactive engagement and educational purpose.

Various green technology installations in H6 CONET, such as energy floor (below) and biofiltration wall (right), are open for public enjoyment.



In addition, the URA will use Modular Integrated Construction (MiC) method, which is sustainable and environment-friendly, for the construction of Project DL-11 at Ash Street. Under MiC, free-standing integrated modules are manufactured in a prefabrication factory and then transported to the site for installation into a building, hence reducing dust and noise pollution from construction sites, minimising construction waste and improving construction waste management. It is anticipated that this URA's first MiC project for private residential development would set an example for private developers to follow suit.

Greening Our Operation

We are conscious of the implications on the environment as a result of our own operations and managed properties. As a recognition of our efforts to maintain green operation, the Environmental Campaign Committee (ECC) awarded the Carbon Reduction Certificate to URA's headquarters premises in 2018, which is valid until 2021. Furthermore, under the ECC's schemes in 2019, the URA has again obtained the Hong Kong Green Organisation Certification (HKGOC) for waste reduction and recycling as well as the HKGOC's Wastewi\$e Certification at the "Excellence Level". During the same period, the Environmental Protection Department again accredited the URA's offices with the Indoor Air Quality Certificates.

To support environmental protection and enhance efficiency in data reporting, the URA has been adopting the e-Freezing Survey using tablet computers in its redevelopment project since 2017. URA is currently developing an electronic document management system to reduce the filing of hard copies of documents to save paper usage as another initiative to promote green operation.

¹ CONET stands for Community, Open space and NETWORK

Contribute to Our Society

The URA supports various programmes to improve social inclusiveness and mobility of under-resourced people. We are committed to providing opportunities for the public to learn, to bring love and care to the residents, to instill arts and culture in old districts and to create a vibrant environment for the community. We care about the building and housing quality, employ design measures to improve land use efficiency and walkability, as well as to harmonise our projects with the surroundings.

Educating the Community

The social movement since June 2019 and the COVID-19 pandemic have significantly affected a number of URA activities planned to enhance public understanding of urban renewal. The disruption includes the suspension of guided tours and docents for schools and organisations, the temporary closure of the Urban Renewal Exploration Centre ("UREC") located in H6 CONET and the Urban Renewal Resource Centre ("URRC") at Tai Kok Tsui, and the cancellation of briefings/talks for stakeholders as well as education programmes for the local communities.

In 2019/20, the UREC received more than 3,000 visitors and the URRC served around 16,000 members of the public making enquiries and conducting briefings, meetings and community activities on matters relating to building repair and maintenance. The URRC has also served as a venue for mediation meetings relating to building repair and maintenance, property valuation and construction, arranged by the Joint Mediation Helpline Office since 2014. A total of 44 mediation meetings were held at URRC during the year.

To support students' online study at home during school suspension due to the implementation of infection control measures, the URA ran an educational series on its Facebook to enhance students' knowledge on urban renewal. A total audience reach of over 190,000 was achieved in about three months' time.



Enhancing students' understanding of urban renewal through UREC guided tours and activities.



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Reaching Out to the Community

Our care for the people extends beyond our urban renewal works. As part of its Corporate Social Responsibility programme, the URA has partnered with local universities and NGOs in the Community Service Partnership Scheme ("CSPS") where URA colleagues and university students join hands to serve residents of old districts under various programmes. In 2019/20, the upcycling programme, which transforms discarded wood plank into tailor-made home furniture for low-income families, has extended its service scope by partnering with The Hong Kong University of Science and Technology, in addition to The University of Hong Kong and The Chinese University of Hong Kong, to form a total of 15 volunteer teams with over 80 students participated in the project, thereby increasing the number of low-income family beneficiaries from 12 to 15. Since the launch of the CSPS in 2012/13, more than 1,300 volunteers have achieved a total of 8,500 service hours, benefitting over 2,400 people.



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8,500 service hours
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Caring for the Underprivileged

Besides adopting a people-oriented approach when delivering our core businesses of redevelopment and rehabilitation, the URA also seeks opportunities to engage our partners and help people in need. During 2019/20, the URA continued to offer some renovated flats in the acquired properties at Wing Lee Street and Staunton Street, as well as units at our rehousing blocks to NGOs and SEs for them to provide short-term tenancies at below market rent for underprivileged residents.

As an initiative to offer assistance to families residing in poor living environment of aged buildings, especially the elderly, the URA sponsored two local organisations to launch services titled "Home Repair Services Community Programmes" in Kowloon City and Sham Shui Po districts in 2018/19 home visits to and free repair of household appliances for about 600 underprivileged families. In view of the positive response, the programme was expanded with more local NGO partners engaged, serving a larger catchment area in the old districts in 2019/20. The programme was also expanded in scope to improve the living condition of elderly tenants of the URA projects by providing a comprehensive refurbishment of the public rental housing units where they would be rehoused.



The "Home Repair Services Community Programme" provides free repair services to the grassroots.

Cultivating Arts and Culture in Old Districts

Neighbourhood is more than its physical environment. It is the local culture and characteristics that create its identity. An appreciation of the local arts and culture will allow for a deeper understanding of the community while providing enjoyment. In 2019/20, URA's "Arts and Cultural Partnership Programme in Old Urban Districts: Pilot Scheme" supported a total of eight new and ongoing programmes, reaching out to 41,813 people. These programmes covered an array of activities to enliven the old urban districts by bringing enjoyment to local residents, and for other members of the public to appreciate the local characteristics. Since the launch of the scheme, the URA has supported a total of 61 arts and cultural programmes, benefitting about 677,104 people in enhancing their living quality.



A variety of arts and cultural events are held in the old districts. Residents are encouraged to participate for appreciation of the characteristics of their community.

Diversified Urban Space for Health and Happiness

Over the years, as far as practicable, the URA has endeavoured to include open space and community/institutional areas in our moderate to large scale projects. Our redevelopment projects in various districts have provided easily accessible community and institutional facilities, including residential care homes for the elderly, youth centres, health centres, markets, cooked food centres and an indoor stadium to meet different needs of the residents. For better utilisation of open space for public enjoyment, the URA continued its place-making initiatives to create synergies of the open spaces of its projects, as described in page 45 of the Operating Review Chapter.

Promoting Walkability

The URA puts much effort in creating walkable urban neighbourhood to improve the living quality of residents and brings social benefits by easing the pressure on transport infrastructure, reducing car dependency, alleviating traffic congestion, and supporting the local economy and mixed communities. To this end, the concept of pedestrian priority must be embraced in all levels of planning and design in its projects to promote walkability. Redevelopment projects in Kowloon City and To Kwa Wan, launched under the district-based approach, envision to create a pedestrian-friendly and accessible neighbourhood through restructuring and re-planning of the existing pedestrian and vehicular traffic network. The URA will continue to hasten efforts to cultivate a healthy and low-carbon neighbourhood and elevate the urban quality of life for the local community.

Facilitate the Renewal Process

One of the critical success factors of urban renewal is how well our works have created satisfaction, happiness, goodwill and values among the community stakeholders. It is therefore vital to ensure effective renewal processes are in place to enhance understanding, address needs and promote collaboration with our stakeholders in redevelopment projects. On rehabilitation side, our initiatives to equip building owners with self-help tools and relevant knowledge have not only facilitated, but also empowered them to take part in the urban renewal process with much ease and confidence.

Assisting Households in Ageing Districts

Redevelopment is more than just replacing buildings with new stock, but also about improving the living standards of displaced households. A majority of the buildings in our redevelopment projects are dilapidated, with safety hazards and hygiene problems. During 2019/20, acquisition offers were made to the owners of 374 property interests in two projects. The cash compensation and ex-gratia payments allow affected domestic owner-occupiers to purchase replacement premises that are in better condition than their existing ones.

With a view to enabling the residents to retain their social network in the neighbourhood, a flat-for-flat (“FFF”) option is also available for those domestic owner-occupiers who prefer to buy a flat at the same site after redevelopment (“in-situ FFF units) or a flat at a new development in the same district. Alternatively, they may also choose to buy a flat at the completed Kai Tak Development. As of June 2020, a total of 31 owners had taken up the offers comprising 27 FFF units in the Kai Tak Development and four in-situ FFF units.

The URA also takes responsibility to look after the need of affected domestic tenants by offering cash compensation or rehousing in public rental flats or units in the URA’s Rehousing Blocks. Our staff often go the extra mile to help, whenever practicable, the affected tenants to address individual needs.

Engaging the Community and Promoting Understanding

The URA commits to take forward the “people-first” approach in its urban renewal work across different stakeholders – the affected households and community members.

The URA has implemented a Project Engagement Programme since 2016 to strengthen out-reach support and establish relationships with affected residents and owners of the properties in URA’s redevelopment projects which brought positive outcomes to its acquisition and rehousing process. In 2019/20, the programme was conducted for three redevelopment projects, namely Queen’s Road West / In Ku Lane (C&W-006) in Central and Western District; Wing Kwong Street / Sung On Street (KC-014) in To Kwa Wan and Kai Tak Road / Sa Po Road (KC-015) in Kowloon City, with visits paid to about 645 residents and owners.

In building a cohesive community, the URA appointed Social Ventures Hong Kong to conduct a Community Making study to gather inputs from the stakeholders of the Staunton Street/ Wing Lee Street Project (H19) for building a pilot project that endeavours to integrate residents’ aspiration in the planning process for deriving a proposal that could connect people and places. The study was completed in 2019 and its key findings enabled the establishment of several key visions and directions for urban renewal in the area, which would be supported by various community making initiatives in the coming years.



The URA organises the Urban Farm to connect the residents and build the community.



Briefing of the URA's work to the newly elected DC members.

On promoting public understanding on the work of URA, a series of briefings was arranged following the 2019 District Council ("DC") Election, to introduce to newly elected DC members of designated districts with URA projects the issues of urban decay and urban renewal work and initiatives undertaken by the URA. Meanwhile, briefing sessions were also held across the city to brief the public on the implementation details and application of various building rehabilitation.

Equipping Owners with Knowledge and Empowering Them to Organise Rehabilitation Works

Proper building rehabilitation and regular maintenance is the key to extend the serviceability and structural stability of buildings and hence help to slow down the pace of urban decay. The success of urban renewal therefore hinges very much upon building rehabilitation, which explains the substantial emphasis and effort the URA has involved in the implementation and promotion of proper maintenance of buildings.

A comprehensive survey conducted by the URA under its New Strategy on Building Rehabilitation revealed that building owners lack the capability to organise rehabilitation works, nor can they afford the rehabilitation costs. To bridge the affordability gaps, the URA provides building owners with financial support through various subsidy schemes, in particular, extra assistance is given to elderly and needy owners.

In addition to financial assistance, the URA also empowers building owners to organise maintenance works through equipping them with knowledge ranging from procurement of contractors and consultants, specifications of work scope, to responsibilities and liabilities of the parties involved, as well as professional advices and technical assistances by way of an all-in-one information platform – Building Rehabilitation Platform, as described in page 39 of the Operating Review Chapter.



around **\$1,630** million
 loan and subsidies released
 (up to 30 June 2020)

Care about People

We care about people, in particular those who are affected by our urban renewal projects. This group of stakeholders include domestic property owners and tenants, shop and business operators, as well as kids, students, workers and visitors within the neighbourhood of our projects. Just as those affected by the URA's work and the community at large are our key stakeholders, so too are our staff members.

Caring for and Inspiring our Next Generation

The URA formed its first-ever 'oUR Amazing Kid Band' in 2018/19, aiming to maintain the social network of the participating kids and their families in our redevelopment projects through regular training lessons, performances and other activities even after they have moved out from the project sites. In 2019/20, the Kid Band recruited six new members from the URA project sites in To Kwa Wan. Some of them had moved out of the project site but returned to the Band for regular trainings and networking activities. A total of three performances and two networking events were conducted in 2019/20, while another three performances originally lined up and scheduled for February and March 2020 had to be postponed due to the COVID-19 pandemic.



Children from To Kwa Wan District are recruited to form the URA's "oUR Amazing Kid Band" in a bid to maintain their social network through music training and performance opportunities.



To introduce the URA's work and the significance of urban renewal to the general public, in particular our younger generation, the URA offered a series of education and extension programmes (E&E) to the community and schools during the year, covering a wide range of activities from educational workshops for primary and secondary students to innovative design competition targeting tertiary students participants.

Students were able to learn about living condition of people in the old districts and local characteristics during the programmes, and were inspired to explore innovative ideas and solutions that can alleviate the poor living condition, revitalise the old urban district while respecting the local characteristics, with an ultimate aim to facilitate a sustainable living.



On-the-job training are provided to URA staff on the latest online technology and skills.



URA staff are encouraged to self-learn through the URA's new "e-learning platform" in order to equip themselves with knowledge and skills.

Building Our Capacity

Technology advances in leaps and bounds, staff members of the URA have to keep abreast of the latest innovations in order to optimise efficiency, effectiveness and impacts of urban renewal. In 2019/20, the training focus remained on facilitating our staff members at different levels to learn the latest technologies e.g. BIM, Smart City, Artificial Intelligence (AI), Big Data, Internet of Things (IoT), etc. At the same time, effort was also put into reinforcing our staff members' functional know-how and core competence skills in communication, stakeholder engagement, innovation, personal development and leadership. During the year, around 12,500 training hours were provided for around 4,500 participants with over 60 new training programmes, visits and talks, mostly related to innovation and technology which could be applied to the work of the URA. Our training and development needs were gathered through a Training and Development Task Force composed of members from various Divisions and Departments of the URA.

We have continued to put emphasis on building our staff members' capabilities to apply the latest technology into their work; widen their horizons and exposure via talks and visits; further enhance their people and leadership skills through workshops and simulation exercises and strengthen their agility and entrepreneurship via project studies. An interactive Learning Platform has been launched in June 2020 to preserve the critical knowledge and project experience of the Authority and provide a user-friendly and flexible learning experience for all staff members.

Divisional Career Ladders describing the minimum requirements for progression from entry level positions to the highest level position of different divisions were launched for the use in recruitment, training and development. The Career Ladders serve as an open source channel for staff to identify their needs for enhancing and developing their knowledge, skills and competencies in order to prepare for future career moves.

A Successor Identification Model is under development to apply human resources data analysis to identify potential succession candidates for the managerial grade and above in order to formulate talent pools to succeed key positions. In addition to the Future Leaders Programme that develops promising General Managers and Senior Managers, a Manager Development Programme was launched during the year to identify and develop a pool of promising managers for our leadership pipeline.

Attracting, Motivating and Retaining the right staff

In a tight labour market, the need for effective means to identify, employ, retain and motivate the right talent remains high. In order to attract, motivate and retain young qualified professionals with satisfactory performance, combined establishment at Assistant Manager and Manager levels was introduced to allow more upward movement for these professional staff. Professionals holding key strategic positions were closely managed to ensure healthy career exposure and proper coaching. A two-year Planner Trainee Programme was launched to recruit fresh graduates of urban planning study with an aim to groom them into qualified urban planners who would be strategically important to our urban renewal process.

Building an Effective and Engaging Workforce

To strengthen internal communication across the URA, 12 issues of Staff Newsletter have been published since its introduction in 2017. In addition, our Staff Suggestion Scheme continues to invite ideas from staff members to improve work efficiency and effectiveness and to enhance a sense of belonging. Around 30% of the staff suggestions were assessed with positive impact and has been adopted in 2019/20.