

OPERATING REVIEW



Urban renewal is a lengthy process. Two decades on, Hong Kong is still in the first cycle of urban renewal with a lot of dilapidated buildings remain to be redeveloped.

Over the past six years, URA has progressively steered towards a holistic and comprehensive approach to urban regeneration, moving from the conventional project-led model of building-by-building redevelopment to one that is 'planning-led, district-based', allowing holistic planning of land uses of the old district as a whole, maximising the planning and social benefits to improve the overall built environment.

At the same time, the URA has begun trialling an integrated approach amalgamating the urban renewal strategies by ways of Redevelopment, Rehabilitation, pReservation and Revitalisation (4Rs), in implementing its redevelopment projects in Kowloon City, putting its effort in the integration of new and old cityscapes, the reprovisioning of government facilities and the preservation of local characteristics.

By consolidating the planning of projects and its vicinity under the integrated approach, along with the trailblazing use of new planning tools, the overall built environment and public facilities in the areas will be enhanced as a whole, and connectivity between the old and new districts will also be strengthened. The pilot approach will also assist the owners of the buildings in the neighborhood of the project site to carry out rehabilitation and preventive maintenance work to maintain building conditions. Place-making initiatives will also be introduced to revitalise the areas, so as to integrate the old and new cityscapes upon redevelopment.

The success of urban renewal also hinges very much on building rehabilitation. We seek to understand the main challenges faced by owners that hindered their willingness in carrying out building maintenance, so as to formulate specific strategies targeting public and stakeholders, and step up promotional efforts to encourage them to carry out building maintenance and management on their own.

In parallel, our two forward looking strategic studies have opened up new avenues for tackling critical issues of urban decay. URA is committed to taking forward the recommendations of these studies and set more ambitious targets on taking more challenging and complex projects which have the potential of bringing greater benefits to the community.

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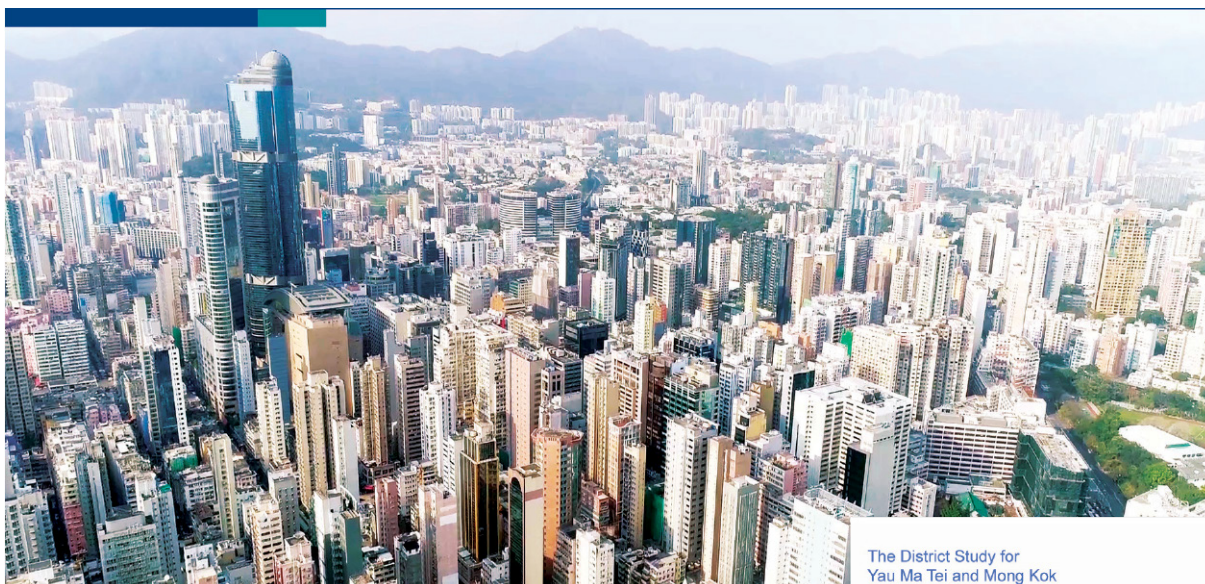
Strategic Studies for Effective and Sustainable Urban Renewal

Our continuous efforts in pushing forward urban regeneration are backed by three strategic studies commenced in 2017/18 with a view to addressing Hong Kong's rapid urban decay in an effective and sustainable manner. All the strategic studies were completed with findings and recommendations to guide the future trajectory of the URA's urban renewal initiatives.

Yau Mong District Study (YMDS)

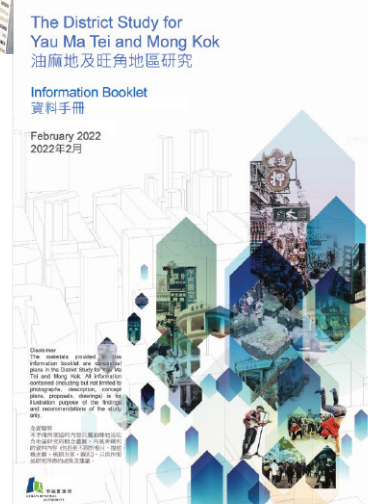
To undertake urban renewal with greater effectiveness, the YMDS, a strategic planning study was commenced aiming to establish new implementation mechanism and planning tools to overcome existing challenges in urban renewal.

The study came to a fruitful conclusion in early 2021. Three Master Urban Renewal Concept Plans (MRCPs) with varying development intensity were developed while strategic areas and development nodes were identified. A suite of new planning tools such as transfer of plot ratio, interchangeability of domestic and non-domestic plot ratios and site amalgamation under street consolidation areas (SCAs) were proposed to help expedite urban renewal. Some early initiatives including a selected nodal development and an SCA to be implemented by the URA were identified in the study and included in the Corporate Plan for implementation.



Aerial view of the now densely-populated Yau Ma Tei and Mong Kok districts.

Following the completion of the study, the URA conducted extensive consultations and engagements with the Legislative Council, Yau Tsim Mong District Council, professional institutes and other stakeholders to share key findings and recommendations of YMDS. The Government welcomed the directions recommended in YMDS and rendered its support by incorporating the new planning tools, identified from the Study, in the amendments to the relevant Outline Zoning Plans to allow, among others, interchangeability between domestic and non-domestic plot ratio in selected areas within Mong Kok district, increase in the plot ratio for the Nathan Road commercial spine and the flexibility for developments around character streets. With the implementation of the new planning tools to unleash development potential, the URA will at the same time work with the Development Bureau and relevant departments to incentivise more private market participation in urban renewal to speed up the pace of urban renewal.



An information booklet has been published summarising the findings and recommendations of Yau Mong District Study.

Development Nodes

Planned in a holistic manner connecting various major shopping/character streets or key pedestrian corridors to create a knitted network, five development nodes are proposed in the MRCPs of YMDS to serve as anchor developments to steer economic growth, as catalysts for urban regeneration and as focal points for the public to conglomerate, in addition to providing opportunities for open space and other public gains.



Impression of sizeable open space on top of a special 'Market Hall' creating a 'Market in the Park' ambience



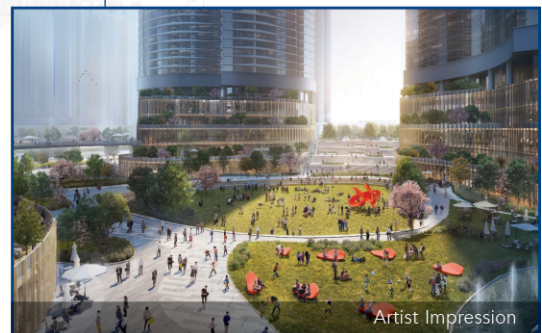
A green hub with urban waterway and a new multi-purpose complex building under the 'Single Site, Multiple Uses' initiative



The fruit market to be revitalised to become a tourist attraction alongside modernised facilities for wholesale operation, commercial development and open space



A comprehensive mixed-use development serving as a converging point of at-grade character streets, elevated walkways and nearby MTR stations



An iconic gateway development with mixed-use of offices, retails, hotels, arts and cultural and residential components

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Study on New Strategy on Building Rehabilitation (NSBR)

The NSBR aims to formulate a comprehensive rehabilitation strategy covering buildings of all ages to reduce the number of dilapidated buildings which may otherwise require redevelopment.

Challenges Faced by Owners of Old Buildings in Carrying Out Building Rehabilitation



The study was completed in 2020, identifying the lack of (i) professional knowledge in procurement of consultants/contractors, (ii) financial reserves and (iii) organisational capabilities as three major obstacles for owners of old buildings and owners' corporations (OCs) to organise building repair and maintenance works. In response, the URA has been implementing a multi-pronged approach to provide building owners with comprehensive information that is easy to comprehend and use, financial subsidies and technical support to assist them to carry out maintenance works.

In addition, emphasis is placed on increasing the awareness to prolong building life and serviceability through collaboration with various stakeholders such as professional institutes and practitioners to promote good practices of preventive maintenance and voluntary contribution to maintenance fund.

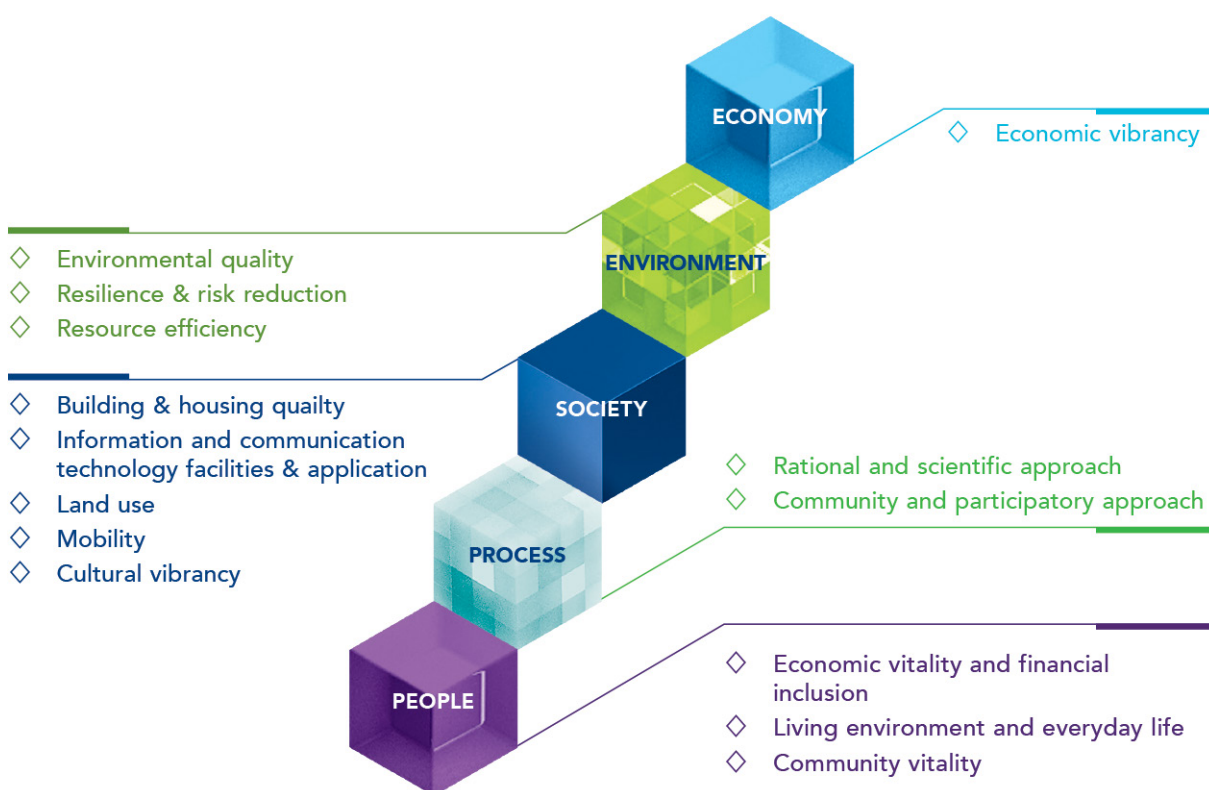
We studied local and overseas practices and compiled templates of maintenance manual and plan to be adopted in our self-developed projects, with the objective of promoting for a wider application to the buildings across the city. In addition, we finalised the proposed clauses for implementing preventive maintenance and facilitating owners' regular contribution to the special fund for future maintenance and incorporated in the Deed of Mutual Covenant (DMC) of the URA's projects. Through these trial applications, it is hoped that the URA can spearhead and ultimately recommend to the Government the adoption of these clauses in the DMC guidelines and relevant Code of Practice.

During the year, the URA appointed non-governmental organisations (NGOs) in seven districts to promote building rehabilitation to 600 target buildings. Apart from the general public, the URA worked with different stakeholders, including the Property Management Services Authority and other property management institutes, to facilitate the future implementation of preventive maintenance and promotion of regular contribution to the special fund through seminars and training courses.

Sustainability Study

Followed by the completion of the study in 2020, a framework for measuring urban renewal performance in five domains, namely 'Economy', 'Environment', 'Society', 'Process' and 'People', with a set of measureable key performance indicators (KPIs) were identified and accredited by the Social Value International. In 2021/22, selected KPIs were applied in seven redevelopment/rehabilitation projects to gauge their effectiveness and performance for internal evaluation. The KPI framework will be refined based on the findings to enhance applicability in other URA projects. In the long run, the indicators will serve to optimise the benefits of urban renewal projects under the '5Rs' business strategies.

The Framework for Measuring Urban Renewal Performance in Sustainability



Preliminary Project Feasibility Studies (PPFSs)

A number of PPFSs were completed or being conducted for selected old urban areas to develop URAs planning and project reserves. Three PPFSs covering two action areas in Kowloon City and one action area in Sham Shui Po have been ongoing since 2019/20. So far, four redevelopment projects identified from these studies were included in past approved Business Plans and all of them were commenced in either 2021 or 2022. Two other projects identified from YMDS were included in the approved Corporate Plan covering 2022/23 to 2026/27.

Two PPFSs for Sai Wan Ho and Wong Tai Sin districts were commenced in March and April 2021 respectively to explore urban renewal opportunities in the areas. A pilot survey in relation to the demand side of redevelopment and building rehabilitation initiatives was carried out as part of the PPFS for Sai Wan Ho. The survey respondents' aspirations will be appropriately reflected in the draft master renewal plan under preparation.

REDEVELOPMENT



Redevelopment has been the mainstay of the URA's strategy to contain urban decay since its establishment in 2001.

Adopting a 'planning-led, district-based' approach in recent years, we endeavour to undertake sizeable and challenging redevelopment projects which will bring greater benefits to the community.

Three large-scale redevelopment projects were commenced over the last year. Through restructuring and replanning the land uses, with the application of new planning tools and under a 'Single Site, Multiple Uses' approach, more floor area can be generated for development. By unlocking the redevelopment potential, these projects are expected to yield over 6,000 residential units, and provide a much improved living environment with the provision of over 20,000 square metres of greenery space, along with modernised standards and services for public transport, leisure, cultural, municipal and rehabilitation uses.

On planning level, the URA tested the integrated approach model of urban renewal in the Nga Tsin Wai Road and Carpenter Road Development Scheme (KC-017) and its adjacent Kai Tak Road/ Sa Po Road Development Scheme (KC-015) in Kowloon City. By way of redevelopment, district-based rehabilitation and the revitalisation works carried out in the district, it will further improve the overall built environment and the blending of old and new cityscapes. Upon project completion, the regenerated district not only will emerge as a more liveable and accessible community with unique local characteristics, but also act as a conduit connecting the Walled City Park (the past) with the new Kai Tak Development Area (the future).

Resources and effort from URA alone will not be adequate to handle challenging projects which involve clusters of aged buildings with deteriorating condition, high development density and low residual plot ratio. The URA has pioneered the use of new planning tools to overcome the hurdles faced in planning and unlocked the development potential of the lands in the old districts. Meanwhile, it is important to share the experiences and practices with private developers as a reference to promote private market participation in urban renewal.

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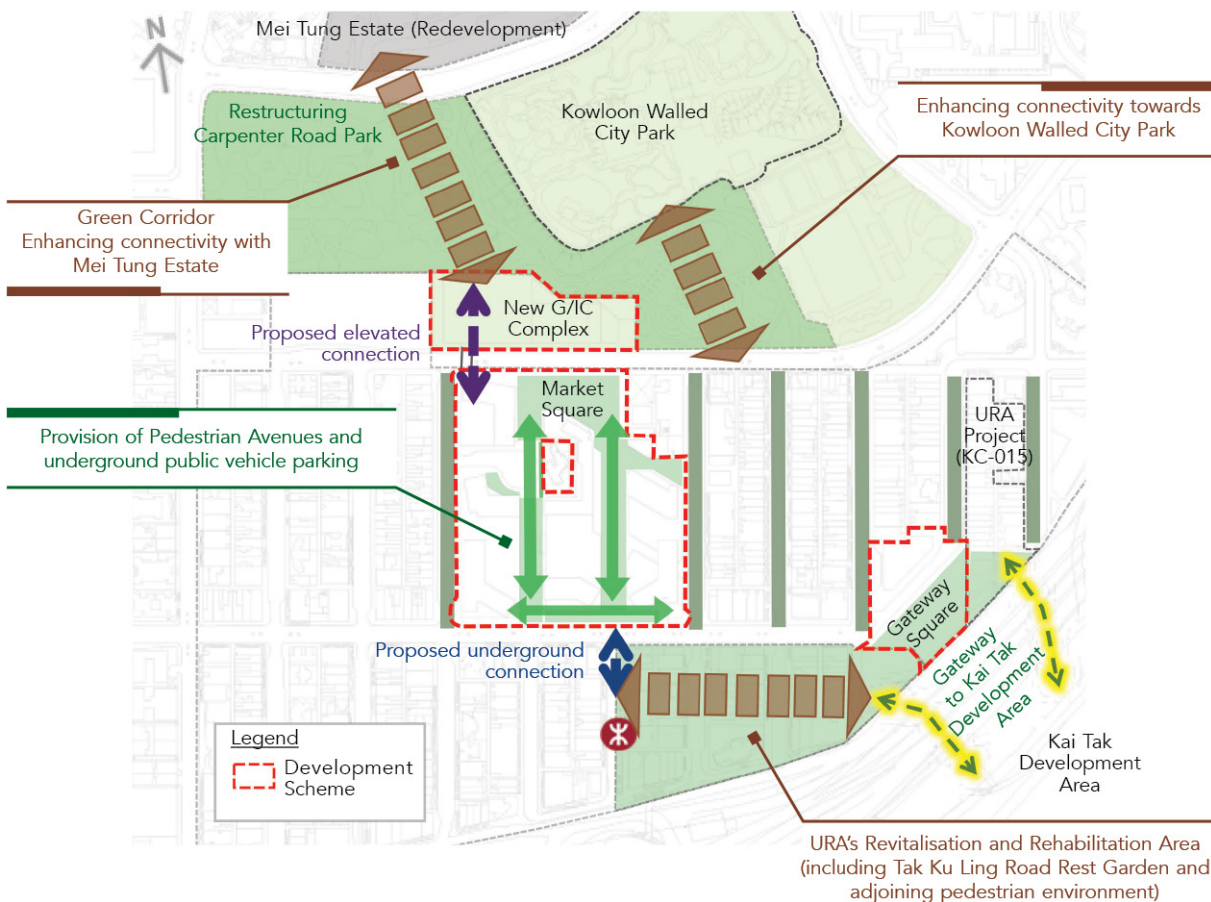
Projects Commenced in 2021/22

Nga Tsin Wai Road/Carpenter Road Project (KC-017)

Commenced in May 2022, KC-017 Project outlined the planning visions based on the aspirations of the local residents and stakeholders over the years, to improve traffic conditions, enhance the community facilities and living environment in the district.

Located at Carpenter Road and Nga Tsin Wai Road, KC-017 occupies a total area of about 37,060 square metres and comprises a main site, a northern site and an eastern site. The main and the eastern sites cover about 120 street numbers of buildings, in which three public facilities, namely the Kowloon City Municipal Services Building, Kowloon City Lions Club Health Centre, and Lee Kee Memorial Dispensary, are located in the main site; whereas the northern site is situated within the Carpenter Road Park.

The Proposed Planning of Nga Tsin Wai Road/Carpenter Road Project (KC-017)



Through replanning the land uses of the three sites, part of the Carpenter Road Park in northern site will be designated for reprovisioning community facilities, including the Kowloon City Market and the adjoining facilities, by building a new government complex under a 'Single Site, Multiple Uses' approach. Such reprovisioning plan will achieve a seamless transition of public facilities to minimise inconvenience to users of the public services. The new government complex and the other two sites in KC-017, altogether will provide approximately 47,000 square metres of floor area for Government, Institution or Community (G/IC) facilities, tripling the existing area within the project boundary.

Meanwhile, the Carpenter Road Park will be revitalised with new elements incorporated to the layout and design, and park facilities to upgrade the Park as a whole. Pedestrian pavements will also be widened with appropriate green landscape, and a unified green corridor will be made connecting Mei Tung Estate, Kowloon City Walled Park, Carpenter Road Park and the project site.

Appropriate relaxation of the height restrictions has been proposed in the main site to allow greater flexibility in the design and layout of buildings, thereby releasing more space at ground level for pedestrian use. A portion of Nga Tsin Long Road and Nam Kok Road will be converted into two green pedestrian avenues, each at least 18-metre wide. An underground carpark in the main site will also be incorporated to improve traffic condition and ease illegal parking problem.

In the eastern site adjoining Prince Edward Road East, the road segment adjacent to the area of the sunken plaza to be developed in the Kai Tak Road/Sa Po Road Development Scheme (KC-015) will be realigned, providing more space for a new Gateway Square connecting to Kai Tak Development Area. A low rise commercial building will be built to support the business activities of the Gateway Square. With the transfer of plot ratio, the residue gross floor area of the eastern site will be transferred to the main site, thereby unleashing further development potential of the land.

Under the integrated approach, the adjacent Tak Ku Ling Road Rest Garden will be revitalised and integrated with the sunken plaza of KC-015 and the nearby bus stops, providing an improved environment for bus queueing and disembarking. In addition, we will trial on adopting the 'district-based' approach by introduction building rehabilitation to those buildings of different ages and conditions in the neighbourhood of the projects along the area from Nam Kok Road to Tak Ku Ling Road. Targeted proposals for different building ages and conditions will be formulated to encourage owners to carry out building maintenance and preventive maintenance.

A new G/IC Complex (below) will be built to re-provision the existing Kowloon City Municipal Services Building (right) with modernised facilities and greater community uses.



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Kim Shin Lane/Fuk Wa Street Project (SSP-017) and Cheung Wah Street/Cheung Sha Wan Road Project (SSP-018)

Commenced jointly in September 2021, the two projects will provide over 1,800 new flats. SSP-017 involves a total of 90 street numbers of buildings that were built in 1950s, in which these buildings are generally in dilapidated conditions with large number of sub-divided units. While SSP-018 covers two sites (Site A and Site B) which are separated by Cheung Sha Wan Road.

In the face of the situation in the district, such as the conditions of the buildings, especially the building clusters at Kim Sin Lane with problems of ageing, large numbers of sub-divided units, and the lack of fire safety facilities, the redevelopment of these buildings by way of a single-site project has been hindered by several challenges. These include the multiple ownership titles, the high acquisition cost involved, and the existing building blocks having reached the maximum permissible plot ratio for the site, all of which make redevelopment very difficult, if not impossible, to implement.

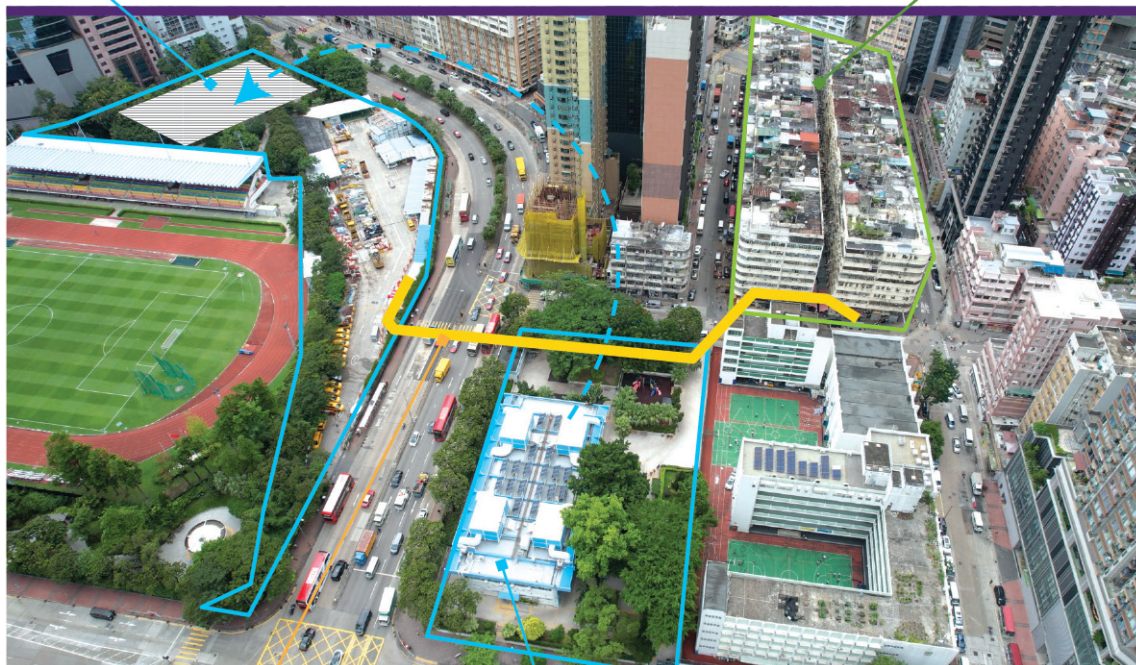
Therefore, a holistic study and plan for the old district are formulated before finalising a project, such that the usage of land is being examined in a holistic manner for restructuring and replanning, with an aim to enhance the development potential of the area and improve the overall living conditions of the residents through redevelopment.

The Proposed Planning of SSP-017 and SSP-018 Project

Site B of SSP-018 Project

Through restructuring and optimising land use, Site B will house the new G/IC complex inclusive of a new Sports Centre with facilities upgraded to present-day standard, alongside the provision of more G/IC facilities and open space.

SSP-017 Project



Proposed footbridges

Site A of SSP-018 Project

With obsolete facilities built in 1976 and under-utilised land, the current Cheung Sha Wan Sports Centre and its adjacent garden will be re-provisioned at Site B of SSP-018.

The two projects will restructure the layout of both sites, which covers the government land adjoining the Kim Sin Lane building clusters, to fully utilise the land resources so that through redevelopment, not only will floor area be generated to increase flat supply upon development, more planning benefits could also be achieved to enhance the living environment for the community of the entire district.

The land occupied by the Government Temporary Works Depot on Cheung Sha Wan Road in Site B of the Scheme will be replanned for the development of a new government complex, where a new Sports Centre will be provided for replacing the Cheung Sha Wan Sports Centre which was built in 1976 at Site A. The new Sports Centre will have additional recreational and sports facilities, including children's play area and gymnasium which are not available at the current Sports Centre, and the standard of its multi-purpose hall will also be upgraded.

Sites A and B combined will provide over 38,000 square metres of floor area for the provision of G/IC facilities, a significant increase of 33 times of the existing provision of the district.

Moreover, the two projects are integrated to provide space for improved walkability by building two footbridges across Cheung Wah Street and Cheung Sha Wan Road, connecting Kim Sin Lane and the community facilities on Cheung Sha Wan Road. This will enhance accessibility and connectivity of the district and create more green open space to improve the built environment.

As part of the revitalisation endeavours, the URA will discuss with relevant Government departments on carrying out street improvements and beautification works of open spaces, with a view to facilitate the integration of the new government complex, the Sham Shui Po Sports Ground and adjacent recreational, resting, and community facilities to become a community recreational amenity hub, bringing additional benefits to the neighbourhood.

Progress of Ongoing Key Projects

Civil Servants' Co-operative Building Society (CBS) Projects

The redevelopment of buildings under the Civil Servants' Co-operative Building Society Scheme, which the URA has undertaken as pilot projects, has made remarkable progress. In Shing Tak Street/Ma Tau Chung Road Project (CBS-1:KC), acquisition offer letters were issued to 155 property owners in August 2021, of whom 150 had accepted by June 2022. The Chief Executive in Council granted approval for the land resumption of the project in May 2022 and the clearance works is expected to commence in the fourth quarter of 2022.



Existing view of Shing Tak Street/Ma Tau Chung Road Project

As for Kau Pui Lung Road/Chi Kiang Street Project (CBS-2:KC), in consideration of the diverse views among CBS members, the URA conducted an opinion survey covering about 460 households in November 2021 and achieved a response rate of 88%. We are at the stage of facilitating the dissolution of relevant co-operative building societies, before acquisition offers can be made. Concurrently, we are processing the Stage 2 public comments received by the Town Planning Board (TPB) during the consultation period. We aim to complete the remaining planning procedures as soon as possible.

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Kwun Tong Town Centre Project (K7)

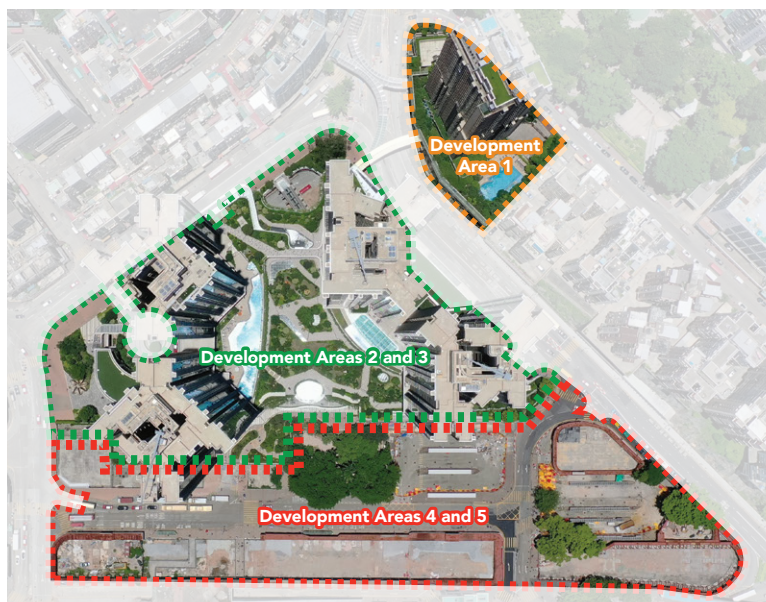
As the URA's largest single project to date, the Kwun Tong Town Centre covers a total site area of 5.3 hectares, involving around 1,300 households prior to redevelopment. The project is being implemented in phases, with the site divided into five Development Areas (DAs). All the flats were sold in 2021/22 for DA 1 at Yuet Wah Street, while those for DAs 2 & 3 are being sold. The Yue Man Square Public Transport Interchange in the development commenced operation in April 2021. It is well-connected with major streets of the area and equipped with multiple innovative and smart features such as Hong Kong's first indoor air-conditioned bus waiting area that separates passengers from vehicular traffic.



Following the completion of Development Areas 2 & 3 of Kwun Tong Town Centre Project, Yue Man Square (right) and its Public Transport Interchange commenced operation in April 2021, featuring Hong Kong's first indoor air-conditioned bus waiting facilities (left).



Meanwhile, demolition works at DAs 4 & 5 were completed. To enhance the ability to cope with uncertainties brought by the unpredictable pandemic and the market changes, the URA initiated a pilot arrangement of floating planning parameters in pursuing the joint venture (JV) development tender of DAs 4 & 5. The pilot arrangement would provide the JV developer with flexibility to determine the actual Gross Floor Area (GFA) within specified ranges for office, hotel and other commercial uses for the commercial portion on the condition that the total GFA would remain unchanged. A Section 16 application was submitted to the TPB for consideration. It is targeted to award the JV tender in 2022/23.



The progress of Kwun Tong Town Centre Project

- Development Area 1: completed
- Development Areas 2 and 3: residential site, Yue Man Square and Public Transport Interchange completed
- Development Areas 4 and 5: demolition works completed

Nga Tsin Wai Village Project (K1)

A conservation-led development approach was adopted for the project, taking into account the foundation remains of old village walls and watchtowers at some excavated locations. To update and ascertain the findings on heritage significance and areas for preservation and future rescue excavation, further excavation and field investigation works were conducted between 2019 and 2021. An enhanced conservation proposal was submitted to the Antiquities and Monuments Office in February 2022. The URA will work with the JV developer and relevant Government departments to take forward the project including obtaining land grant approval.

Cleared and Tendered Projects

The keen pursuit of project site clearance and tendering continued in 2021/22 to sustain achievements in delivering community benefits and flat supply. As of 30 June 2022, site clearance was completed for eight project sites, covering four Kowloon City projects (KC-009 to KC-012) at Bailey Street/Wing Kwong Street/Hung Fook Street/Ngan Hon Street/Kai Ming Street; Project C&W-005 at Sung Hing Lane/Kwai Heung Street, Project K7 DA 5 at Kwun Tong Town Centre, Project YTM-011 at Oak Street/Ivy Street and Project C&W-006 at Queen's Road West/In Ku Lane. Five JV tenders were awarded for Project YTM-011 at Oak Street/Ivy Street, Project KC-009 at Bailey Street/Wing Kwong Street, Project KC-010 at Hung Fook Street/Ngan Hon Street, Projects KC-011 & DL-8:KC and Projects KC-012 & KC-013 at Hung Fook Street/Kai Ming Street/Wing Kwong Street.

Responding to Redevelopment Request from Owners

Under the Urban Renewal Strategy, the URA may respond to a joint approach from building owners to initiate redevelopment of their buildings.

Demand-led Pilot Scheme

In 2021/22, a new approach to the Demand-led concept was piloted in the PPFs for Sai Wan Ho by way of an opinion survey conducted with owners in the study area to solicit views and aspirations on urban renewal. Their views and needs for redevelopment and building rehabilitation will be considered during the planning stage for formulation of projects under the integrated approach.

Facilitating Services Scheme



Members of the last Civil Servants' Co-operative Building Society (CBS) of Shing Tak Street/Ma Tau Chung Road Project (CBS-1:KC) witness the dissolution of their CBS in June 2021 and obtain legal titles of their flats.

Through the Urban Redevelopment Facilitating Services Company Limited (URFSL), being a wholly-owned subsidiary of the URA, a facilitating services scheme has been running since 2011 to facilitate interested property owners in assembling titles for joint sale in the market. In 2021/22, one application proceeded to the joint sale stage and no bid was received. After conducting an internal review during the year, it was concluded that without changing the current application requirements, priorities should be given to sites that would be beneficial to the urban renewal process and that planning gains should be a major factor when selecting sites for future provision of the joint sale services.

URFSL continued to provide free facilitating services to members of undissolved CBS affected by URA's projects to assist them in obtaining legal titles of their flats through dissolution of the CBS. After dissolution, the owners would have the capacity to sell their properties to URA and/or to receive resumption offers from the Government. In 2021/22, the only undissolved CBS at CBS-1:KC was dissolved successfully with assistance from URFSL. Nine undissolved CBS buildings at CBS-2:KC had been engaged and URFSL facilitated one of the engaged CBS buildings to cancel its CBS registration in May 2022. URFSL will continue the engagement work to facilitate dissolution for the remaining CBS buildings for smooth implementation of this project.

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Policy Address Initiatives

District Studies

As per the Government's invitation in the 2021 Policy Address, the URA has taken on the task to conduct district studies for the old districts of Tsuen Wan and Sham Shui Po respectively. The studies aim to support Government to formulate comprehensive urban renewal strategies and implementation mechanisms to restructure land use in these old districts. The new planning tools proposed in YMDS would be adopted as appropriate with a view to expediting the pace of urban renewal. Procurement of consultants is in progress and the studies will commence in the latter part of 2022 for completion in around two to three years' time.

Starter Homes (SH) Projects

eResidence Phase Two

In response to the Policy Address which entrusted the URA with a new mission to actively provide more SH units in its redevelopment projects, the URA designated its Chun Tin Street/Sung Chi Street Project as eResidence Phase Two with the provision of about 260 SH units. Demolition works were completed and tender for foundation works was awarded in 2021/22, followed by detailed design for preparation of main contract tender. It is expected that the SH units will go for pre-sale in 2023/24.



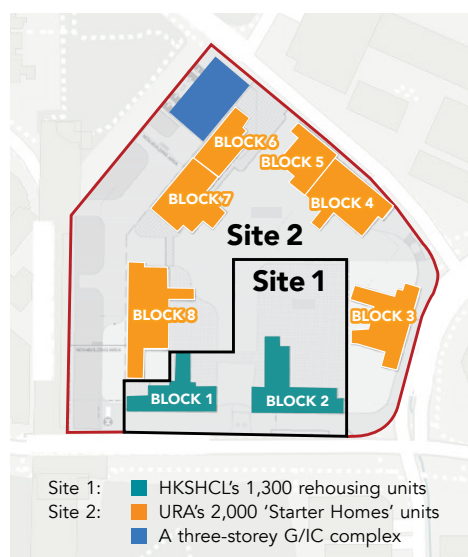
At eResidence Phase Two (above), elderly friendly design (left) such as foldable bath chairs, anti-slip bathroom grab bars and walk-in showers will be introduced in the residential flats as optional items for buyers.

Redevelopment of Tai Hang Sai Estate (THSE)

Following the announcement in the 2020 Policy Address, the Hong Kong Settlers Housing Corporation Limited (HKSHCL) and the URA signed a Memorandum of Understanding in March 2021 to take forward the redevelopment of THSE. Upon the conditional approval of the planning application from TPB in December 2021, the URA has been enhancing the detailed planning and design work, and construction work is expected to commence in 2023, the earliest.

Whilst for the HKSHCL, they are responsible for formulating and implementing clearance and relocation plans for its tenants. The vetting of the tenants' eligibilities for ex-gratia allowances and reversion is now in progress, followed by relocation arrangement.

Upon redevelopment, about 3,300 new flats will be provided, of which 1,300 units will be allotted for rehousing the existing eligible tenants by HKSHCL and the remaining 2,000 units will be assigned as SH units by the URA.



Assisting NGOs in Developing Transitional Housing (TH)

In response to the Government's invitation in the 2019 Policy Address to assist NGOs in developing TH, the URA provided managerial and technical services to the relevant NGOs for TH developments in the Hung Shui Kiu (HSK) and Ta Kwu Ling (TKL) sites. Planning submission and funding for the HSK site with the URA acting as the project manager were approved in August 2021 and the building contract was awarded in May 2022. The development is scheduled for completion in 2023, providing about 400 TH units. For the TKL site, planning submission was approved by TPB in January 2022. The development will be undertaken by the relevant NGO and is scheduled for completion in 2023, providing about 600 TH units.



An artist impression of the transitional housing project in Hung Shui Kiu

'Single Site, Multiple Uses' for NGO Sites

In response to the 2019 Policy Address inviting the URA to offer facilitation and planning services to NGOs to maximise the development potential of their under-utilised sites under the 'Single Site, Multiple Uses' model, a facilitation scheme was launched in January 2021 in which the URA would provide support to NGOs for worthy projects.

Up to June 2022, enquiries from 29 NGOs and four expressions of interests (EOIs) were received. An initial appraisal report was completed in November 2021 for a site in Tuen Mun and the URA has entered into a service agreement with the NGO concerned for conducting preliminary assessments. URA is currently examining the feasibility and eligibility respectively of the other two EOIs covering sites in Sham Shui Po and Sha Tin districts with relevant Government departments, whereas the remaining EOI was turned down at the initial appraisal stage as there were limited opportunities to incorporate additional floor space into the site through in-situ redevelopment of the site itself or amalgamation with the adjoining land.

REHABILITATION AND RETROFITTING



Urban decay is too extensive and complex to be resolved by mere renewal works using existing resources which are far from adequate in any case. The success of urban renewal therefore hinges very much upon building rehabilitation to prolong service life, without which a building of 50 years old will fast become dilapidated and might even require demolition. In contrast, a building with proper and regular maintenance can last 80 years or even longer.

It is therefore essential to bring home the message that building rehabilitation and preventive maintenance are the keys to improve living condition and tackle ageing of buildings in the long term.

While the URA, on one hand, assists the Government to provide financial subsidies to building owners across the territory to carry out repair and maintenance works to the common area and facilities, it also trialled on adopting a 'district-based rehabilitation approach' in Kowloon City, in which targeted rehabilitation proposals are formulated for buildings at different ages and conditions within a selected area so that the overall conditions of the buildings within the district can be modernised. In the meantime, extra financial incentive is being explored to encourage owners to build up funding reserve for implementing regular maintenance plan in the future.

Technical and financial assistance aside, the URA has also launched a series of self-help tools on its all-in-one online platform and set up the city's first of its kind Building Rehabilitation Resources Centre to strengthen owners' capabilities to organise building rehabilitation works on their own, forging a stronger sense of responsibility and greater participation.

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Adopting District-based Rehabilitation Approach on Work in Kowloon City

A small pilot area consisting of 46 buildings in Kowloon City was selected to test various planning-led and district-based rehabilitation initiatives and promotion strategies. Initial engagements were done with all targeted buildings in the pilot area to promote building rehabilitation and the uplifting of external walls of the buildings. Meanwhile, a new model of 'joint property management' for three-nil buildings (no management, no owners' corporations (OCs) and no maintenance) in the pilot area was also initiated, working in collaboration with two property management organisations during the year.

Going forward, necessary assistance will be provided to promote the formation of OCs to facilitate the implementation of appropriate building rehabilitation measures to improve building condition. At the same time, the URA would encourage owners to set up a special fund for future maintenance and improvement works. The possibility of providing interest return to owners who make planned contribution to the special fund in the initial period would be explored.



Aerial view of the focus area in Kowloon City where URA will pilot the district-based rehabilitation approach. Comprehensive and targeted solutions will be proposed, along with appropriate subsidies to help owners organise building inspection, common area maintenance and external wall uplifting.



In a video live broadcast of tender opening, owners monitor the whole process in the virtual meeting, during which the accountant presents the tenders and bidding prices to owners in front of the camera.

Building Rehabilitation Subsidy Schemes

To mitigate adverse impact brought by the pandemic on the rehabilitation works under various rehabilitation assistance schemes, e.g. unable to conduct physical meetings or general reluctance in allowing visits of consultants, the URA implemented different measures to assist owners in commencing the works as soon as possible. Amongst the measures taken included (i) issuing 'Replacement Approvals-In-Principle (AIPs)¹ and 'Conditional AIPs² to expedite application processing; (ii) arranging opening of tenders for consultants and contractors procurement via virtual meetings; and (iii) exploration of the feasibility for conducting online owners' general meetings to overcome difficulties in arranging physical meetings.

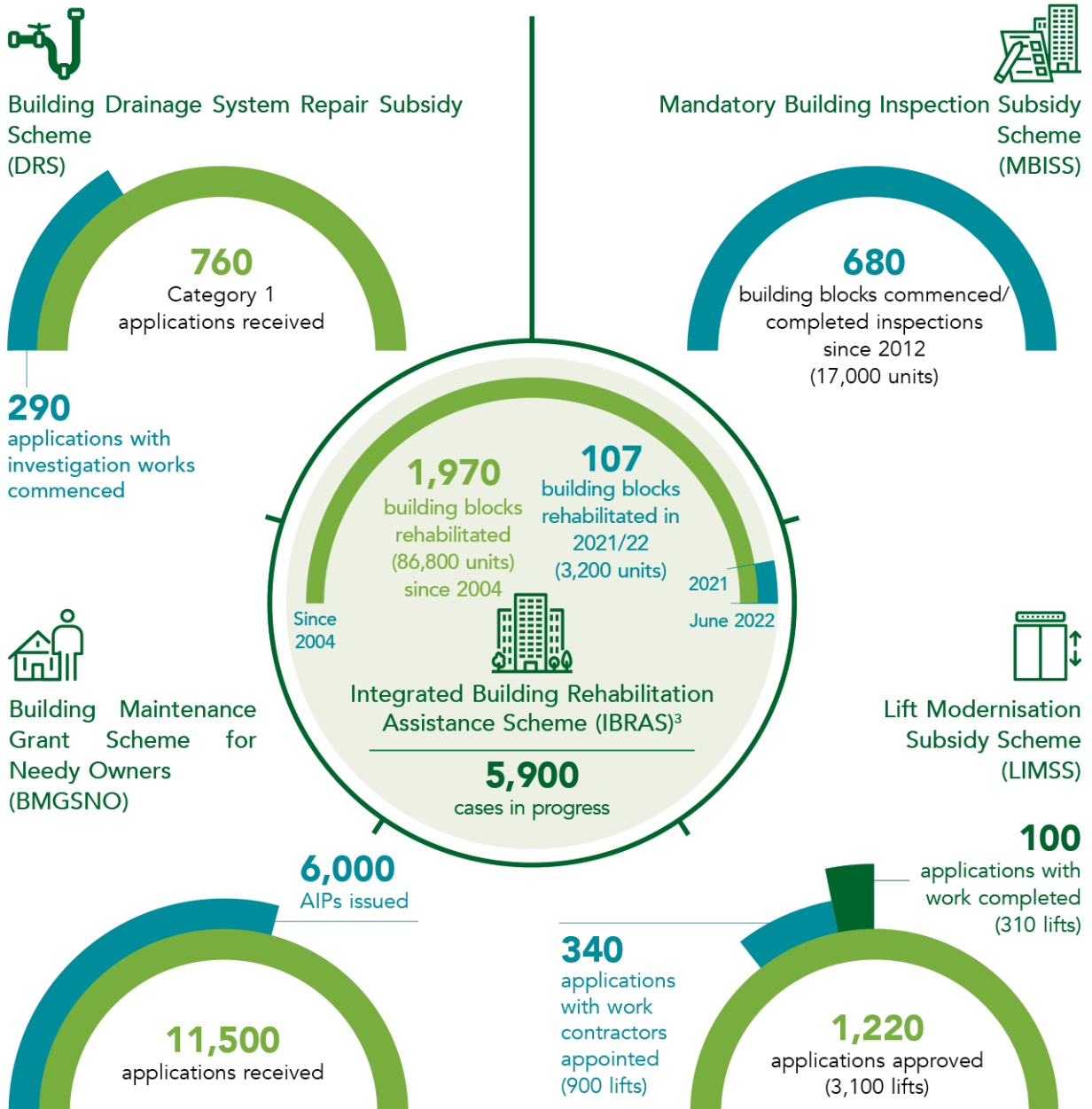
¹ Replacement AIP ('RAIP'): To avoid price escalation due to high market demand of works and services, all applications are prioritised into batches according to a set of risk determination criteria. Following the prioritisation order in each batch, applications submitted with required documents will be issued with AIPs and approached for assistance on rehabilitation works commencement. Nevertheless, there are 'Sluggish Applications' that fail to submit the required documents despite repeated reminders. To expedite the overall building rehabilitation process, applications in latter batches with required documents readily submitted will be issued RAIPs to replace the Sluggish Applications in earlier batches.

² Conditional AIP ('CAIP'): When the pre-determined number of applications to be approached in each batch cannot be met after issuing AIPs and RAIPs, the Sluggish Applications will be issued with CAIPs on the condition that the required documents are submitted within a prescribed period.

Progress of Various Building Rehabilitation Schemes (up to June 2022)

Operation Building Bright (OBB) 2.0 and Fire Safety Improvement Works Subsidy Scheme (FSWS)

	OBB 2.0	FSWS
Approvals-In-Principle (AIPs) issued	1,120	2,700
Buildings with repair / improvement works completed	Category 1 100	100
	Category 2 170	



³ Major schemes under IBRAS include: Mandatory Building Inspection Subsidy Scheme, Operation Building Bright 2.0, Fire Safety Improvement Works Subsidy Scheme, Lift Modernisation Subsidy Scheme, Building Maintenance Grant Scheme for Needy Owners, Building Drainage System Repair Subsidy Scheme and Smart Tender Building Rehabilitation Facilitating Services Scheme.

OPERATING REVIEW

Equipping Owners with Professional Assistance and Technical Knowledge

Building Rehabilitation Resources Centre (BRRC)

Scheduled to open in the third quarter of 2022, the new BRRC is the city's first one-stop resources centre on building rehabilitation. With an area of 7,000 square feet, it provides technical assistance and information on building rehabilitation services to facilitate building owners to maintain their building conditions, as well as to enhance awareness and promote preventive maintenance. Video consultation services, mediation and multi-purpose rooms will also be made available to the public.

The Building Rehabilitation Resources Centre, which contains educational panels on rehabilitation knowledge, aims to provide one-stop building rehabilitation information and services to owners.



Smart Tender Building Rehabilitation Facilitating Services Scheme (Smart Tender)

Smart Tender aims to provide technical support to OCs of private buildings and reduce the risk of bid rigging at the works procurement stage. It covers the procurement of consultants and registered fire service installation contractors starting from 2019, and was further expanded in 2020 to cover the procurement of registered lift contractors. Up to June 2022, around 2,800 valid applications were received and around 2,550 of them were approved and approached for providing the Smart Tender services.



New Open e-tendering Platform for Public

To allow OCs/Deeds of Mutual Covenant managers to procure selected services from consultants and contractors via the e-tendering platform free of charge, an independent e-tendering platform was launched in April 2021. Promotion of the new platform commenced in May 2021 for the first targeted group, including property management associations and property management companies.

Centralised Tender Collection System

Developed by the URA, the Centralised Tender Collection System has been in operation since 2020, allowing greater efficiency of the tendering processes. Through automating tender submission and streamlining tender processing workflow, the system is capable of handling a maximum of 3,000 procurement cases each year, significantly exceeding the capacity of conventional tender boxes. As of June 2022, the system has handled about 1,200 tender documents for 1,130 building works projects. Positive feedbacks were received from tenderers and OCs concerned.

Building Rehabilitation Platform (BRP) & New Features

The BRP (www.brplatform.org.hk) is an all-in-one online platform providing professional and comprehensive information on building rehabilitation along with technical support to building owners. To guide owners through the building rehabilitation process, a guidebook with a broad range of information on preparatory work, appointment of consultants and contractors, as well as monitoring of works, is available for download from the BRP. Key building rehabilitation information was highlighted through over 50 sets of trilingual videos for viewing from the BRP.

In addition, a total of 17 sets of sample tender and contract documents for procurement of consultants and contractors were uploaded onto the BRP for public use and reference, among which eight of them were added in 2021/22. A cost reference centre was launched in March 2021 to provide the cost range of typical rehabilitation works items. A new Chatbot function was also made available on BRP in November 2021 to provide instant answers to basic questions related to redevelopment and rehabilitation, facilitating public access to the required information through different means.

Under the newly introduced Building Rehabilitation Company Registration Scheme (BRCRS), a database of consultants and contractors, who are eligible for and interested in providing building rehabilitation works and have a quality management system, would be published by phases for users' reference. As a start, the database for Authorised Persons/Registered Inspectors was published in March 2022 while the database for Registered General Building Contractors will be published in the latter part of 2022. An interim database was launched in April 2022 as a transitional arrangement for Registered Minor Works Contractors (RMWCs) and Registered Fire Service Installation Contractors (RFSICs). Since then, the URA has been assisting interested RMWCs and RFSICs in preparing for joining the BRCRS. After a transitional period of three years, formal registration with assessment for RMWCs and RFSICs will take place in early 2025.

Retrofitting Projects

Yu Chau West Street, Cheung Sha Wan (IB-2:SSP)

The retrofitting project came as the URA Board approved in 2018 to halt the redevelopment project due to low acquisition rate. Instead, retrofitting works to support rehabilitation initiatives were carried out, allowing the URA to acquire relevant experience in retrofitting, especially the relevant processes and procedures to extend the usable building life span of old industrial buildings with upgraded facilities, in support of an initiative under the 2018 Policy Address to revitalise industrial buildings.

Retrofitting of building provisions in the common areas and URA-owned premises in IB-2:SSP Project was completed in November 2021. The building is now upgraded with facilities and fire safety provisions to modern standard, as well as barrier-free facilities. The refurbished premises are now accommodating about 260 URA staff and also home to a number of NGOs and social enterprises.



The retrofitted IB-2:SSP (left) is now equipped with new fire services systems including the Automatic Fire Alarm System (right), the Sprinkler System and tank (middle).

Ex-Mong Kok Market Building

The URA will assist the Government to retrofit the ex-Mong Kok Market into an interim District Health Centre (DHC) to be handed over to the Health Bureau upon completion. With the support from the former Food and Health Bureau, the URA appointed a comprehensive design consultant team in mid-2021 to formulate detailed design which will be followed by the procurement of works tender in the latter part of 2022. Retrofitting works are expected to commence in 2023 and targets to be completed in 2024. In the long run, the URA will work closely with the Government to identify a suitable location within the Yau Mong District to house the DHC permanently.

PRESERVATION AND REVITALISATION

Bringing new life and vibrancy

Reflecting local character

Connecting with the neighbourhood

Not only are sites and structures preserved in URA's urban renewal projects, but intangible heritage and local characteristics are also retained and enlivened through revitalisation, place-making and rebuilding community networks.

In 2021/22, URA continued to take forward the preservation-cum-revitalisation work, while making use of completed projects with preserved buildings/elements for place-making and community making purposes. Notably the Central Market which was opened to the public in August 2021 has quickly become an iconic landmark in the heart of the city, attracting over 10 million visitors so far.

Central Market (Grade III Historic Building)

Operated by the Chinachem Group under three key themes, namely 'Approachable', 'Energetic' and 'Gregarious', Central Market has been shaped into a 'Playground for All' to connect the community as well as the old and new generations. It provides venues for diversified uses including catering, retailing, performances, exhibitions, STEAM⁴ learning and start-up businesses, attracting over 10 million visitors since its opening in August 2021.

Subsequent to the completion of phase one of the revitalisation works last year, the second phase of works, including the new façade facing Des Voeux Road Central and the escalators to the first and second floors, was also finished in April 2022. This drew to a conclusion of all restoration and revitalisation works of Central Market and it is now fully opened for public enjoyment.

The preservation and revitalisation works of Central Market earned recognition by scooping various professional awards from The Hong Kong Institute of Architects, The Hong Kong Institution of Engineers, the Hong Kong Institute of Planners and The Royal Institution of Chartered Surveyors.



The Phase two works has furnished Central Market with a new façade facing Des Voeux Road Central and escalators, enhancing spaces and accessibility for public enjoyment.

⁴STEAM refers to the areas of science, technology, engineering, the arts, and mathematics.

OPERATING REVIEW

Western Market (Declared Monument)

The Government granted a five-year 'hold-over' of the land lease for URA to undertake repair and renovation works of Western Market in 2021/22. Structural and building services consultants appointed by the URA completed a condition survey of the building with recommendations on the repair, replacement and improvement works to be carried out to enhance the condition of the building, its vibrancy and appeal to the public.

M7 (Grade II Historic Buildings)

In 2021/22, 7 Mallery Street was rechristened as 'M7' with a revamp of its spatial uses, tenant mix and activity programmes. During the year, over 90 activities including exhibitions, performances and workshops were held with the implementation of special on-site arrangements and social distancing measures amidst the pandemic. A major place-making art technology programme named 'Mallory Wishes Come True' was launched in December 2021, featuring the city's first interactive multi-media 'wishing tree' installed in the public open space for people to make wishes and enjoy the special lighting with musical effects. It has attracted about 300,000 visitors.

A number of arts and cultural events were organised at M7 including (above) the installation of glamorous multi-media 'Wishing Tree' providing visitors with immersive experience, and (below) weaving workshops.

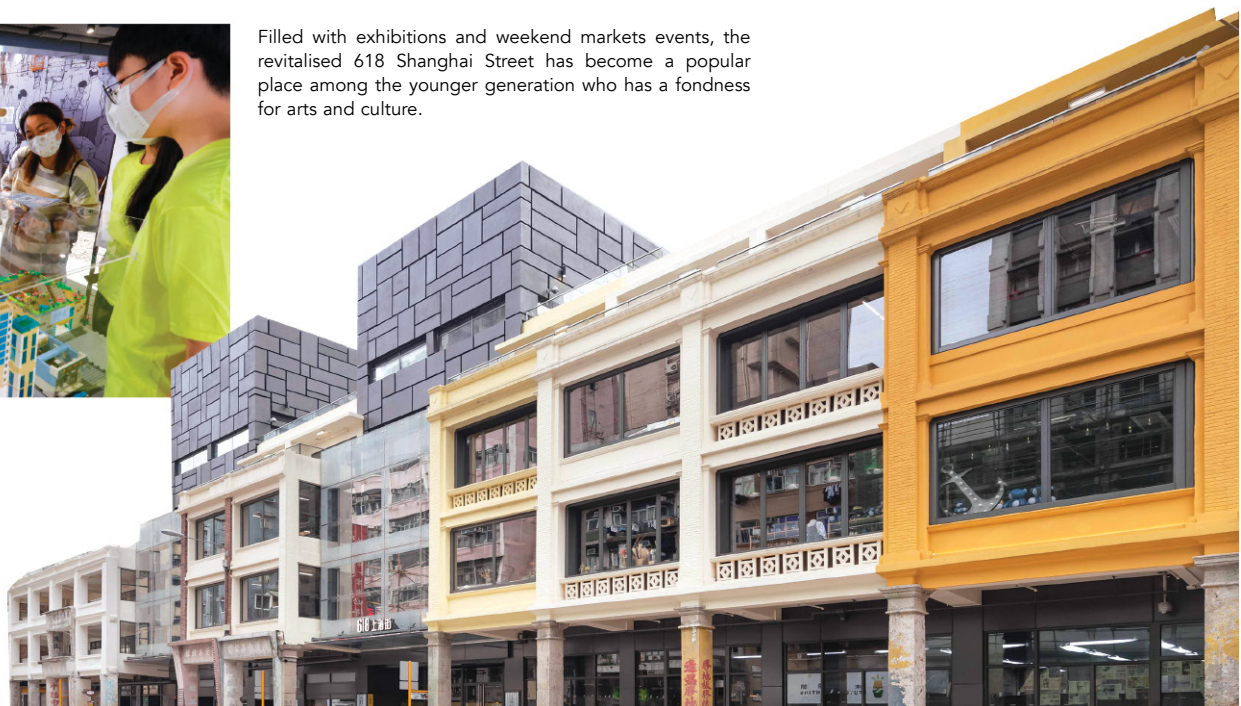


618 Shanghai Street (Grade II Historic Buildings)

Opened in November 2019, 618 Shanghai Street has since become a popular venue among local community members, and young adults to visit and enjoy a variety of creative programmes, shopping and dining options. All shops were leased to restaurant and retail operators aiming to accentuate the unique historical characters of the area and the preserved building clusters while serving the needs of the local community. In recognition of its outstanding performance in curating customer retail experience, the project scooped the Excellence Award in the 'Best Retail Leasing Team' category of the Institute of Shopping Centre Management Awards 2021. In 2021/22, 85 cultural, community and pop-up market store events took place with overwhelming response.



Filled with exhibitions and weekend markets events, the revitalised 618 Shanghai Street has become a popular place among the younger generation who has a fondness for arts and culture.



Mong Kok Streetscape Improvement

The URA continued to work with relevant Government departments to enhance the local streetscape, ambience and attractiveness of five themed streets in Mong Kok, namely Flower Market Road, Tung Choi Street, Sai Yee Street, Fa Yuen Street and Nelson Street, with due regard to their unique characteristics. Improvement works at Flower Market Road were completed while improvement works at Tung Choi Street were taken up by Government departments. Remaining works at Nelson Street, Sai Yee Street and Fa Yuen Street are being conducted in two phases. Phase One works were commenced in June 2021 with target completion date in early 2023 while Phase Two works will commence in the latter part of 2022.

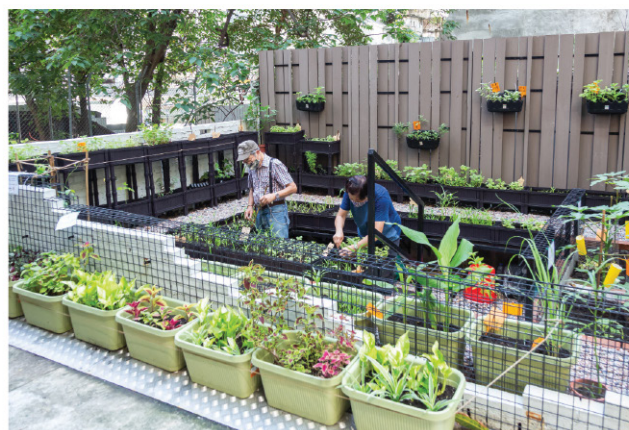
Community Making at Staunton Street/Wing Lee Street Neighbourhood, Sheung Wan (H19) (With 88-90 Staunton Street as Grade II Historic Building)

In line with the 2018 Policy Address which outlined the vision of revitalising building clusters with special character and urban fabric under the Staunton Street/Wing Lee Street Project (H19), the URA conducted various stakeholder engagements and completed a Community Making Study for the H19 neighbourhood. Based on a community-driven design approach, the revitalisation works of URA's acquired buildings in H19 commenced in May 2021.

Upon the completion of works by end of 2022, the units in the revitalised buildings will be put to adaptive reuses as co-living spaces under the management of the co-living operator(s) to be procured, giving new impetus to rejuvenate the aged community and surrounding areas. Concurrently, the URA continued to advocate 'Collaboration, Innovation and Empowerment' under the community making initiatives by exploring rehabilitation opportunities in partnership with the building owners in the neighbourhood area to improve the overall built environment.



The URA and community members in the H19 neighbourhood join hands to revitalise the Staunton Street and Shing Wong Street area by setting up the community farm.



OPERATING REVIEW

Integrated Projects

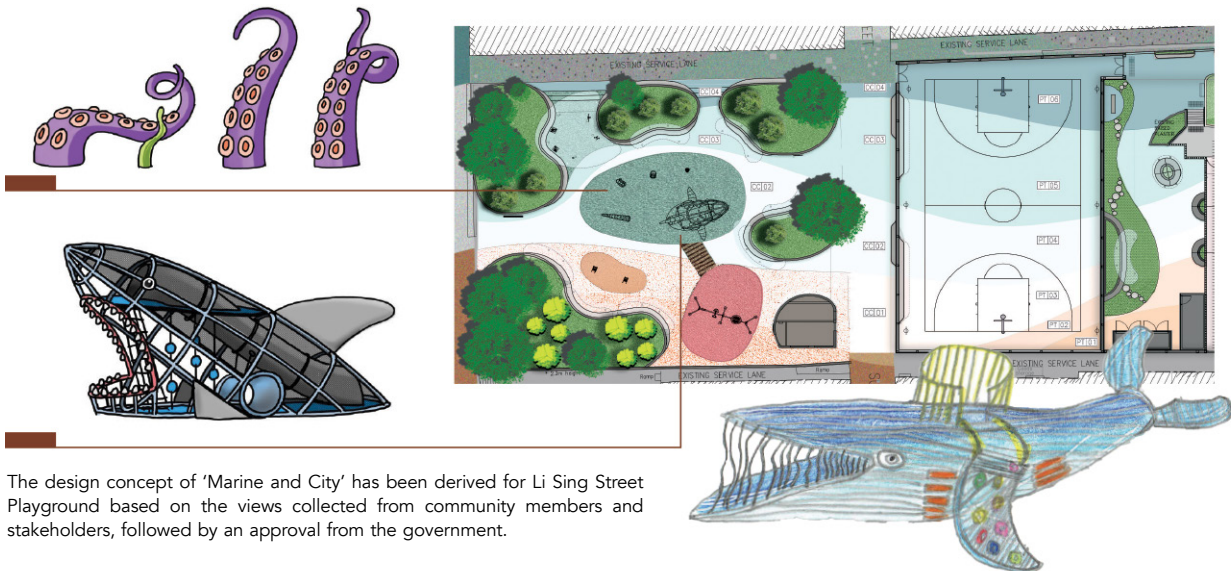
In line with the integrated '4Rs' business strategies, redevelopment projects undertaken by the URA were leveraged to improve the living environment of local residents in the vicinity by increasing or upgrading the provision of public open spaces, enhancing accessibility and walkability and incorporating attractive landscape and urban design. In addition to KC-017 with KC-015, as well as SSP-018 Projects as noted on Page 36 to 39, notable initiatives were also being pursued in this connection in following projects.

Queen's Road Central/In Ku Lane Project (C&W-006)

Under a holistic and integrated planning strategy, the URA proposed in 2019 to integrate rehabilitation/revitalisation initiatives with the redevelopment of C&W-006 to create more planning gains for the local community through enhancing the surrounding environment and communal facilities, such as the improvement works at Li Sing Street Playground. Based on public insights generated from the community engagement process, detailed design for the revitalisation works was completed in 2021 based on the feedback collected from community stakeholders. On-site works were commenced in early 2022. Upon the completion of works in 2023, the revitalised spaces coupled with the planning gains of the adjoining redevelopment project will become an exemplar to showcase the synergistic effects of an integrated project.



The URA listens to views from children, parents and elderly through community engagement activities, for the design of Li Sing Street Playground.



The design concept of 'Marine and City' has been derived for Li Sing Street Playground based on the views collected from community members and stakeholders, followed by an approval from the government.

Reclamation Street/Shantung Street/Thistle Street (YTM-010 and YTM-012)

Through the integrated approach, the neighbourhood will be revitalised through redevelopment by way of enhancement in the walkability and liveability of the community. A cluster of 'Nano-Parks' will be provided in the vicinity of the two projects. The 'Nano-Parks' concept aims to revitalise existing small-sized and scattered open spaces located in the dense and aged building fabrics, thereby creating a new network through place-making to connect small parks within walkable distances to generate greater design impact and opportunities for the local community's enjoyment.

Place-making Initiatives

The URA placed strong efforts in pursuing place-making initiatives in three of its completed projects, located within the same locality in the Central and Western District, namely The Center (H6), the Peel Street/Graham Street Project (H18) and the Central Market under the 'CONET⁵' concept.

In 2021/22, about 70 events were organised by the community groups at the exhibition space (Community CONET) of H6 CONET, with average of around 4,800 visitors on a weekday. Meanwhile, the market block and four-storey commercial space at H18 (Site B) continued to offer retail, food and beverage outlets to support the local community, complementing the nearby Graham Market. Whereas with the opening of the major portion of Central Market in mid-2021, more opportunities through mural art and other creative ideas for adjoining streets and buildings are being identified to generate more community interest and street vibrancy to sustain a wider network via CONET.

Other significant place-making events organised by the URA in 2021/22 include:

SPORTS EXPO

The cheering events for Hong Kong athletes at the Tokyo 2020 Olympic Games and Paralympic Games, attracting over **600,000** visitors (Co-organised with Yue Man Square)



Yue Man Square

'Love at Kwun Tong' Miniature Art Exhibition, attracting **550,000** visitors

Beyblade Burst · YM² Cup, attracting **360,000** visitors

Central Market

Since August 2021, a total of over **750** events covering a diversified programme of exhibitions, performances, workshops, seminars and festive celebration activities took place at Central Market, attracting over **10 million** visitors. The miniature art exhibition titled 'An Art Journey Into the Past and Present Urban Reinvention · Advance Beyond 25' amassed over **400,000** visitors in particular.



⁵ CONET stands for Community, Open space and NETWORK, which seeks to connect the community spaces through diverse events, exhibitions, performances and cultural activities for the enjoyment of the local community.