

For the People By the People
Research Report on Urban Regeneration Strategy
Executive Summary

1. Urban renewal is one of the parameters in the territorial development strategy and overall development of Hong Kong. Hence, the Government should head for a broad vision and designate a holistic policy with a more comprehensive policy framework for urban regeneration and for the development of Hong Kong as a whole. These include:

- Reviewing and revamping the territorial development strategy of Hong Kong, as well as readjusting the development pressures between the urban core and the New Territories;
- Facilitating a better control over built environment, in a bid to mitigate the impact of the private property development towards urban environment and, in the long run, to improve the overall quality of life;
- Asserting the principle of the urban regeneration policy and relevant policy measures, which is “Resident-led as the Core, Rehabilitation as the Priority, and Mutual Sharing of the Fruits of the Regeneration”;
- Reprioritizing the “4Rs” mission of the Urban Renewal Authority (hereafter URA).

2. A broad and genuine public participation is the key factor towards the success of urban regeneration process. The participation of the community at large, particularly the involvement of individual property owners plus residents and even members of the public at the district level, are of crucial importance to reflecting majority views towards the rehabilitation or redevelopment. This in turn helps nurture atmosphere of harmony across the community. The specific arrangements are as follows:

- “Sustainable Development Councils” at various local levels should be established to design and conduct envisioning work at respective level following the guideline of the “Local Agenda 21”;
- The agenda of public participation should cover sensitive issues such as decisions over redevelopment and preservation, as well as issues in relation to the preservation of heritage and social network;
- Opinions collected from public participation process should be respected and assured to be the key factors for future consideration;
- A higher level of objective on public engagement is to promote wider participation in community development. The landlords and the tenants

should be encouraged to directly involve in urban rehabilitation and redevelopment, and share the fruits of urban regeneration.

3. The “4Rs” strategy of the URA should be reprioritized, whereas rehabilitation should be placed in the most important position. The Government should also designate a holistic rehabilitation programme to ensure all buildings would be subject to regular inspections. It would also be of utmost importance to ensure all residential buildings would be rehabilitated without excuse of lack of financial or managerial abilities, and have had a certain basic of management and maintenance after the rehabilitation programme. The specific measures are as follows:

- The “Mandatory Buildings Inspection Scheme” and the “Mandatory Windows Inspection Scheme”, together with their supporting measures, should be expedited as soon as possible;
- To realign the funding schemes of the Hong Kong Housing Society (hereafter the HKHS) and the URA, together with the “Operation Building Bright” programme from the Government and relevant subsidies from the proposed “Mandatory Buildings Inspection Scheme”. These funding schemes should be targeted at different groups of the general public. Subsidies from the Operation Building Bright should only be available to the problematic residential blocks of inadequate management capacity;
- To facilitate the establishment of owners’ corporation or other property management mechanism, so as to improve the maintenance of property management. This would help lower the occurrences of the heavy decay of the buildings.

4. Urban redevelopment has to address the core issue of “who will be benefited”. Redevelopment cooperatives formed by landlords would be a viable alternative which could help realize the principle of “resident-led”. It seems that this new mode of redevelopment can address the needs of residents, tenants, as well as public goods. The characteristics of the redevelopment mode are as follows:

- Landlords decide collectively on the selection of redevelopment plan, supervise the realization of the projects and own the shares of the cooperative;
- Landlords have to bear the gains and risks in redevelopment;
- A wide array of options would be available for the landlords, ranging from a premature sale of their shares for cash, dividend sharing to early choice in “flat-for-flat” and “shop-for-shop”;

- Individual residents are entitled to compensation from the cooperatives;
- Social network could be maintained via support of the Government.

5. The new redevelopment mode should strive a balance between the need of landlords and the community at large. It should also be a sustainable business model, so that it could be operational besides the private and public modes of practice. The operation model of the new mode could be summarized as follows:

- “Resident-led, Government Facilitates”: The residents shall decide collectively on whether a particular site shall be redeveloped, as well as the redevelopment plan. The Government would provide financial assistance to the redevelopment cooperatives via collaborative organizations;
- “Environmental and Public Need as the Foremost”: The redevelopment proposals should be designated in accordance with the principles of sustainable development. Plot ratio should be maintained at a low level in most cases but flexible arrangement would be accepted in order to foster a higher value for the benefit of the society as a whole. Planning and design should be optimized to improve the built environment;
- Comprehensive Care, Community Support: Negative impact on the community would be minimized through the provision of support to the underprivileged, maintaining their social network and safeguarding healthy development of the local economy;
- After the redevelopment projects are completed, the collaborative organization in charge would be allowed to collect a service charge from the landlords or claim government’s subsidy in accordance with the number of completed projects.

6. The URA, the HKHS, and new collaborative organizations would have an active role to play in the execution of the redevelopment cooperative model, under the proposition of “resident-led” principle. Their specific works include:

- Conducting social impact assessment in accordance with international standards in the designated “old areas”;
- Building trust as well as networking among the landlords pave the way for the “redevelopment cooperative”;
- Formulating “collaborative redevelopment” options for residents’ consideration according to the “environment-first” principle;
- Exercising statutory buyout to assist in “collaborative redevelopment”, and facilitating financing and financial arrangements where necessary.

7. There should also be some strategic adjustments in terms of scope of responsibilities of the URA. It should only conduct the preservation of heritage within the redevelopment area on a limited scale.

8. District Councils are more appropriate than the URA in promoting revitalization in urban areas. In view of this, the Government should empower District Councils with more authorities and resources, including:

- Each District Council should have an independent secretariat staffed by non-civil servants;
- The resources of all small scale projects should be consolidated to put forward revitalization programmes;
- Each of the District Councils should have their own team of town planners and relevant professionals to assist in designating development plans, so as to address needs of the community in a feasible manner.

9. “Urban Renewal Authority” should be renamed as “Urban Regeneration Authority” in a way to reflect the transformation of its new missions and mode of work. Instead, URA is advised to focus on rehabilitation work of run-down buildings, and play the role of supporter through provision of financial resources and project supervision. It should also act as an enabler in the cause of urban redevelopment with particular emphasis on “Resident-led” and “Environmental and Public Need as the Foremost” principle.

10. Urban redevelopment activities have in recent years intensified the development density and pressures of the urban areas. This could only be solved through the adjustment of the overall planning setting of Hong Kong, especially through the rectification of the spatial imbalance between the metro core and “peripheries”, such as the New Territories. The Government should consider a more decentralized land use pattern and modify the land use as stipulated by the Outline Zoning Plan. In addition, the new planning direction should not be confined to the relocation of the population from the metro core to the New Territories. It should also enhance the economic vibrancy in the New Territories through exploring business potential specifically for job creation. Developing new business nodes such as the “secondary city centres” of which the Professional Commons has proposed appears to be a feasible alternative for future considerations.

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