

Urban Renewal Authority Development Project

Prepared under Section 26 of the Urban Renewal Authority Ordinance

STAGE 2 SOCIAL IMPACT ASSESSMENT

Queen's Road West /
Kwai Heung Street
Development Project (C&W-007)

January 2023

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1 INTRODUCTION

- 1.1 The Urban Renewal Strategy (URS) issued by the Government in February 2011, the Urban Renewal Authority (URA) will carry out Social Impact Assessment (SIA) studies in the form of “a *Stage 1 social impact assessment..... before the publication of any proposed redevelopment project in the Government Gazette*”, and “a *Stage 2 social impact assessment after the proposed project has been published in the Government Gazette*”. This Stage 2 SIA is prepared by the URA for the proposed Queen's Road West / Kwai Heung Street Development Project (C&W-007) (the Project).
- 1.2 On 2 December 2022, the URA published in the Government Gazette the commencement of the Queen's Road West/ Kwai Heung Street Development Project (C&W-007) by way of development project under Section 26 of the Urban Renewal Authority Ordinance. The Stage 1 SIA was made available for public inspection on 2 December 2022.
- 1.3 This Stage 2 SIA is based on the factual data and opinions collected as part of the freezing survey for this Project conducted from 2 – 4 December 2022, and follow-up survey visits by appointments conducted up to 16 December 2022.
- 1.4 According to paragraph 37 of the URS, this Stage 2 SIA report should include:
- the population characteristics of the residents affected by the proposed project;
 - the socio-economic characteristics of the affected tenants;
 - the rehousing needs of the affected tenants;
 - the relocation needs of the affected shop operators;
 - the housing preferences of the affected owners and tenants;
 - the employment status of the affected owners and tenants;
 - the place of work of the affected owners and tenants;
 - the social networks of the affected owners and tenants;
 - the educational needs of children of the affected families;
 - the special needs of the elderly;
 - the special needs of the disabled;
 - the special needs of single-parent families, particularly those with small children;
 - a detailed assessment of the potential social impact of the proposed project;

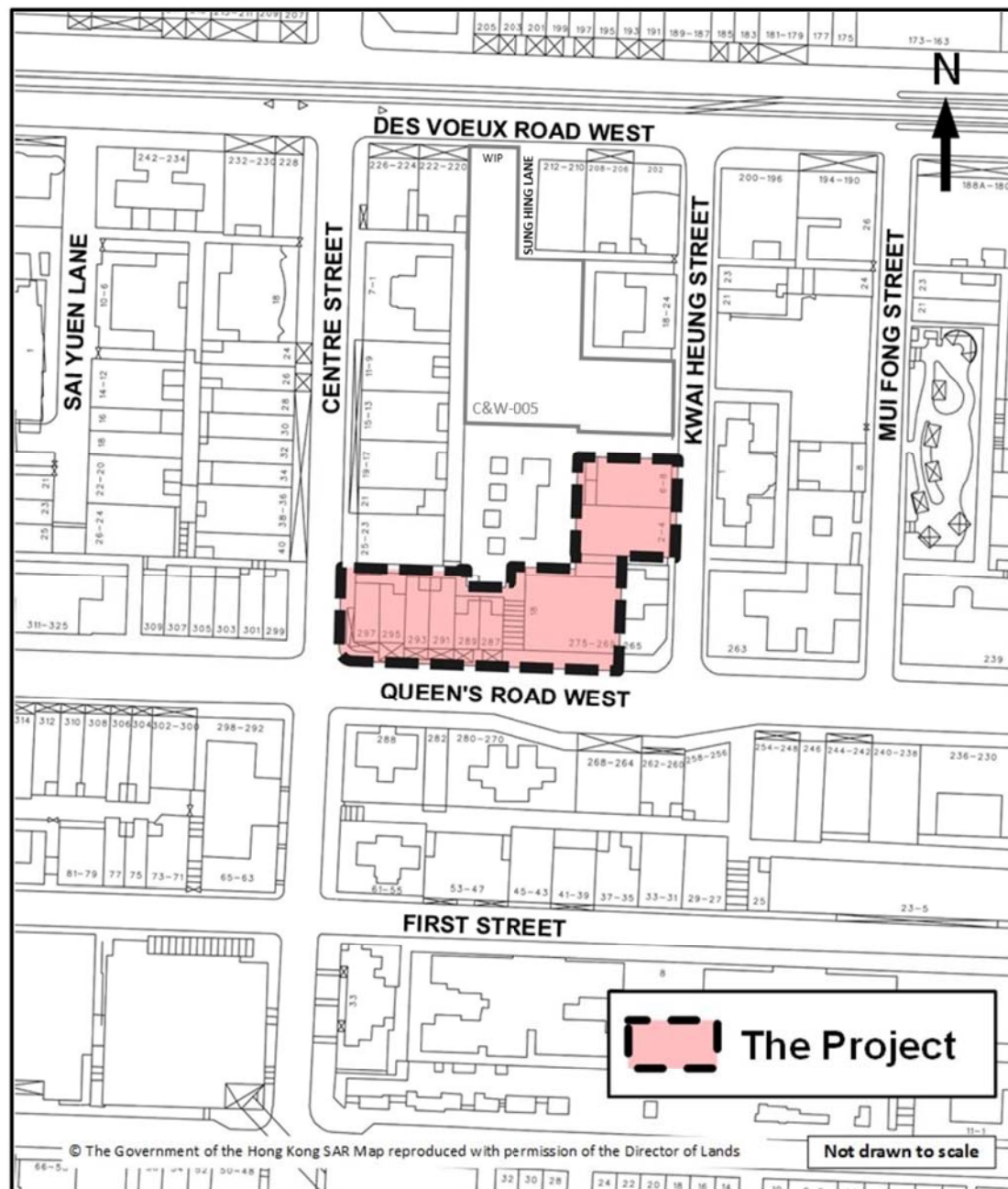
and

- a detailed assessment of the mitigation measures required.

1.5 St. James' Settlement Urban Renewal Social Service Team has been commissioned by the Urban Renewal Fund (URF) to act as the Social Service Team (SST) for this Project. They are tasked to provide assistance and advice to residents and business operators affected by the Project. Cases requesting assistance and those identified in the course of the SIA analysis as requiring assistance have been referred to the SST for their follow-up actions.

2 BACKGROUND

- 2.1 The Project is located in Central and Western (C&W) District, which is in “L-shape” broadly bounded by Sung Hing Lane Children’s Playground to the north, Kwai Heung Street to the east, Queen’s Road West to the south and Centre Street to the west (**Figure 2.1**). The Project involves about 15 street numbers of buildings comprising 2 – 8 Kwai Heung Street (even nos.) (i.e. Wing Kwai House and Cheong Kwai Building), 269 – 275 and 287 – 297 Queen’s Road West (odd nos.) and 18 Sung Hing Lane. The Project also includes part of Sung Hing Lane, a government lane and the surrounding public pavement. The total gross site area of the Project is about 1,295 sq.m. Subject to site survey and detailed design, the site area for Plot Ratio (PR) calculation is about 1,074 sq.m. including private lots and the government lane within the Project.
- 2.2 The Project adopts a “planning-led, district-based” urban renewal approach, with an aim to restructure the area through redevelopment (R1) and to provide opportunities for separated revitalization (R4) of the adjoining public open space. These integrated urban renewal approach is in line with the objectives of urban renewal under the URS 2011. Through integration of redevelopment and revitalization initiatives, accessibility and connection of the area will be further improved and create synergy with the adjoining redevelopment for greater planning benefits.

Figure 2.1 Location Plan**Freezing Survey Results**

2.3 As at 16 December 2022, the Freezing Survey ("FS") of the Project successfully surveyed 74 domestic households¹ and 18 operators¹. **Table 2.1** shows the results of FS and SIA surveys.

2.4 Of the 74 surveyed households, 63 of them have completed the whole or part

¹ Including 1 unit occupied by 1 household/operator for both domestic and non-domestic use (mixed use).

of the SIA questionnaire; while 4 households did not respond/refused to respond to the SIA questionnaire. The remaining 7 households had not returned the SIA questionnaire. For households did not or refused to respond to particular questions or the whole SIA questionnaire, their answers to those questions would be categorized as "No response/ Refuse to respond" during analysis. Those who had not returned the SIA questionnaire would be categorised as "No SIA questionnaire returned" in the analysis.

**Table 2.1 Results of FS and SIA surveys for Domestic Households
(as of 16 December 2022)**

	No. of Households
Surveyed households in the Freezing Survey	74
Breakdown by response to the SIA questionnaire	
Households responded to the whole/ part of SIA questionnaire	63
Households did not respond/refused to respond to the SIA questionnaire	4
Households with no SIA questionnaire returned	7 (Note 1)
Total	74

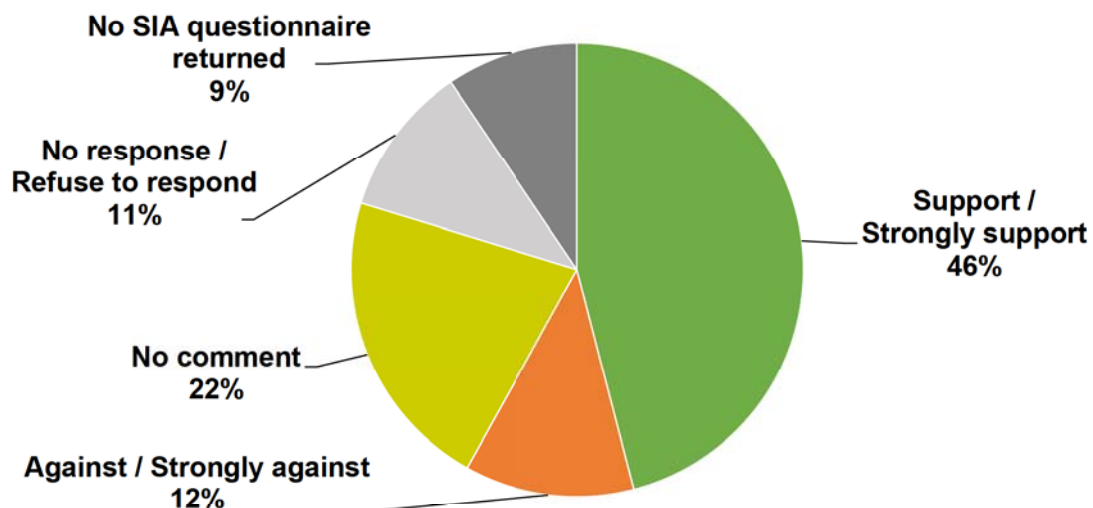
Note 1: To minimize face-to-face contact and risk of spreading COVID-19, households were asked to return the SIA questionnaire separately after the freezing survey. As of 16 December 2022, 7 surveyed households had not yet returned the SIA questionnaire.

- 2.5 The detailed breakdowns of surveyed and un-surveyed units will be illustrated in Section 3. Regarding non-domestic uses, the details will be illustrated in Section 11.

Domestic Households' Views on the Proposed Redevelopment

- 2.6 As shown in **Figure 2.2**, of the total 74 surveyed households, 8 households (about 11%) had no response/ refused to respond to this question and 7 households (about 9%) had not returned the SIA questionnaire. For the remaining households, 34 of them (about 46%) either **strongly supported or supported** the proposed redevelopment, while only 9 (about 12%) households were either strongly against or against the proposed redevelopment. 16 households (about 22%) expressed no comment to the proposed redevelopment. These views collected from the SIA questionnaire only indicate the initial views of those respondents towards the proposed redevelopment and did not constitute any indication of owners to sell/ not to sell their properties.

Figure 2.2 Domestic Households' Views on the Proposed Redevelopment
(74 surveyed households as of 16 December 2022)



Opinions on Current Living Environment

- 2.7 About 51% of the surveyed 74 households indicated that their accommodations are affected or frequently affected by noise nuisance. Moreover, about 45%, 46% of the surveyed households indicated that their units are affected by water infiltration/ leakage and outdoor air pollution/ poor air quality. Meanwhile, about 38% and 35% indicated poor indoor air quality/flow and concrete spalling in their units. In terms of living environment, about 50% and 37% of the surveyed households indicated that the common area of buildings are of poor hygiene condition and staircases/ corridors were obstructed.

3 POPULATION AND HOUSEHOLD CHARACTERISTICS

- 3.1 Except stated otherwise, the territorial levels or numbers used for comparison in this report are based on the 2021 Population Census, and the assessments will be based on the latest available information for comparison where appropriate.
- 3.2 The population and household characteristics within the Project are listed in **Table 3.1** below. According to the approved General Building Plans ("GBP"), there are a total of 48 nos. of domestic GBP units² and 39 nos. of non-domestic GBP units² (including 22 nos. of upper floor units and 17 nos. of ground/mezzanine/ basement floor units). As reflected in the FS (with details as illustrated in **Table 3.2**), 21 nos. of the surveyed non-domestic GBP units located on the upper floors are being used for domestic purpose.

Table 3.1 Population and Household Characteristics within the Project
(as of 16 December 2022)

Number of Successfully Surveyed Units for Domestic Use	90 units ^(Note 1)
Number of Households	74 households ^(Note 2)
Population	201 persons ^(Note 2)
Average Household Size	About 2.7 persons per household (same as the territorial level of 2.7 persons per household)
Degree of Sharing	About 1.72 (74 households / 43 surveyed units) (higher than the territorial level of 1.0 for private permanent housing.)

Note 1: Including non-subdivided GBP units, cubicles, sub-divided units and rooftop structures.

Note 2: 3 persons from 3 vacant households were recorded during the FS. Their information and expressed views were included and reflected in this SIA2.

- 3.3 Subdivision of domestic GBP units for domestic use shall also be taken into account to analyse the degree of sharing. Referring to **Table 3.2** and **Figure 3.1**, 14 (about 33%) out of the surveyed 43 domestic GBP units are founded to be subdivided for domestic use. With reference to **Table 3.3**, 7 and 22 households

² The pre-war building at 295 Queen's Road West has no formal GBP record. Based on observation, the building has been assumed with 3 nos. of domestic GBP units and 2 nos. of GBP non-domestic units for assessment and reference purpose in this SIA2.

(i.e. in total 29 households) were living in cubicles and sub-divided units respectively. If these 29 households in total are considered as “sharing” of the original 14 GBP units, the degree of sharing is about 2.07 (29 households / 14 GBP units). For domestic households living in non-subdivided domestic GBP units, the degree of sharing is about 0.97 (28 households / 29 units).

Table 3.2 Sub-division of GBP Units for Domestic Use (as of 16 December 2022)

			Number of GBP Units		Number of Actual Units	Number of Households
Surveyed Domestic GBP units for domestic use	(a) Non-subdivided		29		29 (Note 1)	28 (Note 1)(Note 2)
	(b) Subdivided	(i) Units for cubicles	14	1	7 cubicles	7
		(ii) Units for self-contained sub-divided units with independent facilitates		13	22 sub-divided units	22
	Sub-total			43		58
Surveyed Rooftop structures for domestic use			N/A		11	0 (Note 3)
Un-surveyed domestic GBP units			5		N/A	N/A
Total no. of domestic GBP units			48		N/A	N/A
Surveyed Non-domestic GBP units for domestic/ mixed use	Non-subdivided		21		21	17 (Note 2)
Total			N/A		90	74

Note 1: Including 1 domestic GBP units occupied by 1 household/operator for both domestic and non-domestic use (mixed use).

Note 2: 1 household occupied 6 GBP units which include 1 non-subdivided domestic GBP unit and 5 non-sub-divided non-domestic GBP units for domestic use.

Note 3: 11 households occupied both top floor units and 11 rooftop structures for domestic uses.

Figure 3.1 Percentage of Units Subdivided in 43 Surveyed Domestic GBP Units (as of 16 December 2022)

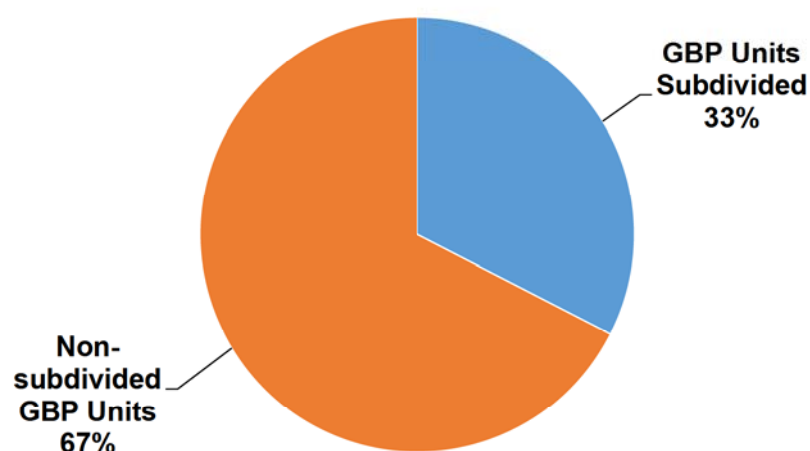


Table 3.3 Sub-division Rate of Sub-divided Domestic GBP Units for Domestic Use (as of 16 December 2022)

		Number of Actual Units	Number of Households
No. of Subdivided Domestic GBP Units		14	
Sub-divided Units/ Cubicles for Domestic Uses	<i>Sub-divided Units</i>	22	22
	<i>Cubicles</i>	7	7
	<i>Total</i>	29	29
Sub-division Rate of Domestic GBP Units to Actual Units		1:2.07	N/A
Degree of Sharing for Households living in Subdivided Domestic GBP Units		N/A	2.07

Population

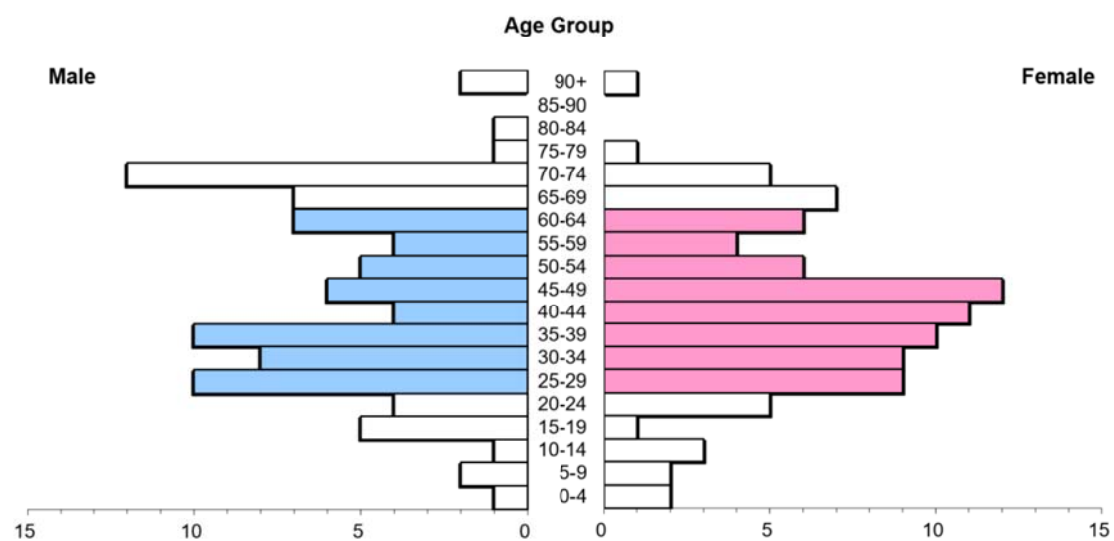
- 3.4 As of 16 December 2022, a total of 201 residents were recorded in the FS, including 96 males, 103 female, and 2 residents who did not provide the gender information. The distribution gives a ratio of about 93 male residents to every 100 female residents. **Table 3.4** and **Figure 3.2** show the population by age groups and population pyramid of the surveyed population respectively while 16 residents (about 8%) did not provide their age information. With reference to

Table 3.4, except a lower percentage of children residents, the age distribution of the population within the Project is similar to the territorial-wide level.

Table 3.4 Population by Age Groups (as of 16 December 2022)

Age Group	Within the Project	Territorial-wide level	Comparison
0-14 (Children)	6%	11%	Lower
15-24 (Youth)	7%	8%	Similar
25-64 (Economically active age group)	60%	61%	Similar
65+ (Elderlies)	19%	20%	Similar
Age information not provided	8%	N/A	N/A
Total	100%	100%	N/A

Figure 3.2 Population Pyramid (as of 16 December 2022)



3.5 The distribution of surveyed household sizes is shown in **Table 3.5**. The percentage of 1-person households within the Project is much higher than the territorial-wide level. The housing needs of these households will be discussed in Sections 5 and 12.

Table 3.5 Distribution of Household Size (as of 16 December 2022)

Household Size (Persons)	Within the Project	Territorial-wide level	Comparison
0 (vacant)	0%	N/A	N/A
1	34%	20%	Higher
2	24%	29%	Lower
3	15%	24%	Lower
4	14%	17%	Slightly Lower
5	5%	7%	Slightly Lower
6 or above	8%	3%	Higher
Total	100%	100%	N/A

4 SOCIO-ECONOMIC CHARACTERISTICS

Income Level

4.1 The distribution of household income is shown in **Figure 4.1** and **Table 4.1** below.

Figure 4.1 Monthly Household Income (HK\$)
(74 Survey Households as of 16 December 2022)

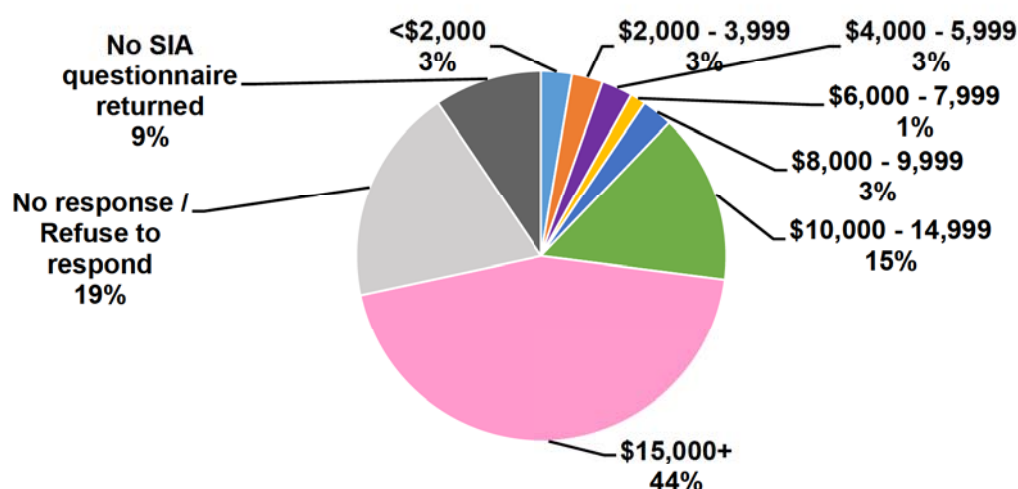


Table 4.1 Distribution of Household Income
(74 Survey Households as of 16 December 2022)

	Within the Project	Territorial-wide level	Comparison
Monthly household income less than HK\$10,000	12%	19% ³	Lower
Monthly household income less than HK\$4,000	5%	7% ³	Lower
Comprehensive Social Security Assistance ("CSSA") Recipients	4% (3 households)	8% ^{4&5} (as of November 2022)	Lower

³ Source: Census and Statistics Department website – Quarterly Report on General Household Survey (July to September 2022)

⁴ Source: Social Welfare Department press release – CSSA caseload for November 2022.

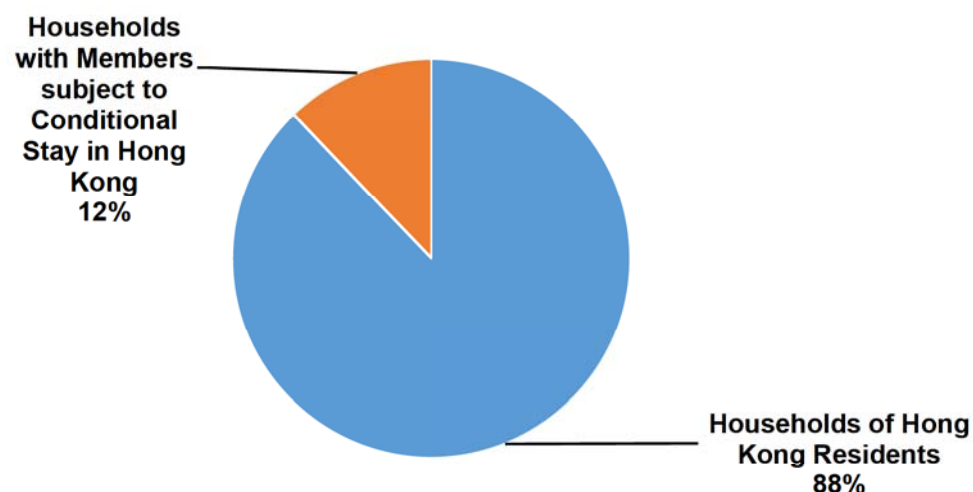
⁵ Source: Census and Statistics Department website – Quarterly Report on General Household Survey (August to October 2022)

- 4.2 With reference to **Table 4.1**, the percentage of CSSA recipients within the Project was lower than the territorial-wide level. The URA and the SST will pay particular attention and to offer assistance to those in need of help and refer them to relevant services and practical assistance from various Government Departments and services providers. Since the Project commenced, the URA has set up hotlines for residents' enquiry and more direct assistance to those seeking help. For details, please refer to Section 12.

Residence

- 4.3 As shown in **Figure 4.2**, 9 households (about 12% of 74 surveyed households) were of members subject to conditional stay in Hong Kong. These households include in total 27 residents subject to conditional stay and thus they may not be eligible for public rental housing under the Hong Kong Housing Authority ("HKHA") and the Hong Kong Housing Society ("HKHS"). Subject to the merits of individual cases, some may be considered under special circumstances by the SST and the URA, and rehousing may be offered on genuine compassionate grounds. Assistance will also be provided, if requested, in finding potential suitable premises at affordable rent in the private market.

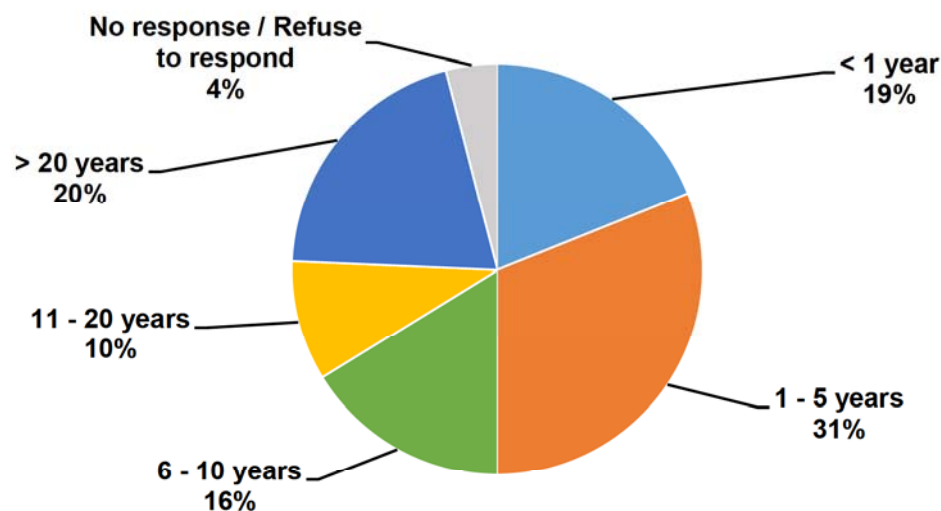
Figure 4.2 HKSAR Resident Status
(74 Survey Households as of 16 December 2022)



- 4.4 The number of years of residency is shown in **Figure 4.3**. A total of 15 households (about 20%) had lived within the Project continuously for over 20

years. These households might find it more difficult to adjust to a new living environment caused by the high dependency on the social network, existing educational, medical and community facilities in the district.

Figure 4.3 Year of Occupation at Current Premises
(74 Survey Households as of 16 December 2022)



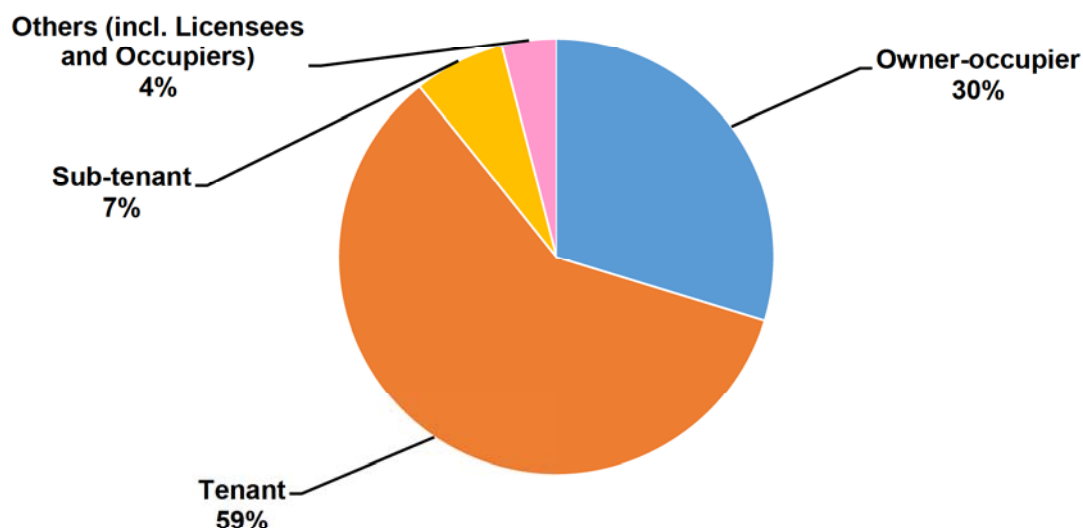
- 4.5 To mitigate potential inconvenience, for eligible owner-occupiers, the URA would offer “Flat-for-Flat” (“FFF”) option as according to the Urban Renewal Strategy (URS). For tenants, subject to the availability of rehousing flats, the URA will also endeavours to arrange allocation of rehousing flats for the eligible tenants in Central and Western district or adjacent districts as far as practicable. Furthermore, the assistance from the SST in providing orientation services and holding community gatherings will be important in helping these residents adapt to their new living environment. Details will be discussed in Section 5 and 12.

5 HOUSING

5.1 **Figure 5.1** shows the occupancy status of households⁶. There are 22 owner-occupier households (about 30%) and 52 tenant households (about 70%) (including tenants, sub-tenants while other occupancy status is included for analysis purpose). Tenants living within the Project may generate a demand for rehousing services should the Project be authorised by the Secretary for Development (SDEV) for implementation and subject to their eligibilities for rehousing.

5.2 A total of eleven (11) rooftop structures were found within the Project. These rooftop structures are occupied by the 11 households on the respective top floor units. According to the approved GBPs, roofs of all the buildings within the Project should be open roofs, without structures for domestic use. All the rooftop structures are suspected to be unauthorised structures. For the 11 households occupying both top floor units and rooftops, their eligibilities and area for compensation are subject to further verification upon authorisation of the Project.

Figure 5.1 Occupancy Status of Households
(74 Surveyed Households as of 16 December 2022)



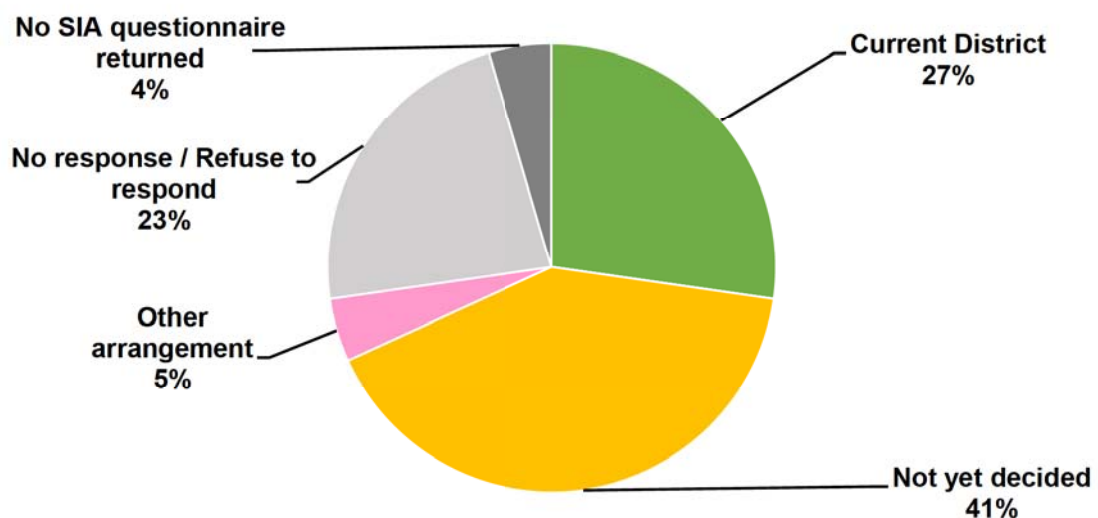
⁶ All assessments related to occupancy status are based on the freezing survey results only. Owner-occupier status of households has yet to be verified and ascertained.

Re-housing Needs and Location Preference

Affected Owner-occupiers (22 Households as at 16 December 2022)

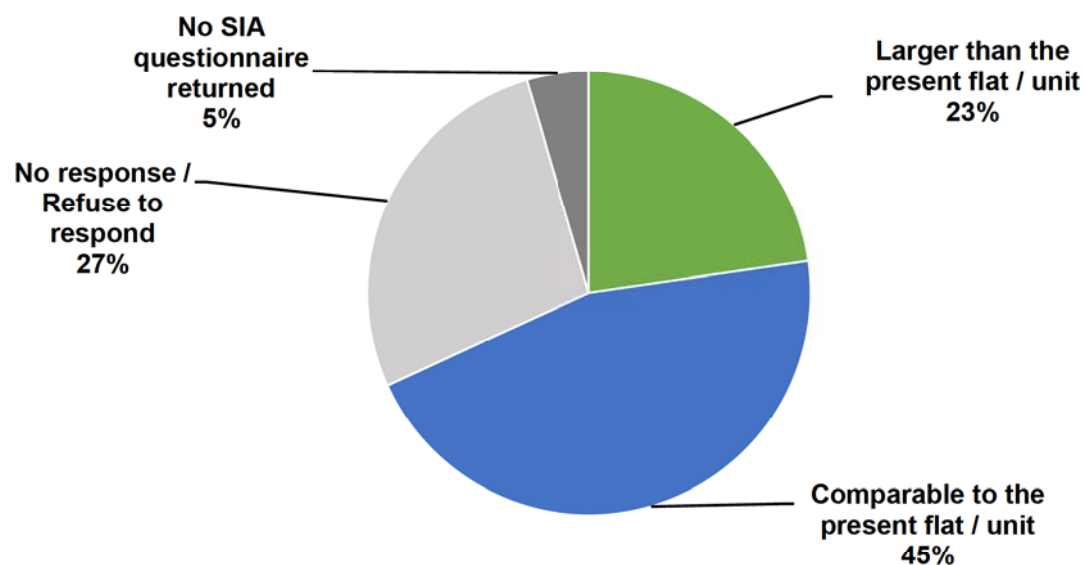
- 5.3 **Figure 5.2** shows the 22 surveyed owner-occupiers' preference of finding new accommodations. 6 surveyed owner-occupiers (about 27%) preferred to find alternative accommodations in the existing district (i.e. Central and Western District).

**Figure 5.2 Location Preference of New Accommodation for Owner-Occupiers
(22 Surveyed Owner-Occupier Households as of 16 December 2022)**



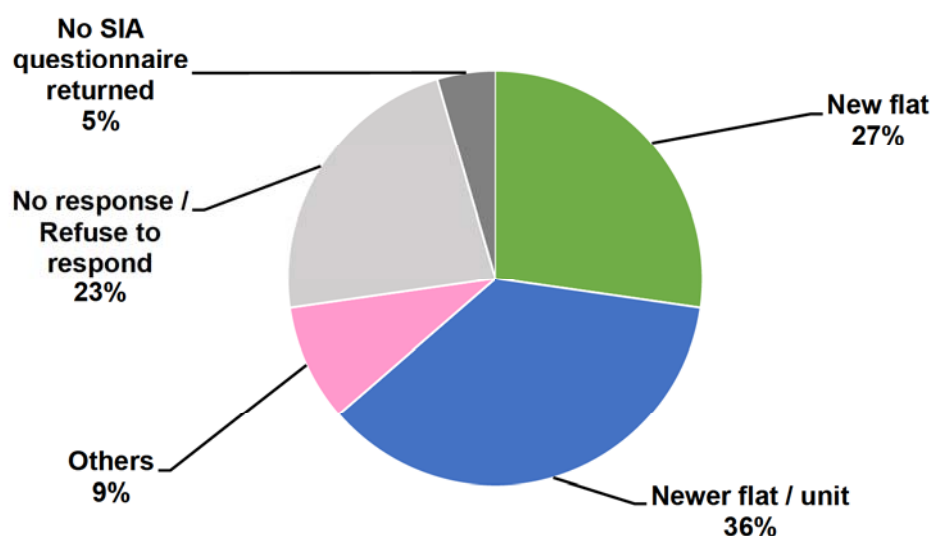
- 5.4 **Figure 5.3** shows the owner-occupier households' preference on flat size for the new accommodation. About 45% (10 surveyed owner-occupiers) preferred to find units of similar sizes as their present ones for new accommodation; while 23% (5 surveyed owner-occupiers) preferred larger units.

Figure 5.3 Flat Size Preference of New Accommodation for Owner-Occupiers
(22 Surveyed Owner-Occupier Households as of 16 December 2022)



5.5 **Figure 5.4** shows the owner-occupier households' preference on building age for the new accommodation. 8 households (about 36%) preferred newer units compared to their existing ones. 6 households (about 27%) preferred brand new units as alternative accommodation.

Figure 5.4 Building Age Preference of New Accommodation for Owner-Occupiers
(22 Surveyed Owner-Occupier Households as of 16 December 2022)



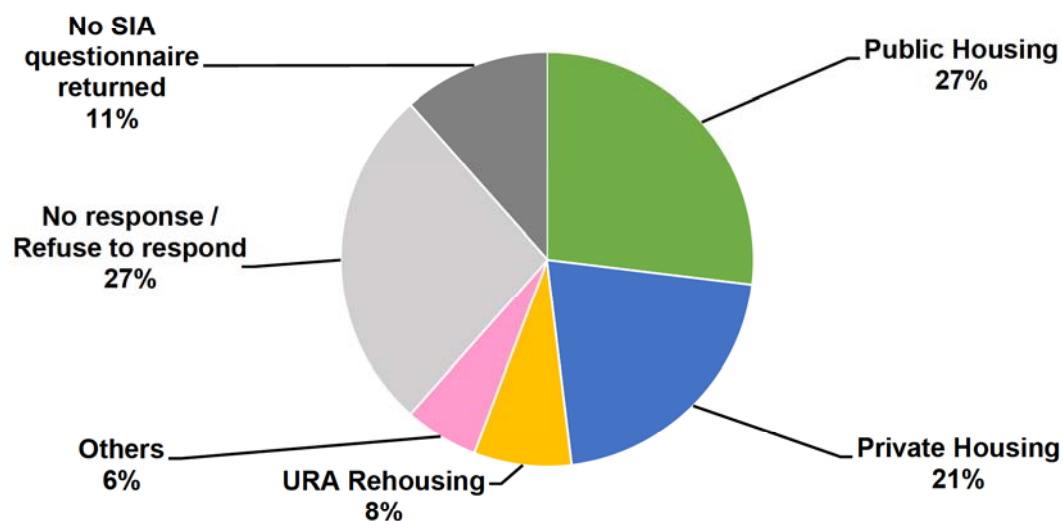
5.6 Subject to authorisation by the Secretary for Development to implement the Project, the URA will offer an owner-occupier of domestic property the market

value, plus an ex-gratia allowance (namely home purchase allowance). It is believed that the affected owner-occupiers will be able to buy a newer flat of similar size in the same district. For those affected owner-occupiers expressing their desire to move to a new flat, URA will offer FFF option for them (subject to eligibility) to choose to buy a new flat in URA designated development, as an alternative option to cash compensation. For details, please refer to Section 12.

Affected Tenants (52 Households as of 16 December 2022)

- 5.7 **Figure 5.5** shows the 52 surveyed tenants' preference on new accommodations. 14 surveyed tenant households (about 27%) preferred rehousing at public rental housing provided by either the HKHA or the HKHS.

Figure 5.5 Preference of New Accommodation for Tenants
(52 Surveyed Tenants Households as of 16 December 2022)



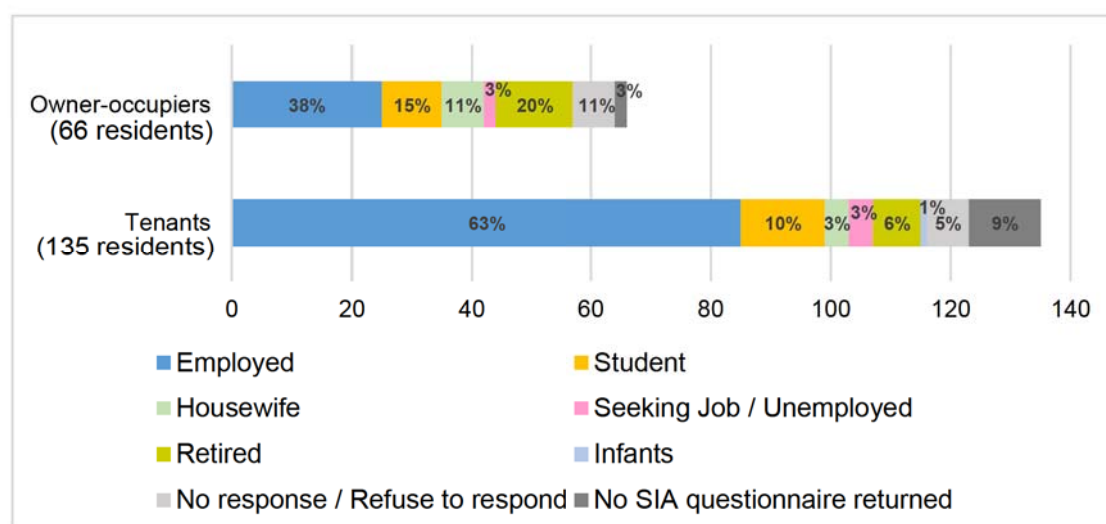
- 5.8 According to the agreement made between the URA and the HKHA and the HKHS, the HKHA and HKHS will provide flats within their estates for rehousing eligible tenants. The URA will liaise with HKHA and HKHS to reserve flats in available estates to cater for the potential demand. Subject to the availability of rehousing flats, the URA will endeavour to arrange allocation of rehousing flats for the eligible tenants in Central and Western district or adjacent districts as far as practicable.

6 EMPLOYMENT STATUS AND PLACE OF WORK

6.1 This section analyses the employment status and place of work of the 201 surveyed residents (including 66 residents in owner-occupier households and 135 residents in tenant households).

6.2 **Figure 6.1** shows details of employment status of the affected residents of owner-occupier households and tenant households respectively.

Figure 6.1 Employment Status of Affected Residents
(201 Residents in 74 Surveyed Households as of 16 December 2022)



6.3 The overall unemployment rate within the Project was about 3%, which is similar to the seasonally adjusted territorial-wide rate of 3.7% recorded between September to November 2022⁸. This group of unemployed residents within the Project may have financial difficulty. Noted that some of the surveyed population had no response/ refused to respond to the question or did not return the SIA questionnaire, the actual unemployment rate might differ from the above.

6.4 If the Project is authorised by the SDEV and is to be implemented, eligible households will be subject to the URA's prevailing compensation policies. The SST and the URA "Project Engagement" Programme would offer appropriate assistance in order to alleviate concerns of the residents. Section 12 will further explain the mitigation measures.

⁸ Source: Census and Statistics Department website – Unemployment and underemployment statistics for September to November 2022

6.5 **Table 6.1** shows the percentage share of place of work of employed persons within owner-occupier and tenant households.

Table 6.1 Percentage Share of Place of Work of Employed Persons
(110 Surveyed Employed Residents as of 16 December 2022)

	Employed persons in owner-occupier households (25 residents)	Employed persons in tenant households (85 residents)
Central and Western	36%	51%
Wan Chai	8%	6%
Eastern	0%	6%
Southern	8%	2%
Kowloon	8%	11%
Other Districts in the New Territories	4%	4%
Not Fixed	24%	9%
Outside Hong Kong	8%	9%
No response/ Refuse to respond	4%	2%

6.6 It is found that a higher proportion of employed residents are working within the same district, i.e. Central and Western District. The URA understands that employed tenants who are working within the Central and Western District may have economic concerns arising from higher transportation costs if they were to be rehoused/ relocated to other districts. The URA will endeavour to meet the locational preferences of residents for public rental housing from the HKHA and the HKHS subject to their eligibilities and the availability of flats at that time. The SST will investigate the needy cases as identified and depending on justifications, may make recommendations for rehousing on compassionate grounds.

7 EMPLOYMENT AND ECONOMIC IMPACTS

7.1 **Table 7.1** summarizes the impacts of the proposed redevelopment on employment and economic condition as anticipated by the 22 surveyed domestic owner-occupier households and 52 tenant households.

**Table 7.1 Anticipated Impacts on Employment and Economic Conditions
(74 Surveyed Households as of 16 December 2022)**

		Owner-occupiers (22 households)	Tenants (52 households)
Employment Condition	Positive Impact	5%	4%
	No Impact	64%	58%
	Negative Impact	9%	13%
	No response/ Refuse to respond	18%	13%
	No SIA questionnaire returned	5%	12%
Economic Condition	Positive Impact	5%	6%
	No Impact	32%	31%
	Negative Impact	27%	33%
	No response/ Refuse to respond	32%	19%
	No SIA questionnaire returned	5%	12%

7.2 For impact on employment, the majority of surveyed households (about 64% for owner-occupiers and about 58% for tenants) anticipated no impact caused by the proposed redevelopment. For those expressing negative impacts (about 9% for owner-occupiers and about 13% for tenants), their major concerns include increased travel time/ expenditure, loss of job opportunities, uncertainty of new accommodation location and adaptability to new living environment. A higher percentage of tenants anticipated negative impact than owner-occupiers. To better address needs of the concerned tenant households, the URA will endeavour to meet the locational preferences of residents for public rental housing from the HKHA and the HKHS subject to their eligibilities and the availability of flats at that time. The SST will investigate the needy cases as identified and depending on justifications, may make recommendations for rehousing on compassionate grounds.

- 7.3 For impact on economic condition, the majority of surveyed households (about 32% for owner-occupiers and about 31% for tenants) anticipated no impact caused by the proposed redevelopment. Households anticipating negative impacts on economic condition (about 27% for owner-occupiers and about 33% for tenants) mainly concerned about less savings, less cash flow and increased expenditure caused by the proposed redevelopment. The URA will offer timely assistance to those residents with financial difficulty with the support of SST.
- 7.4 After commencement of the Project, the URA had organized 2 sessions of online live public briefings on 8 December 2022 to affected owners and tenants and the concerned public to explain about the Project and the prevailing policies on compensation and rehousing to alleviate their concerns. The SST has also started to contact the affected households to understand their concerns and provide support to the needy. If the Project is authorised by the SDEV and is to be implemented, the eligible households will be subject to the URA's prevailing compensation policies. Section 12 will further explain the compensation and rehousing policies, and other mitigation measures including support from the SST and the "Project Engagement" Programme.

8 SOCIAL NETWORK

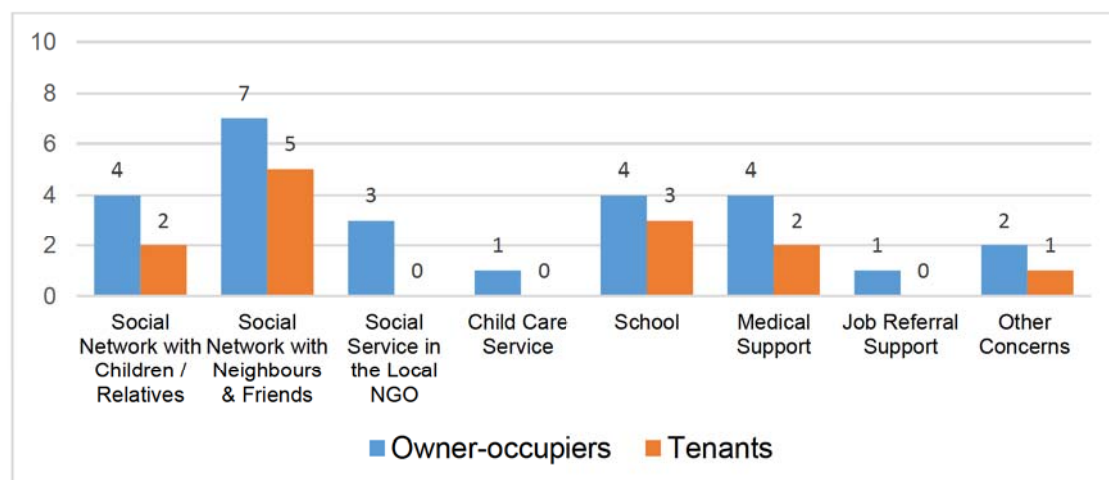
8.1 **Table 8.1** showed that about 41% of surveyed owner-occupier households and about 19% of surveyed tenant households anticipated impacts on their social network by the proposed redevelopment. The percentage of owner-occupiers anticipating impact on their social network is higher than that of the tenants.

Table 8.1 Anticipated Impacts on Social Network
(74 Surveyed Households as of 16 December 2022)

	Owner-occupiers (22 households)	Tenants (52 households)
No impact	36%	58%
Affected	41%	19%
No response/ Refuse to respond	18%	12%
No SIA questionnaire returned	5%	12%

8.2 The possible impacts on the affected households' social network by concerns is shown in **Figure 8.1**. Each household can choose more than one concerns during the SIA survey.

Figure 8.1 Nature of Anticipated Impacts on Social Network
(as of 16 December 2022)

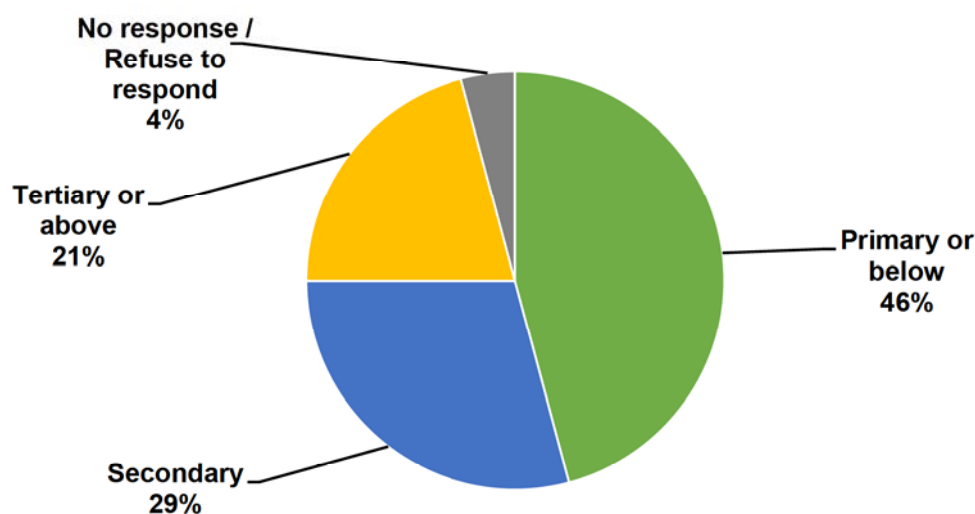


- 8.3 With reference to **Figure 8.1**, the major concerns by the residents were on social network with their children, relatives, friends and neighbours. The URA and the SST understand the difficulty and effort required by the residents to establish/re-establish these social support. To address these needs, for eligible owner-occupiers, the URA will offer HPA, which can facilitate the owner-occupiers to buy newer flats of similar sizes in the same district. The URA will also offer FFF option to minimize the effect on their intrinsic social networks. If tenanted households prefer to live close to their relatives to retain social support, the URA will endeavour to arrange rehousing, subject to the availability of public rental flats, and their eligibility for rehousing based on their locational preference as far as practicable.
- 8.4 Surveyed residents also expressed their concerns on community resources such as schools and medical support. To ease their concerns, the SST will provide orientation sessions before and after rehousing to help them adapting to their new homes and introduce various community resources available in the area, including medical support, NGO services and community facilities. It will help them identifying suitable medical/ social service providers and religious institutions in the new residence setting and thus speed up the establishment/re-establishment of social support.

9 EDUCATIONAL NEEDS OF CHILDREN

- 9.1 The survey identified 24 students residing within the Project, including 10 students (about 42%) from owner-occupier households and 14 students (about 58%) from tenant households. **Figure 9.1** presented the type of schools being attended by students living within the Project.

Figure 9.1 Type of Schools Attended by Students
(24 Surveyed Students as of 16 December 2022)



- 9.2 Of the 24 students, 13 of them (about 54%) were studying in the Central and Western district. 3 of them (about 13%) were studying in other districts within Hong Kong Island. For the remaining students, 5 of them (about 20%) were studying outside Hong Kong and 3 of them (about 13%) did not/ refuse to respond their locations of schools.
- 9.3 **Figures 9.2 and 9.3** presented the single trip travelling cost and time to schools of surveyed students respectively. About 46% of surveyed students required no transport cost to travel to school and about 8% of surveyed students spent at most \$10 for travelling to school. Meanwhile, about 79% of them could arrive their schools in at most 1 hour.

Figure 9.2 Single Trip Travelling Cost to School
(24 Surveyed Students as of 16 December 2022)

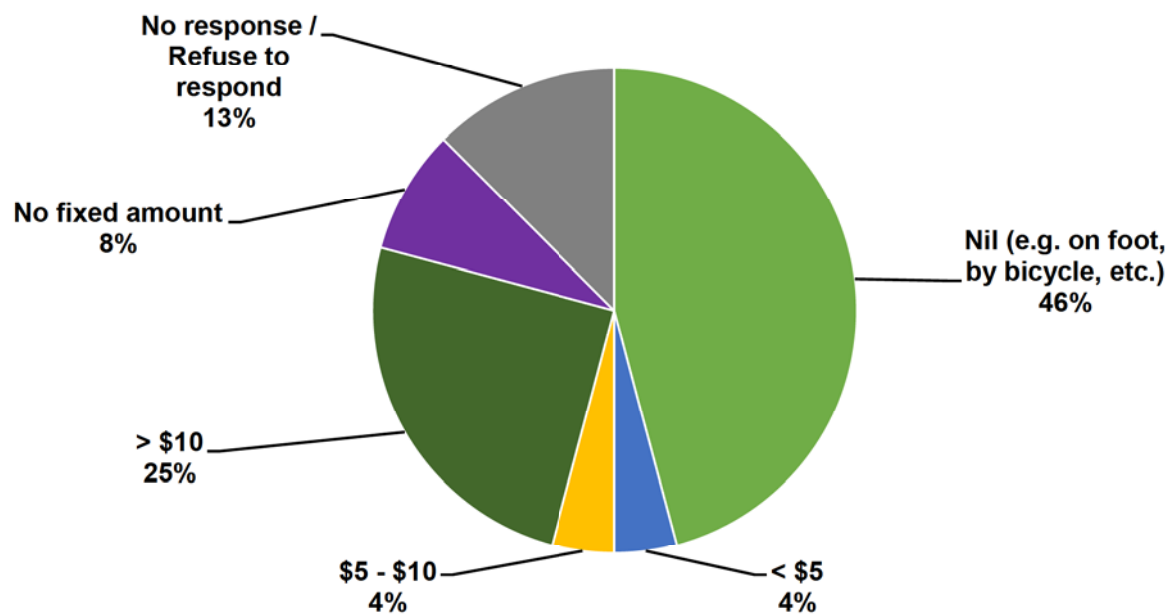
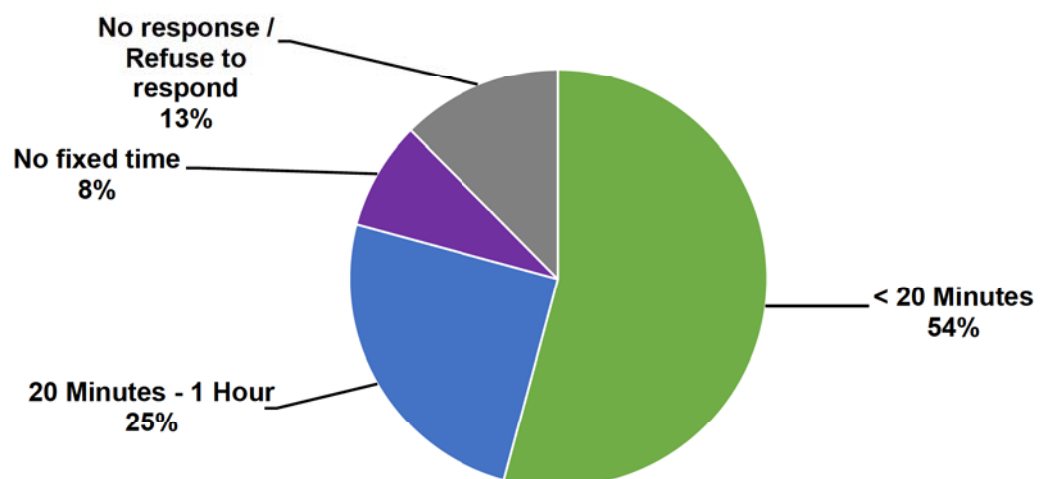


Figure 9.3 Single Trip Time Cost to School
(24 Surveyed Students as of 16 December 2022)



- 9.4 With reference to **Figure 9.1**, of the 24 students, 11 (about 46%) were studying in kindergartens or primary schools. Impact of the Project on this group of students may be greater as these students may need to change to another school if their families move to other areas. It is understandable that parents generally wish their children to continue in their present schools. The URA with the assistance of the SST, will assist the affected families during the acquisition and rehousing stages to meet the educational needs of their children as much as possible. If necessary, appropriate assistance, resources and services from relevant Government departments will be sought.

10 GROUPS WITH SPECIAL NEEDS

10.1 This section assesses the special needs of the elderly, persons with disability, single-parent families and ethnic minorities identified in the FS and SIA survey.

Elderly (Aged 65 or above)

10.2 **Table 10.1** shows the distribution of elderly residents within the Project.

Table 10.1 Distribution of Elderly Residents (as of 16 December 2022)

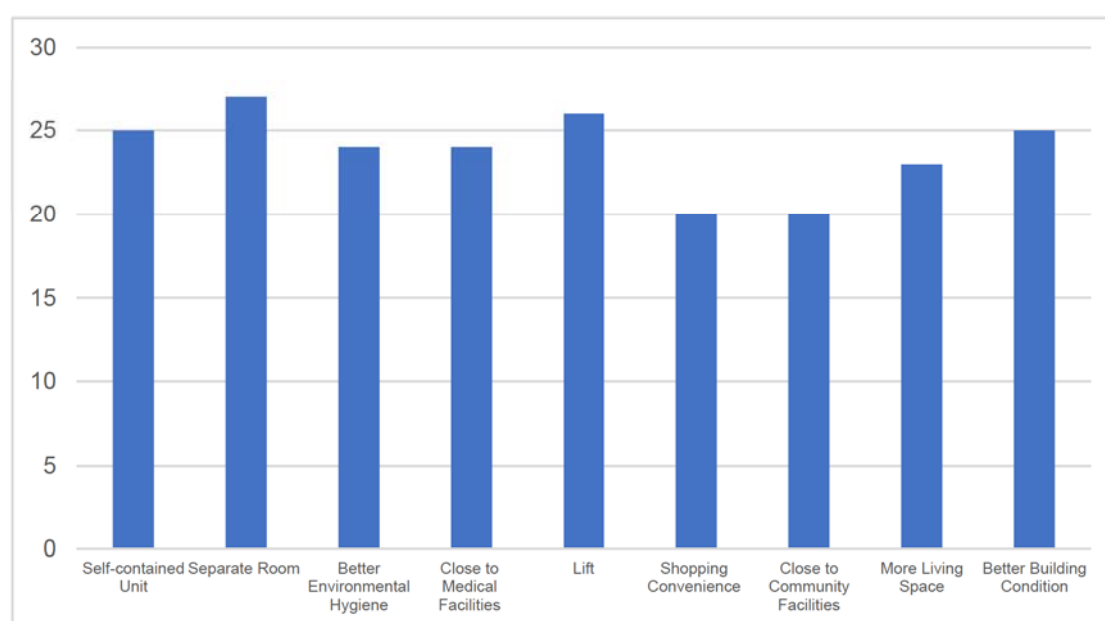
Total number of Elderly and Households	
Total No. of Elderly Residents	38 persons (about 19% of surveyed residents)
Total No. of Households with Elderlies	22 households (about 30% of surveyed households)
Household Sizes	
Singleton Households	4 households (4 elderly residents)
Doubleton Households	4 households (8 elderly residents)
Others	14 households (26 elderly residents)
Occupation Status	
Owner-occupiers	11 households (about 50% of surveyed owner-occupiers)
Tenants	11 households (about 21% of surveyed tenants)

10.3 With reference to **Tables 3.4 and 10.1**, the percentage of elderly residents within the Project (about 19%) was similar to the territorial level of about 20%, which includes a total of 4 singleton elderly residents, all of them are found living in cubicles. The SST and the URA "Project Engagement" team have paid special attention to the elderly households, in particular the singleton elderlies living in cubicles, and adopted a proactive approach to deliver prompt assistance to the elderly through home visits. Aspirations and needs of elderlies such as types of re-housing and other age-related concerns such as accessibility to medical facilities of elderly residents shall be addressed. It is generally understood that elderly persons, particularly singletons, may have more difficulty adapting to their new environment once rehoused. The URA and the SST will make effort to alleviate their anxiety by holding community gatherings and orientation assistance to the affected to maintain and rebuild their social network. For affected tenants, URA and the STT will also provide

information on the arrangement of rehousing and the new environment surrounding the estate.

- 10.4 Surveyed households with elderly residents were asked for their aspirations and improvements they looked for in their new accommodations. Each household could select more than one aspiration with their perceived importance. **Figure 10.1** shows the weighted rating of various aspirations raised by the elderly residents. Weights scaled from 1 to 5 were assigned accordingly to their perceived importance.

Figure 10.1 Elderlies' Aspirations on Living Environment
(as of 16 December 2022)



- 10.5 With reference to **Figure 10.1**, elderly residents mostly aspired the presence of lift and separate room for their new accommodations. They also perceived better building condition, self-contained unit, environmental hygiene, convenience to medical facilities and more living space. The compensation provided to owners, and the rehoused units with better facilities, safety, hygiene and building condition provided to eligible tenants by the URA could address their aspirations.

Persons with Disability

- 10.6 Six (6) residents with disabilities (about 3% of the 201 surveyed residents) were

recorded in the survey. Their disabilities mainly relate to mental health, wheelchair access, hearing and visual impairment. These residents mainly concerned medical care, counselling support and disability access/ facility. For tenanted households, if these residents do not meet the rehousing eligibility, rehousing for disabilities may be considered on compassionate grounds.

Single-parent Families

- 10.7 One (1) single-parent families (about 1.4% of the 74 surveyed households), which is a tenanted households with one (1) children, were identified in the survey. The SST and the URA "Project Engagement" team will pay special attention to single-parent families and adopt a proactive approach to deliver prompt assistance to them through home visits.

Ethnic Minorities

- 10.8 Fifty-two (52) of the 201 surveyed residents (about 26%) from total of 11 households claimed themselves ethnic minority, which was higher than the district-wide and territorial-wide percentages of about 22% and about 8% respectively.
- 10.9 Filipino was the major ethnicity in ethnic minority groups that there were in total 32 Filipino residents (about 16% of the 201 surveyed residents) surveyed from in total 7 households (about 9% of the 74 surveyed households). The remaining 20 residents included 8 Nepalese, 2 Indians, 1 Indonesians, 1 British, 1 Ghanaians and 7 residents answered they are of multi-ethnicities.
- 10.10 All the 11 ethnic minorities households were tenants. Three (3) households of ethnic minorities anticipated negative impacts on their social network and employments, while seven (7) households of ethnic minorities anticipated negative impact on their economic conditions. For tenant households of ethnic minorities who preferred to live close to relatives/friends to retain social support, the URA will endeavour to arrange rehousing, subject to availability of public rental flats, and their eligibilities for rehousing based on their locational preferences as far as practicable.
- 10.11 The URA had organized 2 sessions of online public briefings on 8 December 2022 to brief the planning procedures of the Project and explain the prevailing

compensation policies. Households of ethnic minorities could access the project briefing materials in English for details of the Project and compensation policies via the QR codes on the URA's public notices. The URA has also prepared simple and easy-to-understand leaflets on the prevailing acquisition and compensation policies in 10 different languages (including Urdu, Tagalog, Hindi, Thai, etc.) on the URA website to facilitate the ethnic minorities to understand the policies, their interests and to alleviate their concerns.

- 10.12 Moreover, the SST also started to contact the affected households to understand their concerns and provide support to the needy. Upon Secretary of Development's authorisation of the Project, the eligible households will be subject to the URA's prevailing compensation policies. Section 12 will further explain the compensation and rehousing policies and other mitigation measures including support from the SST and the URA's "Project Engagement" Programme.

11 BUSINESS IMPACT

11.1 According to the FS, there are 18 business operators. The details are shown in **Table 11.1**.

Table 11.1 Number of Business Operators Surveyed within the Project
(as of 16 December 2022)

	No. of Surveyed units <small>(Note 1)</small>	No. of Business Operators
Surveyed Non-domestic GBP units for non-domestic use	20	15 <small>(Note 2)</small>
Surveyed Domestic GBP units for mixed use	1	1
Wall shops surveyed for non-domestic use	2	2
Total	23	18

Note 1: Surveyed units include non-subdivided GBP units and sub-divided units.

Note 2: 4 business operators occupied 9 non-domestic GBP units.

11.2 Of the 18 business operators, 16 of them have completed the whole or part of the SIA questionnaire; whilst 1 business operator refused to respond to the SIA questionnaire. The remaining 1 business operator did not return the SIA questionnaire. For operators did not respond or refused to respond to the whole or part of SIA questionnaire, their answers to those questions would be categorized as "No response/ Refuse to respond" during analysis. For those did not return SIA questionnaire, they would be categorized as "No SIA questionnaire returned" in the analysis. **Table 11.2** shows the breakdowns of all these 18 records from the business operators.

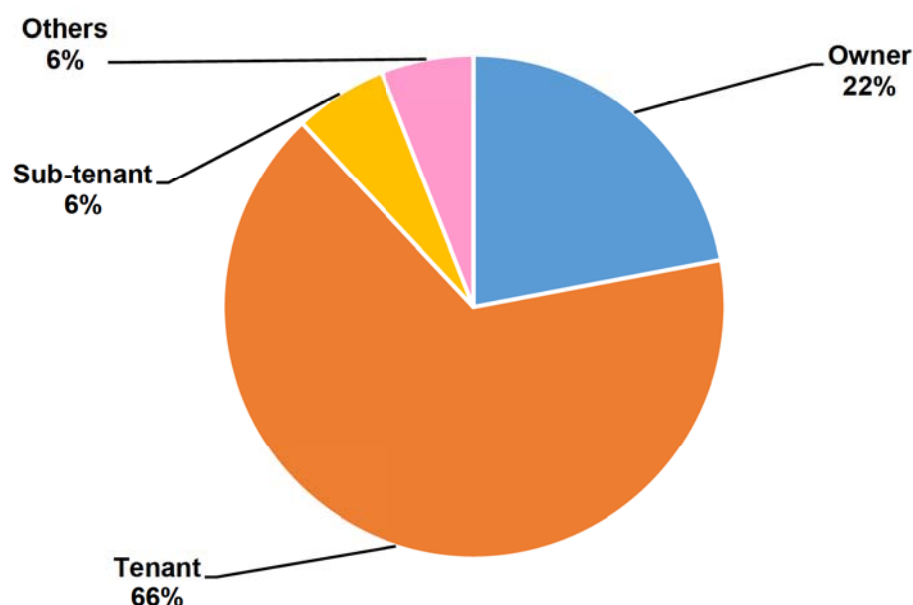
Table 11.2 Results of FS and SIA Survey for Business Operators
(as of 16 December 2022)

	No. of Business Operators
Surveyed operators in the Freezing Survey	18
Breakdown by response to the SIA questionnaire	
Operators responded to the whole/ part of the SIA questionnaire	16
Operators did not respond to the SIA questionnaire	1
Operators with no SIA questionnaire returned	1 (Note 1)
Total	18

Note 1: To minimize face-to-face contact and risk of spreading COVID-19, households were asked to return the SIA questionnaire separately after the freezing survey. As of 16 December 2022, 1 surveyed operator had not yet returned the SIA questionnaire.

11.3 As shown in **Figure 11.1**, out of the 18 survey operators, 4 (about 22%) were owner operators, 12 (about 66%) were tenant operators, 1 operator (about 6%) was a sub-tenant, and 1 operator (about 6%) was of other status (other occupier).

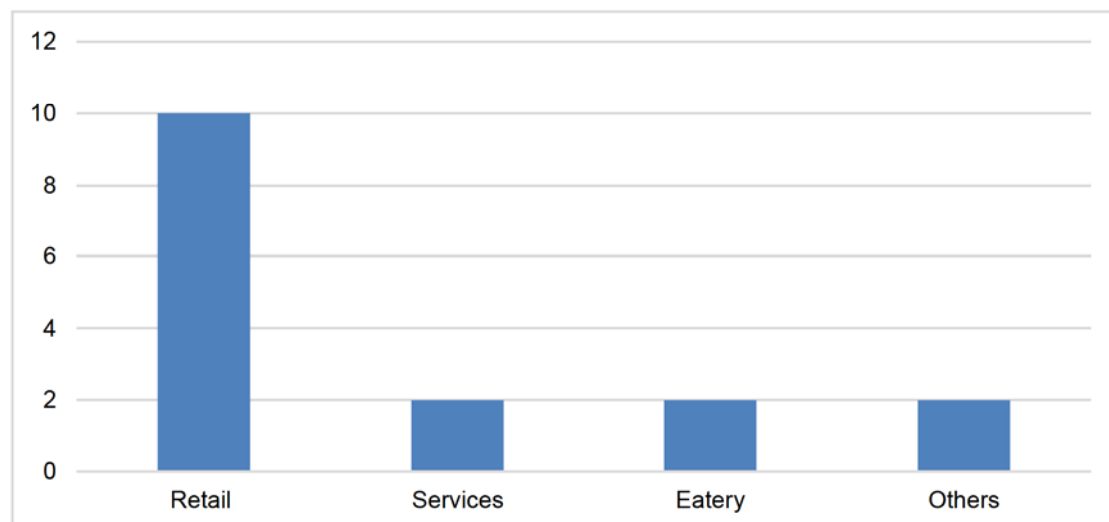
Figure 11.1 Occupancy Status of Business Operators
(18 Surveyed Operators as of 16 December 2022)



11.4 **Figure 11.2** shows the nature of existing businesses of the interviewed operators. The types of business identified within the Project are commonly found in ground floor premises in Central and Western District, such as retail shops, services and eateries.

11.5 Out of the 18 survey operators, ten (10) operators replied their business as retail use e.g. selling dried seafood products and houseware. Two (2) operators replied their businesses as “services” included a dental clinic and a shop providing engineering related services. Two (2) operators replied their business as eateries. Two (2) operators who classified their businesses as “Others” included storage and trading. It is possible for most of these operators, particularly shops selling dried seafood products and daily necessities, or general service provision, to find suitable premises in the same district to continue to their businesses.

Figure 11.2 Nature of Existing Businesses
(18 Surveyed Operators as of 16 December 2022)

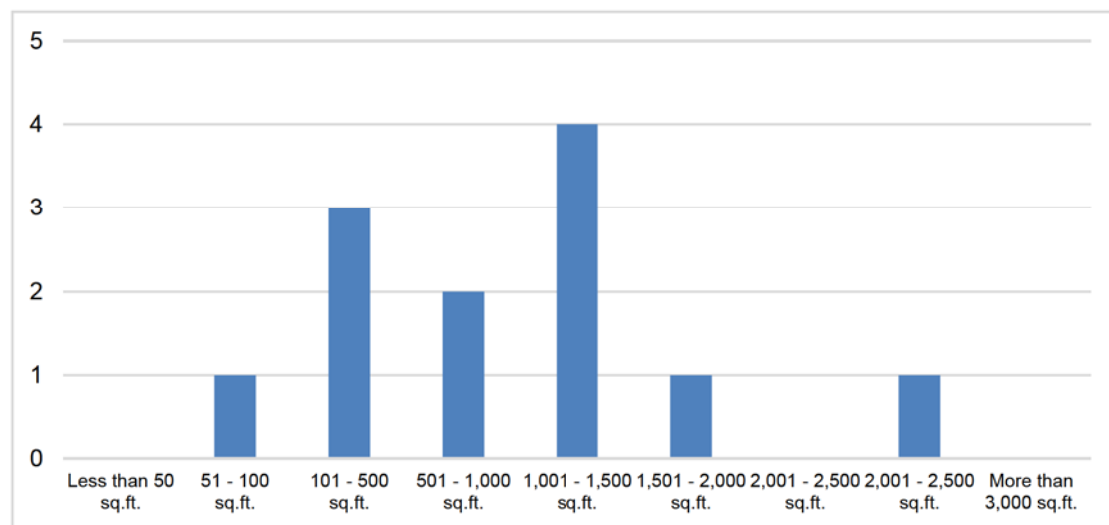


Remarks: 2 operators did not/ refused to respond to this question or did not return the SIA questionnaire.

11.6 Among the 18 survey operators, 3 of them indicated that their shops are chain stores or have other branches. Less impact is anticipated with the compensation provided by the URA.

11.7 The size of premises for operators are shown in **Figure 11.3**. The exact size of the premises can only be confirmed subject to detailed survey after the authorisation of the Project by the SDEV.

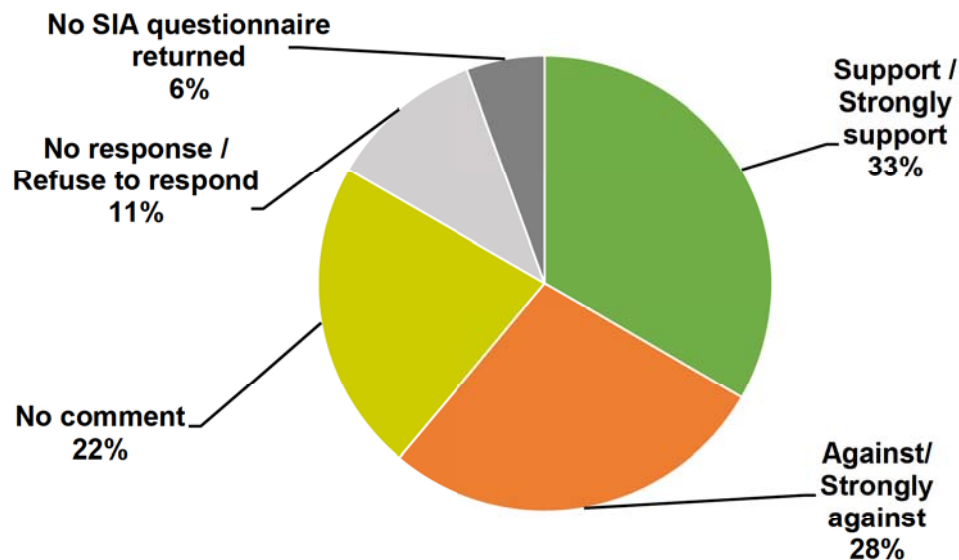
Figure 11.3 Size of Premises as Claimed by Operators
(18 Surveyed Operators as of 16 December 2022)



Remarks: 6 operators did not/ refused to respond to this question or did not return the SIA questionnaire.

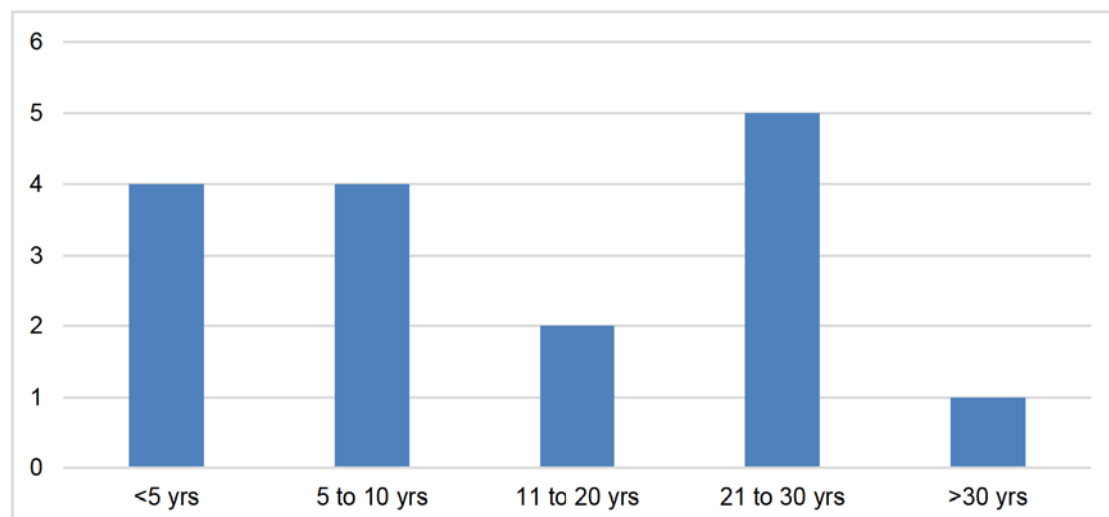
11.8 **Figure 11.4** shows the business operators' views on the proposed redevelopment. Among the 18 interviewed operators, 6 business operators (about 33%) **strongly supported or supported** the proposed redevelopment, while 5 interviewed business operators (about 28%) were against and strongly against the proposed redevelopment. Majority of those supported the Project considered that the local environment can be improved through redevelopment. Majority of those not supporting the Project responded that the Project would affect their business operations.

Figure 11.4 Business Operators' Views in the Proposed Redevelopment
(18 Surveyed Operators as of 16 December 2022)



11.9 **Figure 11.5** shows the years of operation of their existing businesses that more than half of the operators (10 out of 18 operators) had operated their businesses at the existing premises for less than 20 years.

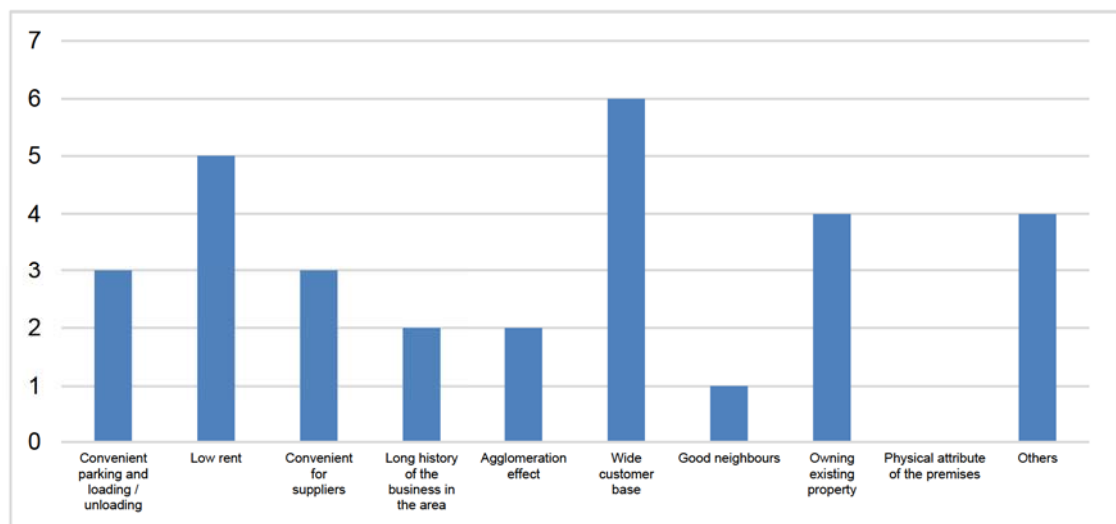
Figure 11.5 Years of Business Operation
(18 Surveyed Operators as of 16 December 2022)



Remarks: 2 operators did not/ refused to respond to this question or did not return the SIA questionnaire.

11.10 **Figure 11.6** shows the business operator's main reasons for operating at the existing premises. Each operator can choose more than one reasons. Operators who chose to answer "Others" in this question refers to reasons including "living nearby" and "convenient for themselves or taking care of children".

Figure 11.6 Main Reasons for Operating at the Existing Premises
(18 Surveyed Operators as of 16 December 2022)



11.11 **Table 11.3** summarizes the satisfaction level of their business/ business performance, the opinion of interpersonal relationship and business network established from the existing business. There were the highest percentage of operators considered that they were satisfied with their business performance, interpersonal relationship and business network respectively.

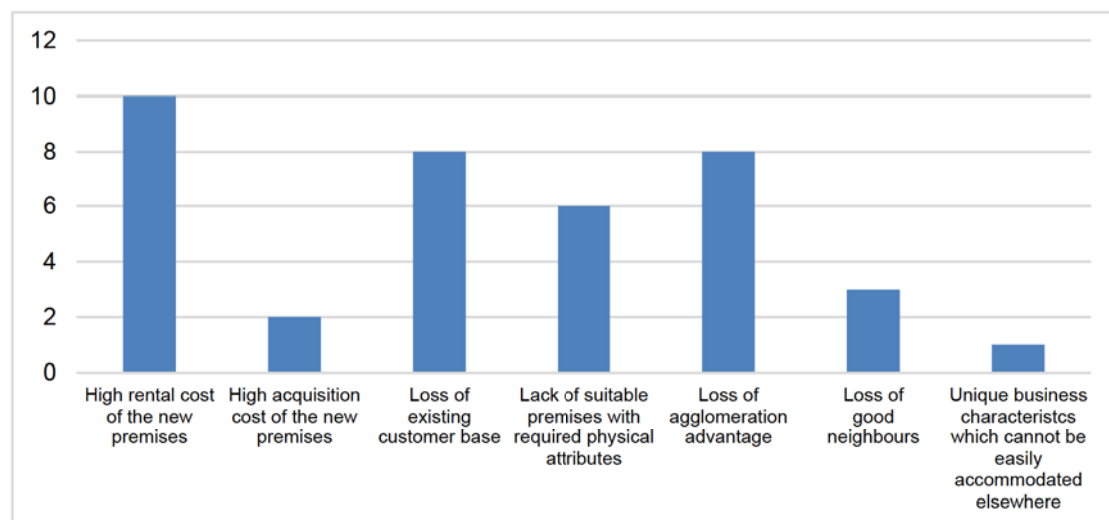
Table 11.3 Operators' Satisfactions of Business Performance, and Opinions of Interpersonal Relationship and Business Network Established from the Existing Business
(18 Surveyed Operators as of 16 December 2022)

		Business Operators
Satisfaction Level of Business Performance	Very Satisfied	11%
	Satisfied	45%
	Neither Satisfied nor Dissatisfied	29%
	Dissatisfied	0%
	Very Dissatisfied	5%
	Others	0%
	No response/ Refuse to respond	5%
	No SIA questionnaire returned	5%
Opinion of Interpersonal Relationship	Very Satisfied	18%
	Satisfied	72%
	Neither Satisfied nor Dissatisfied	0%
	Dissatisfied	0%
	Very Dissatisfied	0%
	Others	0%
	No response/ Refuse to respond	5%
	No SIA questionnaire returned	5%
Opinion of Business Network	Very Satisfied	16%
	Satisfied	44%
	Neither Satisfied nor Dissatisfied	22%
	Dissatisfied	6%
	Very Dissatisfied	0%
	Others	0%
	No response/ Refuse to respond	6%
	No SIA questionnaire returned	6%

11.12 On the future intention of the operators if the proposed Project is implemented, 10 interviewed business operators (about 56%) responded that they would like to continue their businesses nearby; 2 operators (about 11%) said they would continue business elsewhere; whilst 3 interviewed business operators (about 17%) have not yet decided.

11.13 **Figure 11.7** shows the interviewed business operators' major concerns on relocation. Each operator can choose more than one concerns. Among which, high rental cost and loss of existing customer base and agglomeration advantage are the major concerns to the surveyed operators.

Figure 11.7 Main Concerns on Relocation of Business Operators
(18 Surveyed Operators as of 16 December 2022)



11.14 Fourteen (14) interviewed business operators (about 78%) expressed that they wanted to meet URA staff and SST for assistance. Twelve (12) interviewed business operators (about 67%) indicated that they would like the URA to assist them in finding new premises to continue their businesses. Upon request from these operators, the URA will assist to identify suitable premises nearby to the Project to enable them to relocate and continue operation in the same district as far as practicable. One interviewed business operator had expressed that their employees had major concern on the proposed redevelopment, of which they were worry about unemployment. The SST and the URA "Project Engagement" team will pay attention to the needs of the operators and their staff to alleviate their concerns. Section 12 will further explain the details of these mitigation measures.

12 MITIGATION MEASURES

- 12.1 The URA understand that the proposed redevelopment would likely to bring both gains and losses to the local community, particularly social anxiety to the vulnerable groups. The URA aims to provide various mitigation measures to minimize the potential social impacts to the directly as well as stakeholders.

Social Service Team

- 12.2 In accordance with the URS, the URF has been set up to, inter alia, fund the SST who provides assistance to residents and operators affected by URA-implemented redevelopment projects. The SST reports directly to the Board of the URF. The SST is expected to play a co-ordinating role in assisting the residents to access the services they need from relevant Government departments and/ or other service providers. For instance, the help of the HKHA and the HKHS in the rehousing process, the Education Bureau in providing school places for children affected by home removal, the Social Welfare Department and various social organisations for counselling services, the Hospital Authority and Department of Health in medical assistance, the ethnic minorities' request for translation services, etc. As of 16 December 2022, the SST has successfully contacted 51 households and 11 business operators. A breakdown of the contacts is listed in **Table 12.1**.

Table 12.1 Breakdown of SST Contacts by Client Groups
(as of 16 December 2022)

Client Groups	Number of Contacts
Domestic Tenants	35
Domestic Owners	11
Business Operators	11
Domestic Households with no Claimed Occupancy Status	5
Total	62

- 12.3 **Table 12.2** summarised the nature of identified problems.

Table 12.2 Nature of Problems Identified Among the SST Contacts
(as of 16 December 2022)

Problem or Enquiry Nature	Number of Enquiries
Domestic Tenants	
a) Unclear on compensation and rehousing policies	30
b) Evicted by owners/ outrageous rent rise	0
c) Worry about eviction, termination of tenancy or outrageous rent rise in future	15
Domestic Owners	
a) Unclear on compensation policies	5
b) Worry about compensation not enough to purchase another flat in the same district	6
Business Operators	
a) Unclear on compensation policies	9
b) Worry about compensation not enough to resume their business in the same district	6
Domestic Households with no Claimed Occupancy Status	8
Total	79

12.4 The SST is expected to adopt a proactive approach to identify individuals at risk early through home and shop visits and to deliver prompt assistance to the residents and operators in need. For residents with no imminent needs, such a proactive approach can also enable the SST to establish a rapport with the clients and facilitate cooperation or engagement in future.

Public Briefing

12.5 To prevent the spread of the epidemic and to avoid gathering, the URA has arranged two sessions of live broadcast public briefing with interactive session via online video platform on 8 December 2022. The public briefing aimed to inform all the stakeholders, including owners, tenants, business operators

affected and the members of the general public on the details of the Project and to obtain public views on the Project. About 250 viewerships were recorded from the online briefing sessions. Planning details was shared and arrangements on Freezing Survey, acquisition, compensation and rehousing issues were shared. Enquiries relating to the project were also being addressed. Those present were also informed that owners would not get more compensation by evicting tenants identified in the Freezing Survey. Video clips of briefing sessions have been archived and stakeholders can gain access to it by visiting the designated websites until 2 February 2023.

Project Engagement Programme

- 12.6 From a URA's Project commencement to commencing acquisition and rehousing arrangement after SDEV's authorisation of Project will usually take a long time. With the understanding that the affected residents and operators are likely to experience doubts and worries during the long waiting period, the URA has implemented a "Project Engagement" Programme since 2016 to provide direct contact services.
- 12.7 Under the "Project Engagement" Programme, a special team of URA staff members will proactively visit every household and business operator affected by the URA projects to explain to them the policies in details, helping them understand the latest progress, compensation and rehousing arrangements, and timeline of the projects. The team will also make follow-up visits to the households with special needs, and refer them to SST or the relevant departments for assistance as needed. URA has also prepared a simple and easy-to-understand leaflet on the prevailing acquisition and compensation policies in ten different languages on the URA website to facilitate the ethnic minorities to understand the policies, their interests and to alleviate their concerns.

Enquiries and Hotline Services

- 12.8 The URA also answers enquiries and provides hotline services to residents within the redevelopment area. About 19 enquiries had been received between 2 December 2022 and 16 December 2022. The subject matters of the enquiries are summarised in **Table 12.3**.

Table 12.3 Nature of Enquiries (as of 16 December 2022)

Subject Matter of Enquiries	
Project information, progress, timetable and planning procedures of urban renewal	4 (21.1%)
Acquisition Compensation and rehousing policies	5 (26.3%)
Household Survey (e.g. registration arrangement, briefing arrangement)	9 (47.4%)
Others	1 (5.2%)
Total Enquiries:	19 (100%)

12.9 Based on past experience with implementation of redevelopment projects, the URA is confident that the prevailing compensation and rehousing policies and arrangements, with the services offered by the SST and the URA will be sufficient to reasonably mitigate the impact on the majority of the residents/business operators arising from the proposed redevelopment. In summary, the principal mitigation measures being pursued include:

- outreach activities by the SST to ensure that all affected persons potentially in need are identified on top of those who were already identified in the SIA survey;
- assistance in finding public rental rehousing for eligible persons in need;
- initial assessment of the elderly with low incomes or disability and other vulnerable groups for eligibility for compassionate housing;
- orientation assistance for those in need after moving home such as familiarisation with new neighbourhood, accommodation and local facilities; and
- assistance to identify suitable replacement premises for affected businesses.

12.10 The URA will assist displaced elderly owner-occupiers to find replacement flats within Hong Kong Island as far as practicable. Redevelopment will inevitably affect the existing social network of some residents within the Project. The SST will follow up their cases for 6 months after their relocation to a new accommodation. In helping “the affected residents in maintaining and rebuilding social support network”, the team will also conduct below activities:

- After resettlement, the displaced residents have contacted at least once after their old acquaintance in Central and Western District, e.g. through organizing a re-union gathering for displaced residents; and
- The displaced residents have established connections in their new neighbourhood, e.g. programs on getting to know the local facilities in new community and visitation to the social service providers in the new neighbourhood.

12.11 The URA together with the SST will ensure that the requisite services and practical assistance by relevant Government departments and/ or service providers are made available to the community in need, and that social and livelihood problems relating to the Project are resolved in a timely manner.

Prevailing Acquisition, Compensation and Rehousing Policy

12.12 At the online public briefings held on 8 December 2022, general principles in property acquisition, for tenant rehousing and ex-gratia allowance based on the URA's prevailing policies were fully explained.

Domestic Properties

12.13 The URA will offer an owner-occupier of domestic property the market value (valued on vacant possession basis) of his/ her property plus an ex-gratia allowance, namely Home Purchase Allowance ("HPA"), for purchase of the property. The assessment of HPA is based on the unit rate of a notional replacement flat, which is defined as a hypothetical seven-year-old flat in a building of comparable quality, situated in a similar locality in terms of characteristics and accessibility, and located at the middle floor with average orientation. The HPA is the difference between the value of the notional replacement flat and the market value of the property being acquired. The URA will offer an owner of tenanted or vacant domestic property the market value (valued on vacant possession basis) of his/ her property plus a Supplementary Allowance ("SA"), where applicable, up to 50% of the HPA above mentioned. In addition, URA will offer an Allowance for Vacant Property ("AVP") to the owner who has left the domestic property vacant on the first date of Freezing Survey and thereafter. The AVP is equivalent to 2 times the amount of the rateable value of the property. In addition to applicable allowance(s) mentioned above, URA will offer an incidental cost allowance ("ICA") to owners of domestic properties

- to assist payment of removal expenses and expenditure relating to the purchase of a domestic replacement flat and the legal cost incurred in selling the affected property to the URA.
- 12.14 According to the URS, and as far as relevant legislation allows, the URA will offer “flat-for-flat” (“FFF”) arrangement to eligible owner-occupiers of domestic properties at the time of issuance of acquisition offers, as an alternative option to cash compensation to such owner-occupiers. The amount of cash compensation and ex-gratia payment offered to an owner-occupier will not be changed by his/ her choice of using that amount, or part of it, to join the flat-for-flat arrangement or otherwise.
- 12.15 Affected eligible domestic tenants will be re-housed in units provided by the HKHA or the HKHS or the URA. Tenants who are re-housed will be offered an ex-gratia removal allowance. The amount receivable is equivalent to the prevailing ex-gratia allowance offered by the Lands Department on resumption by the Government or the prevailing rates of the Ex-gratia Domestic Removal Allowance of HKHA, whichever is higher.
- 12.16 Tenants who are not allocated re-housing due to various reasons or who decline re-housing, may receive ex-gratia allowances. Details of the ex-gratia allowances for domestic tenants can be obtained from <https://www.ura.org.hk/en/redevelopment/tenants-corner/rehousing-and-ex-gratia-allowance-policies>
- 12.17 According to the URS, the URA will adopt a compassionate approach in assessing the eligibility of owners of tenanted domestic units for ex-gratia allowance in exceptional circumstances such as elderly owners who rely on the rental income from their properties for a living.
- 12.18 In case where tenants were notified that their tenancies would not be renewed, the URA will explain to their owners that they would not get more compensation by evicting the tenants. The URA has also introduced the “Domestic Tenants Compassionate Assistance Programme” (“DTCAP”) to take care of those domestic tenants whose tenancies commenced before the Freezing Survey of this Project and moved out from the properties because they have been requested to move out from their properties by their landlords upon expiry or termination of their tenancies and before URA purchases the properties. In

general, domestic tenants who meet the eligibility criteria under this programme will be offered, after acquisition or Government resumption of the properties concerned, special ex-gratia allowance based on the rateable value of the properties concerned, the ex-gratia allowance is calculated according to the method as listed in **Table 12.4** below subject to a minimum amount of HK\$170,000 (for an one-person household) and HK\$190,000 (for a two-person or larger household) ("Minimum EGA"). The Minimum EGA will be reviewed annually in accordance with the Annual Rental Index for Class A Domestic Properties publicized by the Rating and Valuation Department ("RVD") in April each year. Domestic tenants, who undergo the same situation as mentioned above and are not eligible for DTCAP, can apply for the URA's Relocation Assistance.

Table 12.4 Calculation of Special Ex-gratia Allowance for "Domestic Tenants Compassionate Assistance Programme"

Rateable Value ("RV")	Special Ex-gratia Allowance
1st HK\$10,000	9 times RV
2nd HK\$10,000	8 times RV
3rd HK\$10,000	7 times RV
4th HK\$10,000	6 times RV
5th HK\$10,000	5 times RV
6th HK\$10,000	4 times RV
7th HK\$10,000	3 times RV
8th HK\$10,000	2 times RV
9th HK\$10,000 and above	1 time RV

Non-domestic Properties (Other than industrial premises)

12.19 For owner-occupied non-domestic properties, the market value of the affected property (valued on vacant possession basis) plus an ex-gratia allowance of 4 times the rateable value or 35% of the market value of the affected property, whichever is the higher, will be offered. Owner-occupiers may lodge a claim for business loss in lieu of both the ex-gratia allowance mentioned above and Ex-gratia Business Allowance ("EGBA"). For owners of tenanted or vacant non-domestic properties, the market value (valued on vacant possession basis) of the affected property plus an ex-gratia allowance of 1 time the rateable value or 10% of the market value of the affected property, whichever is the higher. In addition, URA will offer AVP at 2 times the amount of rateable value of the

- affected non-domestic property to the owner who has left the property vacant on the first date of Freezing Survey and thereafter. In addition to applicable allowance(s) mentioned above, URA will offer an ICA of 5% of the market value of the affected property to owners of non-domestic properties to assist their payment of expenditure relating to the purchase of a non-domestic replacement property and the legal cost incurred in selling the affected property to the URA.
- 12.20 For non-domestic tenants of non-domestic premises, an ex-gratia equivalent to 3 times the rateable value of the affected premises or the prevailing ex-gratia allowance offered by the Lands Department on resumption by the Government, whichever is higher, will be offered. An additional payment of EGBA is also payable to tenants and owner-occupiers who commenced occupying the premises for business before the date of Freezing Survey. In calculating the number of years of continuous operation, the expiry date of continuous operation is 2 years from the date which URA issues initial acquisition offer to property owners. The amount is calculated at a rate of 0.1 times the rateable value for each year that the affected premises has been in operation up to a maximum of 30 years. For an incomplete year, the amount of EGBA is calculated on a pro-rata basis to the nearest month. The amount of EGBA is subject to a maximum amount of HK\$700,000 and a minimum amount as described in **Table 12.5** below.

Table 12.5 Calculation of Special Ex-gratia Allowance for Business Allowance

Years of Continuous Operation	Minimum EGBA
10 years or less	HK\$110,000 (Amount will be reviewed annually in accordance with the Annual Rental Index for Retail Properties publicized by the RVD in April each year)
More than 10 years (maximum of 30 years)	Additional HK\$10,000 for each completed year

- 12.21 Eligible non-domestic tenant-operators, whose tenancies commenced before the date of Freezing Survey and who were requested by their landlords to move out from the affected properties due to the expiry or termination of their tenancies before the URA acquired the affected properties successfully and moving out from the affected non-domestic properties after the date of Freezing Survey and who are unable to receive the ex-gratia allowances, can apply for the URA's Special EGBA, the amount of which is equivalent to EGBA.

12.22 The acquisition, compensation and rehousing policies are subject to prevailing policies at the time of issuing acquisition offer. The policies are published on the URA's website and will be communicated to affected persons when acquisition of property interests for this Project commences. Prevailing policies relating to property acquisition, rehousing and ex-gratia allowances will be reviewed by the URA from time to time.

URBAN RENEWAL AUTHORITY

January 2023

Appendix I Photos of Non-domestic G/F Premises (including both surveyed and unsurveyed units) within the Project (as taken in December 2022)

	
2 Kwai Heung Street	4 Kwai Heung Street
	
6 Kwai Heung Street	8 Kwai Heung Street
	
269 Queen's Road West	271 Queen's Road West



273 Queen's Road West



275 Queen's Road West



287 Queen's Road West



289 Queen's Road West



291 Queen's Road West



293 Queen's Road West

	
<p>295 Queen's Road West</p>	<p>297 Queen's Road West</p>
	
<p>18 Sung Hing Lane</p>	<p>Wall shop of 297 Queen's Road West</p>
	
<p>Wall shop of 18 Sung Hing Lane</p>	