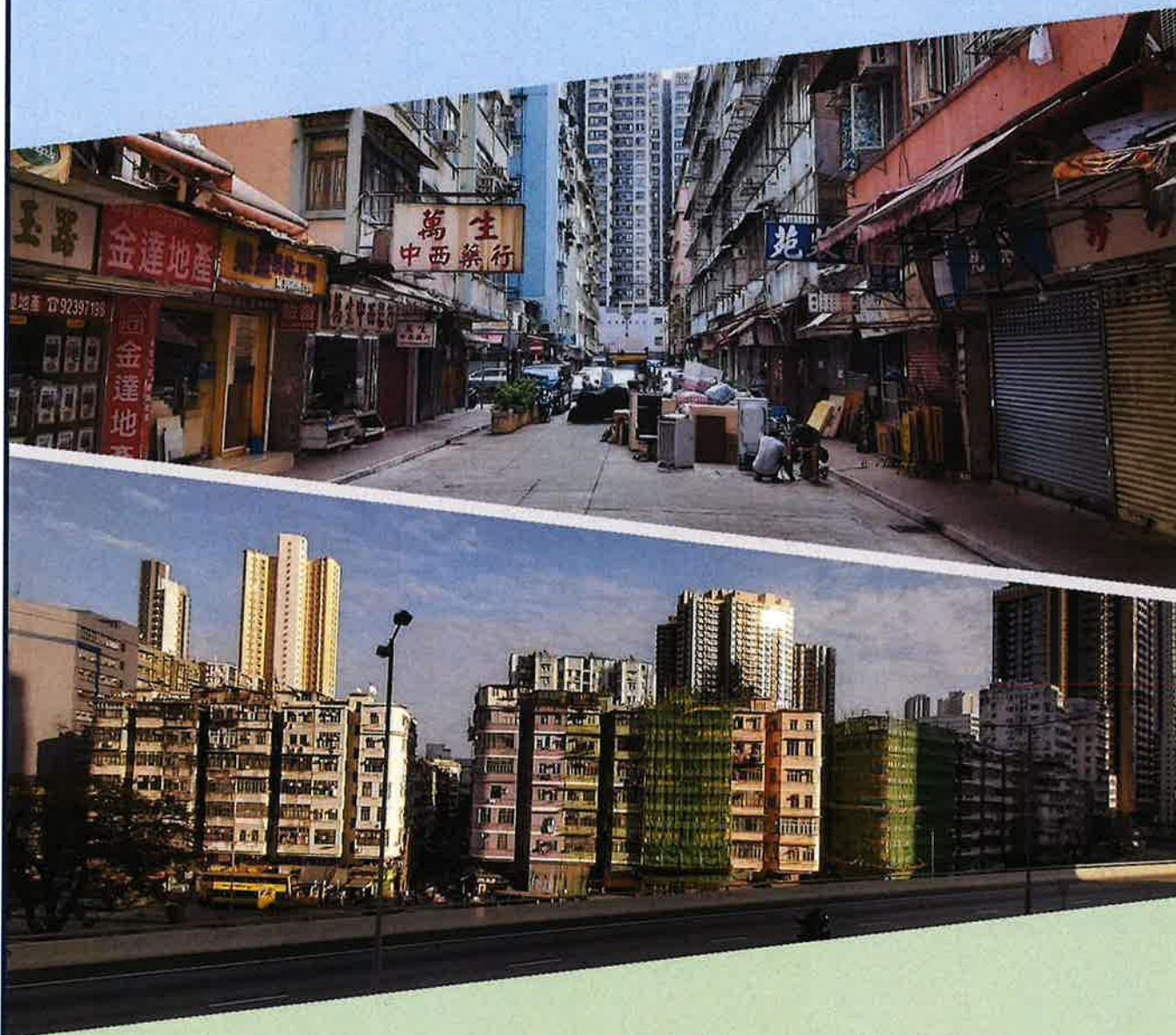


Urban Renewal Authority Development Scheme

Prepared under Section 25 (3) of the Urban Renewal Authority Ordinance



To Kwa Wan Road / Wing Kwong Street Development Scheme (KC-016)

Stage 2 Social Impact Assessment

April 2021

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1 INTRODUCTION

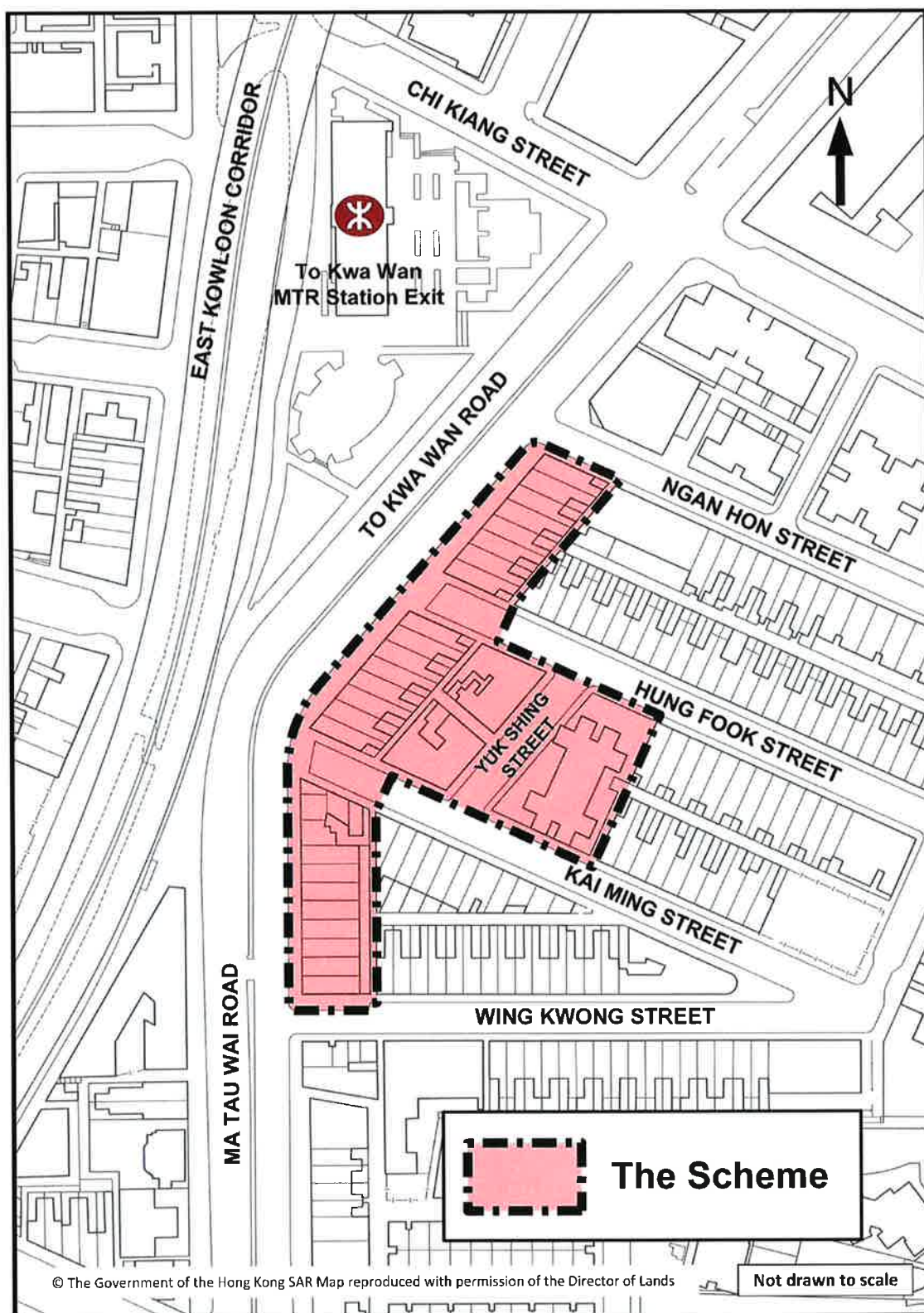
- 1.1 The Urban Renewal Strategy ("URS") issued by the Government in February 2011 stated that the Urban Renewal Authority ("URA") will carry out Social Impact Assessment ("SIA") studies in the form of *"a Stage 1 social impact assessment before the publication of any proposed redevelopment project in 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 To Kwa Wan Road/ Wing Kwong Street Development Scheme ("the Scheme").
- 1.2 On 5 March 2021, the URA published in the Government Gazette the commencement of To Kwa Wan Road/ Wing Kwong Street Development Scheme (KC-016) by the way of development scheme under section 25 of the Urban Renewal Authority Ordinance. The Stage 1 SIA was made available for public inspection on 12 March 2021.
- 1.3 This Stage 2 SIA is based on the factual data and opinions collected as part of the freezing survey for this Scheme conducted from 5 March 2021 to 7 March 2021, and follow-up survey visits by appointments conducted up to 26 March 2021. 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 residents;
 - 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.
- 1.4 The Salvation Army has been commissioned by the Urban Renewal Fund ("URF") to act as the Social Service Team ("SST") for this Scheme. They are tasked to provide assistance and advice to residents and business operators affected by the Scheme. 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 Scheme is located in Kowloon City District, which is broadly bounded by To Kwa Wan Road, Ma Tau Wai Road, Wing Kwong Street, Kai Ming Street, Hung Fook Street and Ngan Hon Street (**Figure 2.1**). The Scheme involves 53 street numbers of buildings comprising 1 – 31 To Kwa Wan Road (odd nos.), 111 – 127D Ma Tau Wai Road (odd nos.), 2 – 6 and 10 – 14 Hung Fook Street (even nos.), 1 – 5 and 11 – 19 Kai Ming Street (odd nos.), 1 – 7 Yuk Shing Street (odd nos.) and 2 – 12 Yuk Shing Street (even nos.). The Scheme also includes the whole of Yuk Shing Street, part of the road sections of Hung Fook Street and Kai Ming Street, government back lanes and the surrounding public pavement.

Figure 2.1 Location Plan



Freezing Survey Results

- 2.2 As of 26 March 2021, the Freezing Survey ("FS") of the Scheme successfully surveyed 723 domestic households and 110 operators. **Table 2.1** shows the results of FS and SIA surveys.
- 2.3 Of the 723 surveyed households, 595 of them have completed the whole or part of the SIA questionnaire; while 27 households did not respond/refused to respond to the SIA questionnaire. The remaining 101 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 26 March 2021)

	No. of Households
Surveyed households in the Freezing Survey	723
Breakdown by response to the SIA questionnaire	
Households responded to the whole/ part of SIA questionnaire	595
Households did not respond/refused to respond to the SIA questionnaire	27
Households with no SIA questionnaire returned	101 ¹
Total	723

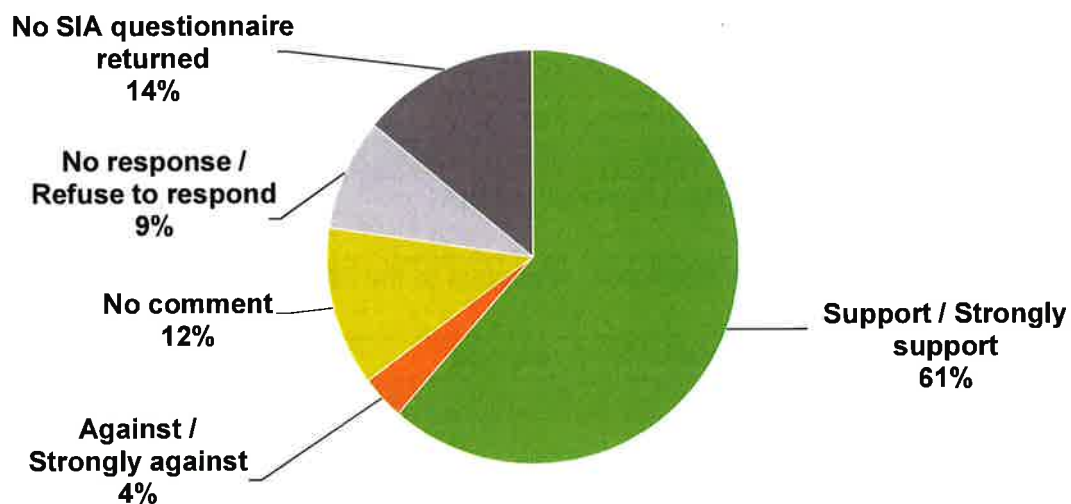
- 2.4 The detailed breakdowns of surveyed and un-surveyed units will be illustrated in Section 3. Regarding non-domestic uses, the details will be illustrated in Section 11.

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 26 March 2021, 101 surveyed households had not yet returned the SIA questionnaire.

Domestic Households' Views on the Proposed Redevelopment

- 2.5 As shown in **Figure 2.2**, of the total 723 surveyed households, 164 households (about 23%) had no response/ refused to respond to this question or had not returned the SIA questionnaire. For the remaining households, 444 of them (about 61%) either strongly supported or supported the proposed redevelopment, while 25 (about 4%) households were either strongly against or against the proposed redevelopment. Ninety (90) households (about 12%) expressed no comment to the proposed redevelopment. These views collected from the FS 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 (723 surveyed households as of 26 March 2021)



Opinions on Current Living Environment

- 2.6 About 45% of the surveyed 723 households indicated that their accommodations are affected or frequently affected by outdoor air pollution/ poor air quality and noise nuisance. In terms of living environment, about 50% and 40% of the surveyed 723 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 2016 Population By-census, and the assessments will be based on the latest available information for comparison where appropriate.
- 3.2 The total number of domestic units in the Scheme according to the approved General Building Plans ("GBP") is 418. The population and household characteristics within the Scheme is listed in **Table 3.1** below.

Table 3.1 Population and Household Characteristics within the Scheme (as of 26 March 2021)

Number of Successfully Surveyed Units for Domestic Use	726 units Note 1
Number of Households	723 households Note 2
Population	1,652 persons Note 2
Average Household Size	About 2.3 persons per household (lower than the territorial level of 2.8 persons per household)
Degree of Sharing	About 1.0 (723 households / 726 surveyed units) (similar to 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: 14 persons from 14 vacant households were recorded during the FS. Their information and expressed views were included and reflected in this SIA2.

- 3.3 However, to analyse the degree of sharing, subdivision of domestic GBP units for domestic use is to be considered for analysing. Referring to **Table 3.2** and **Figure 3.1**, subdivision of domestic GBP units is common within the Scheme. There are 127 (about 33%) out of the surveyed 387 domestic GBP units are founded to be subdivided. With reference to **Table 3.2**, 55 and 374 households were living in cubicles and sub-divided units respectively. If these 429 households in total are considered as "sharing" of the original 127 GBP units, the degree of sharing is about 3.38. For domestic households living in non-subdivided domestic GBP units, the degree of sharing is 1.00 (258 households / 258 units).

Table 3.2 Sub-division of GBP Units for Domestic Use (as of 26 March 2021)

			Number of GBP Units		Number of Actual Units	Number of Households
Surveyed Domestic GBP units for domestic use	(a) Non-subdivided		258		258	258
	(b) Subdivided	(i) Units for cubicles	127	11	47 cubicles	47 Note 1
		(ii) Units for self-contained sub-divided units with independent facilities		110	365 sub-divided units	363 Notes 1 & 2
		(iii) Units for both cubicles and self-contained sub-divided units with independent facilities		6	8 cubicles and 11 sub-divided units Note 1	19 Notes 1 & 3
	Sub-total		385		689	687
Surveyed Domestic GBP units for non-domestic use			2		N/A	N/A
Surveyed Rooftop structures for domestic use			N/A		18	18
Un-surveyed domestic GBP units			31		N/A	N/A
Total no. of domestic GBP units			418		N/A	N/A
Surveyed Non-domestic GBP units for domestic/ mixed use	(a) Non-subdivided		9		9	8 Note 4
	(b) Subdivided		4		10 sub-divided units	10
	Sub-total		Non-Domestic: 13		19	18
Total			N/A		726	723

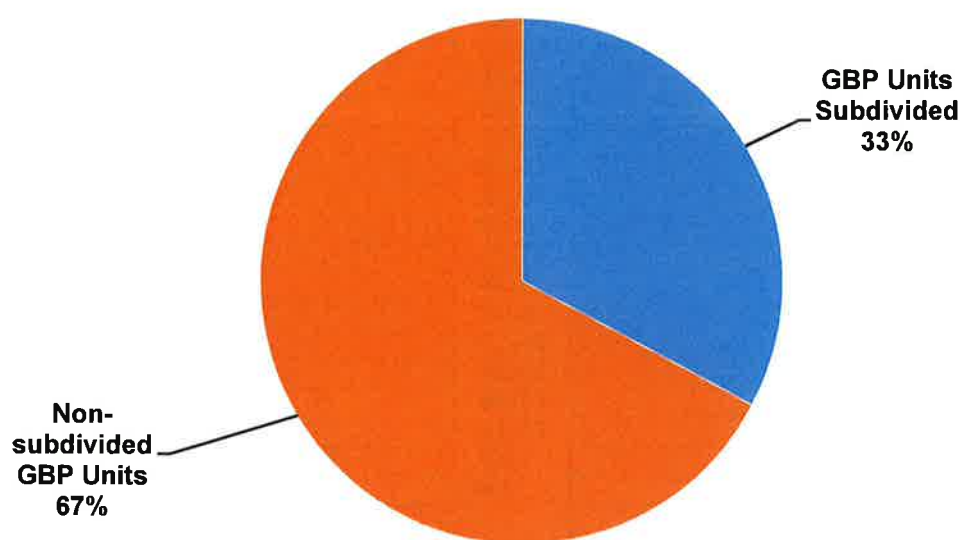
Note 1: 55 households (47 + 8) in total living in cubicles; 374 households (363 + 11) in total living in sub-divided units.

Note 2: 1 household occupied 3 sub-divided units.

Note 3: 8 and 11 households occupied 8 cubicles and 11 sub-divided units respectively.

Note 4: 1 household/ operator occupied 2 non-domestic GBP units for mixed use.

Figure 3.1 Percentage of Units Subdivided in 387 Surveyed Domestic GBP Units (as of 26 March 2021)

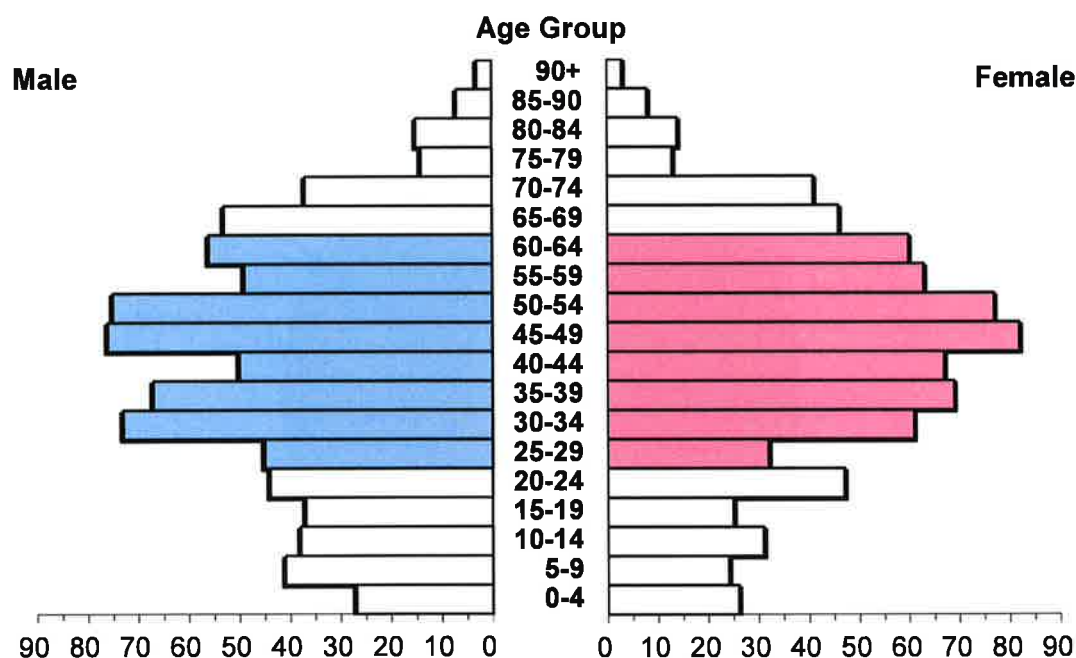


Population

- 3.4 As of 26 March 2021, a total of 1,652 residents were recorded in the FS, including 829 males, 819 female, and 4 residents who did not provide the information. The distribution gives a ratio of about 100 male residents to every 99 female residents. **Table 3.3** and **Figure 3.2** show the population by age groups and population pyramid of the surveyed population respectively while 55 residents (about 3%) did not provide their age information. With reference to **Table 3.3**, the age distribution of the population within the Scheme is similar to the territorial-wide level.

Table 3.3 Population by Age Groups (as of 26 March 2021)

Age Group	Within the Scheme	Territorial-wide level	Comparison
0-14 (Children)	12%	11%	Similar
15-24 (Youth)	9%	11%	Slightly lower
25-64 (Economically active age group)	61%	62%	Similar
65+ (Elderlies)	15%	16%	Similar
Age information not provided	3%	N/A	N/A
Total	100%	100%	N/A

Figure 3.2 Population Pyramid (as of 26 March 2021)

3.5 The distribution of surveyed household sizes is shown in **Table 3.4**. The percentage of 1-person households within the Scheme is much higher than the territory-wide level while percentages of other household sizes within the Scheme are similar or lower than the territory-wide level. The housing needs of these households will be discussed in Sections 5 and 12.

Table 3.4 Distribution of Household Size (as of 26 March 2021)

Household Size (Persons)	Within the Scheme	Territorial-wide level	Comparison
0 (vacant)	2%	N/A	N/A
1	33%	18%	Higher
2	27%	27%	Same
3	21%	24%	Lower
4	12%	20%	Lower
5	3%	8%	Lower
6 or above	2%	3%	Similar
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\$)
(723 Surveyed Households as of 26 March 2021)

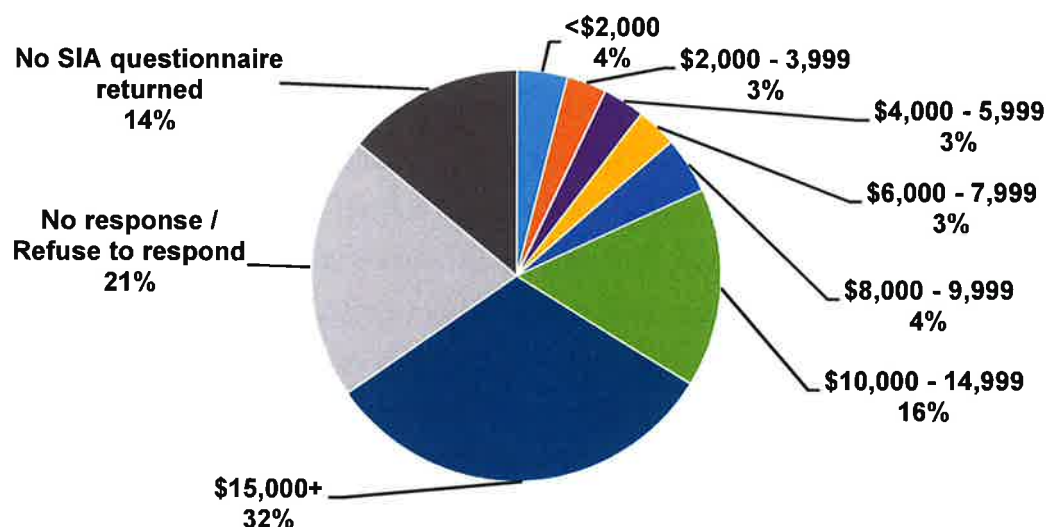


Table 4.1 Distribution of Household Income
(723 Surveyed Households as of 26 March 2021)

	Within the Scheme	Territorial-wide level	Comparison
Monthly household income less than HK\$10,000	17%	19%	Similar
Monthly household income less than HK\$4,000	7%	6%	Similar
Comprehensive Social Security Assistance ("CSSA") Recipients	7% (52 households)	8% ² (as of February 2021)	Similar

² Sources:

Social Welfare Department press release – CSSA caseload for February 2021.

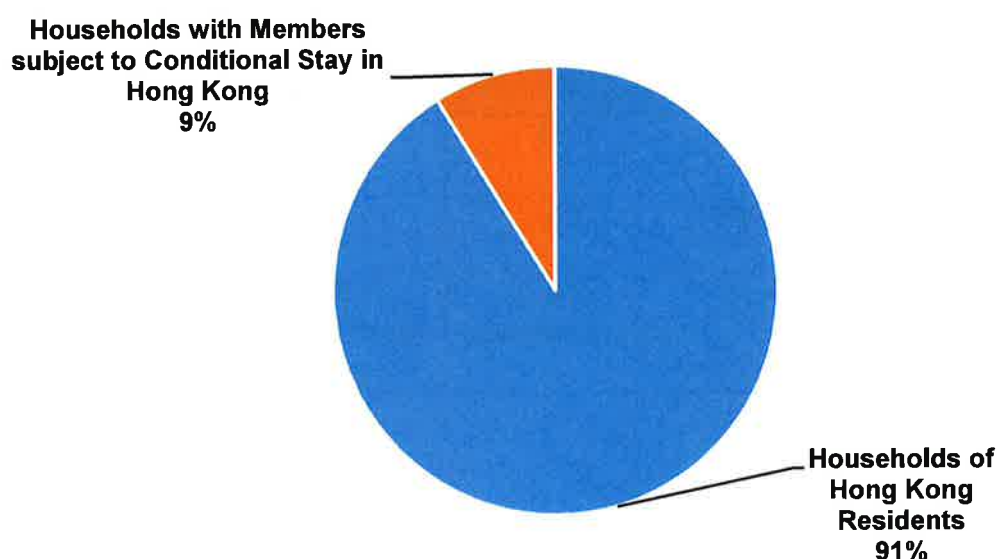
Census and Statistics Department website – Statistics on Domestic Households (November 2020 to January 2021).

- 4.2 With reference to **Table 4.1**, the percentage of CSSA recipients within the Scheme was similar to 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 Scheme commenced, the URA has set up hotlines for residents' enquiry and more direct assistance to those seeking help. For details, please refer to paragraph 12.7.

Residence

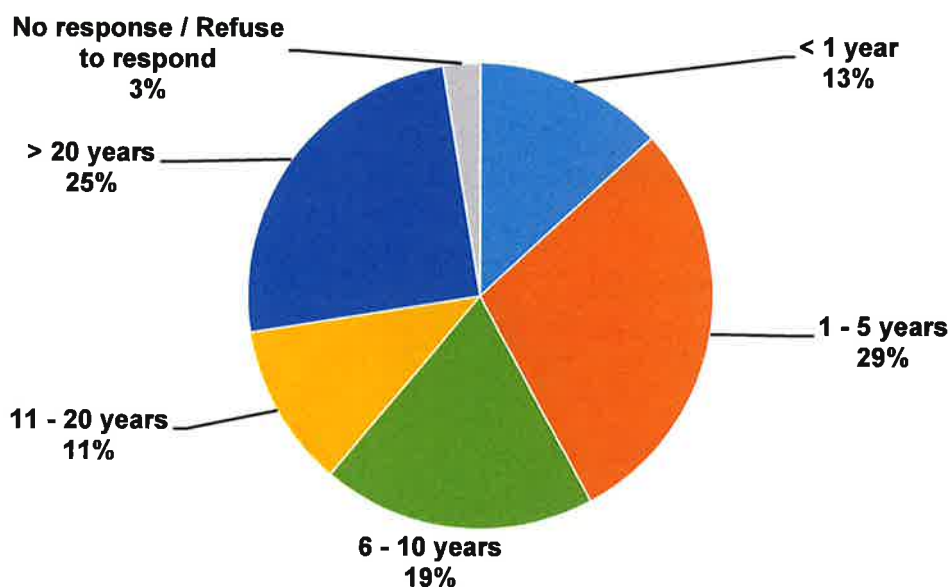
- 4.3 As shown in **Figure 4.2**, 64 households (about 9% of 723 surveyed households) were of members subject to conditional stay in Hong Kong. These households include in total 88 residents subject to conditional stay and thus they may not be eligible for public rental housing under the Hong Kong Housing 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
(723 Surveyed Households as of 26 March 2021)



- 4.4 The number of years of residency is shown in **Figure 4.3**. A total of 180 households (about 25%) had lived within the Scheme 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. To mitigate potential inconvenience induced during clearance, the URA would offer “Flat-for-Flat” (“FFF”) option to eligible owner-occupiers, and rehousing options to eligible tenants. 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.

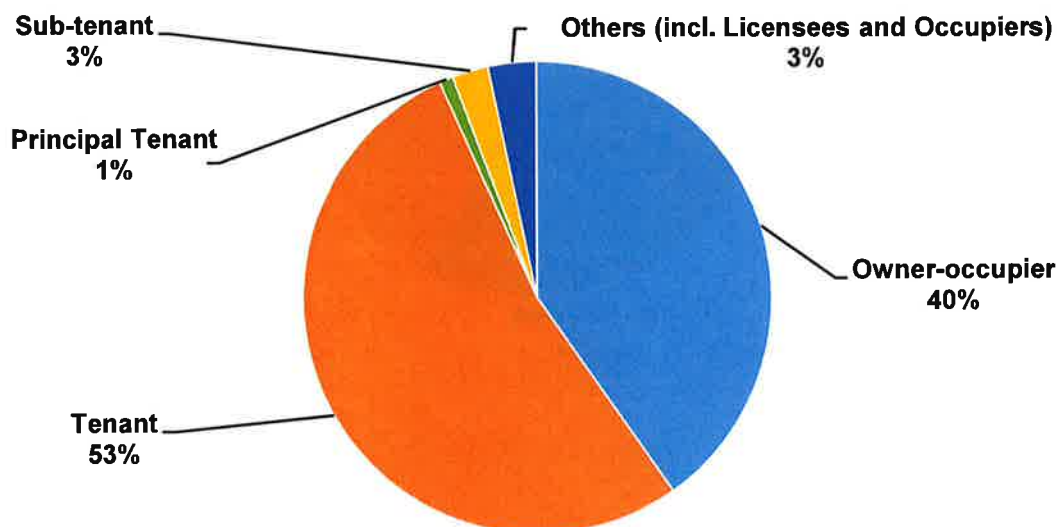
Figure 4.3 Year of Occupation at Current Premises
(723 Surveyed Households as of 26 March 2021)



5 HOUSING

- 5.1 **Figure 5.1** shows the occupancy status of households³. There are 291 owner-occupier households (about 40%) and 432 tenant households (about 60%) (including tenants, principal tenants, sub-tenants while other occupancy status is included for analysis purpose). Tenants living within the Scheme may generate a demand for rehousing services should the Scheme be approved by the CE in C for implementation and subject to their eligibilities for rehousing.
- 5.2 Eighteen (18) rooftop structures were found within the Scheme. According to the approved GBPs, roofs of all the buildings within the Scheme should be open roofs without domestic units. All the rooftop structures are suspected to be unauthorised structures. For households identified at the rooftops, their occupancy status and eligibilities for compensation are subject to verification upon approval of the Scheme and subject to meeting the eligibility criteria adopted by the HKHA in rehousing and other specific criteria⁴, if applicable.

Figure 5.1 Occupancy Status of Households
(723 Surveyed Households as of 26 March 2021)



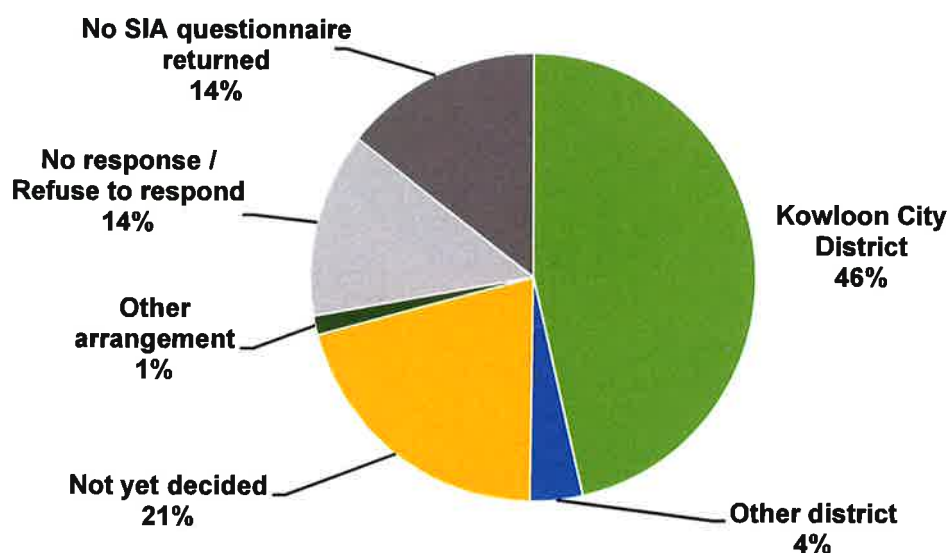
³ All assessments related to occupancy status are based on the freezing survey results only. Owner-occupier status of households has yet to be verified and ascertained.

⁴ The relevant specific criteria are listed in the URA website:
<https://www.ura.org.hk/en/redevelopment/tenants-corner/rehousing-and-ex-gratia-allowance-policies>

Re-housing Needs and Location Preference**Affected Owner-occupiers (291 Households as of 26 March 2021)**

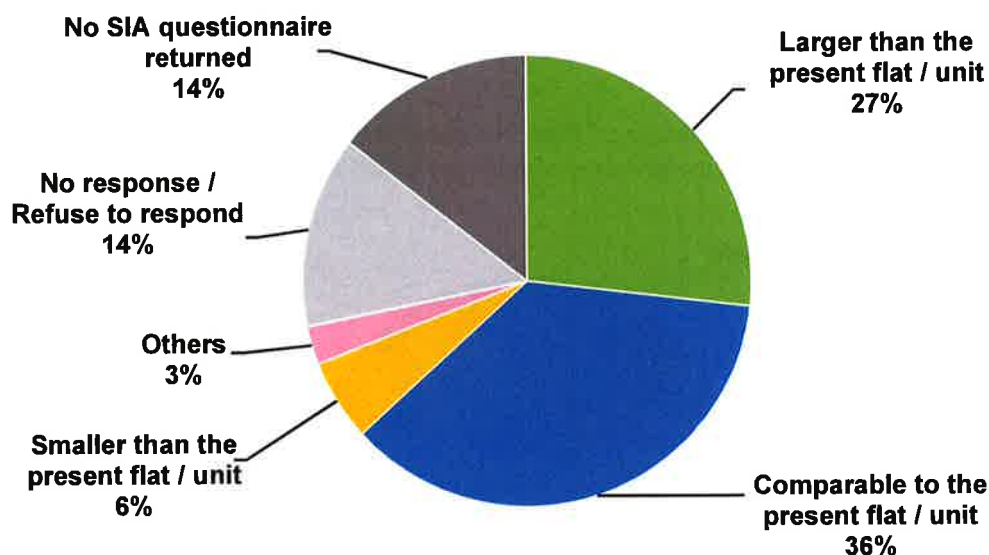
- 5.3 **Figure 5.2** shows the 291 surveyed owner-occupiers' preference of finding new accommodations. 135 surveyed owner-occupiers (about 46%) preferred to find alternative accommodations in the existing district (i.e. Kowloon City District).

Figure 5.2 Location Preference of New Accommodation for Owner-occupiers (291 Surveyed Owner-Occupier Households as of 26 March 2021)



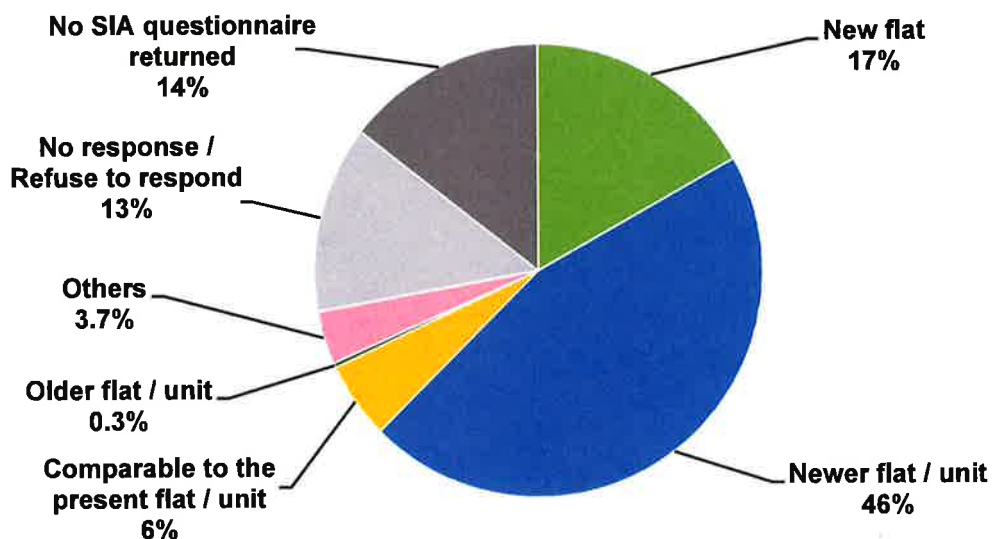
5.4 **Figure 5.3** shows the owner-occupier households' preference on flat size for the new accommodation.

**Figure 5.3 Flat Size Preference of New Accommodation for Owner-occupiers
(291 Surveyed Owner-Occupier Households as of 26 March 2021)**



5.5 **Figure 5.4** shows the owner-occupier households' preference on building age for the new accommodation. 49 households (about 17%) prefer new units as alternative accommodation.

**Figure 5.4 Building Age Preference of New Accommodation for Owner-occupiers
(291 Surveyed Owner-Occupier Households as of 26 March 2021)**

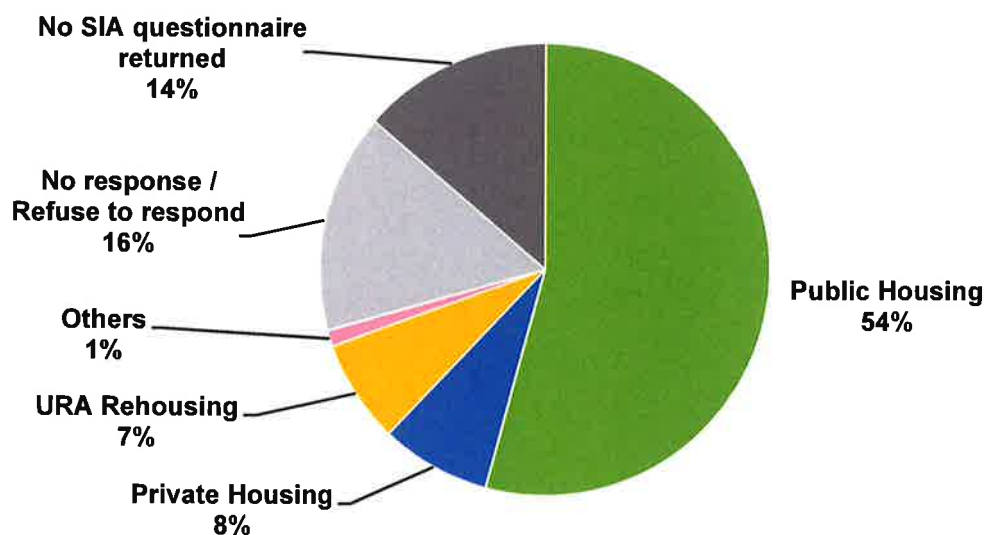


- 5.6 Subject to the approval by the CE in C to implement the Scheme, the URA will offer an owner-occupier of domestic property the market value, plus an ex-gratia allowance (namely home purchase allowance). It is believed that the affected owner-occupiers will be able to buy a newer flat of similar 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 a URA new development in-situ or in the same district or at available site(s), as an alternative option to cash compensation. For details, please refer to paragraphs 12.12 and 12.13.

Affected Tenants (432 Households as of 26 March 2021)

- 5.7 **Figure 5.5** shows the 432 surveyed tenants' preference on new accommodations. 234 surveyed tenants (about 54%) preferred rehousing at public rental housing provided by either the HKHA or the HKHS.

**Figure 5.5 Preference of New Accommodation for Tenants
(432 Surveyed Tenanted Households as of 26 March 2021)**



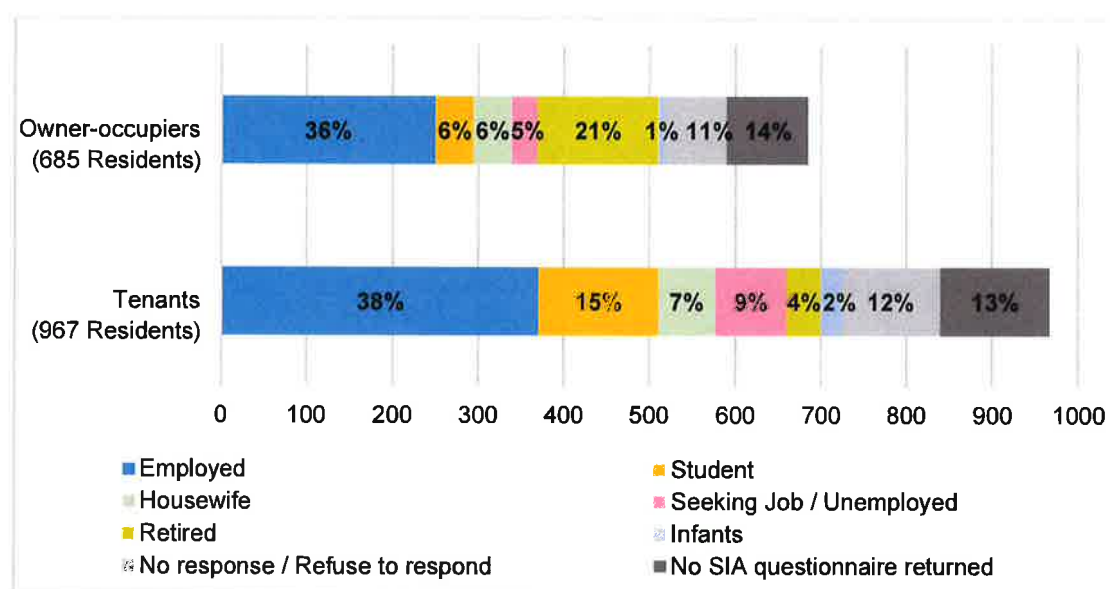
- 5.8 According to the agreement made between the URA and the HKHA and the HKHS, the HKHA and HKHS will provide flats within their estates for rehousing eligible tenants. The URA will liaise with HKHA and HKHS to reserve flats in available estates to cater for the potential demand. Subject to the availability of rehousing flats, the URA will endeavour to arrange allocation of rehousing flats for the eligible tenants in Kowloon City 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 1,652 surveyed residents (including 685 residents in owner-occupier households and 967 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
(1,652 Residents in 723 Surveyed Households as of 26 March 2021)



6.3 The unemployment rate within the Scheme was about 7%, which is similar to the seasonally adjusted territorial-wide rate of 7.2% recorded between December 2020 and February 2021⁵. However, a higher unemployment rate of about 9% was recorded for the surveyed tenants. This group of unemployed residents within the Scheme 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. If the Scheme is approved by the Chief Executive in Council ("CE in C") and is to be implemented, eligible households will be subject to the URA's prevailing compensation policies. The SST and the URA "Project

⁵ Source:

Census and Statistics Department website – Unemployment and underemployment statistics for December 2020 – February 2021.

Engagement” Programme would offer appropriate assistance in order to alleviate concerns of the residents. Section 12 will further explain the mitigation measures.

6.4 **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
(621 Surveyed Employed Residents as of 26 March 2021)**

	Employed persons in owner-occupier households (250 residents)	Employed persons in tenant households (371 residents)
Kowloon City	21%	24%
Hong Kong Island	17%	12%
Yau Tsim Mong & Sham Shui Po	12%	14%
Wong Tai Sin & Kwun Tong	7%	9%
Kwai Tsing & Tsuen Wan	6%	5%
Other Districts in the New Territories	8%	5%
Not fixed	16%	23%
Outside Hong Kong	3%	2%
No response/ Refuse to respond	10%	6%

6.5 It is found that a higher proportion of employed residents are working within the same district, i.e. the Kowloon City District. The URA understands that employed tenants who are working within the Kowloon City 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 291 surveyed domestic owner-occupier households and 432 tenant households.

Table 7.1 Anticipated Impacts on Employment and Economic Conditions (723 Surveyed Households as of 26 March 2021)

		Owner-occupiers (291 households)	Tenants (432 households)
Employment Condition	Positive Impact	5%	3%
	No Impact	48%	55%
	Negative Impact	9%	12%
	No response/ Refuse to respond	24%	16%
	No SIA questionnaire returned	14%	14%
Economic Condition	Positive Impact	10%	4%
	No Impact	33%	44%
	Negative Impact	19%	22%
	No response/ Refuse to respond	24%	16%
	No SIA questionnaire returned	14%	14%

7.2 For impact on employment, the majority of surveyed households (about 48% for owner-occupiers and about 55% 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 slightly 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 33% for owner-occupiers and about 44% for tenants) anticipated no impact caused by the proposed redevelopment. Households anticipating negative impacts on economic condition (about 19% for owner-occupiers and about 22% 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 Scheme, the URA had organized 2 sessions of online live public briefings on 10 March 2021 and 4 sessions of physical public briefings on 16 March 2021 and 17 March 2021 to affected owners and tenants and the concerned public to explain about the Scheme 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 Scheme is approved by the CE in C 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

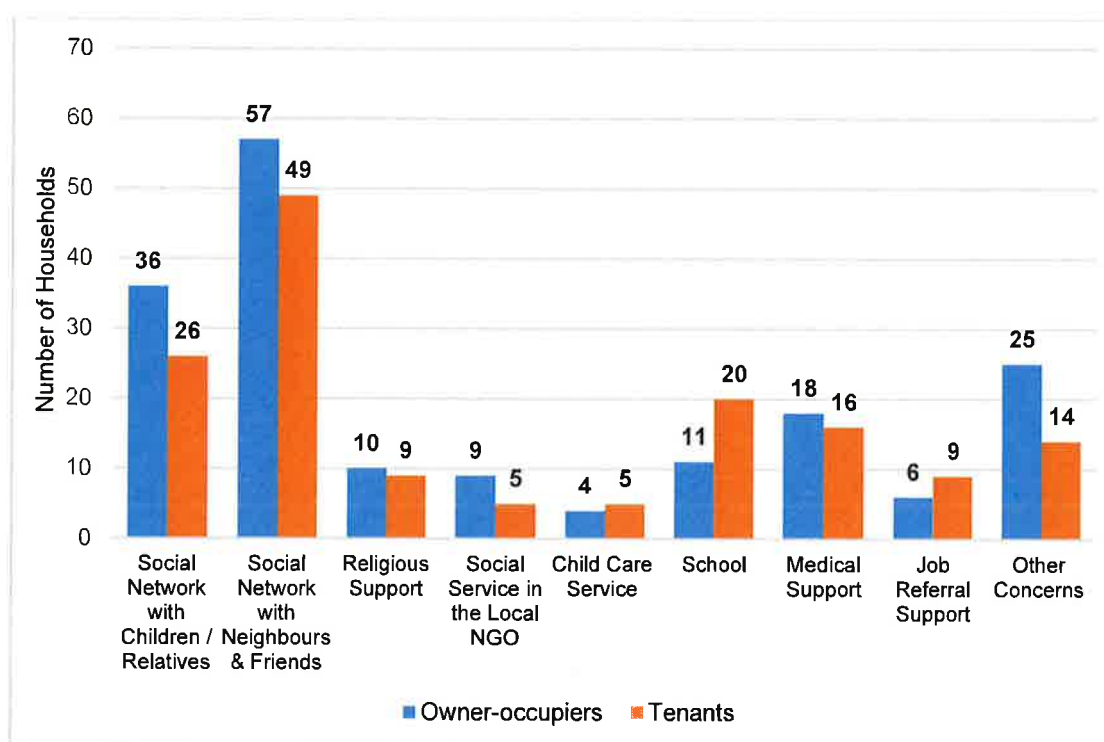
8.1 Table 8.1 showed that about 28% of surveyed owner-occupier households and about 19% of surveyed tenant households anticipated impact on their social network by the proposed redevelopment. The percentage of owner-occupiers considering to have impact on their social network is higher than the tenants.

Table 8.1 Anticipated Impacts on Social Network
(723 Surveyed Households as of 26 March 2021)

	Owner-occupiers (291 households)	Tenants (432 households)
No Impact	41%	55%
Affected	28%	19%
No response/ Refuse to respond	17%	12%
No SIA questionnaire returned	14%	14%

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 Impact on Social Network (as of 26 March 2021)

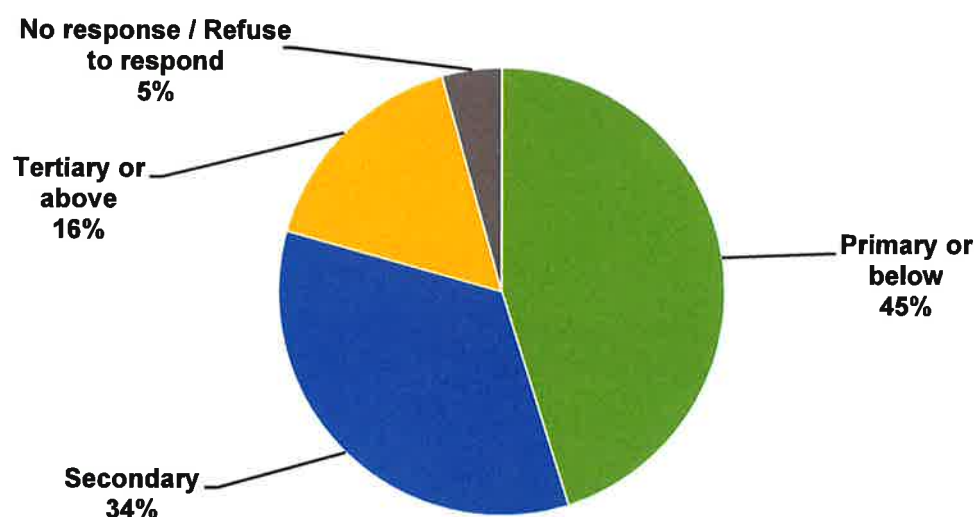


- 8.3 With reference to **Figure 8.1**, the major concerns by the residents were on social network with their children, relatives, friends and neighbours. The URA and the SST understand the difficulty and effort required by the residents to establish/ re-establish these social support. To address these needs, for eligible owner-occupiers, the URA will also offer FFF option (in-situ or in the same district or at available site(s)) 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, medical support and social services. Therefore, 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/ reestablishment of social support.

9 EDUCATIONAL NEEDS OF CHILDREN

- 9.1 The survey identified 184 students residing in 131 households within the Scheme, including 44 students (about 24%) from owner-occupier households and 140 students (about 76%) from tenant households. **Figure 9.1** presented the type of schools being attended by students living within the Scheme.

**Figure 9.1 Type of Schools Attended by Students
(184 Surveyed Students as of 26 March 2021)**



- 9.2 Of the 93 students answered their districts of schools, 55 of them (about 59%) are studying in the Kowloon City District while 18 of them (about 19%) are studying in other districts within Kowloon.
- 9.3 **Figures 9.2 and 9.3** presented the single trip travelling cost and time to schools of surveyed students respectively. About 54% of surveyed students spent at most \$10 for travelling to school while about 65% of them could arrive their schools in at most 1 hour.

Figure 9.2 Single Trip Travelling Cost to School
(184 Surveyed Students as of 26 March 2021)

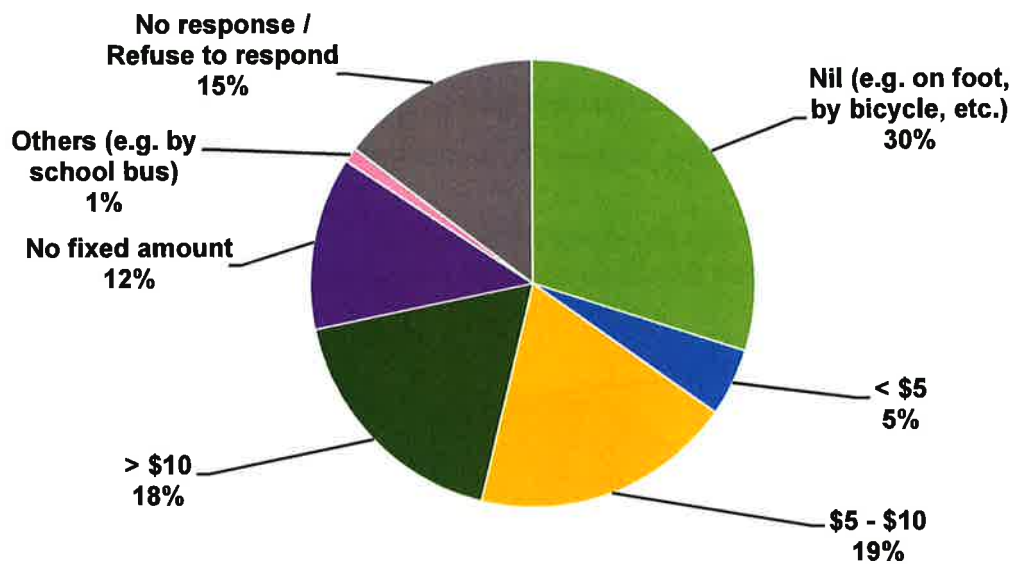
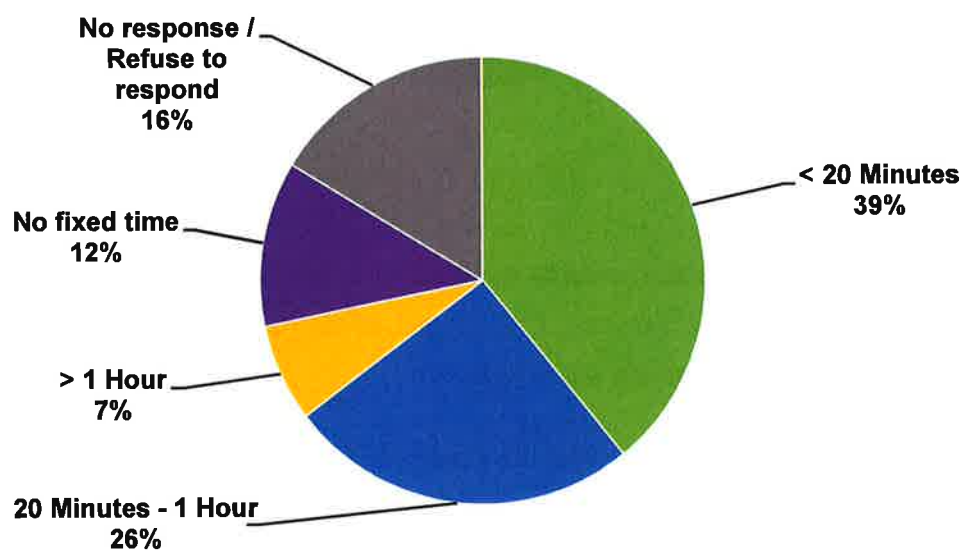


Figure 9.3 Single Trip Travelling Time to School
(184 Surveyed Students as of 26 March 2021)



- 9.4 With reference to **Figure 9.1**, Of the 184 students, 83 (about 45%) were studying in kindergartens or primary schools. Impact of the Scheme 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. Relocation away from this area may cause inconvenience especially for primary and kindergarten students. 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 Scheme.

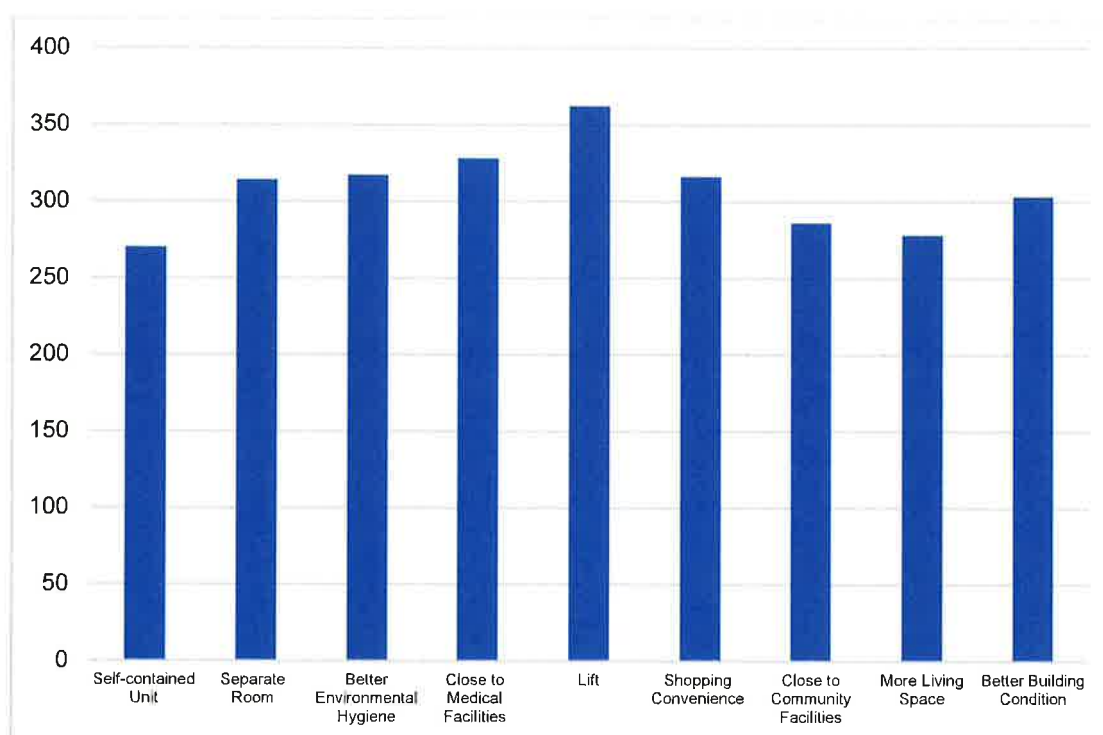
Table 10.1 Distribution of Elderly Residents (as of 26 March 2021)

Total number of Elderly and Households	
Total No. of Elderly Residents	254 persons (about 16% of surveyed residents)
Total No. of Households with Elderlies	186 households (about 26% of surveyed households)
Household Sizes	
Singleton Households	49 households (49 elderly residents)
Doubleton Households	29 households (58 elderly residents)
Others	108 households (147 elderly residents)
Occupancy Status	
Owner-occupiers	128 households (about 44% of surveyed owner-occupiers)
Tenants	58 households (about 13% of surveyed tenants)

10.3 With reference to **Table 3.3**, the percentage of elderly residents within the Scheme was similar to the territorial level of about 15%. 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 providing information on the arrangement of rehousing and the new environment surrounding the estate. The SST and the URA "Project Engagement" team will pay special attention to the singleton and doubleton elderly households and adopt a proactive approach to deliver prompt assistance to the elderly through home visits.

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 26 March 2021)**



10.5 With reference to **Figure 10.1**, elderly residents mostly aspired the presence of lift for their new accommodations. They also perceived better building condition/ environmental hygiene and convenience to shopping and medical facilities. 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 Thirty-four (34) residents with disabilities (about 2% of the 1,652 surveyed residents) were recorded in the survey. Their disabilities mainly relate to wheelchair access, mental health and mobility impairment. These residents mainly concerned medical support, 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 Thirty-six (36) single-parent families (about 5% of the 723 surveyed households) including 6 owner-occupiers and 30 tenanted households. Fifty-one (51) children were identified in the survey. These families mainly concerned more living space, better living environment, school and child care service. 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 Forty-eight (48) of the 723 surveyed households (about 7%) were recorded to be ethnic minority groups, which was lower than the district-wide and territorial-wide percentages of about 10% and about 8% respectively. Major ethnicities included Pakistanis (14 households), Filipinos (8 households), Indians (8 households) and Thais (8 households). The remaining included 1 household of both Filipinos and Indians, 4 Indonesian households, 2 Nepalese households, 1 Malaysian household, 1 Sri Lankan household and 1 Korean household.
- 10.9 Only 1 Indonesian household was owner-occupier while the remaining 47 households are all tenants. Less than 25% of these households of ethnic minorities' anticipated negative impacts on their employment, economic condition or social network.

- 10.10 Some households of ethnic minorities are living in clusters of actual units which implied a certain level of social support among neighbours. For tenanted households of ethnic minorities who prefer to live close to relatives/ friends 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.
- 10.11 The URA had organized 4 sessions of physical public briefings on 16 March 2021 and 17 March 2021 with instant English interpretation to assist households of ethnic minorities to understand the planning procedures of the Scheme and the prevailing compensation and rehousing policies. Households of ethnic minorities could also access the project briefing videos in English about the Scheme 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.

11 BUSINESS IMPACT

11.1 According to the FS, there are 110 business operators. The details are shown in **Table 11.1**.

Table 11.1 Number of Business Operators Surveyed within the Scheme (as of 26 March 2021)

		No. of Surveyed units	No. of Business Operators
Surveyed Non-domestic GBP units	For non-domestic use	90	89 Note 1
	For mixed use	5	4 Note 2
Surveyed Domestic GBP units	For non-domestic use	3	3
	For mixed use	3	3
Wall stalls/ staircase structures/ staircase shops surveyed for non-domestic use		11	11 ⁶ Note 3
Total		112	110

Note 1: 1 business operator occupying 2 non-domestic GBP units.

Note 2: 1 business operator occupying 2 non-domestic GBP units.

Note 3: 1 wall stall, 1 staircase structure and 9 staircase shops found.

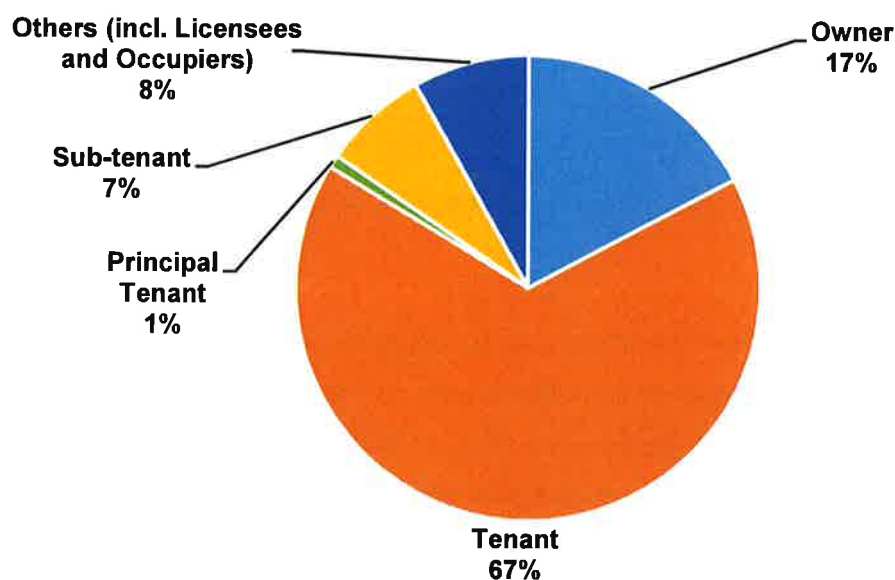
11.2 Of the 110 business operators, 90 of them have completed the whole or part of the SIA questionnaire; while 7 households did not respond to the SIA questionnaire. The remaining 13 households did not return the SIA questionnaire. For operators did not respond or refused to respond to the whole or 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 110 records from the business operators.

⁶ Occupancy status and eligibility for compensation are subject to verification upon approval of the Scheme.

**Table 11.2 Results of FS and SIA Survey for Business Operators
(as of 26 March 2021)**

	No. of Business Operators
Surveyed operators in the Freezing Survey	110
Breakdown by response to the SIA questionnaire	
Operators responded to the whole/ part of the SIA questionnaire	90
Operators did not respond to the SIA questionnaire	7
Operators with no SIA questionnaire returned	13 ⁷
Total	110

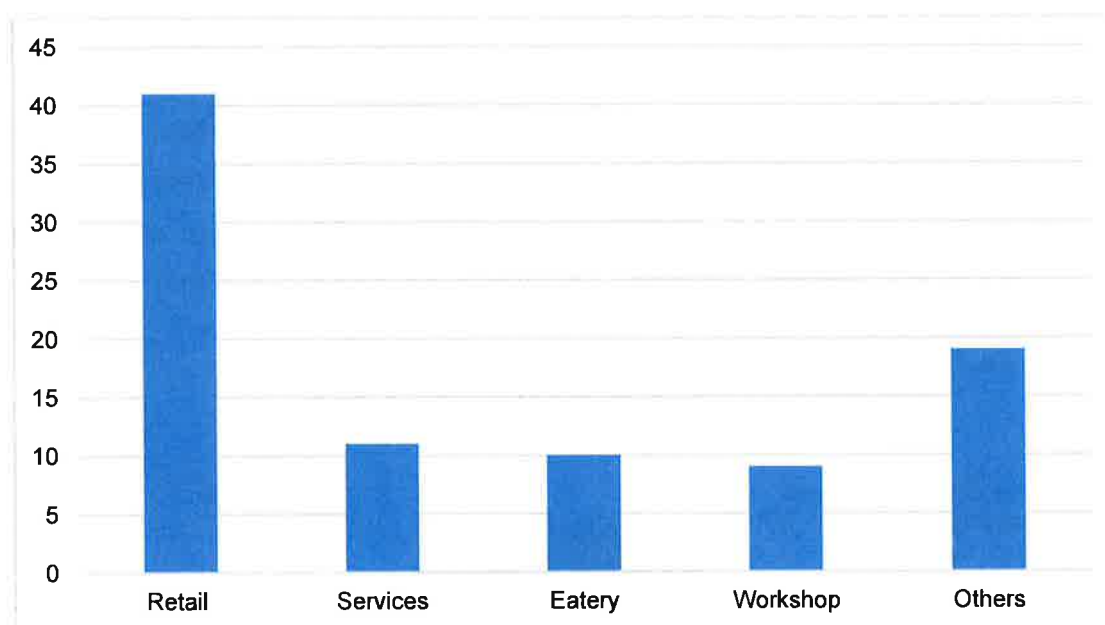
11.3 As shown in **Figure 11.1**, out of the 110 survey operators, 19 (about 17%) were owner operators, 82 (about 75%) were tenant operators (including tenants, principal tenants and sub-tenants) and 9 (about 8%) were of other status (including occupiers 1 licensee, 3 occupiers and 5 other occupiers).

**Figure 11.1 Occupancy Status of Business Operators
(110 Surveyed Operators as of 26 March 2021)**

⁷ To minimize face-to-face interactions and thus the risk of contracting and spreading COVID-19, operators were asked to return the SIA questionnaire separately after the freezing survey. As of 26 March 2021, there were in total 13 surveyed operators who had not yet returned the SIA questionnaire.

- 11.4 **Figure 11.2** shows the nature of existing businesses of the interviewed operators. The types of business identified within the Scheme are commonly found in some ground floor premises in Kowloon City district, such as retails, eateries and services. It is possible for most of these operators, particularly shops selling 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
(110 Surveyed Operators as of 26 March 2021)



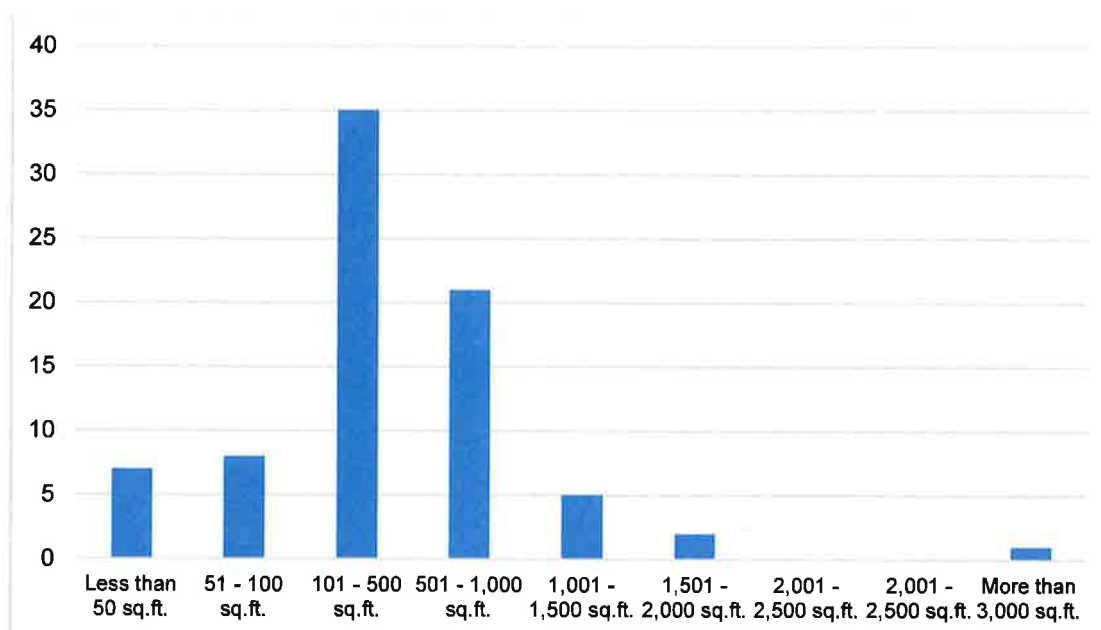
Remarks: 20 operators did not/ refused to respond to this question or did not return the SIA questionnaire.

- 11.5 Five (5) ground floor premises were occupied by vehicle repair services and these operators classified their businesses as “service” or “workshop”. Other operators replied their businesses as “workshops” included metal workshop, interior design and food related business. Operators who classified their businesses as “Others” included property agency, warehouse, clinic and money changer. Moreover, 1 shop operator of charitable institution was surveyed within the Scheme and the operator classified its nature of business as “Others”.
- 11.6 For the operators who are engaging vehicle repair service or workshop, they may need to find alternative non-domestic premises, which can satisfy their various operational requirements and the respective uses are permissible in both the lease and planning terms, and in compliance with the Deed of Mutual

Covenant ("DMC") of the buildings. Upon request from these operators, the URA can assist to identify suitable premises to enable them to relocate and continue operation in the same district as far as practicable.

- 11.7 Among the 110 survey operators, 16 of them indicated that their shops are chain stores or have other branches. Less impact is anticipated with the compensation provided by the URA.
- 11.8 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 approval of the Scheme by the CE in C.

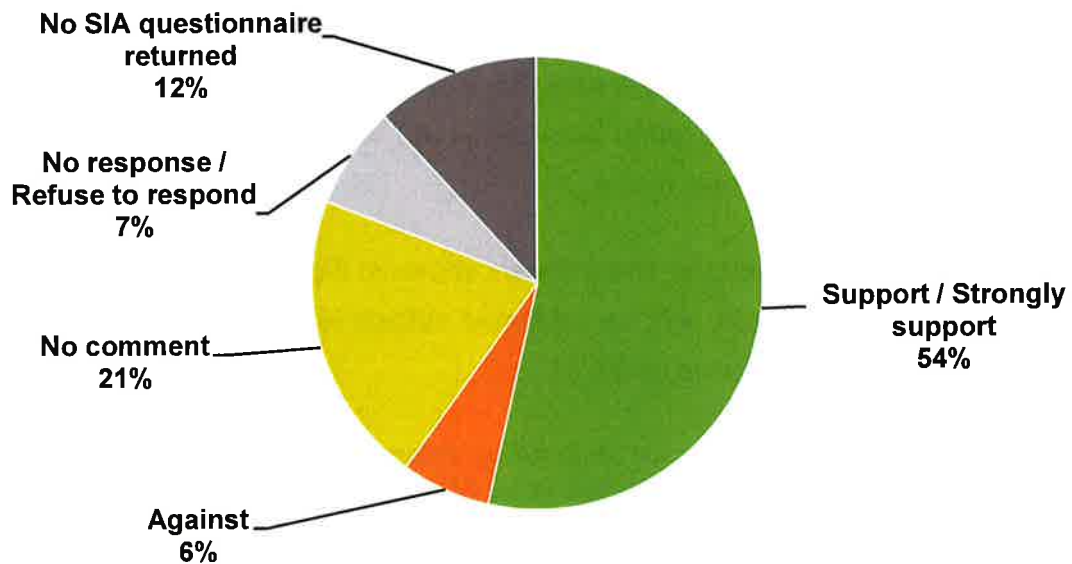
**Figure 11.3 Size of Premises as Claimed by Operator
(110 Surveyed Operators as of 26 March 2021)**



Remarks: 31 operators did not/ refused to respond to this question or did not return the SIA questionnaire.

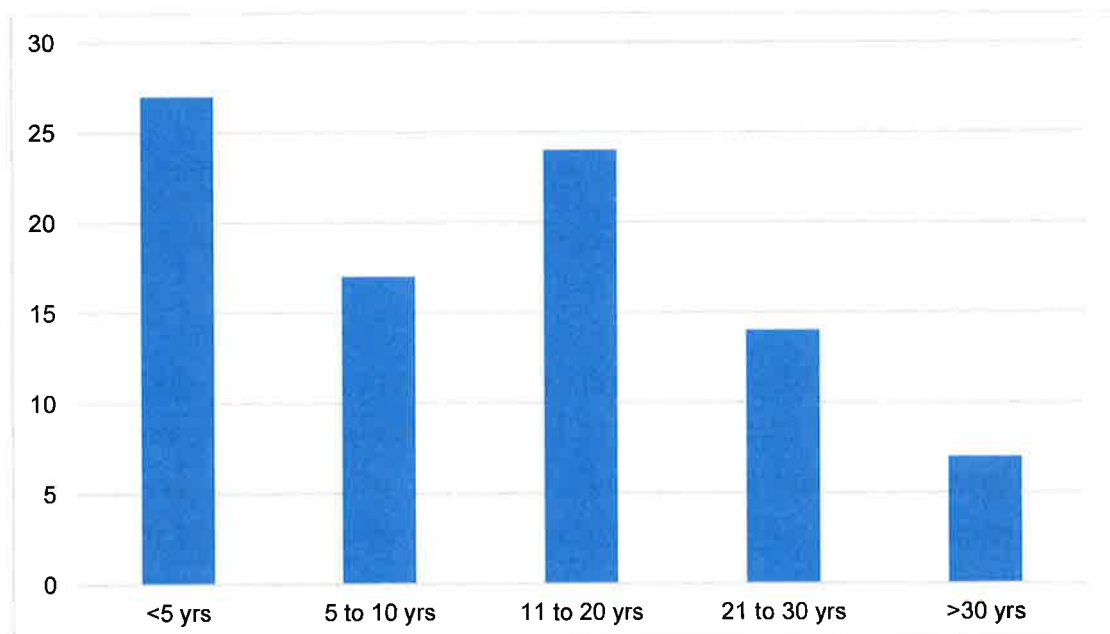
- 11.9 **Figure 11.4** shows the business operators' views on the proposed redevelopment. Among the 110 survey operators, 59 interviewed business operators (about 54%) strongly supported or supported the proposed redevelopment, while 7 interviewed business operators (about 6%) did not support. No operator expressed view of strongly against the Scheme. Majority of those supported the Scheme considered that the building condition was poor and the building should be redeveloped to bring better local environment. Majority of those not supporting the Scheme responded that the Scheme would affect their business operations.

**Figure 11.4 Business Operators' Views on the Proposed Redevelopment
(110 Surveyed Operators as of 26 March 2021)**



11.10 Figure 11.5 shows the years of operation of their existing businesses that most operators (68 operators) had operated their businesses at the existing premises for less than 20 years.

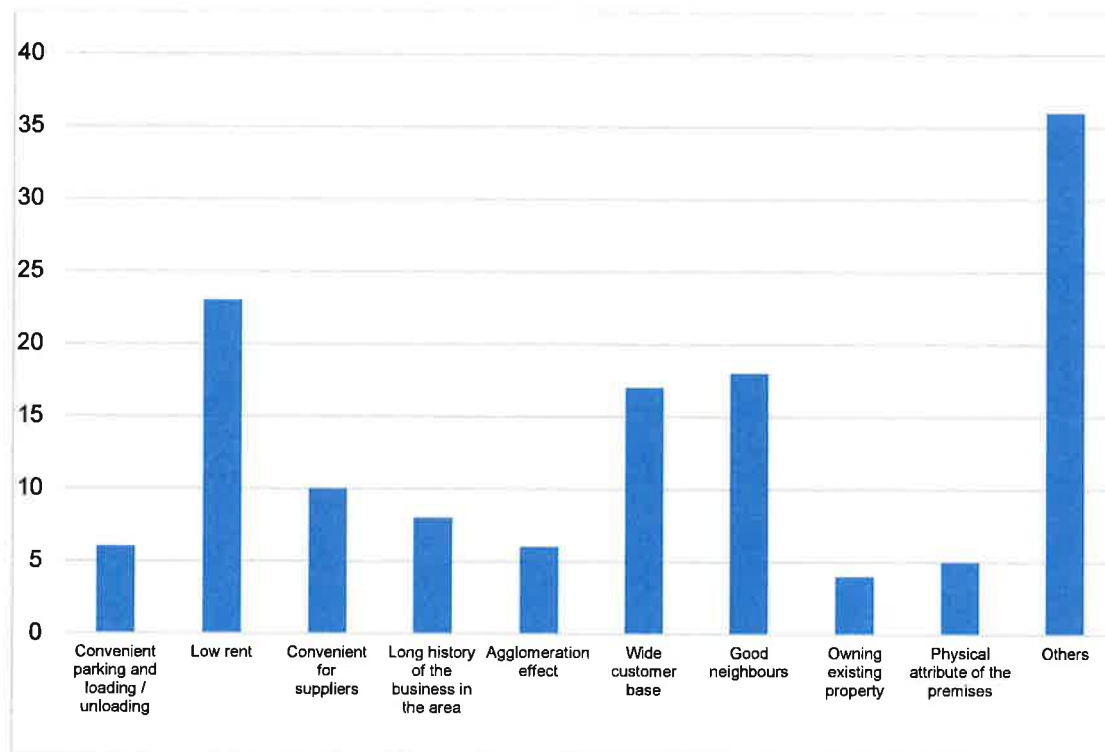
**Figure 11.5 Years of Business Operation
(110 Surveyed Operators as of 26 March 2021)**



Remarks: 21 operators did not/ refused to respond to this question or did not return the SIA questionnaire.

11.11 **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 size of premises, floor height, inheritance and referral by relatives or friends, etc.

**Figure 11.6 Main Reasons for Operating at the Existing Premises
(as of 26 March 2021)**



11.12 **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 neither satisfied nor dissatisfied with their business performance, and there were also the highest percentage of operators were satisfied of their interpersonal relationship and business network respectively.

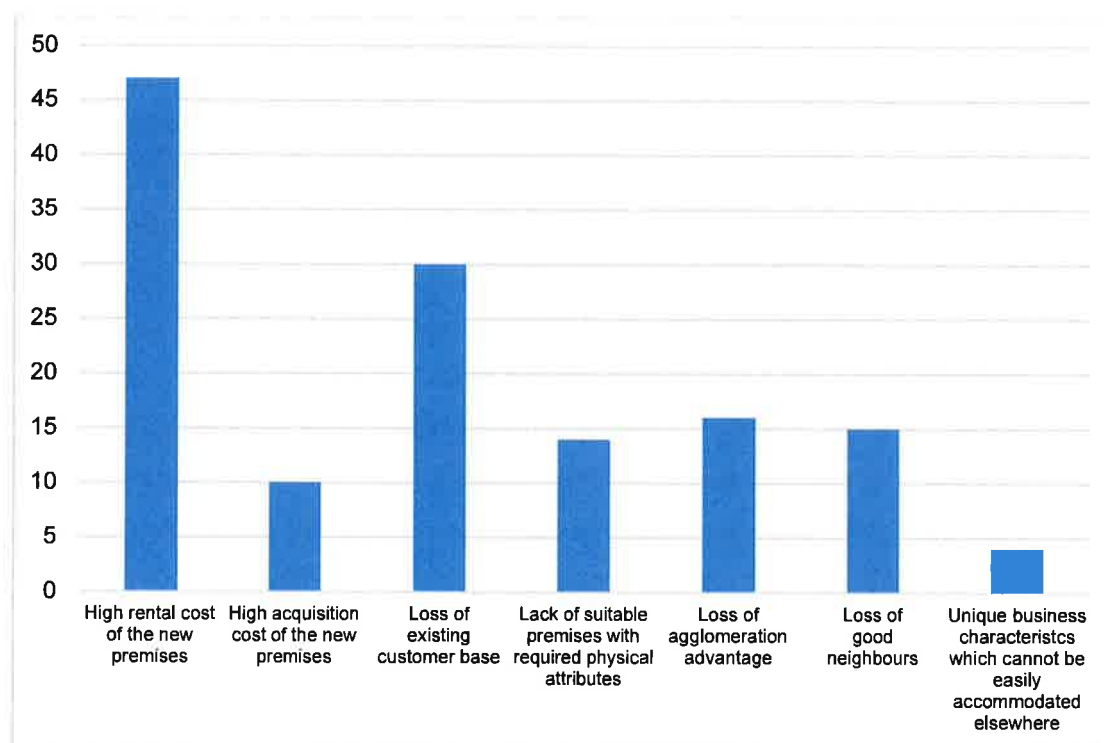
Table 11.3 Operators' Satisfactions of Business Performance, and Opinions of Interpersonal Relationship and Business Network Established from the Existing Business
(110 Surveyed Operators as of 26 March 2021)

		Business Operators
Satisfaction Level of Business Performance	Very Satisfied	3%
	Satisfied	25%
	Neither Satisfied nor Dissatisfied	26%
	Dissatisfied	18%
	Very Dissatisfied	4%
	Others	2%
	No response/ Refuse to respond	10%
	No SIA questionnaire returned	12%
Opinion of Interpersonal Relationship	Very Satisfied	19%
	Satisfied	44%
	Neither Satisfied nor Dissatisfied	12%
	Dissatisfied	0%
	Very Dissatisfied	2%
	Others	1%
	No response/ Refuse to respond	10%
	No SIA questionnaire returned	12%
Opinion of Business Network	Very Satisfied	6%
	Satisfied	34%
	Neither Satisfied nor Dissatisfied	27%
	Dissatisfied	5%
	Very Dissatisfied	5%
	Others	1%
	No response/ Refuse to respond	10%
	No SIA questionnaire returned	12%

11.13 On the future intention of the operators if the proposed Scheme is implemented, 38 interviewed business operators (about 35%) responded that they would like to continue their businesses nearby; while 31 interviewed business operators (about 28%) have not yet decided.

11.14 **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 are the major concerns to the surveyed operators.

**Figure 11.7 Main Concerns on Relocation of Business Operators
(as of 26 March 2021)**



11.15 Fifty-eight (58) interviewed business operators (about 53%) expressed that they wanted to meet URA staff and SST for assistance. Forty-one (41) interviewed business operators (about 37%) 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 Scheme to enable them to relocate and continue operation in the same district as far as practicable. Ten (10) interviewed business operators (about 9%) had expressed that their employees had major concern on the proposed redevelopment, of which they were worry about unemployment and less convenient to come to work after relocation of the business. The SST and the URA "Project Engagement" team will pay attention to the needs of staff and alleviate their concerns. Section 12 will further explain the details of these mitigation measures.

12 MITIGATION MEASURES

Social Service Team

- 12.1 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 26 March 2021, the SST has successfully contacted 282 households and 49 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 26 March 2021)

Client Groups	Number of Contacts
Domestic Tenants	142
Domestic Owners	114
Business Operators	49
Domestic Households with no Claimed Occupancy Status	26
Total	331

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

Table 12.2 Nature of Problems Identified Among the SST Contacts (as of 26 March 2021)

Problem or Enquiry Nature	Number of Enquiries
Domestic Tenants	
a) Unclear on compensation and rehousing policies	124
b) Evicted by owners/ outrageous rent rise	3
c) Worry about eviction, termination of tenancy or outrageous rent rise in future	15
Domestic Owners	
a) Unclear on compensation policies	94
b) Worry about compensation not enough to purchase another flat in the same district	20
Business Operators	
a) Unclear on compensation policies	45
b) Worry about compensation not enough to resume their businesses in the same district	4
Domestic Households with no Claimed Occupancy Status	26
Total	331

12.3 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

12.4 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 10 March 2021. The public briefing aimed to inform all the stakeholders, including owners, tenants and business operators affected, and the public on the details of the Scheme, and to obtain public views on the Scheme. About 300 views were recorded for the online video platform public briefing sessions. Four sessions of physical public briefing were also organized on 16 and 17 March 2021 for stakeholders who had made appointments in advance. The total attendance of the four physical public briefings was about 90 persons. Questions on Freezing Survey, planning, acquisition and compensation and rehousing issues were addressed at the meeting. Those

present were also informed that owners would not get more compensation by evicting tenants identified in the Freezing Survey. Video clip of briefing sessions have been archived and stakeholders can gain access to it by visiting the designated websites on or before 5 May 2021.

Project Engagement Programme

- 12.5 From a URA's scheme commencement to commencing acquisition and rehousing arrangement after CE in C's approval of Scheme 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 October 2016 to provide direct contact services.
- 12.6 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

- 12.7 The URA also answers enquiries and provides hotline services to residents within the redevelopment area. About 134 enquiries had been received between 5 March 2021 and 26 March 2021. The subject matters of the enquiries are summarised in **Table 12.3**.

Table 12.3 Nature of Enquiries (as of 26 March 2021)

Subject Matters of Enquiries	
Scheme information, progress, timetable and planning procedures of urban renewal	17%
Acquisition Compensation and rehousing policies	31%
Household Survey (e.g. registration arrangement, briefing arrangement)	50%
Others	2%
Total enquiries: 134	100%

12.8 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.

12.9 The URA will assist displaced elderly owner-occupiers to find replacement flats within Kowloon as far as practicable. Redevelopment will inevitably affect the existing social network of some residents within the Scheme. 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 Kowloon City District, e.g. through organizing a re-union gathering for displaced residents;
- 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.

12.10 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 Scheme are resolved in a timely manner.

Prevailing Acquisition, Compensation and Rehousing Policy

12.11 At the online and physical public briefings held on 10 March, 16 March and 17 March 2021, compensation, rehousing or ex-gratia payment based on the URA's prevailing policy were fully explained.

Domestic Properties

12.12 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 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.

- 12.13 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. Under such arrangement, the URA will offer FFF in a URA new development in-situ or in the same district or at available site(s) (subject to changes in the relevant legislation and regulations) (as URA may select for the purpose provided that necessary approval/ authorization has been obtained at the time of FFF offer), 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.
- 12.14 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.
- 12.15 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>.
- 12.16 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.

- 12.17 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 Scheme 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\$180,000 (for an one-person household) and HK\$200,000 (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






- 12.18 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") mentioned in paragraph 12.19 below. 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, will be offered. 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.
- 12.19 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.

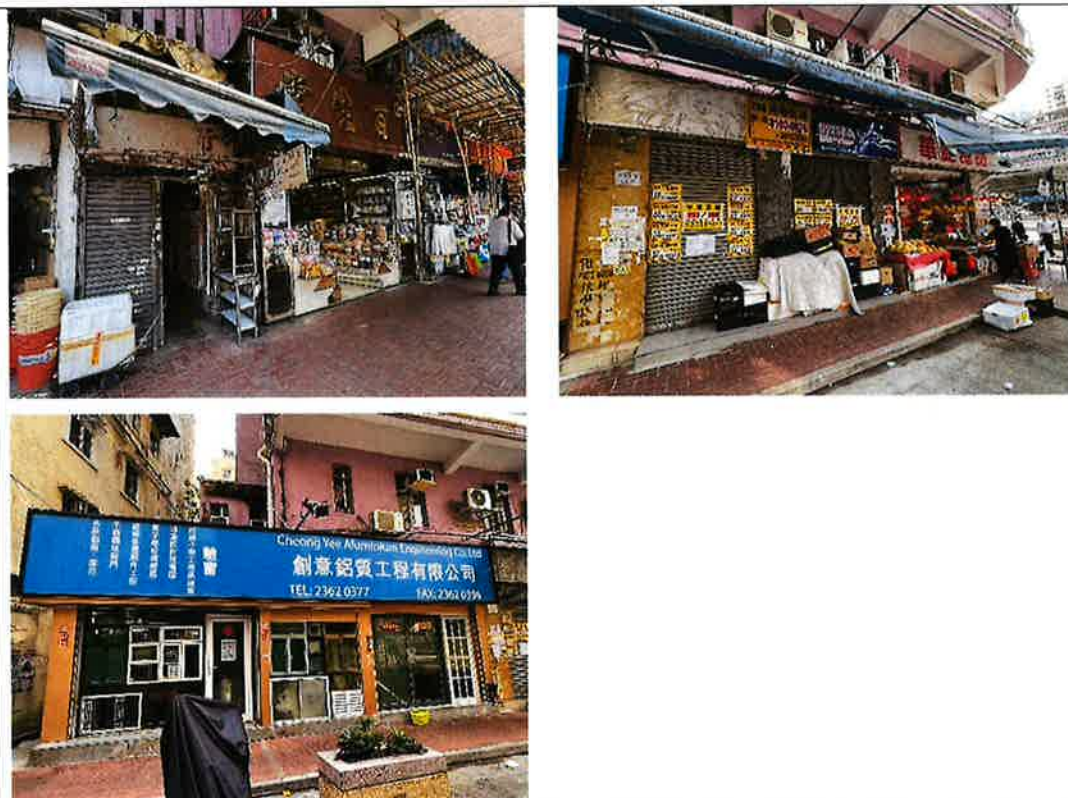
Table 12.5 Calculation of Ex-gratia Business Allowance

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

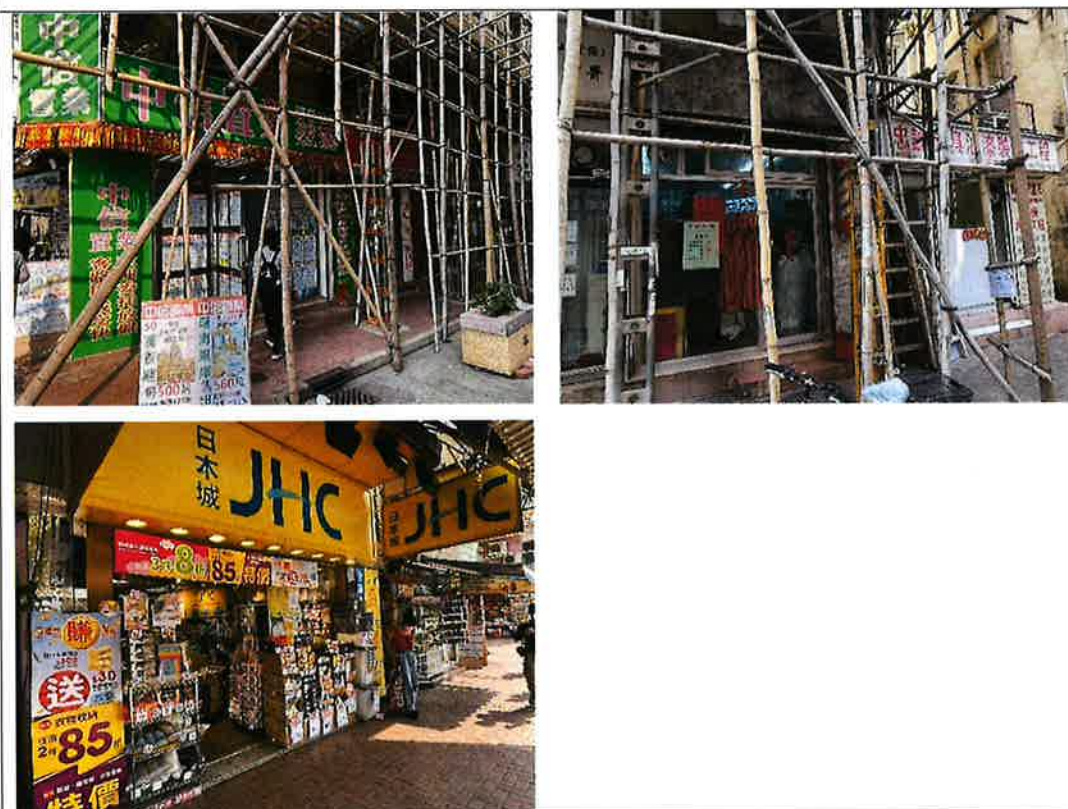
- 12.20 Eligible non-domestic tenant-operators (except tenants of industrial premises), whose tenancies commenced before the date of Freezing Survey and who were requested by their landlords to move out from the affected properties due to the expiry or termination of their tenancies before the URA acquired 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 according to paragraph 12.19 above, can apply for the URA's Special EGBA, the amount of which is equivalent to EGBA mentioned in paragraph 12.19 above.
- 12.21 According to the URS, if requested, the URA will help identify suitable premises in the district of the redevelopment project to enable the affected shop operators to relocate and continue operation in the same district as far as practicable.
- 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 Scheme commences. Prevailing policies relating to property acquisition, rehousing and ex-gratia allowances will be reviewed by the URA from time to time.

**Appendix I Photos of Non-domestic G/F Premises within the Scheme
(as taken in March 2021)**

	
	
<p>1 – 3 To Kwa Wan Road</p>	
	
<p>5 – 7 To Kwa Wan Road</p>	<p>9 – 11 To Kwa Wan Road</p>



13 – 15 To Kwa Wan Road



17 – 19 To Kwa Wan Road



21 – 23 To Kwa Wan Road



25 – 27 To Kwa Wan Road



29 To Kwa Wan Road



31 To Kwa Wan Road



111 Ma Tau Wai Road



113 – 115 Ma Tau Wai Road



117 Ma Tau Wai Road



119 – 121 Ma Tau Wai Road



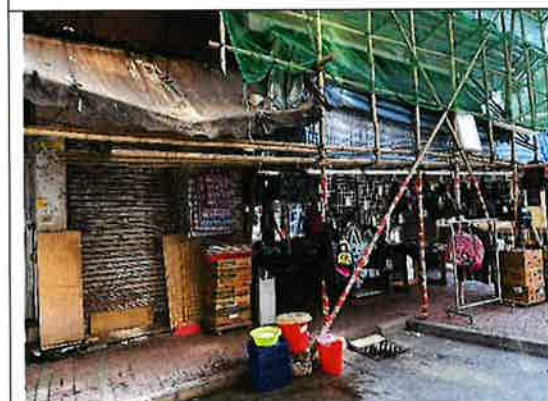
123 – 125 Ma Tau Wai Road



127 Ma Tau Wai Road



127A Ma Tau Wai Road



127B Ma Tau Wai Road



127C Ma Tau Wai Road



127D Ma Tau Wai Road



1 – 5 Kai Ming Street



1 – 5 Yuk Shing Street



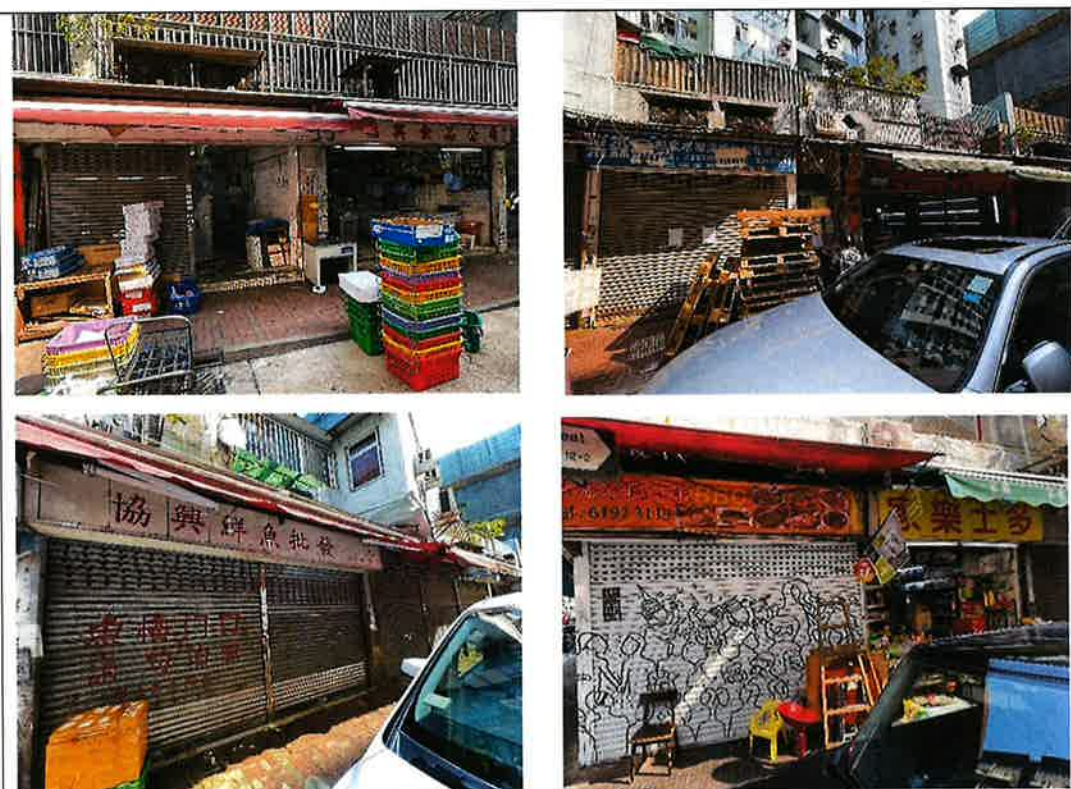
7 Yuk Shing Street & 6 Hung Fook Street



2 – 4 Hung Fook Street



11 – 19 Kai Ming Street



2 – 12 Yuk Shing Street



10 -14 Hung Fook Street