

# **Hung Fook Street / Ngan Hon Street**

## *Development Scheme (KC-010)*



Stage 2 Social Impact Assessment

July 2016

**CONTENTS***Page*

1. INTRODUCTION.....	1
2. BACKGROUND.....	2
3. POPULATION & HOUSEHOLD CHARACTERISTICS.....	9
4. SOCIO-ECONOMIC CHARACTERISTICS .....	13
5. HOUSING .....	16
6. EMPLOYMENT STATUS AND PLACE OF WORK.....	20
7. ECONOMIC AND EMPLOYMENT IMPACTS.....	23
8. SOCIAL NETWORK.....	26
9. EDUCATION NEEDS OF CHILDREN .....	29
10. GROUPS WITH SPECIAL NEEDS .....	32
11. BUSINESS IMPACT .....	35
12. MITIGATION MEASURES REQUIRED.....	44

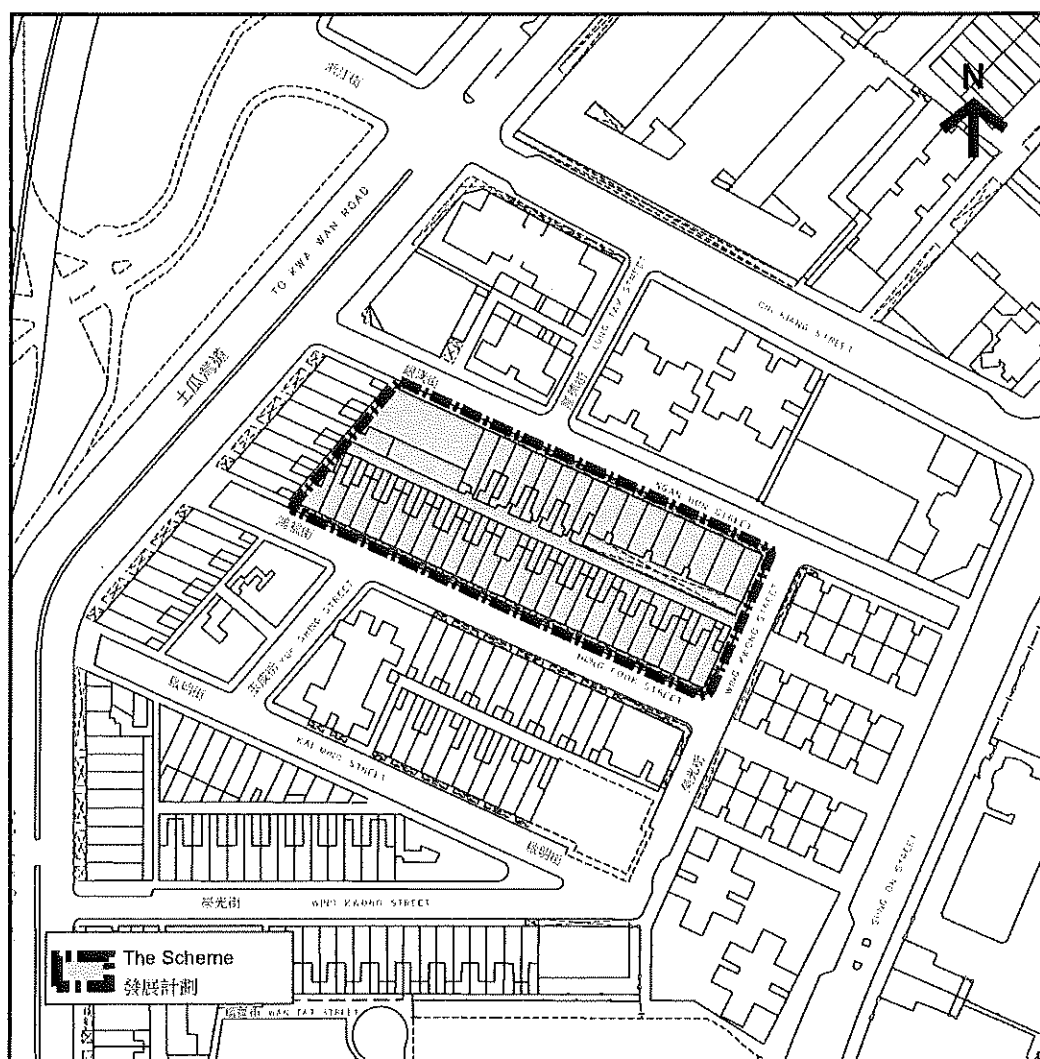
Appendix1 : Non-domestic G/F premises within the Scheme Area

## 1. INTRODUCTION

- 1.1 The new Urban Renewal Strategy (URS) issued by the Government in February 2011 states 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"*.
- 1.2 URA published in the Government Gazette the commencement of the Hung Fook Street / Ngan Hon Street Development Scheme (KC-010) (the Scheme) on 3 June 2016. On 14 June 2016 Stage 1 SIA was made available for public inspection. This Stage 2 SIA report is based on the factual data and opinions collected as part of the freezing survey for this Scheme conducted from 3 June 2016 to 5 June 2016, and from the follow-up survey visits by appointments conducted up to 3 July 2016.
- 1.3 This report covers the elements listed in paragraph 37 of the URS for the affected residents, families and businesses within the Project, including:
- (a) the population characteristics of the residents affected by the proposed project;
  - (b) the socio-economic characteristics of the affected residents;
  - (c) the rehousing needs of the affected tenants;
  - (d) the relocation needs of the affected shop operators;
  - (e) the housing preferences of the affected owners and tenants;
  - (f) the employment status of the affected owners and tenants;
  - (g) the place of work of the affected owners and tenants;
  - (h) the social networks of the affected owners and tenants;
  - (i) the educational needs of children of the affected families;
  - (j) the special needs of the elderly;
  - (k) the special needs of the disabled;
  - (l) the special needs of single-parent families, particularly those with small children;
  - (m) a detailed assessment of the potential social impact of the proposed project; and
  - (n) a detailed assessment of the mitigation measures required.
- 1.4 St. James' Settlement 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 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 action.

## 2. BACKGROUND

- 2.1 The proposed development scheme (the Scheme) comprises buildings at Nos. 1-51 Hung Fook Street (odd nos.) and Nos. 2-42A Ngan Hon Street (even nos.), To Kwa Wan, Kowloon City (**Figure 2.1**).



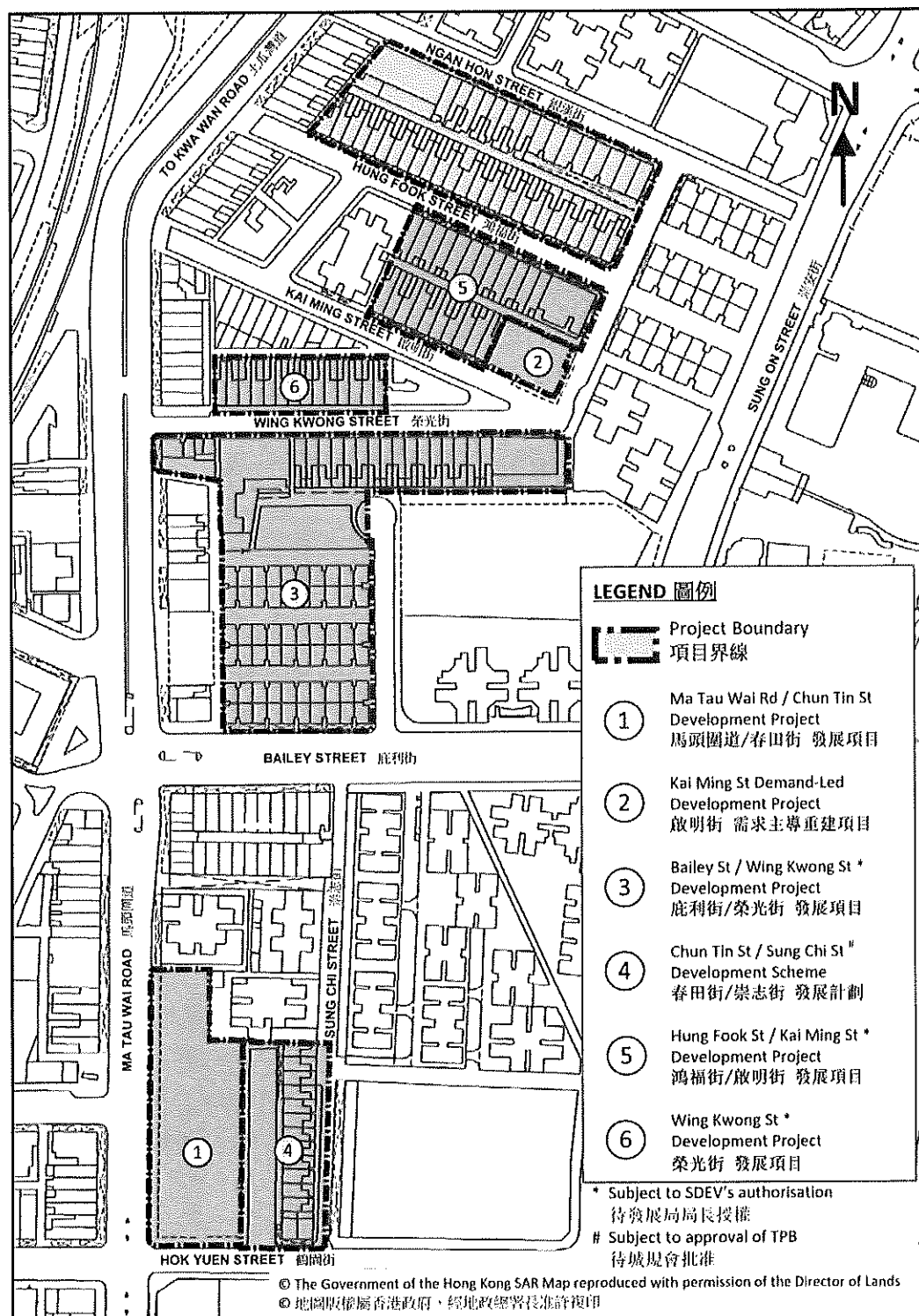
**Figure 2.1 Location Plan**

- 2.2 The Scheme is bounded by Ngan Hon Street to the north, Wing Kwong Street to the east and Hung Fook Street to the south and a back lane of the adjacent buildings to the west. It covers an area of about 4,951m<sup>2</sup>, including portion of surrounding public pavement where some of the affected buildings overhang, and a Government back lane. The net site area used for GFA calculation (which includes the Government lane but excludes the pavement) is about 4,562m<sup>2</sup>. The existing height of the buildings ranges from 6 to 8 storeys.



- 2.3 The Scheme falls within one of the "Proposed Redevelopment Priority Areas" in the Kowloon City District Urban Renewal Forum's (KC DURF's) Urban Renewal Plan. The KC DURF's Urban Renewal Plan recommended that in the "Proposed Redevelopment Priority Areas", *"redevelopment should be given priority as the urban renewal approach for the area"*. The DURF SIA, in particular the community profile compiled for this Priority Area, will be taken into consideration in this report.
- 2.4 There are a number of URA projects in the proximity to the Scheme. In order to realise the community benefits under a district-based approach, on 3 June 2016, URA also self-initiated Hung Fook Street/Kai Ming Street (KC-011) and Wing Kwong Street (KC-012) redevelopment projects under Section 26 of the URAO located to the immediate south and the southwest of the Scheme (**Figure 2.2** refers). The Bailey Street/Wing Kwong Street Development Project (KC-009) was commenced in March 2016 and is located further south of the Scheme.
- 2.5 To improve traffic accessibility and enhance pedestrian connectivity in the area, it is intended to provide a through road extending from Wan On Street via URA projects KC-009, KC-010, KC-011 and KC-012 to Ngan Hon Street. An underground car park will be provided at the Scheme accommodating car parking spaces, loading/unloading bays and coach parking spaces to serve the area bounded by Ngan Hon Street, To Kwa Wan Road, Wing Kwong Street and Sung On Street, as well as coach parking spaces. Such arrangement can maintain street fronts of the area by discouraging necessities of open up run in and out in individual developments.
- 2.6 To the immediate southeast of Development Project (KC-011) is the Kai Ming Street Demand-Led Development Project (DL-8:KC, Nos. 41-51 Kai Ming Street (odd nos.)), which was commenced in response to the dangerous building condition found at Nos. 45, 47, 49 and 51 Kai Ming Street, where Buildings Department applied for a closure order issued on 30 August 2013 and demolition orders issued on 19 December 2013.
- 2.7 Further south of the Scheme is the URA Ma Tau Wai Road/Chun Tin Street Development Project (TKW/1/002) which was commenced in response to the tragic collapse of No. 45J Ma Tau Wai Road on 29 January 2010, which caused loss of lives and seriously affected the structural integrity of adjacent buildings along Ma Tau Wai Road.

2.8 East of TKW/1/002 is another URA project - URA Chun Tin Street/Sung Chi Street Development Scheme (KC-008(A)) commenced on 6 May 2016. **Figure 2.2** shows the location of URA projects in the vicinity.



**Figure 2.2** URA projects in the vicinity

### Distribution of Units and Households

- 2.9 According to the approved General Building Plans ("GBPs") and Occupation Permits ("OPs") for the buildings within the Scheme, there are 368 units for domestic uses of which 354 units are above the ground floor while 14 units are on the ground floor. In addition, 33 units on the ground floor are designated as "Shop". A total of 368 domestic units and 33 non-domestic units will be adopted for this SIA report. The results of the Freezing Survey ("FS") will reflect the existing occupancy situation and uses.
- 2.10 Some 607 units (including self-contained sub-divided units, cockloft units and roof structures) being used for domestic purpose were identified in the FS, 538 (89%) were successfully surveyed, 12 units were found to be vacant and no survey was conducted for the remaining 57 units since the residents of these units could not be contacted or refused to respond (up to 3 July 2016). The number of domestic units found in the Project is higher than the total 368 original units shown in the approved GBPs and OPs for the buildings within the boundary of the Scheme, mainly because about 37% of units (135 units) have been sub-divided and also the presence of roof structures.

	Living Units
Successfully surveyed (for domestic uses)	538
Surveyed Vacant	12
No contact/ Refused to respond	57
Total	607

**Table 2.1      Number of living units and households found within Scheme boundary**

- 2.11 A total of 576 households were surveyed and the owners of 12 vacant units have submitted FS/SIA forms, so the following assessment will be based on 588 surveyed FS questionnaires, of which 495 (about 84%) have responded to both FS and SIA forms. Ninety-three (93) (about 16%) only answered the FS form and refused to answer the SIA questions. The following assessment related to SIA will be based on

the 495 surveyed SIA forms. Those who gave no response to particular FS/SIA questions in the surveys are categorized as “No Response” when processing/analyzing the relevant data in this report. Those who refused to do SIA questionnaire are not counted in the statistics relating to questions of the SIA questionnaire.

	Household Nos.
Total No. of surveyed households	576
Vacant Units	12
Successfully responded to both FS (successfully surveyed) and SIA questionnaire (successfully interviewed).	495
Only responded to FS (successfully surveyed) but refused to do SIA questionnaire (Refused to do the SIA).	93

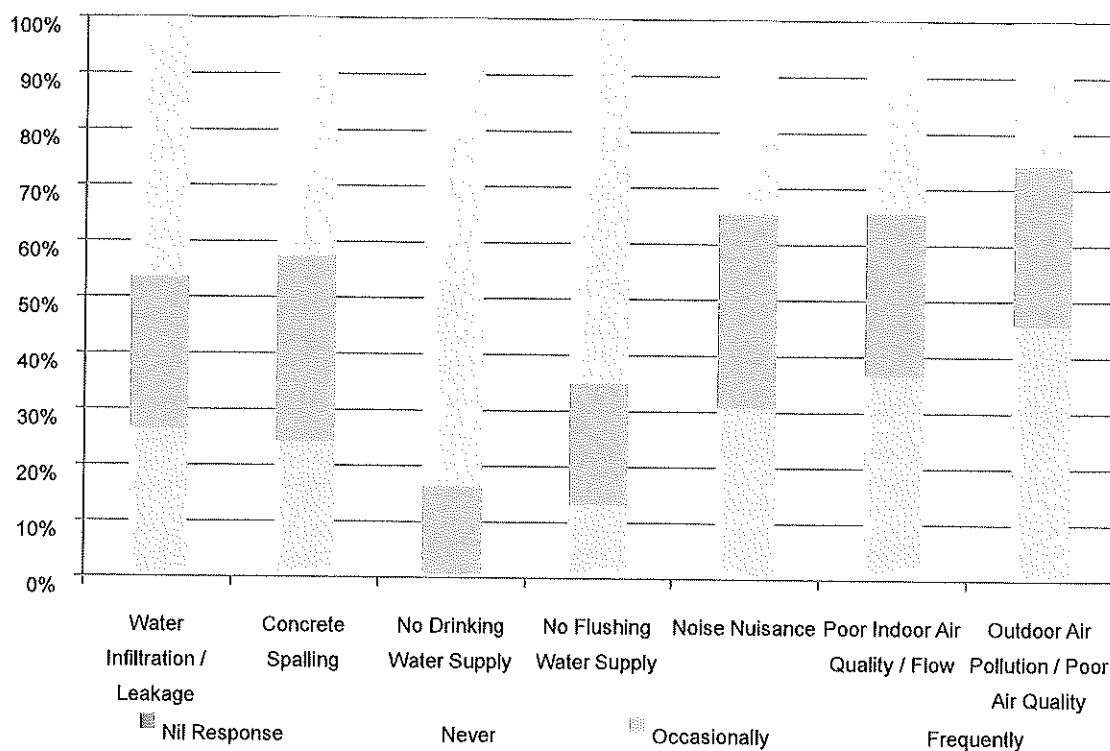
**Table 2.2 Results of FS and SIA surveys within the Scheme**

- 2.12 Regarding non-domestic uses, FS records have shown that there are some 75 non-domestic premises, including 57 ground floor premises, 16 staircase premises and 2 cockloft premises with 6 of them were found to be mixed uses. 71 business operators were surveyed of which 68 operators answered both the FS and SIA surveys. 3 operators only responded to the FS survey, refusing to respond to the SIA questionnaire. The responses of the 71 operators form the basis of Section 11 (Business Impact) of this report.

#### Physical condition and living environment

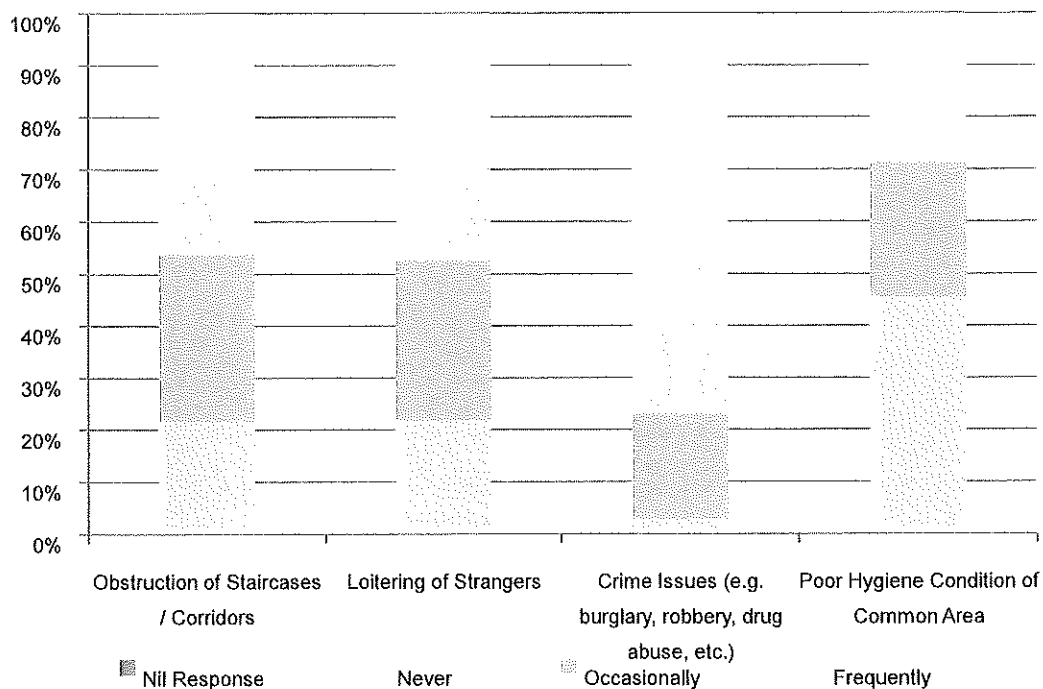
- 2.13 For the domestic household, among the 495 households who have completed both FS and SIA form, nearly 54% of the interviewed households indicated that their units occasionally or frequently suffered from water seepage and about 58% indicated the same frequency of problem with concrete spalling. Around 35% of households indicated that their units occasionally or frequently suffered from problem of no flushing water supply. It indicates that over half of the households are not satisfied with the physical conditions of their units. Regarding the living environment within the units, 65%, 65% and 74% of the respondents indicated that they occasionally or frequently suffered from problems of noise nuisance, poor indoor and outdoor air quality respectively. It indicates more than two-third of the households considered their living environment to be unsatisfactory. **Figure 2.3** shows the opinions of the

interviewed households on the physical condition and the living environment within their units.



**Figure 2.3 Opinions on the Physical Conditions and Living Environment of their Units**

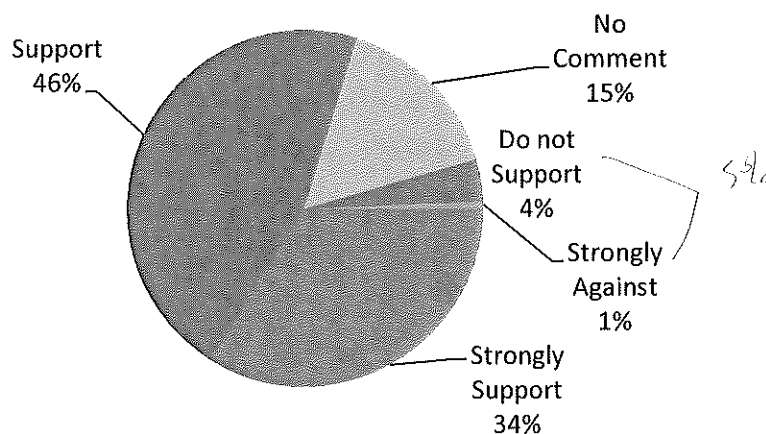
- 2.14 On the question of fire safety and hygiene concerns, about 54% of the interviewed households commented that they occasionally or frequently suffered from problem of obstruction of staircases / corridors. About 71% of households responded that they suffered of poor hygiene condition of common areas (e.g. in yards, staircases, corridors, etc). On security matters, about 53% and 23% of interviewed households expressed that they experienced occasionally or frequently loitering of strangers, and crime events, e.g. burglary, robbery, drug abuse, respectively. **Figure 2.4** shows the opinions of the interviewed households on the living environment of their units in terms of fire safety, hygiene and security issues.



**Figure 2.4 Opinions on the Living Environment of their Units**

#### Views on redevelopment

2.15 Of the 495 households who responded to the SIA questionnaire, 395 households (about 80%) of respondents support or strongly support the development scheme. Seventy eight (78) households (about 15%) had no comment, and only 19 households (around 4%) did not support the redevelopment and 3 households (about 1%) were strongly against it. ←



**Figure 2.5 Views on Proposed Scheme**

### 3. POPULATION & HOUSEHOLD CHARACTERISTICS

- 3.1 Except stated otherwise, the territorial average numbers used for comparison in this report is based on 2011 Population Census results published by the Census and Statistics Department in March 2012.
- 3.2 A total of 1,462 residents were recorded in the 576 successfully inhabited surveyed households within the Project, resulting in an average household size of 2.5 persons. It reflects a lower average household size in the Scheme area as compared to the territorial average of 2.9 persons per household. This lower average household size may be due to the presence of relatively large number of singletons and doubletons (334 households), which accounts for about 58% of the total number of households in the Project.
- 3.3 Based on the number of surveyed households (576) and the successfully surveyed living units (538) within the Scheme, the degree of sharing (or the “average number of domestic households per unit of quarters”) in the Scheme is 1.07 (576 households / 538 surveyed units), which is comparable to the territory-wide average of 1.0 for private permanent housing in the 2011 Census. However, this figure does not truly reflect the overcrowding situation within the Scheme. If the original number of domestic units in approved GBPs and OPs are adopted as the basis, the degree of sharing will be about 1.57 (576 households / 368 original units).
- 3.4 The degree of sharing is much higher within those sub-divided units. Of the 368 original residential units indicated in the approved GBPs and OPs, 135 units (37%) were found to be sub-divided. Three-hundred and seven (307) households were surveyed in these subdivided units. If the 307 households living in sub-divided units are considered as “sharing” of units and the original number of domestic units is adopted as the basis, the degree of sharing is at about 2.3 (307 households / 135 original units). Among these sub-divided units, only the conversion of 27 number of property interests into 61 number of property interests have been registered in the Land Registry.
- 3.5 In addition to the sub-division of the original domestic units, there are many rooftop structures being used for domestic purpose within the Project. **Table 3.1** shows the sub-division of domestic units. **Figure 3.1** shows the percentage of sub-division of approved GBP units of the Project.

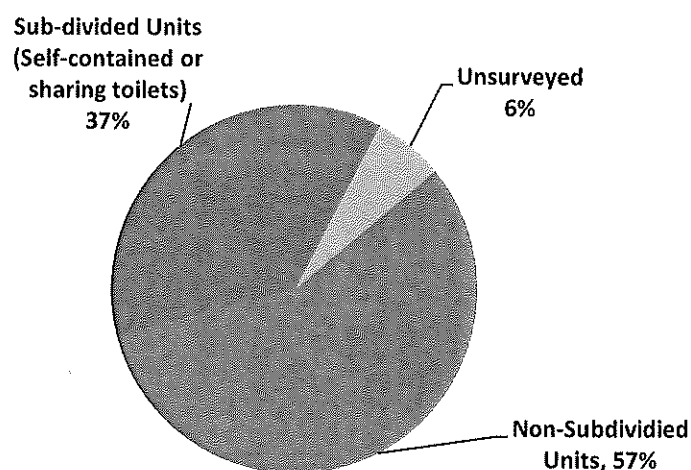
- 3.6 There are 12 vacant units within the Scheme. Since the owners of these 12 units have also responded to the FS and/or SIA forms, their views will be included in the assessment where applicable.

		GBP	Living Units	Households
<b>Non-subdivided</b>	<i>Surveyed units</i>	193	193	193
<b>Subdivided</b>	<i>Surveyed units (self-contained)</i>	135	308	307*
	<i>Surveyed units (partitioned rooms)</i>	15	18	57
	<i>Surveyed Roof structures</i>	N/A	13	13
	<i>Surveyed Non-dom unit for mixed use</i>	N/A	6	6
<b>Sub-total Surveyed Inhabited Units</b>		<b>343</b>	<b>538</b>	<b>576</b>
Vacant Units		10	12	12
<b>Total Surveyed Units</b>		<b>353</b>	<b>550</b>	<b>588</b>
Unsurveyed/refused to be surveyed units		15	57	N/A
<b>Grand Total</b>		<b>368</b>	<b>607</b>	<b>588</b>

\* One household occupied 2 living units.

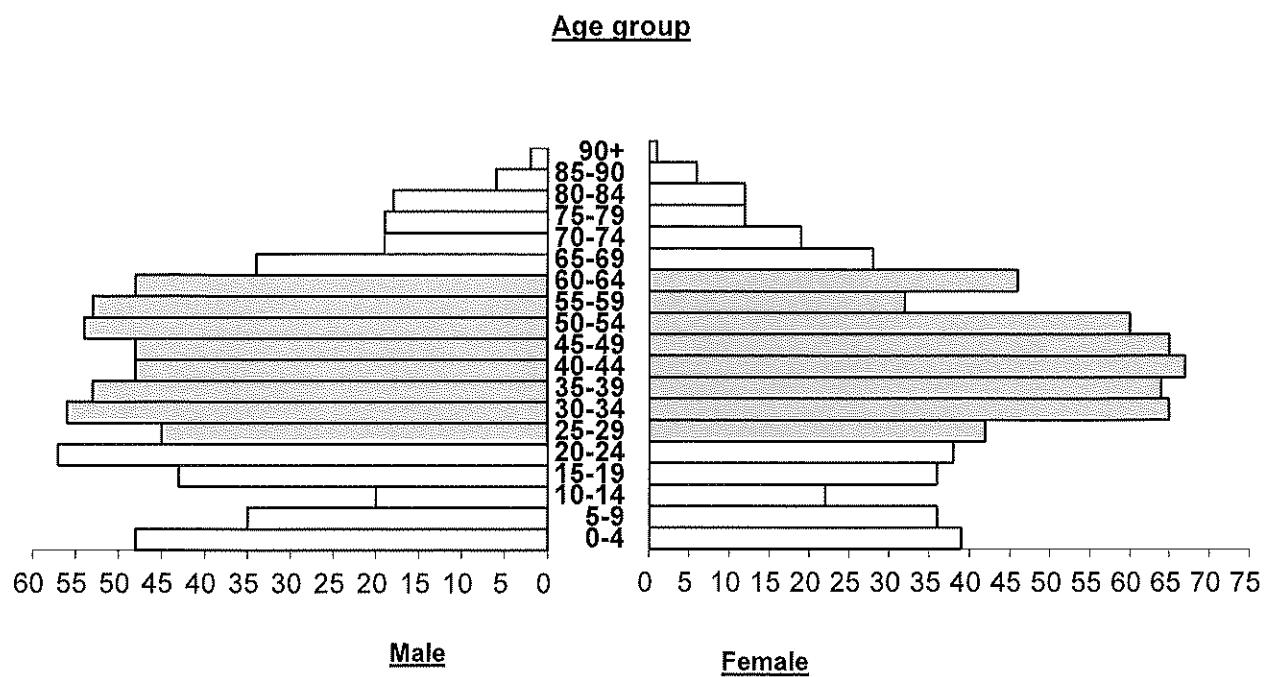
**Table 3.1 Sub-division of domestic units**





**Figure 3.1 Percentage of Sub-division of Approved GBP and OPs units**

- 3.7 A total of 1,462 residents were recorded in the Freezing Survey, 740 were male, 721 were female. One (1) persons did not fill in this part of the questionnaire. The distribution gives a ratio of 103 male residents to every 100 female residents.
- 3.8 Among the 1,396 residents who disclosed their age information, the economically active age group of 25 to 64 accounts for the majority of the total population (about 60.6%). The number of residents in this age group is comparable to the corresponding territory-wide level of 62.7%, while the youth age group of 15-24 (about 12.5%) is also close to the territory-wide level of 12.4%. The 0-14 age group, representing about 14.3% of the population in the Project, is higher than the corresponding territory-wide level (11.6%). The elderly group (65 and above), representing about 12.6% of the total population in the Scheme, is slightly lower than the corresponding territory-wide level of 13.3%. The findings of the survey show that the percentage share of the number of children and elderly in the total population of the Scheme is not particularly high. It is anticipated that the assistance required to support this more vulnerable group should be manageable. **Figure 3.2** showed the age structure of the Scheme.

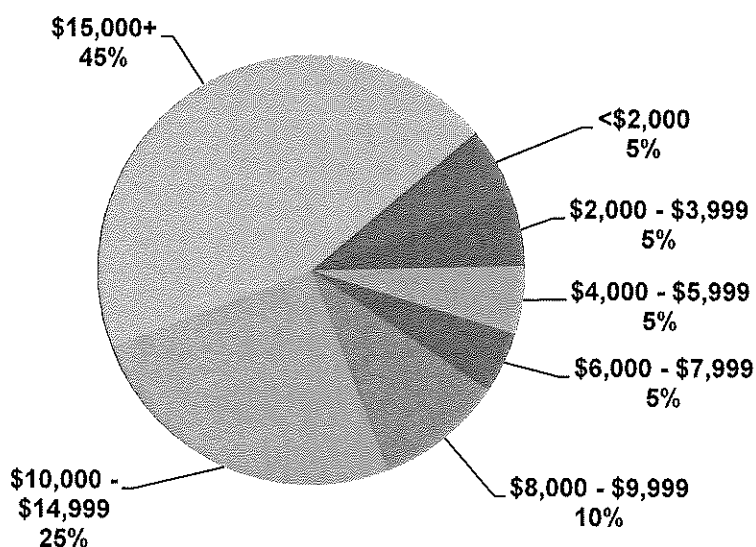


**Figure 3.2      Age Structure**

#### 4. SOCIO-ECONOMIC CHARACTERISTICS

##### Income Level

- 4.1 Of the 495 households responded SIA questions, 411 households have responded to the this question and are recorded and analyzed. As shown in **Figure 4.1**, approximately 30% of the households have monthly income less than HK\$10,000 per month, which is higher than the territory-wide average of 24%. For households receiving less than HK\$4,000 per month, the proportion was about 10% which is slightly higher than the territory-wide average of 9% as reported in the 2011 Census. A higher proportion of interviewed households (45%) have monthly income of more than HK\$15,000 per month. Based on those who responded, the percentage of low-income household living within the Project appears to be low.



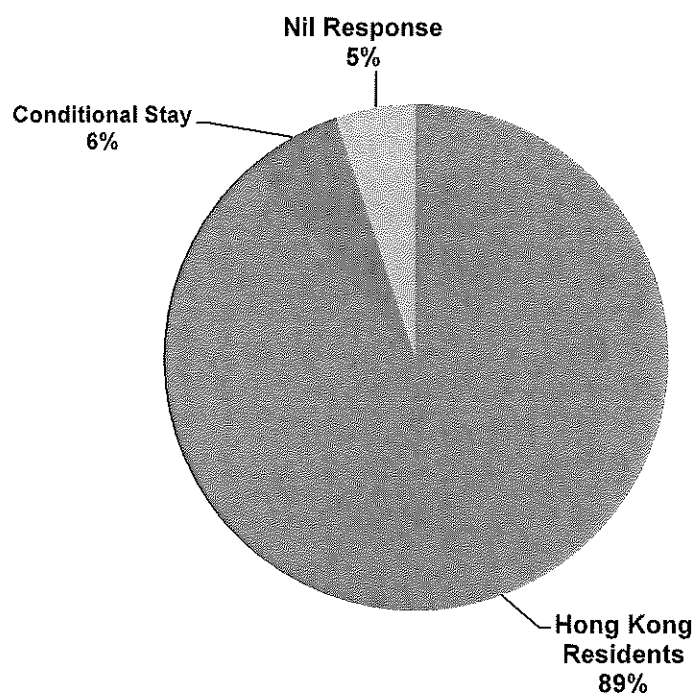
**Figure 4.1 Household Income (HK\$ per month)**

- 4.2 Out of the 495 households, only 49 households (i.e. around 10% of the total households) were recorded as currently receiving Comprehensive Social Security Assistance (CSSA). The percentage share of the population in the Project receiving CSSA (10%) is much higher than the territorial level of 5.3% as at end 2014<sup>1</sup>. 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.

<sup>1</sup> 'Statistics on Comprehensive Social Security Assistance Scheme, 2004 to 2014, Feature Article of Hong Kong Monthly Digest of Statistics', September 2015, Census and Statistic Department.

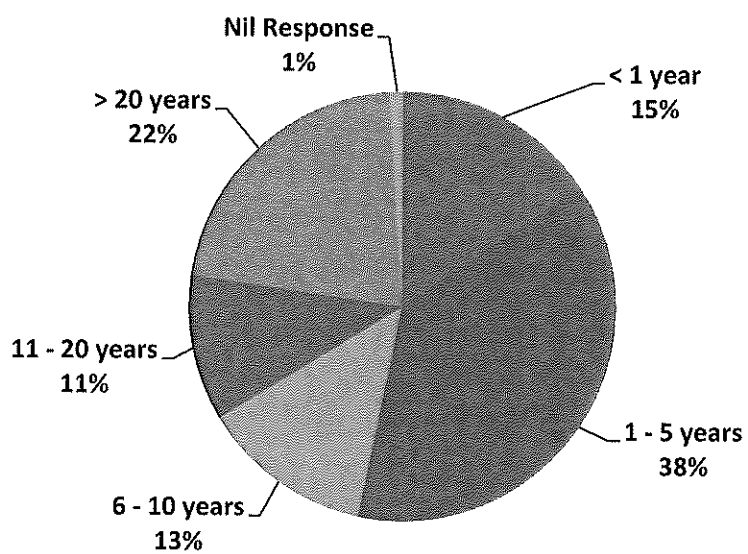
### Residence

- 4.3 Approximately 88 out of 1,462 residents (about 6%) replied that they were subject to conditional stay, as shown in **Figure 4.2**. All the residents in this group could not meet the eligibility criteria for public rental housing as applied by 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**

- 4.4 **Figure 4.3** indicates the length of time the affected households have resided in their current abode. Out of 576 households, 308 households (about 53%) of households have lived in the Scheme for less than 5 years, of which 90 households (about 15%), less than a year. 125 households (about 22%) have lived within the Scheme for over 20 years. Of this group of households living over 20 years, 82 had elderly family members. This elderly group might find it more difficult to adjust to a new living environment. The assistance of the SST in providing orientation services and holding community gatherings will be important in helping these residents adapt to their new environment.



**Figure 4.3**      **Period of Residence at Current Premises**

## 5. HOUSING

### Re-housing Needs and Location Preference

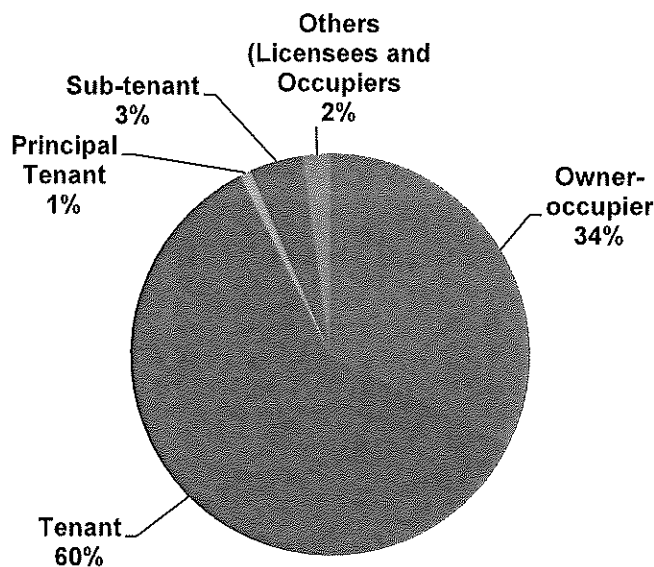
- 5.1 Owner-occupiers accounted for about 34% (199 households)<sup>2</sup> of households (which includes the owners of the 12 vacant units) in the survey. This rate of owner occupancy is lower than the territory-wide average of 52% and is not surprising given a number of units were sub-divided within the Scheme which appear to be for rent. Tenants (including principal tenants and sub-tenants) accounted for about 64% of households surveyed (588 households). Licensees / occupiers accounted for about 2% of households surveyed (13 households). For analyses purposes, 376 tenant households and 13 licensees / occupiers will be summarised as 389 tenant households in this report. The occupancy status<sup>3</sup> of the surveyed households is shown in **Figure 5.1**. The high proportion of tenants in the Project may result in a higher demand for rehousing services should the Scheme be authorized to be implemented and subject to their eligibility for rehousing. There are households living in the rooftop structures. Since the roof of all the buildings in the Scheme are open roofs without approved domestic units according to the approved GBPs, all the rooftop structures are considered to be unauthorised structures. For rooftop structure occupiers, apart from meeting the eligibility criteria adopted by the HKHA in rehousing, there are other specific criteria<sup>4</sup> that the rooftop structure occupiers have to satisfy in order to be eligible for public rental housings. For rooftop households which are not eligible for rehousing but with genuine needs, they may be considered as special cases and rehousing may be offered on genuine compassionate grounds.

---

<sup>2</sup> The owner-occupier status has not been confirmed yet. All responses related to owner-occupiers are based on the questionnaire surveys only.

<sup>3</sup> The occupancy status of the surveyed households has yet to be ascertained.

<sup>4</sup> The relevant specific criteria are listed in the URA website "Re-housing Eligibility of Illegal Rooftop Structure Occupiers":  
<http://www.ura.org.hk/en/schemes-and-policies/redevelopment/ura-implemented-projects/ex-gratia/urao/urao-rehousing.aspx>



**Figure 5.1 Occupancy Status of Households (588 surveyed households)**

#### Affected Owners

- 5.2 Among the 199 surveyed owner-occupier households, 108 (about 54%) indicated their preference of finding alternative accommodations in the same district as where they are living, i.e. Kowloon City District. Ten (10) owner-occupiers responded that he would look for alternative accommodation in other districts. 60 (about 30%) owner-occupiers responded that they had yet to decide and 21 owner-occupiers did not respond to the question.
- 5.3 When looking for new accommodation, 95 owner-occupier households (about 48%) indicated that they would prefer to look for flats with similar size, 55 owner-occupiers (about 28%) preferred bigger flats, and 12 owner-occupiers (about 6%) preferred smaller flats. Twelve (12) owner-occupiers (about 6%) had not yet decided. 25 owner-occupier (about 13%) did not respond to the question.
- 5.4 Among the 199 surveyed owner-occupier households, 1 expressed intention to move to a flat older than their existing premises in terms of building age. Six (6) owner-occupiers (3%) expressed that he would like to move to a flat with comparable building age as the existing one. The majority (121 or about 61%) preferred newer flats and 29 (about 15%) preferred first-hand new flats. Fourteen (14) (about 7 %) had yet to decide, and 28 (about 14%) did not respond to the question.

- 5.5 Over 78% of the surveyed owner-occupiers wanted their alternative accommodation to be newer than the current abode. Subject to the authorization by Chief Executive in Council to implement the Scheme, 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 'Flat-for-Flat' (FFF) option for them to choose to buy a URA new development in-situ, or in the same district (as URA may select for the purpose provided necessary approval/authorization has been obtained at the time of FFF offer) as an additional option to cash compensation to owner-occupiers of domestic units.

#### Affected Tenants

- 5.6 294 tenant households (about 76%) expressed their preference for moving into public rental housing, of which 55% preferred Kowloon East, 10% preferred location in Kowloon West, 1% preferred HK Island and 28% did not respond to this question. The majority preference for Kowloon East is understandable. However, as stated in paragraphs 4.3 and 5.1 above, those residents who are subject to conditional stay and some of those who lived in rooftop structures may not be eligible for public rental housing. Rehousing may only be considered for very special circumstances and on compassionate grounds.
- 5.7 The URA has made special arrangements with the HKHA and HKHS to provide flats within their estates for rehousing eligible households. According to information from the HKHA and HKHS websites, there are 7 HKHA public rental housing estates/Tenant Purchase Schemes Estates and 3 HKHS subsidised rental housing estates in Kowloon City district. In addition, there are 22 HKHA in the neighbouring districts of Wong Tai Sin whilst 1 HKHA and 1 HKHS public rental housing estates in Yau Tsim Mong districts. The URA will liaise with HKHA and HKHS to reserve flats in available estates to cater for the potential demand and accord priority to vulnerable groups. Subject to the availability of rehousing flats, the URA will endeavour to arrange rehousing for the eligible tenants in the same or adjacent districts as far as practicable.



Affected Rooftop Residents

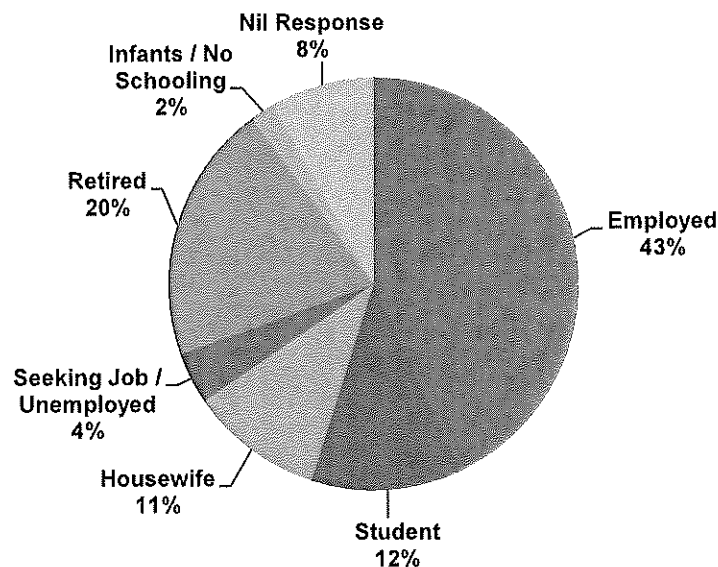
- 5.8 The 13 surveyed rooftop households should follow the eligibility criteria for public rental housing adopted by the HKHA for illegal rooftop structure occupiers and the specific criteria as stated in paragraph 5.1 above should they be eligible for rehousing under current prevailing policies.

## 6. EMPLOYMENT STATUS AND PLACE OF WORK

- 6.1 Around 47% of the population (680 residents out of a total of 1,462 residents) within the Scheme was employed. Unemployed persons accounted for about 6.4%. The employment status of the affected owners and tenants are analyzed in paragraphs 6.2 to 6.7 below.

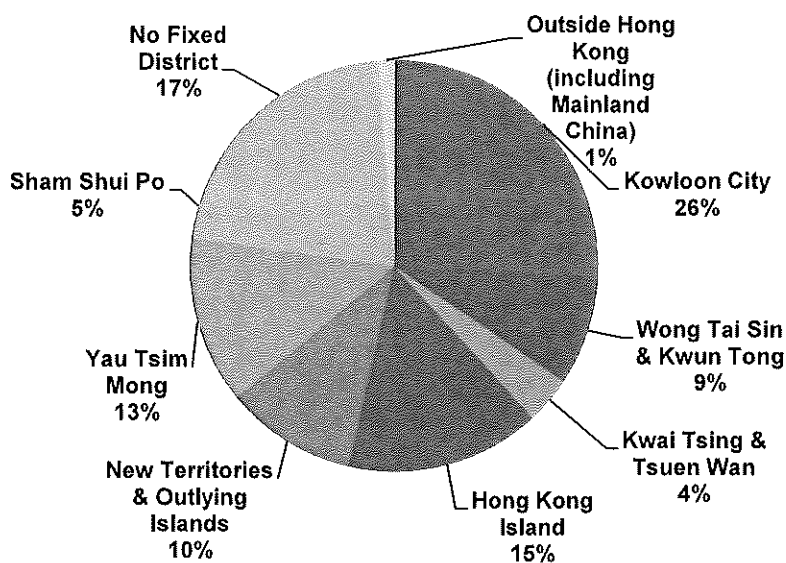
### Affected Owners

- 6.2 A total of 564 residents from the 199 owner-occupier households were recorded in the survey. About 43% of this type of residents was employed, whereas only about 4% were unemployed. **Figure 6.1** shows details of employment status of the family members of owner-occupier households.



**Figure 6.1 Employment Status of Affected Owners' Family Members**

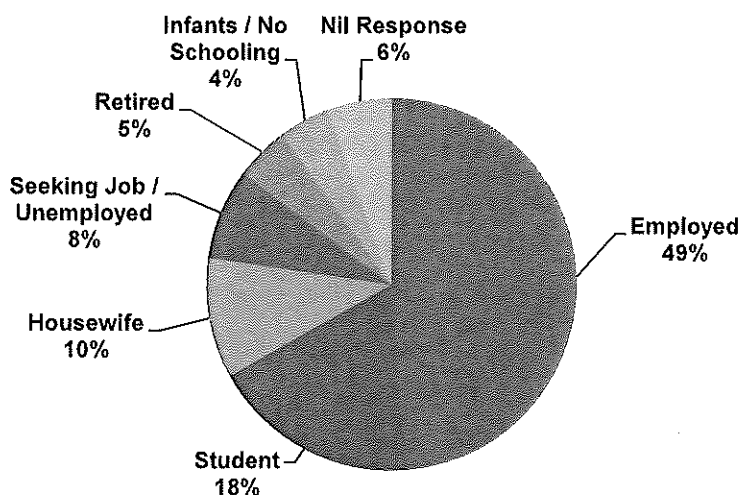
- 6.3 About 26% of the employed residents in the owner-occupier households were working in Kowloon City, and around 5% in Sham Shui Po. About 17% did not have a fixed working district. Other employed residents worked in different districts including HK Island, other parts of Kowloon, the New Territories and outside Hong Kong. Around 3% did not respond to this question. **Figure 6.2** shows the percentage share of different places of work of the employed persons of the owner-occupier households. As mentioned in paragraph 5.2 above, a large number of owner-occupiers (about 56%) indicated their preference of finding alternative accommodation in Kowloon City District; this generally coincides with the survey result of their work places in Kowloon City.



**Figure 6.2 Place of Work of Affected Owners' Family Members**

#### Affected Tenants

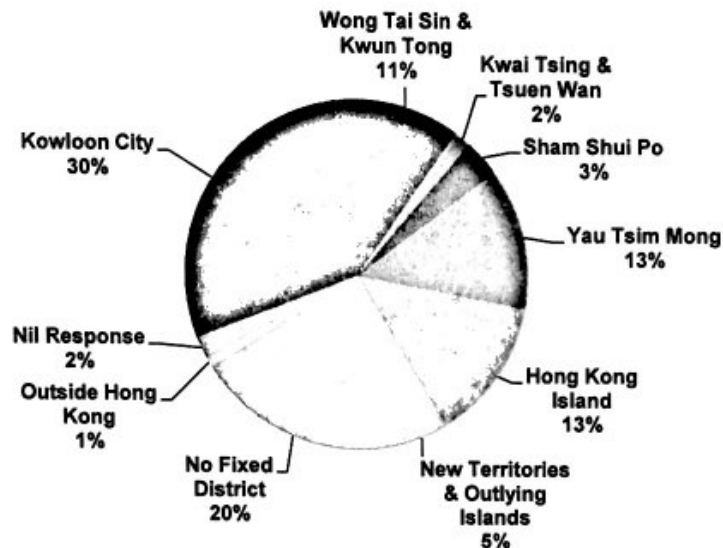
- 6.4 Among the 389 affected tenant households comprising 898 persons, about 49% was employment, whilst about 8% were unemployed (**Figure 6.3**).



**Figure 6.3 Employment Status of Affected Tenants**

- 6.5 Among the 437 tenanted residents who were employees, about 30% were working in Kowloon City and 11% in Wong Tai Sin/Kwun Tong. In Kowloon West, about 13% were working in Yau Tsim Mong, 3% in Sham Shui Po and 2% in Kwai Tsing and Tsuen Wan. Around 5% are working in New Territories & outlying islands and 1% is outside Hong Kong (including mainland China). About 20% of residents had no fixed location of work, whilst 9 residents did not respond to this question. As

mentioned in paragraph 5.6 above, a large number of affected tenants, who preferred to move to public rental housings, hoped to be relocated in Kowloon East; this generally coincides with the survey result of their work places (i.e. about 41% working in Kowloon City, Wong Tai Sin and Kwun Tong districts). Figure 6.4 shows the places of work of the tenant residents.



**Figure 6.4 Place of Work of Affected Tenants**

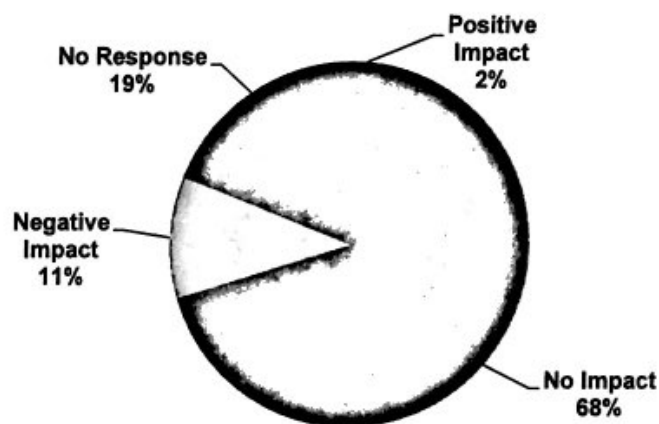
- 6.6 For those employee tenants who were working in Kowloon or Hong Kong Island, there would be economic concerns arising from higher transportation cost if they were to be relocated to the New Territories. The URA will endeavor to meet the locational preferences of residents for public rental housing from the HKHA and the HKHS subject to their eligibilities and the availability of flats at that time. Priority will be given to households of the most vulnerable groups (e.g. disabled persons). The SST will investigate the needy cases as identified and depending on justifications, may make recommendations for rehousing on compassionate grounds.
- 6.7 The findings of the survey show that the unemployment rate of the family members of the owner-occupier households (4%) and the tenant households (8%) which are much higher than the territory-wide figure [The territory-wide figure is 3.4% for a period of March 2016 – May 2016<sup>5</sup>]. There may be a financial difficulty for this group of unemployed residents in the Project. If the project is to be implemented, the eligible tenanted households will be subject to the URA's prevailing compensation policies.

<sup>5</sup> Information from website of Census and Statistic Department as of 14 July, 2016.

## 7. ECONOMIC AND EMPLOYMENT IMPACTS

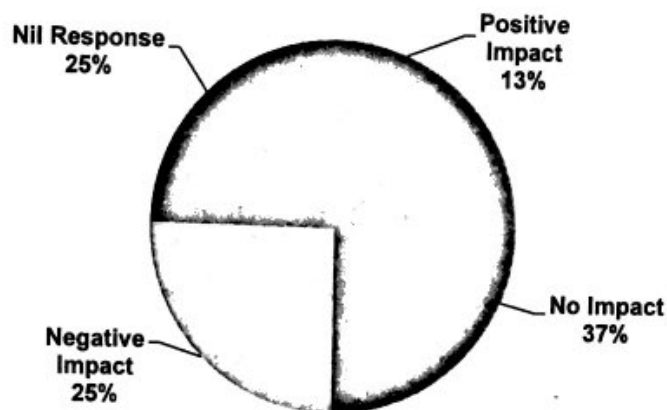
### Affected Owners

- 7.1 **Figure 7.1** summarizes the impact of the redevelopment on employment condition as anticipated by the 158 interviewed domestic owner-occupier households who have answered SIA forms. The majority (107 households or 68%) considered that it would have no impact. 4 households about (2%) considered there would be a positive impact and 17 households (about 11%) considered there would be negative impact whilst 30 households (19%) chose to give no response.



**Figure 7.1** Impact on Employment to Affected Owners

- 7.2 The expected impact on family finances of the 158 interviewed owner-occupiers is summarized in **Figure 7.2**. 20 households (about 13%) considered that there would be positive impact on his financial condition, 59 households (about 37%) considered that there would not be any impact, and 40 households (about 25%) expected negative impact. The remaining 39 affected owner households (about 25%) gave no response to this question.

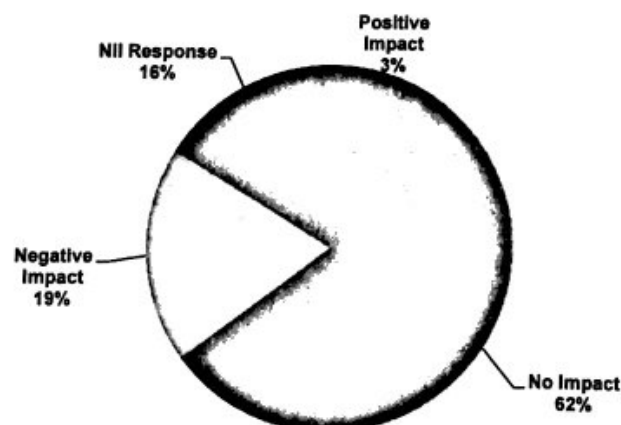


**Figure 7.2 Impact on Economic Condition to Affected Owners**

- 7.3 Eleven (11) domestic owner households expecting positive impact cited both more saving and better cash flow are the two major advantages. Among the 40 owner households who considered having negative impact, most of them cited more expenditure and less saving as their main concerns of bad impacts resulting from the proposed scheme.

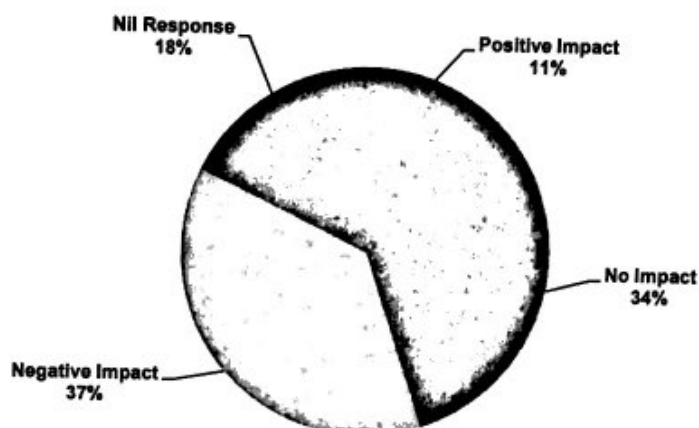
#### Affected Tenants

- 7.4 The expected impact on employment condition as reflected by the 337 interviewed tenant households who have responded to this question is summarized in **Figure 7.3**. Only 11 households (about 3%) considered there would be positive impact to their employment whilst more than half of the tenant households (207 households, about 62%) considered there would not be any impact. Sixty-four (64) households (19%) expected negative impact. Another 55 households (about 16%) gave no response to this question.



**Figure 7.3 Impact on Employment to Affected Tenants**

- 7.5 The expected impact on family finance as reflected by interviewed tenants is summarized in **Figure 7.4**. Thirty-eight (38) (about 11%) tenant households considered there would be positive impact to their finance condition due to the Scheme. One hundred and thirteen (113) households (about 34%) considered there would not be any impact, whilst 126 households (about 37%) expected negative financial impact and 60 households (about 18%) gave no response to this question.



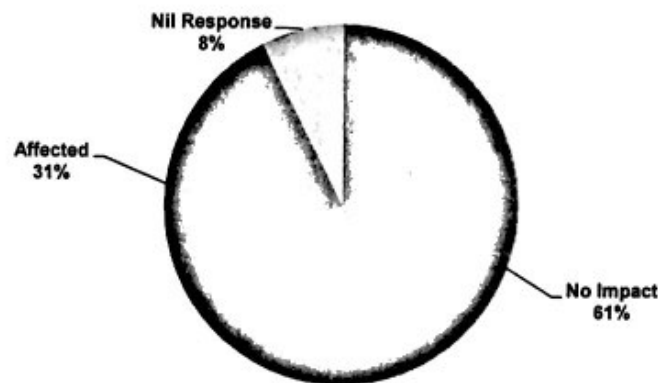
**Figure 7.4 Impact on Economic Condition to Affected Tenants**

- 7.6 For those 126 interviewed tenant households which considered the proposed redevelopment project would have negative financial impact, 94 households provide further information. Eighty (80) anticipated that their living expenditure would increase due to the Scheme. Eight (8) tenant households anticipated that they would have less saving and 3 tenant households anticipated that they would have less cash flow, and 3 households considered that the Scheme may lead to greater debt burden (each household can express more than one concern).
- 7.7 After the Freezing Survey, URA organised public briefing sessions to the affected owners and tenants to explain the prevailing policies on compensation and rehousing to alleviate their concerns. If the Scheme is to be implemented, the eligible tenant households will be subject to the URA's prevailing compensation policies.

## 8. SOCIAL NETWORK

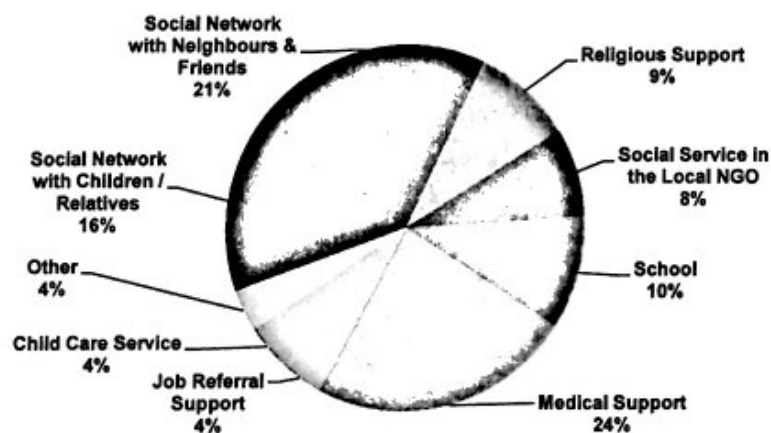
### Affected Owners

- 8.1 When asked about the likely impact of the proposed redevelopment on their social network, 49 (about 31%) of the 158 interviewed owner-occupier households answered that their current social network would be affected, whilst the majority, 97 households or about 61%, considered that their network would not be affected; 12 households (8%) gave no response to this question. The distribution pattern is shown in Figure 8.1.



**Figure 8.1 Redevelopment Effect on Social Network to Affected Owners**

- 8.2 Of those respondents who were concerned about the possible adverse effects of the Project on their social network (about 31% of the owner-occupiers), the perceived impact on network related to medical support (57 households or 24%), neighbours and friends (52 households or 21%) and children/ relatives (38 households or 16%) were cited as their three major concerns (each respondent can provide more than one concern). The distribution pattern is shown in Figure 8.2.

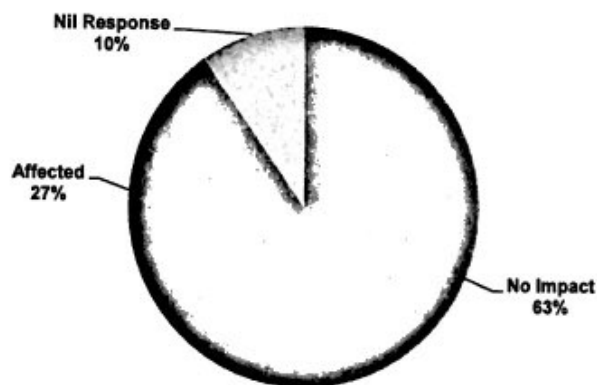


**Figure 8.2 Nature of effect on Social Network to Affected Owners**



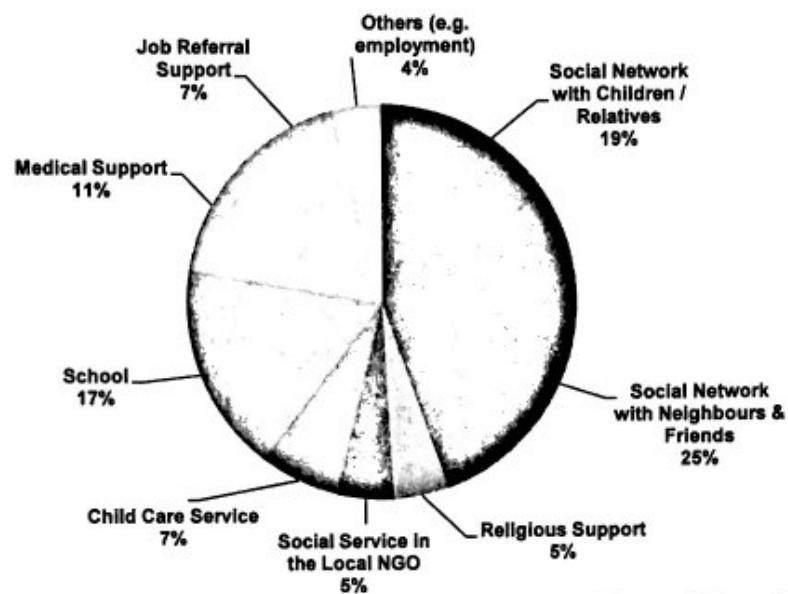
### Affected Tenants

- 8.3 When asked about the likely impact of the proposed redevelopment on their social network, 93 or about 27% of the 337 interviewed tenant households answered that their current social network would be affected. The two-hundred and eleven (211 or about 63%) responded that their network would not be affected. Thirty-three (33) households or 10% gave no response to this question (Figure 8.3).



**Figure 8.3** Redevelopment Effect on Social Network to Affected Tenants

- 8.4 Of those tenant households who were concerned about the possible adverse effects of the Scheme on their social network (about 27% of the tenant households), the perceived impact on network related to with neighbours and friends (25%), with children / relatives (19%), school (about 17%), and medical support (about 11%) as their major concerns (respondent could provide more than one concern). The distribution pattern is shown in Figure 8.4.
- 8.5 More than half of both interviewed owner-occupiers and tenants (61% and 63% respectively) who responded that they did not expect impact on their social network would arise is not surprising given that around 53% of total households (see paragraph 4.4) have only lived in the Scheme for 5 years or less.

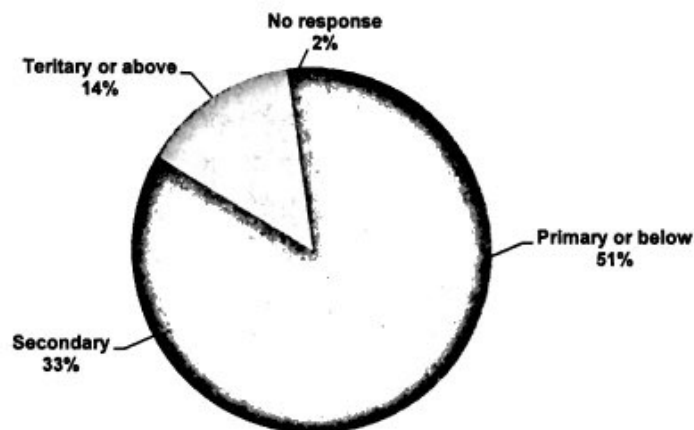


**Figure 8.4 Nature of effect on Social Network to Affected Tenants**

- 8.6 The SST will provide orientation sessions before and after rehousing to help the affected residents adapt 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 to identify suitable medical/ social service providers and religious institutions in the new residence setting. However, the social support from children/ relatives may take longer to establish/ re-establish in a new environment. If such residents 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. The URA will also offer in-situ FFF option for those eligible domestic owner-occupiers to choose to buy the newly redeveloped flats in the Scheme so that they can move back to the same area and retain the social networks upon completion of the redevelopment.

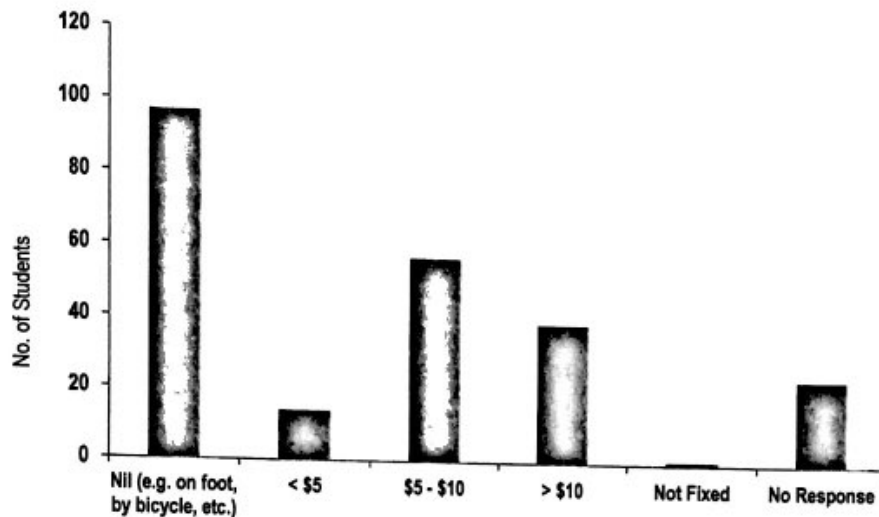
## 9. EDUCATION NEEDS OF CHILDREN

- 9.1 The survey identified 232 students residing within the Scheme. Among these students, 118 (51%) were primary or kindergarten students, 76 (33%) were secondary students and 33 students (about 14%) were tertiary or above levels. The remaining 5 did not indicate their education level. There were 158 students (about 68%) studying in schools in Kowloon City. Five (5) students (2%) were studying in Hong Kong Island, thirty-five (35) students (15%) elsewhere in Kowloon and thirteen (13) students (6%) in the New Territories. Ten (10) students (4%) studied in mainland China/ Macau or overseas. Two (2) students had no fixed location for study whilst 9 students did not respond to this question. **Figure 9.1** shows the type of schools attended by the students residing in the Scheme.



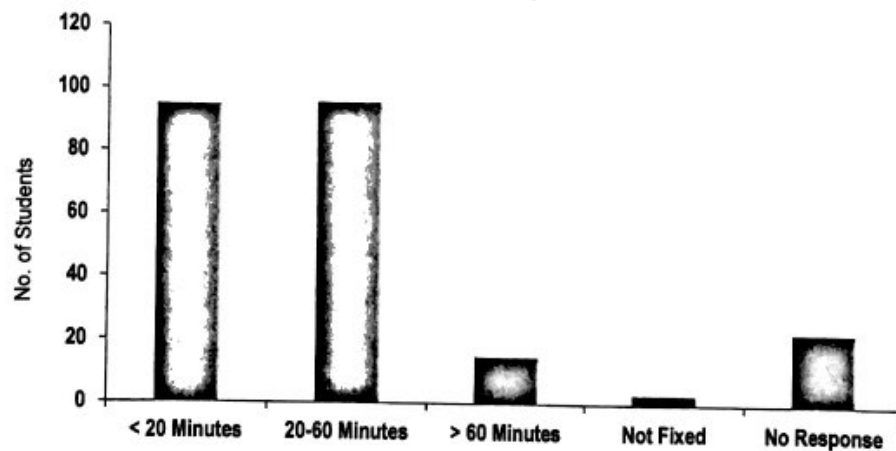
**Figure 9.1 Educational Level of Student**

- 9.2 Given the preponderance of students studying locally, it is not surprising that 97 students (about 42%) did not need to pay for transport to school. 71 students (about 31%) spent HK\$10 or less per trip travelling to school and 39 student (about 17%) incurred relatively higher travelling costs of over HK\$10 per trip. One (1) student had no fixed traveling costs whilst 24 students did not respond to this question. **Figure 9.2** shows the transport costs of the students in the interviewed households.



**Figure 9.2 Travelling Cost to School – Single Trip**

- 9.3 **Figure 9.3** shows the students' travelling time to school. 95 students (about 41%) spent 20 minutes or less travelling to their schools. 96 students (about 41%) students spent 20 to 60 minutes. 15 students (about 6%) spent over 60 minutes travelling to school. 3 students (about 1%) had no fixed traveling time whilst 23 (about 10%) students did not respond to this question.



**Figure 9.3 Travelling Time to School – Single Trip**

- 9.4 The 232 students came from 167 households of which 164 students (about 71%) were from tenant households. 88 of these 164 students in tenant households were studying in primary school or kindergarten. 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 chose to move to public rental housing estates in 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 An assessment has been made on the special needs of the elderly, persons with disability, single-parent families and ethnic minority identified in the survey.

### Elderly Persons (65 years and above)

- 10.2 A total of 176 elderly residents in 124 households in the Scheme were recorded during the survey. Of these, 45 elderly were singleton households whilst 26 elderly residents comprised 13 doubleton households. The remaining 105 elderly residents were from 66 households. Among the 124 households with elderly residents, 43 households were tenant household and the rest were living in self-owned units.
- 10.3 The presence of elderly population within the Scheme has implications on types of re-housing and other age-related concerns such as accessibility to medical facilities. 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.
- 10.4 Figure 10.1 shows the aspirations of the elderly when questioned about the improvements they would like to see in their new home.

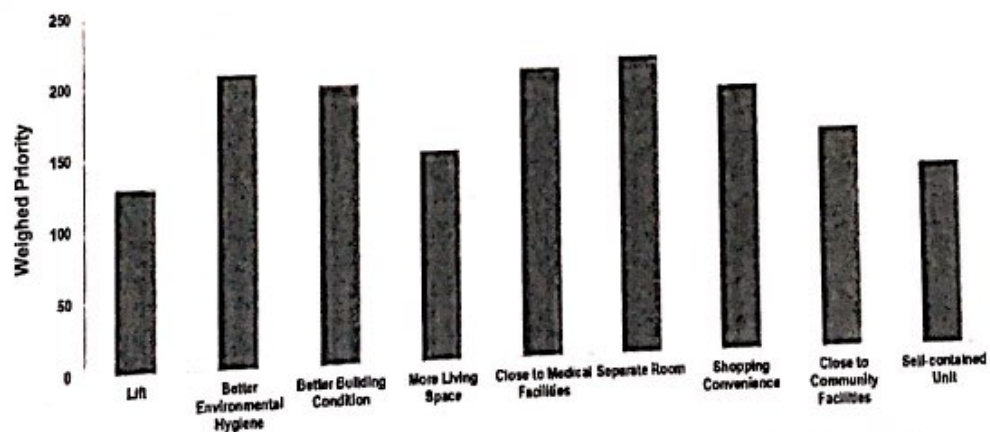


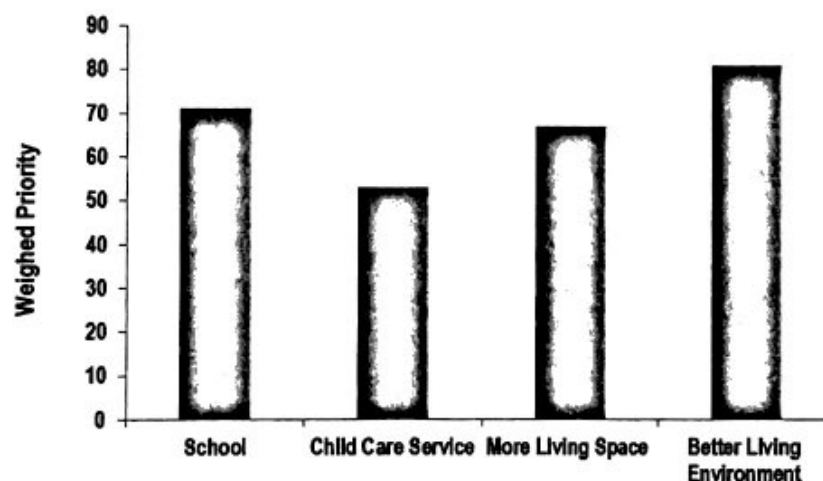
Figure 10.1 Elderly Concerns on Living Environment (based on the first three priorities chosen)

### Persons with Disability

- 10.5 26 residents with disabilities (about 1.8%) were recorded in the survey. Of these, 3 residents require wheelchair access, 3 residents has mentally handicapped, 1 residents has visual impairment, 1 residents has hearing impairment, 7 residents has mental health problem. Whilst 1 residents indicated having 3 type of disabilities, 10 residents indicated suffering from other type of disability such as stroke, dementia and autism etc. 15 residents with disabilities considered medical support as their primary concern while 6 residents considered disability access/facility are important. Rehousing for disabilities may be considered on compassionate grounds if they are not eligible under the normal eligibilities.

### Single-parent Families

- 10.6 29 single-parent families with 38 children were identified. These families were particularly concerned with better living environment, child care service provision, more living space and the schooling needs for their children. The concerns are showed in Figure 10.2.



**Figure 10.2 Major Needs of Single-parent Families (based on the first three priorities chosen)**

### Ethnic Minority Group

- 10.7 Among the 576 households, 89 residents from 32 households claimed to be non-ethnic Chinese. 9 households are from Pakistan, 6 households are from India, 3 households are from Thailand, 2 households are from Indonesia, 1 household is from Vietnam, 1 household is from Philippines, 1 household is from Sri Lanka, 1 is



from Bangladesh and 1 households are from Nepal. 2 households have family members from both Pakistan and Indonesia. 8 household did not respond to this question. Among these 89 non-ethnic Chinese residents, 27 residents are under conditional stay.

- 10.8 Among 32 households who claimed to be non-ethnic Chinese, 31 households were tenant households. The 24 households who answered the SIA questionnaire expressed strongly support or support to the proposed Scheme and 3 households have no comment. 5 households refused to do SIA questionnaire. Majority of households (63%) 15 households who responded considered there would be no impact of the Scheme on their social network. However, 8 households who responded considered that there will be impact on their impact particularly on social network with children/relatives, neighbours and friends and school. 9 households had expressed willingness to meet the SST. The SST will provide assistance to the families to mitigate the adverse impacts. The URA will endeavor to arrange rehousing to tenant households, subject to the availability of public rental flats and their eligibilities.



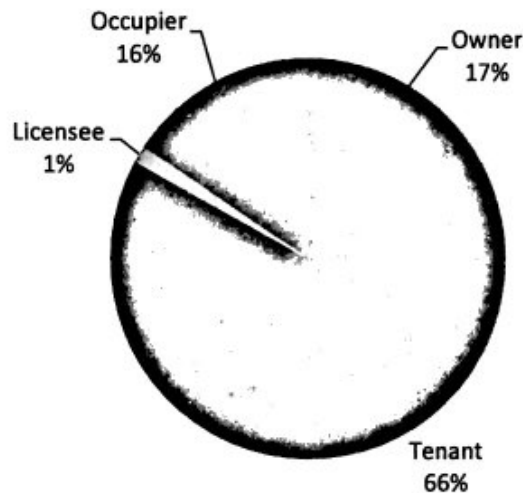
## 11. BUSINESS IMPACT

- 11.1 According to the approved GBPs and OPs of all buildings in the Scheme, there were a total of 47 ground floor premises, in which, 33 ground floor premises were for "non-domestic uses". The remaining 14 premises were for "domestic use" in the approved GBP and OP and had been converted for non-domestic use. Furthermore, 7 approved GBP ground floor units were found to be sub-divided into 17 premises. As a result, the Freezing Survey identified a total of 75 premises as "non-domestic uses", which comprise of 57 ground floor premises, 16 staircase structures and 2 cockloft premises. Among these 75 premises, 6 of them were found to be mixed uses.
- 11.2 Among the 75 non-domestic premises, 70 premises were successfully surveyed, 1 was confirmed vacant and there were no contact for the remaining 4. A total of 71 business operators were identified in the 70 occupied premises as 1 premises was found to be shared by 2 operators.
- 11.3 Among the 71 business operators, 68 operators answered both FS and SIA forms whilst 3 chose to answer the FS questions only. Therefore, this section's analysis in regard to some specific questions, like the size of premises, reason for operating in current premises, length and performance of business, etc. are based upon the answers of the 68 business operators who completed both FS and SIA forms. **Table 11.1** shows the number of non-domestic premises and business operators identified in the Scheme.

	Non-domestic premises	Business operators
Successfully responded to both FS (successfully surveyed) and SIA (successfully interviewed)	67	68
Responded to FS forms only (successfully surveyed), but refused to do SIA	3	3
Confirmed vacant unit	1	N/A
Did not completed both FS nor SIA (No contact)	4	N/A
<b>Total</b>	<b>75</b>	<b>71</b>

**Table 11.1** Number of non-domestic premises and business operators identified in the Project

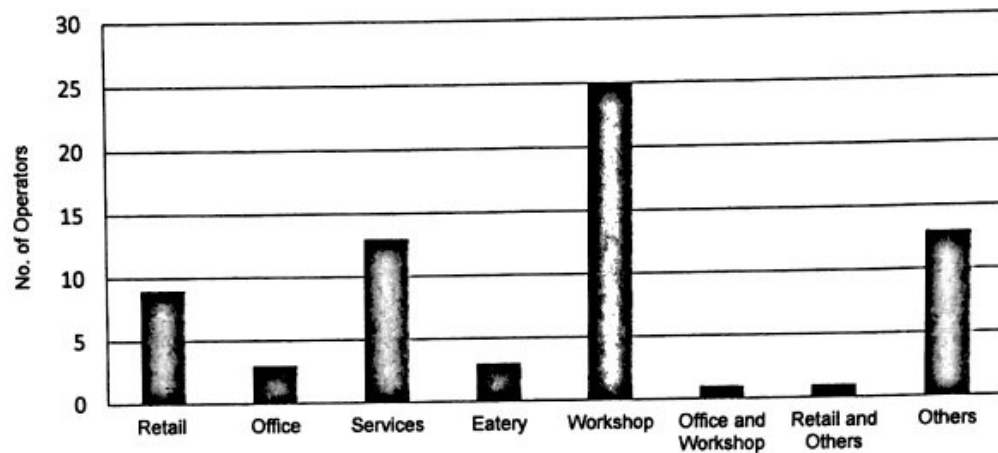
- 11.4 Of those 71 operators who answered FS questions regarding their occupancy status, 12 were owner operators, 47 were tenant operators, 1 was licensee and 11 were occupiers, as shown in **Figure 11.1**.



**Figure 11.1 Occupancy Status of Business Operators**

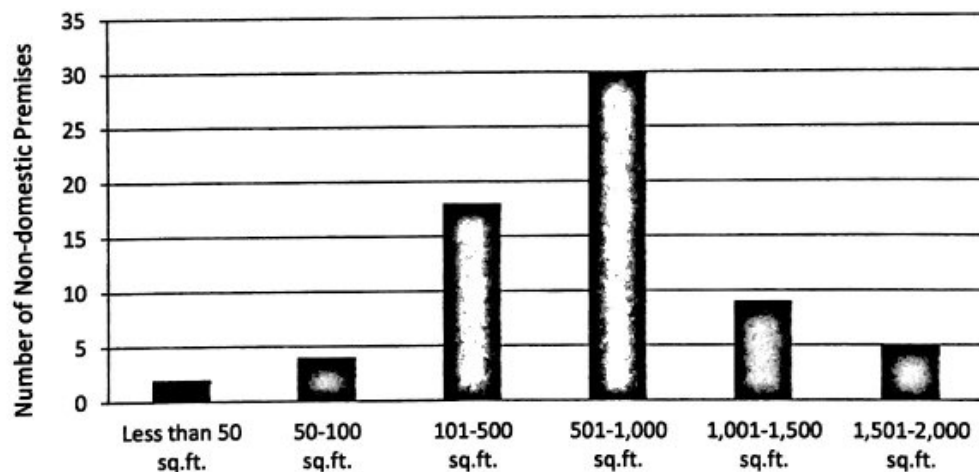
- 11.5 The nature of existing businesses of the 68 interviewed operators who responded to both FS and SIA is shown in **Figure 11.2**. Nine (9) premises (about 13%) were used for retail sales activities. Three (3) premises (about 4%) were used as offices. Thirteen (13) premises (about 19%) were used to provide services. Three (3) premises (about 4%) were used as eateries. Twenty-five (25) premises (about 37%) were used as workshops including recycling, metal hardware processing and vehicle repair. One (1) premises (about 2%) was used as a workshop and to provide service, another (1) premises (about 2%) was used for retail and also engineering. The rest of the shops (13, about 19%) were related to engineering, storage, showroom, etc. These business activities are typical of shops and services found in many parts of Kowloon City District.
- 11.6 For the workshop operators (including the recycling business, metal hardware processing and the car repair workshops), they will need to find alternative shop premises which can satisfy their various operational requirements and where 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. If those operators cannot find suitable premises meeting above criteria for relocation, there is a possibility that they might have to close down their businesses but they will be compensated with relevant ex-gratia allowance (if eligible) according to the Authority's prevailing policy.

- 11.7 Among those 68 interviewed operators who answered both FS and SIA, 4 indicated that it was a chain store or had a branch elsewhere.



**Figure 11.2 Classification of Non-domestic Uses**

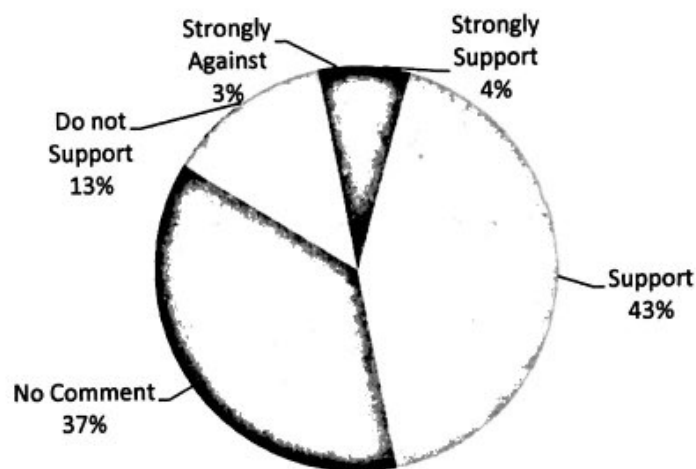
- 11.8 As for the size of the non-domestic premises, according to those 68 interviewed operators who responded to both FS and SIA questions, only 2 premises (about 3%) were less than 50 sq ft. Most of the premises (30 or about 44%) were between 500 to 1,000 sq ft. None of the premises are over 2,000 sq ft. The size distribution of the non-domestic premises are shown in Figure 11.3. [NB: The exact size of the premises can only be confirmed subject to detailed survey after the approval of the Scheme by Chief Executive in Council].



**Figure 11.3 Size of Non-domestic Premises as claimed by operators**

- 11.9 Among the 68 interviewed business operators, 32 operators (about 47%) either strongly supported or supported the proposed redevelopment. 25 operators (about 37%) had no comment and 11 operators (about 16%) either did not support or

strongly against the proposed development. Those who supported the Scheme mainly considered that the building condition was poor and that the buildings should be demolished for redevelopment, which could improve the local environment. Those not supporting the Scheme mainly responded that the Scheme would affect their business operations, 2 operators worried about the inadequacy of compensation, 1 operator considered the Scheme would destroy the social network and 1 operator worried about the difficulty in relocating to other ground floor shops at affordable rent. Figure 11.4 shows the views of the business operators to the proposed redevelopment.

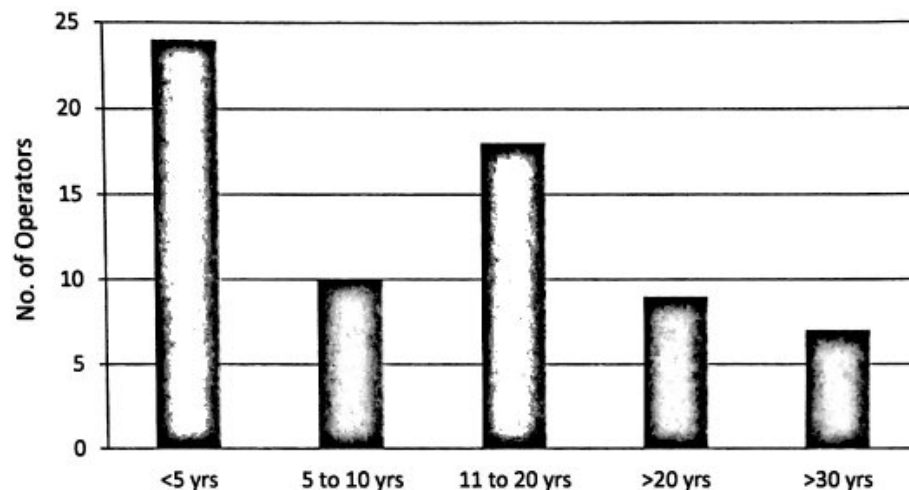


**Figure 11.4 View of Business Operators to the Proposed Redevelopment**

11.10 Should the Scheme proceed and be implemented, 36 operators would consider relocating their businesses, 10 operators would consider closing down, while 22 operators had not decided yet.

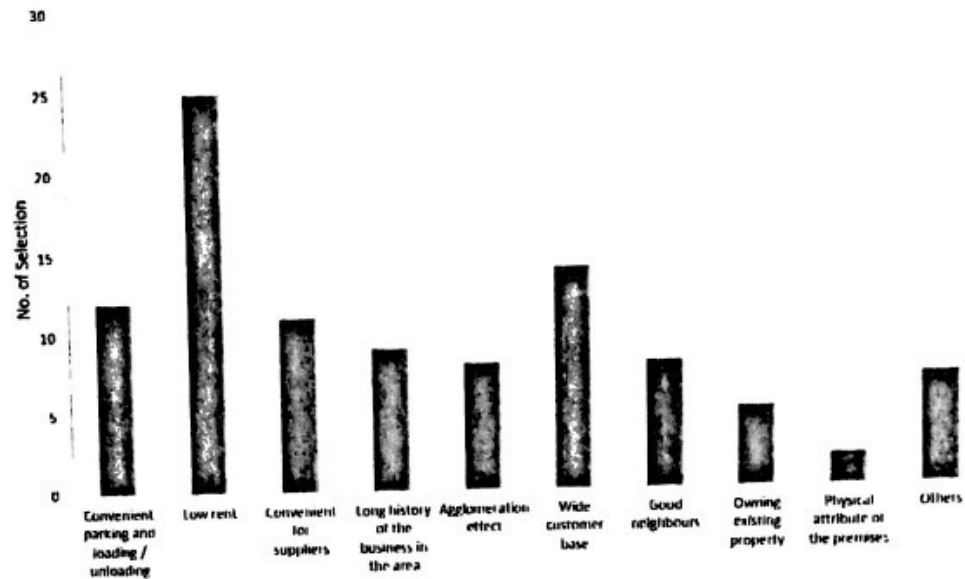
11.11 37 operators (about 54%) out of the 68 interviewed business operators mentioned that they had operated their business in Kowloon City district before moving to the current premises. 21 operators (about 31%) out of the 68 interviewed business operators mentioned that they had operated their businesses in other districts before moving to the current premises. It is anticipated that these operators may find it easier to relocate to other premises given their experiences operating in other districts. The remaining 47 operators (about 69%) indicated that they had only operated in Kowloon City District.

11.12 In terms of year of business operation of their existing businesses, among the 68 interviewed operators, 24 operators (about 35%) had been operating in the current premises for less than 5 years, 10 operators (about 15%) between 5 and 10 years, 18 operators (about 27%) between 11 and 20 years, 9 operators (about 13%) between 21 and 30 years and 7 operators (about 10%) has been operating in the current premises for over 30 years (Figure 11.5).



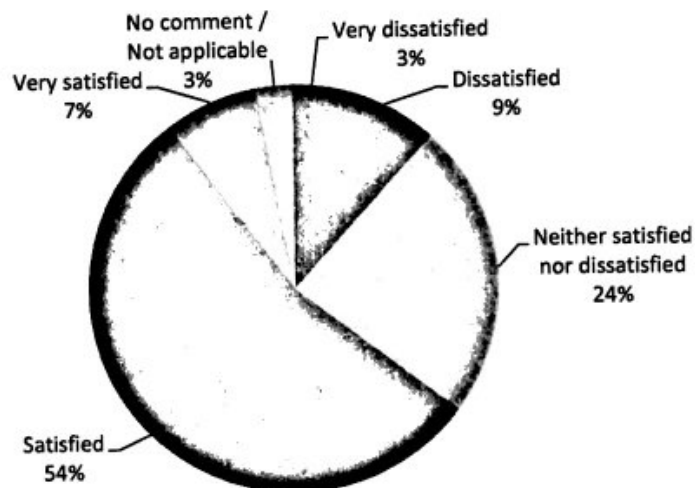
**Figure 11.5 Year of Business Operation in the Existing Premises**

11.13 Figure 11.6 shows the reasons of 68 interviewed operators for operating their businesses at the current premises (operators can choose more than one reason). 25 operators chose low rent as one of their reasons for operating in the current premises. 14 operators chose wide customer base while 12 chose convenient parking and loading/unloading as their reasons. Convenient for suppliers and Long history of business in the area were selected 11 and 9 times respectively, while agglomeration effect and good neighbours had 8 selections each. 5 operators picked owning the existing property and 2 operators cited physical attributes of the premises as their reasons. 7 operators provided other reasons such as living or used to live nearby, spacious, regular customers, etc for operating the current premises.



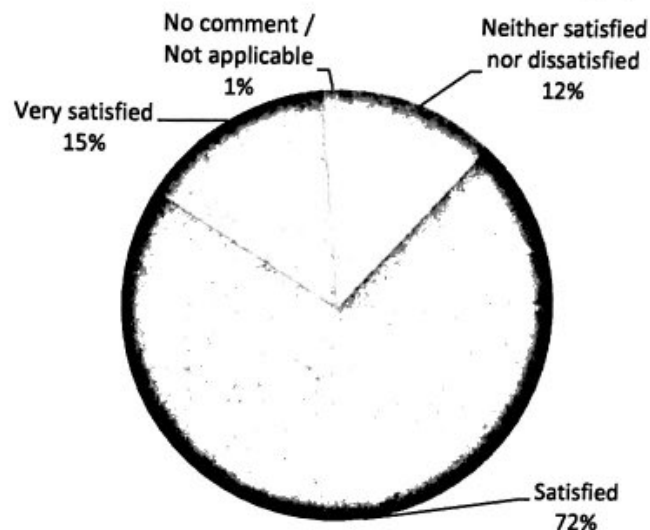
**Figure 11.6 Reasons for Businesses Operating in the Current Premises**

11.14 In terms of the satisfaction level of their business/ business performance of the 68 interviewed operators, 42 (about 61%) operators responded that they were either very satisfied or satisfied. 16 (about 24%) indicated it was neither satisfied nor dissatisfied on the performance, while only 8 (about 12%) indicated they were dissatisfied or very dissatisfied (Figure 11.7). 2 operators (about 3%) gave no response to the question. In summary, most of the operators were satisfied with their current business performance.



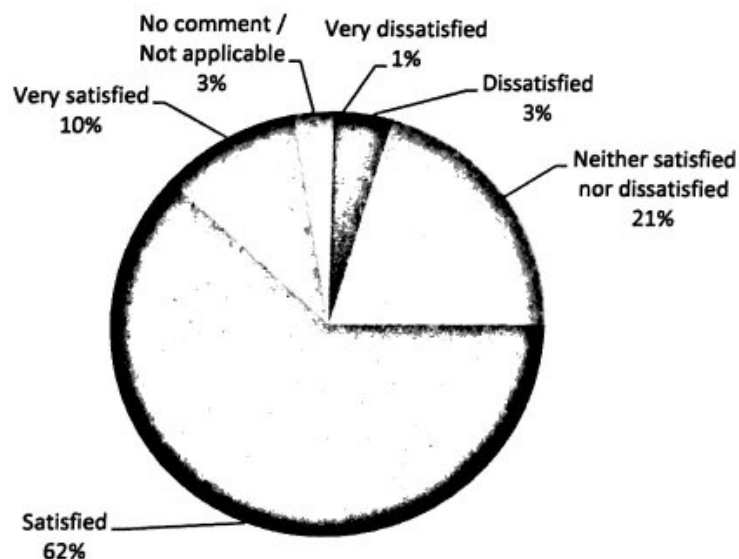
**Figure 11.7 Satisfaction of Business Performance in Existing Premises**

- 11.15 On the opinion of interpersonal relationship built from the existing business of the 68 operators, 49 (about 72%) operators were satisfied and 10 (about 15%) operators were very satisfied. It can be observed that most of the operators considered themselves as having good interpersonal network in the area (Figure 11.8).



**Figure 11.8** Satisfaction of Interpersonal Relation in Existing Premises

- 11.16 On the opinion of business network established from the existing shops, e.g. customer base, number of suppliers and etc. Among the 68 interviewed operators, 42 operators (62%) were satisfied while 7 operators (about 10%) were very satisfied. 14 operators (about 21%) responded they are neither satisfied nor dissatisfied (Figure 11.9).





11.17 On the future intention of the operators if the proposed Project is implemented, among the 68 interviewed operators, 31 (about 46%) operators responded that they would like to continue their businesses nearby. Only 5 operators (about 7%) would consider continue business anywhere suitable, preferably in Kowloon City District or Sham Shui Po district. 22 operators (about 32%) replied that they had not decided yet and 10 operators (about 15%) replied that they would close the business.

11.18 Among the 58 interviewed operators who indicated their wish to continue business or had not decided yet (i.e. excluding those 10 who replied that they would close the business), 48 operators provided their major concerns when looking for alternative premises for relocation (more than one concern can be selected). 38 operators responded that they were concerned with the possibility of high rental cost after relocation. 21 operators were concerned that relocation would result in loss of existing customer base and 10 operators were concerned about the loss of agglomeration advantage. Loss of good neighbours and lack of suitable premises with the required physical attributes each had 9 selections. 6 operators were concerned with the high acquisition cost of the new location and 3 operators were concerned that their unique business characteristics would made them difficult to find suitable accommodation elsewhere. 7 operators expressed other concerns regarding transportation, convenience, size of the new premises and the amount of compensation. Figure 11.10 shows the major concerns on relocation.

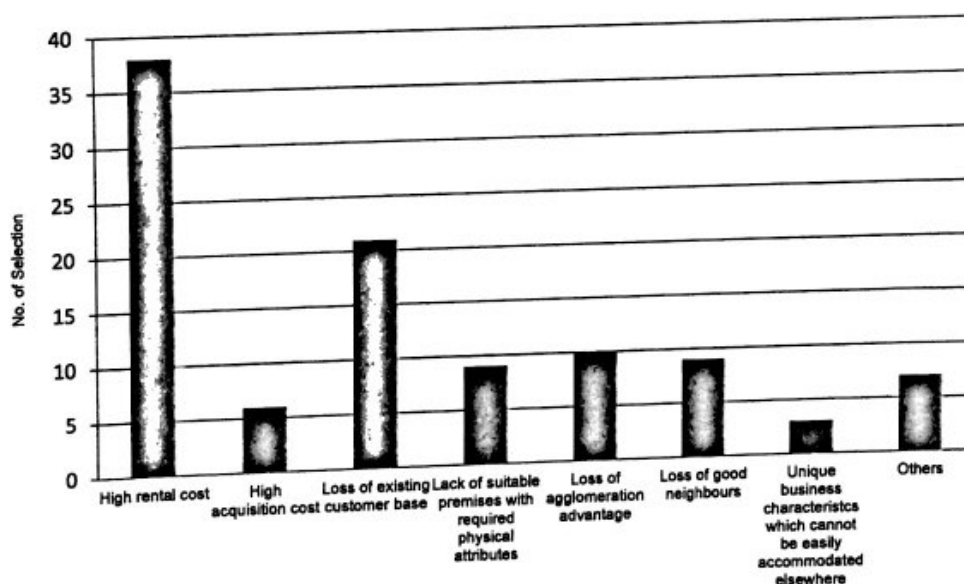


Figure 11.10 Major Concerns on Relocating to New Premises



- 11.19 Among the 58 interviewed operators (excluding those 10 who replied that they would close the business), 29 operators (50%) indicated they would like the URA to assist them in finding new premises to continue their businesses. 25 operators (about 43%) indicated that they did not need any support from the URA. 3 operators (about 5%) replied that they had not decided or depending on the situation, while the remaining 1 (about 2%) did not respond to the question.
- 11.20 Among the 68 interviewed operators, 19 operators (about 28%) expressed their willingness to meet the URA and the SST whilst 38 operators (about 56%) did not want any assistance. 11 operators (about 16%) provided no response to this question.
- 11.21 Fifty-nine (59) interviewed business operators expressed that their employees had no major concern on the Project. Eight (8) operators provided information on 10 employees who expressed their concerns of employment uncertainty arising from the Project and less convenient to go to work after relocation of the business. The remaining one (1) operator did not respond to this question. None of the employees expressed the need to meet the SST.

## 12. MITIGATION MEASURES REQUIRED

### Social Service Team

- 12.1 In accordance with the new 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 will be sought 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 counseling services, the Hospital Authority and Department of Health in medical assistance, etc. As at 18 July 2016, the SST has successfully contacted 242 households. A breakdown of the Cases (Contacts) by client groups is listed in **Table 12.1**.

<b><u>Client Group</u></b>	<b><u>No. of Households/ Shops</u></b>	<b><u>Percentage</u></b>
Domestic Tenants	117	48.4%
Domestic Owners	64	26.4%
Business Operators	18	7.4 %
Unknown	43	17.8%
Total	242	100%

**Table 12.1 Breakdown of SST Cases (Contacts) by Client Groups**

12.2 The nature of the problems identified is summarized as follows:

<b><u>Problem or Enquiry Nature</u></b>	<b><u>No. of Households/ Shops</u></b>	<b><u>Percentage</u></b>
<b><i>Domestic Tenants (117 households)</i></b>		
a) Unclear on compensation and rehousing policies	95	81%
b) Evicted by owners / outrageous rent rise	1	1%
c) Worry about eviction, termination of tenancy or outrageous rent rise in future	1	1%
d) Worry about new accommodation will not be in the same district	2	2%
e) Others	18	15%
<b><i>Domestic Owners (64 households)</i></b>		
a) Unclear on compensation policies	53	83%
b) Family members of the owners are requested to move out after receiving compensation.	2	3%
c) Received Order from Building Department	1	2%
d) Others	8	12%
<b><i>Business Operators (18 shops)</i></b>		
a) Unclear on compensation policies	9	50%
b) Worry about the compensation is not enough to resume their businesses in the same district	1	6%
c) Others	8	44
<b><i>Unknown (43 households)</i></b>		
a) Unclear on compensation and rehousing policy	12	28%
b) Worry about new accommodation will not be in the same district	1	2%
c) Others	30	70%

**Table 12.2 Nature of Problems Identified Among the Cases (Contacts)**

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 The URA has arranged 4 public briefing sessions between 7 and 8 June 2016 to inform all the stakeholders, including owners, tenants and business operators affected, the details of the Scheme, and to obtain public views on the Scheme. The total attendance of the public briefing was about 515 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.

Enquiries and Hotline Services

- 12.5 The URA also answers enquiries and provides hotline services to residents within the redevelopment area. Some 93 enquiries had been received between 3 June 2016 and 12 July 2016. The subject matters of the enquiries are summarised in Table 12.3.

<u>Subject Matters of Enquiries</u>	<u>Percentage</u>
Project information, progress, timetable and procedures of urban renewal	10%
Acquisition Compensation and rehousing policies	50%
Household Survey (e.g. registration arrangement)	23%
Others (e.g. residents briefing session information)	17%
Total	100%

**Table 12.3 Nature of Enquiries**

- 12.6 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:-

- (i) 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;

- (ii) assistance in finding public rental rehousing for eligible persons in need;
- (iii) conducting initial assessment of the elderly with low incomes or disability and other vulnerable groups for eligibility for compassionate housing;
- (iv) providing orientation assistance for those in need after moving home such as familiarisation with new neighbourhood, accommodation and local facilities; and
- (v) providing assistance to identify suitable replacement premises for affected businesses.

12.7 As revealed by the survey, 80% of the interviewed households either supported or strongly supported the Project as some of them considered that they would have more savings and less expenditure through the URA's prevailing compensation and rehousing policies. In addition, 15% of the households had neutral or no comment on the Project. Only around 5% of the interviewed households did not support or was strongly against the Project (Paragraph 2.15 refers). Those households who did not support the Project considered that the redevelopment would have negative impacts on the social network and their family finance. With regard to the view of business operators, 47% of the interviewed operators indicated support or strongly support for the Scheme. The operators supporting the Scheme considered that the building condition was poor and the building should be redeveloped to bring better local environment. About 16% of operators indicated not support or strongly against to the proposed redevelopment. They considered that the Scheme would affect their business operations and destroy the social network. The remaining 37% of operators had no opinion (Paragraph 11.9 refers).

12.8 The URA will assist displaced elderly owner-occupiers to find replacement flats within urban Kowloon. Redevelopment will inevitably affect the existing social network of some residents in 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:-

- (i) the displaced residents have contacted at least once their old acquaintance in Kowloon City after resettlement, e.g. through organizing a re-union gathering for displaced residents;

- (ii) 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.

- 12.9 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

- 12.10 At the public meetings held between 7 and 8 June 2016, compensation, rehousing or ex-gratia payment based on the URA's prevailing policy for the affected owners and tenants were fully explained.

Domestic Properties

- 12.11 The URA will offer an owner-occupier of domestic property the market value (valued on vacant possession basis) of his property plus an ex-gratia allowance, namely Home Purchase Allowance (HPA), for purchase of the property. The assessment of HPA is based on the value of a notional replacement flat of similar size, which is defined as a 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 property plus a Supplementary Allowance (SA), where applicable, up to 50% of the HPA above mentioned. In addition to HPA or SA, 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 replacement property.
- 12.12 According to the new URS, and as far as relevant legislation allows, the URA will offer FFF arrangement to eligible owner-occupiers of domestic properties. Under such arrangement, new flats will be made available in the new development in-situ as an additional option to cash compensation to such owner-occupiers. As this is



will not be affected by his/her choice of joining the FFF Scheme.

- 12.13 Affected eligible domestic tenants will be re-housed in units provided by the HKHA or the HKHS. Tenants who are re-housed will be offered an ex-gratia removal allowance. The allowance is in line with the HKHA's rates. The amount receivable will be according to the size of the household and the rates prevailing at the time.
- 12.14 Tenants who are not allocated re-housing due to various reasons or who decline re-housing, may receive ex-gratia payments. The amount of ex-gratia payment will be dependent on, amongst other things, whether the tenancies commenced before the date of the Freezing Survey and continued, or commenced on or after the freezing survey. Details of the ex-gratia payments for domestic tenants can be obtained from [www.ura.org.hk](http://www.ura.org.hk).
- 12.15 According to the new URS, the URA will offer an ex-gratia allowance to eligible elderly owners of tenanted domestic units on compassionate ground in exceptional circumstances such as elderly owners who rely on the rental income from their properties for a living.
- 12.16 In case where tenants were threatened not to have their tenancies renewed, URA will explain to the owners that they would not get more compensation by evicting the tenants. The URA has also introduced the "Domestic Tenants Compassionate Assistance Programme" 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 required to move out from their properties by their landlords upon expiry or termination of their tenancies and before URA purchases the properties. In general, eligible domestic tenants who meet the criteria under this programme will be offered, after acquisition or resumption of the properties concerned, special ex-gratia payment of 3 times the ratable value of their properties subject to a minimum of HK\$70,000 (for a 1 person household) and HK\$80,000 (for a 2 persons plus household). Under very special circumstances, the URA will provide special arrangements for eligible tenants in special hardship on compassionate grounds.

*Non-domestic Properties*

- 12.17 For owner-occupied non-domestic premises, the market value of the affected

property (valued on vacant possession basis) plus an ex-gratia allowance of 4 times the ratable value or 35% of the market value of the affected property, whichever is the higher, will be offered. Owner-occupiers of non-domestic premises may choose to claim for business loss as an alternative to both ex-gratia allowance mentioned above and Ex-gratia Business Allowance (EGBA) mentioned in Paragraph 12.18 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 ratable value or 10% of the market value of the affected property, whichever is the higher, will be offered.







- 12.18 For non-domestic tenants of non-domestic premises, an ex-gratia allowance of 3 times the ratable value of the affected premises 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. The amount is calculated at a rate of 0.1 times the ratable value for each year that the affected premises has been in operation up to a maximum of 30 years, and subject to a maximum amount of HK\$500,000 and a minimum amount of HK\$70,000. Non-domestic tenants may lodge a claim for business loss in lieu of the above two allowances.
- 12.19 According to the new 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.
- 12.20 Details of the current acquisition and compensation 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**

**July 2016**



**Non-domestic G/F premises within the Scheme Area**

		
<p>Unit 2, G/F, 2-10 Ngan Hon Street</p>	<p>Unit B, G/F, 2-10 Ngan Hon Street</p>	<p>Unit C, G/F, 2-10 Ngan Hon Street</p>
		
<p>G/F, 10 Ngan Hon Street</p>	<p>Staircase shop, G/F, 2-10 Ngan Hon Street</p>	<p>G/F, 12 Ngan Hon Street</p>



G/F, 14 Ngan Hon Street



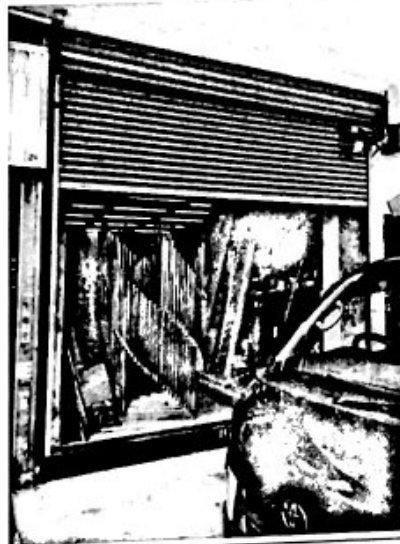
G/F, 16 Ngan Hon Street



G/F, 18 Ngan Hon Street



G/F, 20 Ngan Hon Street



G/F, 22 Ngan Hon Street



G/F, 24 Ngan Hon Street



G/F, 26 Ngan Hon Street



G/F, 28/28A Ngan Hon Street



Staircase structure, G/F,  
28,28A,30,30A Ngan Hon  
Street



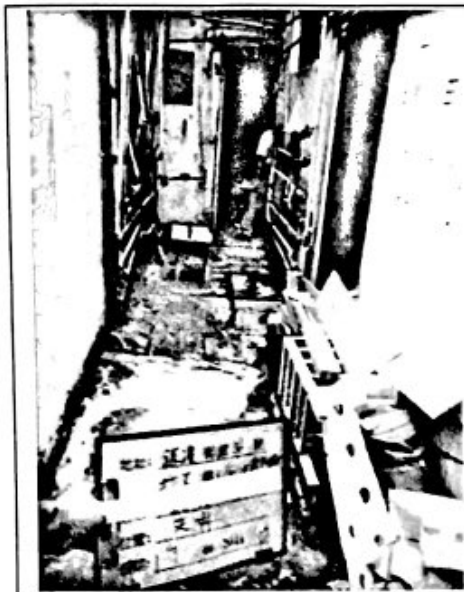
G/F, 30-30A Ngan Hon Street



G/F, 32&32A Ngan Hon Street



G/F, 34-34A Ngan Hon Street



Staircase & light well structure,  
G/F, 36 Ngan Hon Street



G/F, 36-36A Ngan Hon Street



G/F, 38-38A Ngan Hon Street



G/F, 40 Ngan Hon Street



G/F, 40A Ngan Hon Street



G/F, 42A Ngan Hon Street





Shop A, G/F, 42 Ngan Hon Street



Shop A2, G/F, 42 Ngan Hon Street



Staircase structure, G/F, 40-42 Ngan Hon Street









Unit A, G/F, 1 Hung Fook Street



Unit B, G/F, 1 Hung Fook Street



Rear Shop, G/F, 1 Hung Fook Street

		
<p>Staircase structure, G/F, 1-3 Hung Fook Street</p>	<p>Unit A, G/F, 3 Hung Fook Street</p>	<p>Unit B, G/F, 3 Hung Fook Street</p>
		
<p>Rear Shop, G/F, 3 Hung Fook Street</p>	<p>G/F &amp; C/L, 5 Hung Fook Street</p>	<p>Staircase structure, G/F, 5-7 Hung Fook Street</p>



G/F & C/L, 7 Hung Fook Street



G/F & C/L, 9 Hung Fook Street



Staircase structure, G/F, 9-11 Hung Fook Street








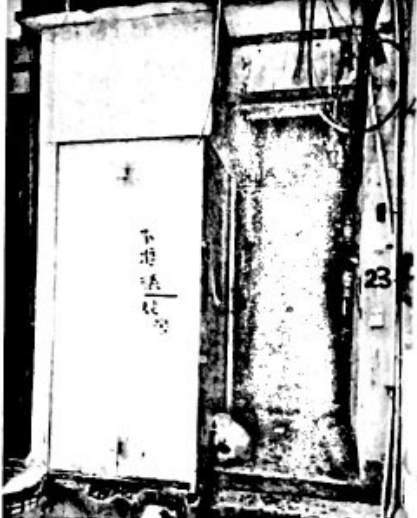
G/F, 11 Hung Fook Street



G/F & C/L, 13 Hung Fook Street



Staircase structure, G/F, 13-15 Hung Fook Street

		
<p>G/F, 15 Hung Fook Street</p>	<p>G/F, 17 Hung Fook Street</p>	<p>Staircase structure, G/F, 17-19 Hung Fook Street</p>
		
<p>G/F, 19 Hung Fook Street</p>	<p>G/F &amp; C/L, 21 Hung Fook Street</p>	<p>Staircase structure, G/F, 21-23 Hung Fook Street</p>

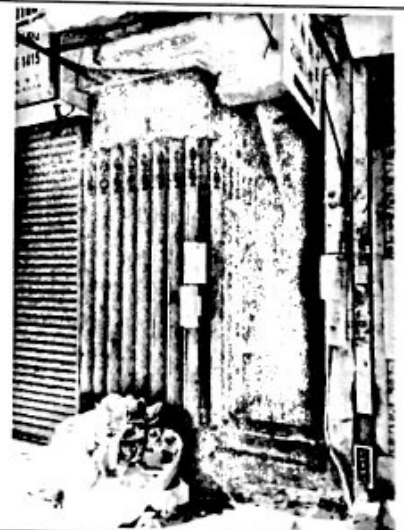




G/F & C/L, 23 Hung Fook Street



G/F & C/L, 25 Hung Fook Street



Staircase structure, G/F, 25-27 Hung Fook Street



G/F, 27 Hung Fook Street









G/F & C/L, 29 Hung Fook Street



Staircase structure, G/F, 29-31 Hung Fook Street

		
<p>G/F, 31 Hung Fook Street</p>	<p>Rear Shop, G/F, 31 Hung Fook Street</p>	<p>G/F, 33 Hung Fook Street</p>
		
<p>Staircase structure, G/F, 33 Hung Fook Street</p>	<p>G/F &amp; C/L, 35 Hung Fook Street</p>	<p>G/F, 37 Hung Fook Street</p>

		
<p>Staircase structure, G/F, 37-39 Hung Fook Street</p>	<p>G/F, 39 Hung Fook Street</p>	<p>G/F, 41 Hung Fook Street</p>
		
<p>Staircase structure, G/F, 41-43 Hung Fook Street</p>	<p>Front shop, G/F &amp; C/L, 43 Hung Fook Street</p>	<p>Rear shop, G/F, 43 Hung Fook Street</p>

<p>G/F, 45 Hung Fook Street</p>	<p>G/F &amp; C/L, 47 Hung Fook Street</p>	<p>G/F, 49 Hung Fook Street</p>
<p>Staircase structure, G/F, 49-51 Hung Fook Street</p>	<p>G/F, 51A Hung Fook Street</p>	<p>Shop B, 51 Hung Fook Street</p>



Shop C, 51 Hung Fook Street