



市區重建局

RBAN RENEWAL
AUTHORITY

Kai Ming Street / Wing Kwong Street

Development Project (KC-013)



Stage 2 Social Impact Assessment

May 2017

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Appendix 1 : Non-Domestic G/F Premises within the Project 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 Kai Ming Street / Wing Kwong Street Development Project KC-013 (the Project) on 17 March 2017. On the same day the 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 Project conducted from 17 March 2017 to 19 March 2017, and from the follow-up survey visits by appointments conducted up to 17 April 2017.
- 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 The Hong Kong Lutheran Social Service has been commissioned by the Urban Renewal Fund to act as the Social Service Team (SST) for this Project. They are tasked to provide assistance and advice to residents and operators affected by the Project. Cases requesting assistance and those identified in the course of the SIA analysis as requiring assistance have been referred to the SST for their follow-up action.

2. BACKGROUND

- 2.1 The proposed development project (the Project) comprises Kai Ming Mansion at Nos. 4-24 Kai Ming Street (even nos.) and Eiver House at the corner of Nos. 26-28 Kai Ming Street (even nos.) and Nos. 29-33 Wing Kwong Street (odd nos.), To Kwa Wan, Kowloon City (**Figure 2.1**).
- 2.2 The Project is bounded by Wing Kwong Street to the south, Kai Ming Street to the northeast and a back lane to the west. It covers an area of about 1,749m², including portion of surrounding public pavement where some of the affected buildings overhang. The net site area used to calculate the development potential of the Project is about 1,311m². The existing buildings are 8 storeys high.
- 2.3 There are a number of URA projects in the proximity to the Project, including the Bailey Street / Wing Kwong Street project (KC-009) commenced under Section 26 of the URAO on 4 March 2016, and also the Hung Fook Street / Ngan Hon Street project (KC-010) under Section 25 of the URAO, and both Hung Fook Street / Kai Ming Street (KC-011) and Wing Kwong Street (KC-012) projects under Section 26 of the URAO commenced on 3 June 2016 (**Figure 2.2**).
- 2.4 In order to enhance community benefits under a holistic planning approach, it is intended to provide a through road extending from Wan On Street via URA Projects KC-009, KC-010, KC-011, KC-012 and KC-013 to Ngan Hon Street, and this Project will be giving out portions of the site for road network. An underground car park was proposed at KC-010 accommodating car parking spaces and loading/ unloading bays 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 minimising the necessities of open up run in and out for individual developments, with the opportunities to improve streetscape and pedestrian walking environment as well as traffic circulation, and as a result for the overall connectivity enhancement. The Project is also proposed to include an open space of about 300sq.m to relief the currently overcrowded living environment within the locality.
- 2.5 After independent planning and acquisition procedures, the Project is also intended to combine with the adjoining URA project, KC-012, for a holistic redevelopment under a single land grant document.

- 2.6 Across Kai Ming Street at the corner of Wing Kong Street is the Kai Ming Street Demand-Led Development Project (DL-8.KC) covering Nos. 41-51 Kai Ming Street (odd nos. only), 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 Project is the URA Ma Tau Wai Road / Chun Tin Street Development Project (TKW/1/002) which 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. East of TKW/1/002 Project is another URA project - URA Chun Tin Street / Sung Chi Street Development Scheme (KC-008A) commenced on 6 May 2016. Figure 2.2 shows the location of URA projects in the vicinity.

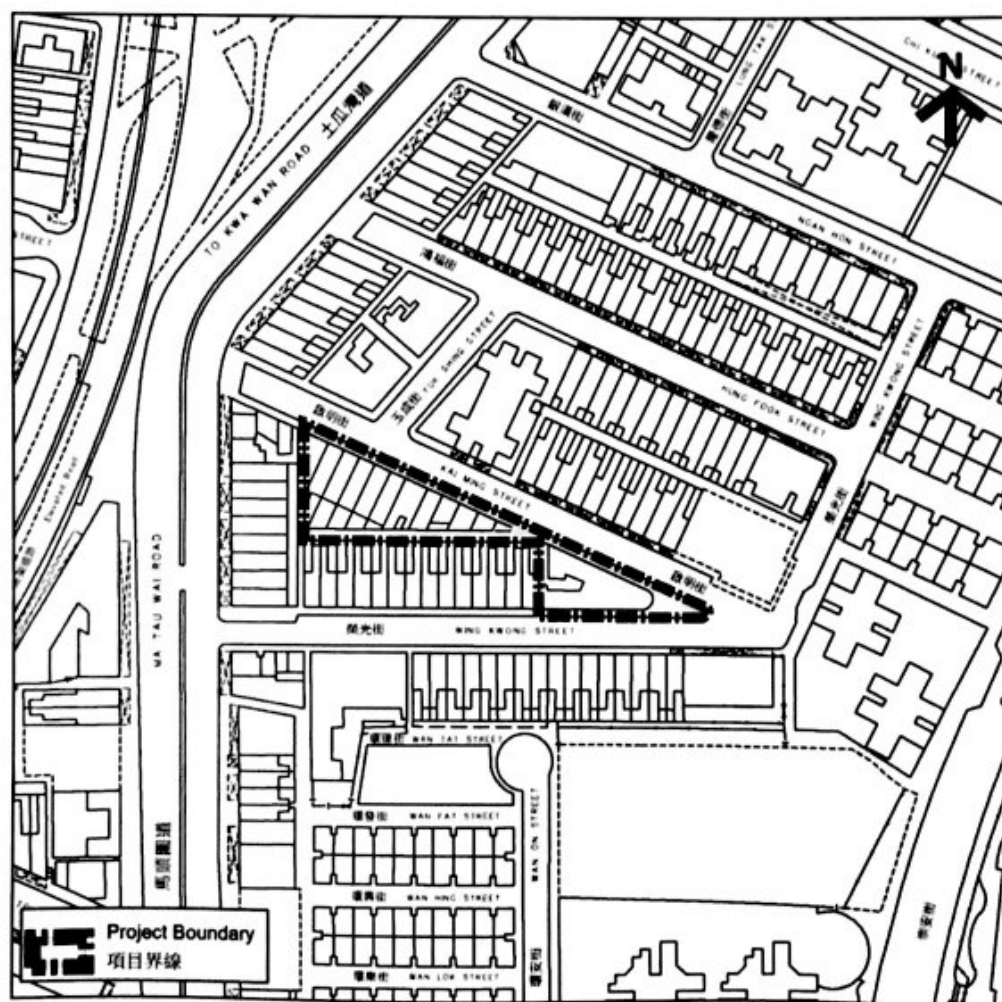


Figure 2.1 Location Plan

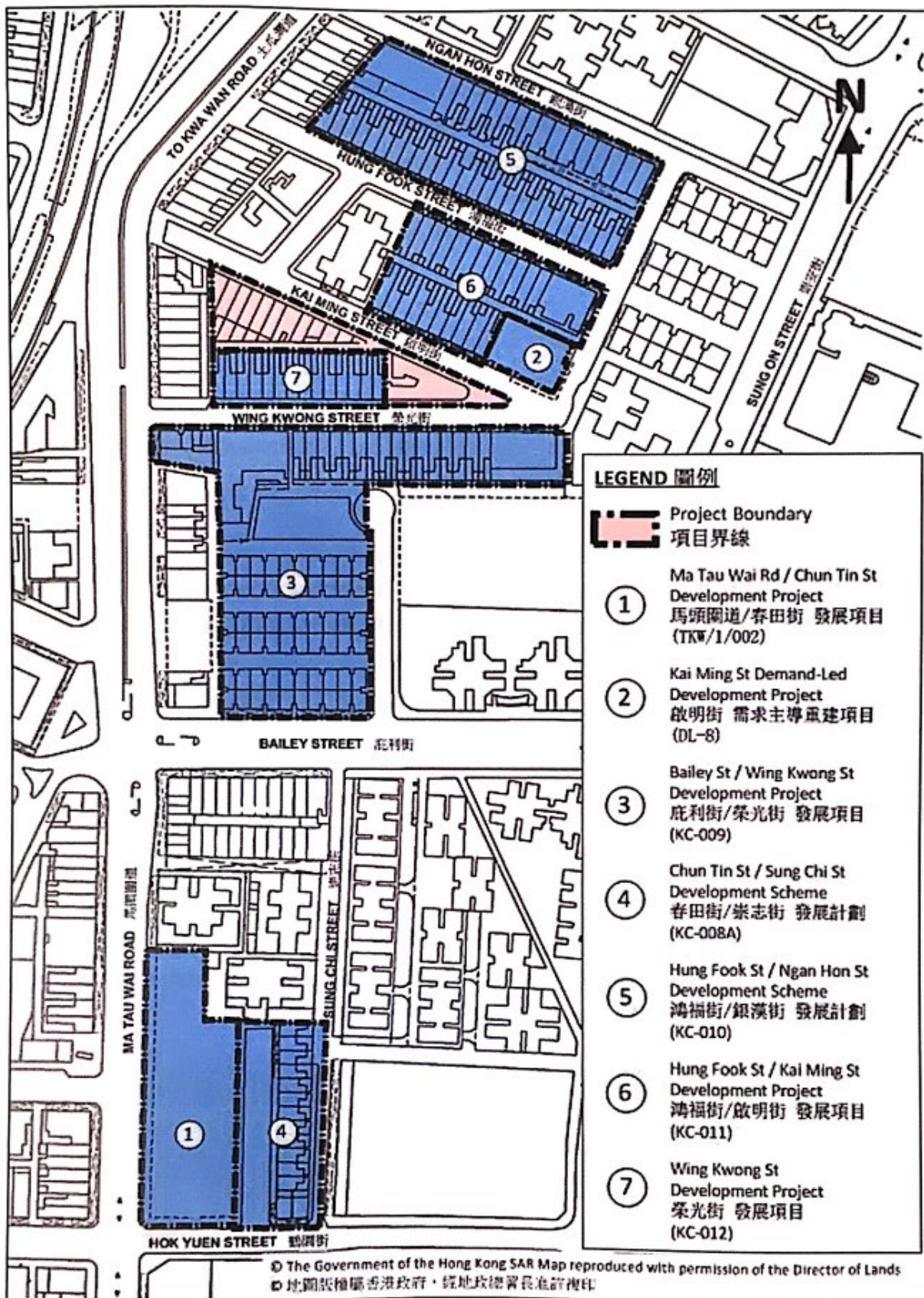


Figure 2.2 URA projects in the vicinity

Distribution of Units and Households

- 2.8 According to the approved General Building Plans (GBPs) for the buildings within the Project, there are 91 units at upper floors for domestic uses while 16 units on ground floor are designated as "Shop" uses. As such, a total of 91 domestic units and 16 non-domestic units will be adopted as the original GBP units for this SIA report; whilst the results of the FS will reflect the current occupancy status within the Project.
- 2.9 The FS identified 216 units (including 212 upper floor units, 3 ground units and 1 under staircase unit) being used for domestic purpose (up to 17 April 2017). Out of these 216 units, 210 units (97%) were successfully surveyed, including 51 non-subdivided units, 151 self-contained sub-divided units, 4 units found on roof, 3 units found on ground floors/cocklofts and 1 under staircase unit. No survey was conducted for the remaining 6 units since the residents of these units could not be contacted (up to 17 April 2017).
- 2.10 The number of upper floor domestic units found in the Project is 212, which is much higher than the total original domestic units shown in the approved GBPs ("original GBP domestic units") (91 original GBP domestic units located on upper floors only) for the buildings within the Project, mainly because there is about 44% (40 original GBP domestic units) have been sub-divided.
- 2.11 **Table 2.1** showed the number of domestic units and households found in the Project. Among the 210 successfully surveyed units, 204 households were surveyed and 2 units have been confirmed vacant. Therefore the assessment in relation to the population and household characteristics of the project has not included the confirmed vacant units (i.e. Section 3). However, since the owners/relatives has completed FS and SIA forms for one of the vacant, their views will be included in the assessment of FS and SIA questionnaire in this Section and the assessment in Section 4 to 10, where applicable.

Freezing Survey (FS)	Domestic Units	Households
Successfully surveyed (domestic use)	210*	204
Unsurvey	6	N/A

* Include 2 units answered FS and/or SIA but confirmed vacant

Table 2.1 Number of living units and households found within Project boundary

- 2.12 Therefore, the total of 206 households will form the basis for the assessment in Sections 4 to 10. Among the 206 households, 199 households (96.1%) answered both FS and SIA forms; whilst 7 households (3.9%) only answered the FS forms and refused to answer the SIA forms. The following assessment related to SIA questionnaire will be based on the 199 interviewed SIA forms. Those who refused to answer particular questions in the SIA questionnaire or had chosen "no response" in particular questions, will be categorized as "Nil Response" in the report. **Table 2.2** shows the results of FS and SIA surveys within the Project.

	No. of Households
Total No. of surveyed households	206*
Successfully responded to both FS (successfully surveyed) and SIA questionnaire (successfully interviewed).	199*
Only responded to FS (successfully surveyed) but refused to do SIA questionnaire (Refused to do the SIA).	7*

* Including 1 confirmed vacant unit responded to both FS and SIA forms

* Including 1 confirmed vacant unit responded to FS form only

Table 2.2 Results of FS and SIA surveys within the Project

Distribution of Business Operators and Non-domestic Premises

- 2.13 Regarding non-domestic uses, there are 16 ground floor units designated for "Shop" in the approved GBPs of the buildings within the Project. The FS has identified 34 non-domestic premises, including 23 ground floor premises (with cockloft) and 1 staircase premises. Within these 24 non-domestic premises, 23 business operators were successfully surveyed with both the FS and SIA surveys answered with 1 operator occupying 2 premises. 10 premises were not able to survey. The responses of the 23 operators form the basis of Section 11 (Business Impact) of this report.

Physical condition and living environment

- 2.14 The following paragraphs in this Section refer to the domestic households. In response to the question on their opinion on the physical condition of their units, about 43% of the surveyed households indicated that their units occasionally or frequently suffered from water seepage and about 45% indicated the same frequency of problem with concrete spalling. Around 21% of households indicated that their units occasionally or frequently suffered from problems of no flushing water supply. It indicates that some households are not satisfied with the physical conditions of their units. Regarding the living environment within the units, 68%, 60% and 65% 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 2.2** shows the opinions of the surveyed households on the physical condition and the living environment within their units.

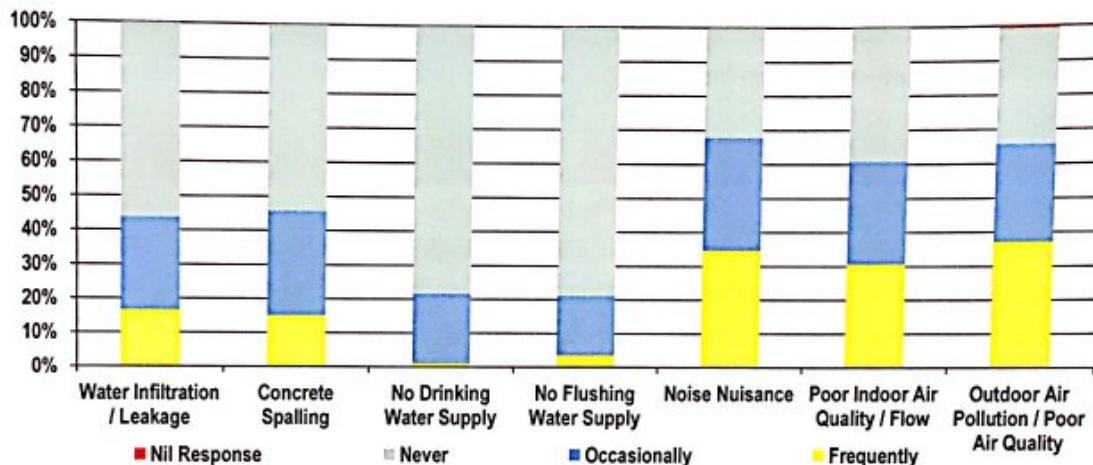


Figure 2.2 Opinions on the Physical Conditions and Living Environment of their Units

- 2.15 On the question of fire safety and hygiene concerns, about 43% of the surveyed households commented that they occasionally or frequently suffered from problem of obstruction of staircases / corridors. About 58% of households responded that they suffered of poor hygiene condition of common areas (e.g. in yards, staircases, corridors, etc). On security matters, about 48% and 23% of surveyed households expressed that they experienced occasionally or frequently loitering of strangers, and crime events, e.g. burglary, robbery, drug abuse, respectively. **Figure 2.3** shows the opinions of the surveyed households on the living environment of their units in terms of fire safety, hygiene and security issues.

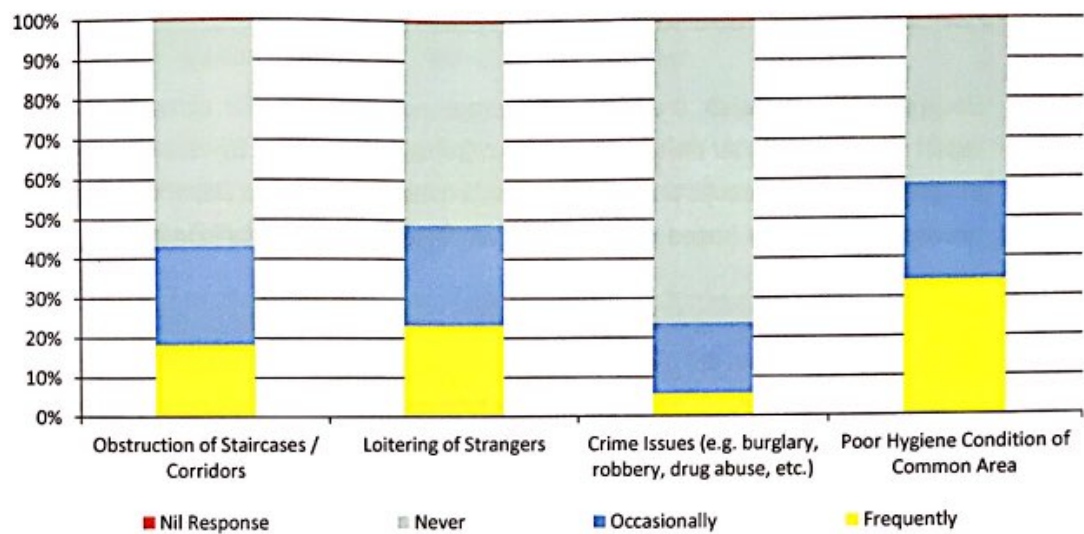


Figure 2.3 Opinions on the Living Environment of their Units

Views on redevelopment

- 2.16 Of the 199 households who responded to the SIA questionnaire, 156 households (about 78%) of respondents support or strongly support the development project. Thirty-eight (38) households (about 19%) had no comment, and only 5 households (around 3%) did not support the redevelopment.

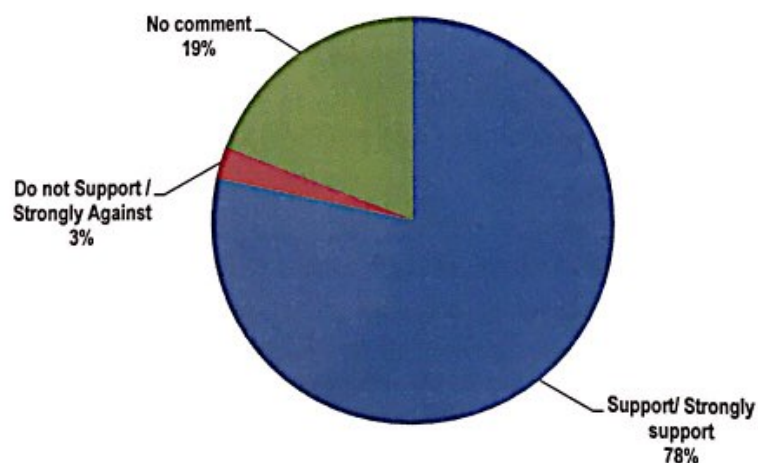


Figure 2.4 Domestic Households' Views on Redevelopment

3. POPULATION & HOUSEHOLD CHARACTERISTICS

- 3.1 Except stated otherwise, the territorial average numbers used for comparison in this report is based on either the 2011 Population Census or the 2016 By-census, whichever the latest available results published by the Census and Statistics Department; and the assessments will be based on the latest available information for comparison where appropriate.
- 3.2 As stated in paragraph 2.11, the vacant unit would not be included in the household and population information for this Section. The total number of households and population within the Project is 204 households and 463 persons. It results in an average household size of 2.27 persons. It reflects a lower average household size in the Project as compared to the territorial average of 2.9 person per household. This lower average household size may be due to the presence of 44% sub-divided units in the Project.
- 3.3 Based on the number of surveyed households (204) and the successfully surveyed living units (208) within the Project (excluding 2 confirmed vacant units), the degree of sharing (or the "average number of domestic households per unit of quarters") in the Project is 0.98 (204 households / 208 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 overcrowded situation within the Project.
- 3.4 Of the 91 original GBP domestic units, 40 units (44%) were found to be sub-divided into 157 self-contained units (including 6 unsurveyed sub-divided units). If the 204 households living in the sub-divided units are considered as "sharing" of units and the number of original GBP units are adopted as the basis, the degree of sharing is at about 2.24 (204 households / 91 original GBP units). Therefore, the degree of sharing is much higher within those sub-divided units. There are also 6 original GBP domestic units sub-divided into 20 number of property interests and registered with the Land Registry.
- 3.5 One unit was found to be of mixed use (both commercial and residential uses) which is a ground floor unit designated for "shop" use in the approved GBPs of the buildings. There were also rooftop structures and under staircase unit 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.

Since there is one confirmed vacant unit has also responded to FS form and SIA questionnaire, their views will be included in the assessment of tenant households in Section 4 to 10, where applicable.

		Original GBP Domestic Units	Surveyed Domestic Units	Surveyed Households
Non-subdivided	<i>Surveyed units for domestic use</i>	51	51	53 [#]
	Surveyed original domestic units used for non-domestic use	N/A	N/A	N/A
Sub-divided	<i>Surveyed units for Domestic use (self-contained)</i>	40	151 [*]	143 ^{##}
	<i>Under Staircase unit for Domestic use</i>	N/A	1	1
	Roof Structure for Domestic use	N/A	4	4
Sub-total		91	207	201
Non-domestic units (G/F and C/F) used for Domestic purpose:		N/A	3 [@]	3 [@]
Sub-total		N/A	210	204^{@@}
<i>Unsurvey Domestic Unit</i>		N/A	6 ^{**}	-
Total No. of Units for Domestic use found in the Project		-	216	204^{@@}

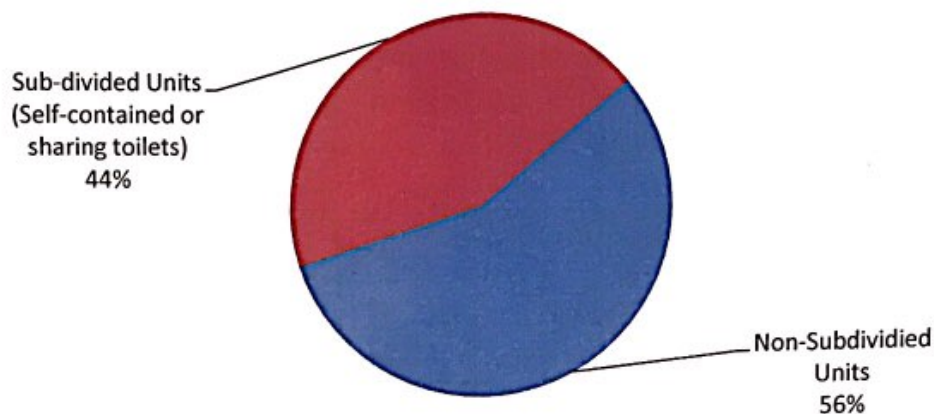


Figure 3.1 Percentage of Sub-division of Approved General Building Plans (GBP) units

- 3.8 A total of 463 residents were recorded in the Freezing Survey, 237 were male, 226 were female. The distribution gives a ratio of 104 male residents to every 100 female residents.
- 3.9 Among the 441 persons who provided both gender and age information, the economically active age group of 25 to 64 is the majority (about 62.6%) of the total population. Percentage of persons in this age group is similar to the corresponding territory-wide level of 62.7%, while the youth age group of 15-24 (about 8%) is slightly lower than the territory-wide level of 12.4%. The age group of 0-14 (about 16.1%) is higher than the corresponding territory-wide level of 11.6%. The elderly group, aged 65 or above, representing about 13.3% of the total population in the Project, is about the same as 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 Project 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 Project.

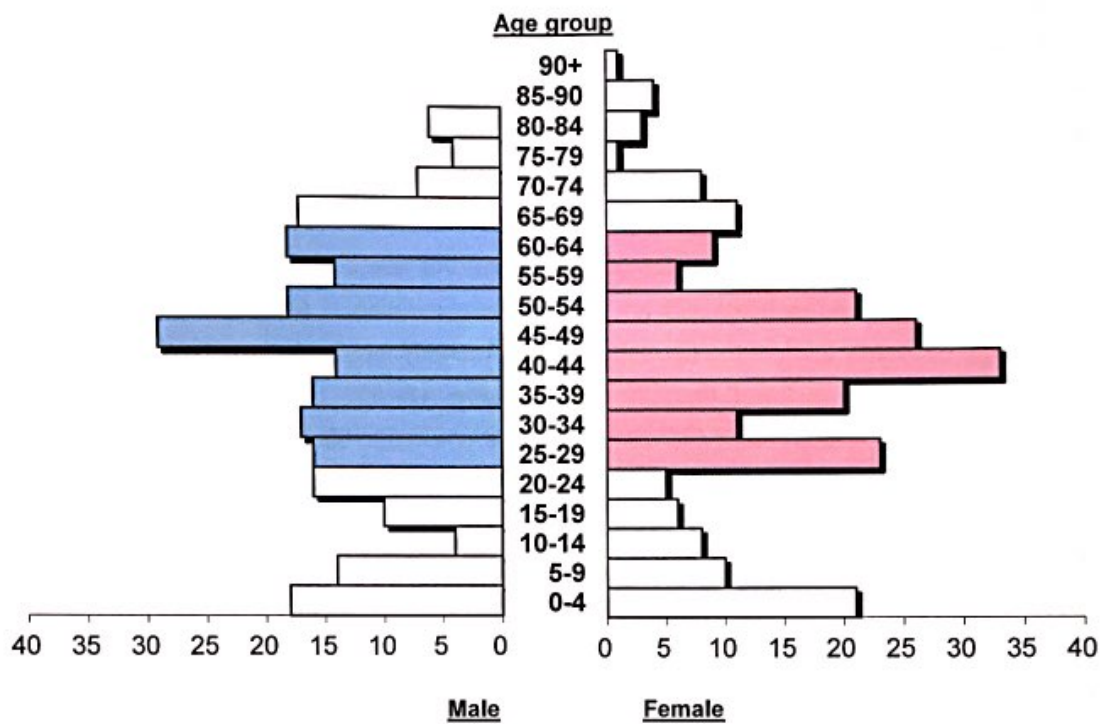


Figure 3.2 Age Structure

4. SOCIO-ECONOMIC CHARACTERISTICS

Income Level

- 4.1 From this Section onward to Section 10, the analysis will be based on 206 households and 463 residents opinions collected up to 17 April 2017 (including 2 households of the confirmed vacant unit which have completed the FS) as the basis for analysis, where applicable. The monthly income of 199 households are recorded and analyzed and the remaining 7 households did not answer this question. As shown in **Figure 4.1**, approximately 23% of the households have monthly income less than HK\$10,000 per month, which is lower than the territory-wide average of 24%. For households receiving less than HK\$4,000 per month, the proportion was about 8% which is lower than the territory-wide average of 9% as reported in the 2011 Census. A higher proportion of interviewed households (57%) have monthly income of more than HK\$15,000 per month, in which 10% of them are in the range of HK\$15,000 – HK\$19,000. Based on those who responded, the percentage of low-income household living within the Project appears to be low.

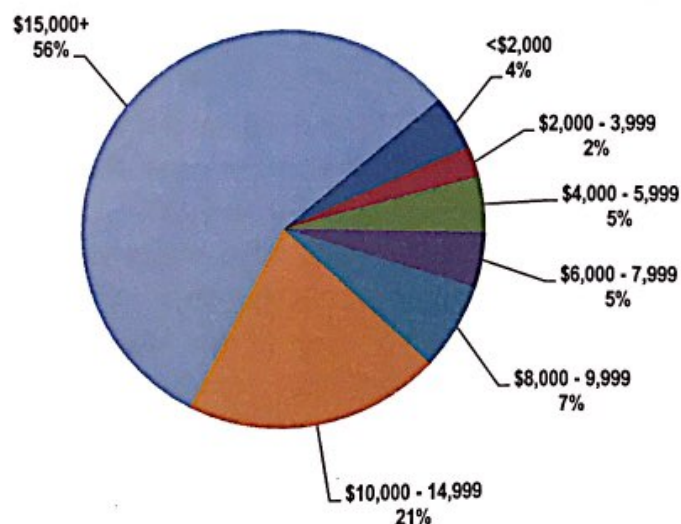
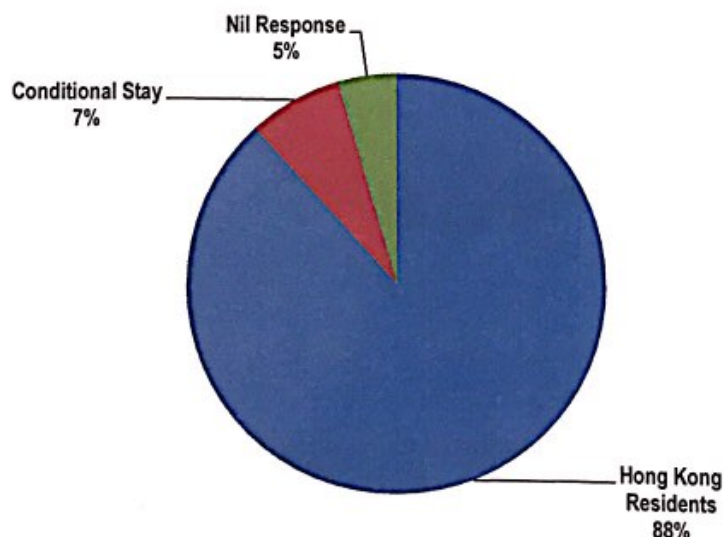


Figure 4.1 Household Income (HK\$ per month)

- 4.2 Out of the 199 households who answered this question, only 18 household (i.e. around 9% of the total households) was recorded as currently receiving Comprehensive Social Security Assistance (CSSA). The percentage share of the population in the Project receiving CSSA (9%) is much higher than the territorial level of 6.3% as at end 2011¹. The URA and the SST would 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.

Residence

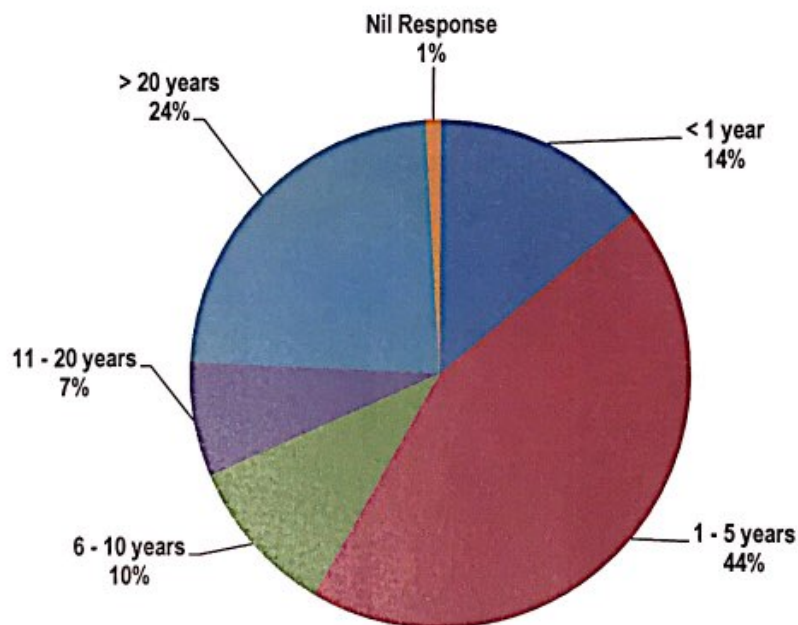
- 4.3 Approximately 34 out of 463 residents (about 7%) replied that they were subject to conditional stay, as shown in **Figure 4.2**. All the residents in this group could not meet the eligibility criteria for public rental housing as applied by the Hong Kong Housing Authority (HKHA) and the Hong Kong 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.



¹ Territorial CSSA data from 'Statistics on Comprehensive Social Security Assistance Scheme, 2001 to 2011, Feature Article of Hong Kong Monthly Digest of Statistics', September 2012, Census and Statistic Department.

Figure 4.2 HKSAR Resident Status

- 4.4 A total of 206 households (including 2 households which confirmed vacant but answered FS) answered the FS question on the length of time of residing in their current units in the Project. As shown in **Figure 4.3**, 120 households (58%) have lived in the Project for less than 5 year, of which 29 households (14%) lived less than a year. Forty-eight (48) households (about 24%) have lived within the Project for over 20 years, of which 28 households (about 13%) 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% (70 households)² of households 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 Project which appear to be for rent. Tenants (including principal tenants and sub-tenants) accounted for about 66% of households surveyed (135 households). Occupier accounted for less than 1% of households surveyed (1 household). For analysis purpose, the 1 occupier will be considered as tenant making the total number of tenants as 136 households. The high proportion of tenants in the Project may result in a higher demand for rehousing services should the Project be authorized to be implemented and subject to their eligibility for rehousing. There are households living in the rooftop structures. According to the approved GBPs, the roof of all the buildings in the Project should be open roofs without approved domestic units. 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 criteria³ 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.

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

³ 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>

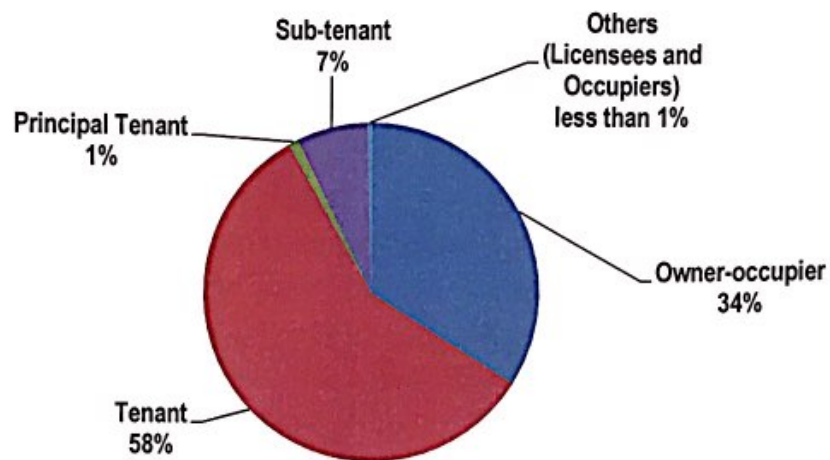


Figure 5.1 Occupancy Status of Households (206 surveyed households)

Affected Owners

- 5.2 Among the 70 surveyed owner-occupiers, 33 (about 47%) indicated their preference of finding alternative accommodations in the same district as where they are living, i.e. Kowloon City District. Two (2) owner-occupiers responded that he would look for alternative accommodation in other districts. Nineteen (19) owner-occupiers responded that they had yet to decide and 16 owner-occupiers did not respond to the question.
- 5.3 When looking for new accommodation, 32 owner-occupiers (about 46%) indicated that they would prefer to look for flats with similar size, 17 owner-occupiers (about 24%) preferred bigger flats, and 5 owner-occupiers (about 7%) preferred smaller flats. Two (2) owner-occupiers (about 3%) had not yet decided. Fourteen (14) (about 20%) did not respond to the question.
- 5.4 Among the 70 surveyed owner-occupiers, none of them expressed intention to move to a flat older than their existing premises in terms of building age. Four (4) owner-occupiers (6%) expressed that he would like to move to a flat with comparable building age as the existing one. The majority (41 or about 59%) preferred newer flats and 8 (about 11%) preferred first-hand new flats. Three (3) (about 4%) had yet to decide, and 14 (about 20%) did not respond to the question.

- 5.5 About 70% of the surveyed owner-occupiers wanted their alternative accommodation to be newer than the current abode. Subject to the authorization by the Secretary for Development to implement the Project, 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 new flat in-situ or in the same district or at available site(s), as an additional option to cash compensation.

Affected Tenants

- 5.6 Among the 136 tenant households who answered the SIA questionnaire, 111 tenants (about 82%) expressed their preference for moving into public rental housing, of which 81% preferred East Kowloon, 6% preferred location in West Kowloon and 6% did not respond to this question. The majority preference for East Kowloon is understandable. However, as stated in paragraphs 4.2 and 5.1 above, those residents who are subject to conditional stay and some of those who lived in rooftop structures or understaircase unit 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 Hong Kong Housing Authority (HKHA) and the Hong Kong Housing Society (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 surveyed rooftop households and under staircase occupier 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 52% of the population (241 residents out of a total of 463 residents) within the Project was employed. Unemployed persons accounted for about 7.3%. 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 202 residents from the 70 owner-occupier households were recorded in the survey. About 47% (95) of this type of residents was employed, whereas only about 3% were unemployed. **Figure 6.1** shows details of employment status of the family members of owner-occupier households.

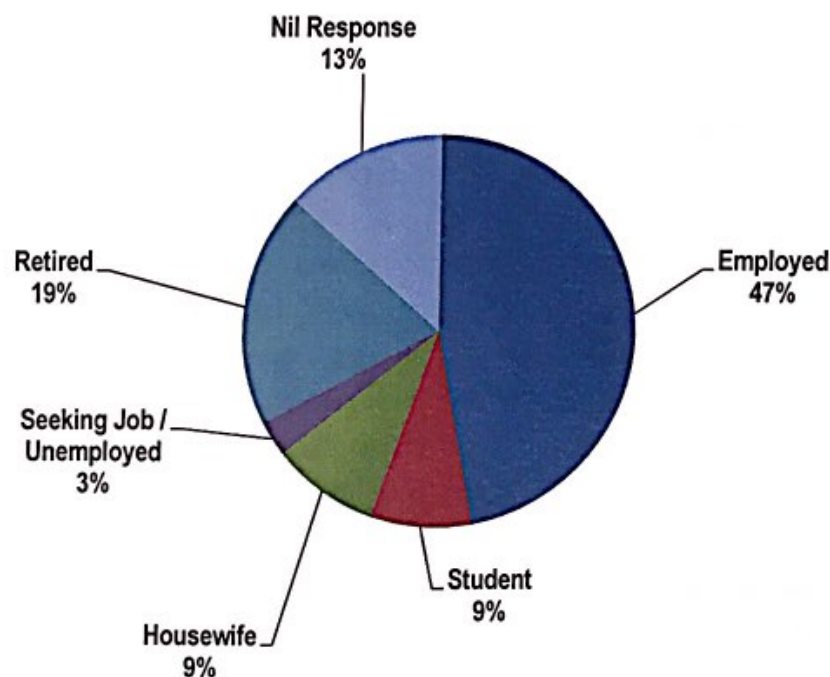


Figure 6.1 Employment Status of Affected Owners' Family Members

6.3 About 13% of the employed residents in the owner-occupier households were working in Kowloon City, and around 17% in HK Island. About 19% did not have a fixed working district. Other employed residents worked mainly in different parts of Kowloon, also the New Territories and outside Hong Kong. Around 5% 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.

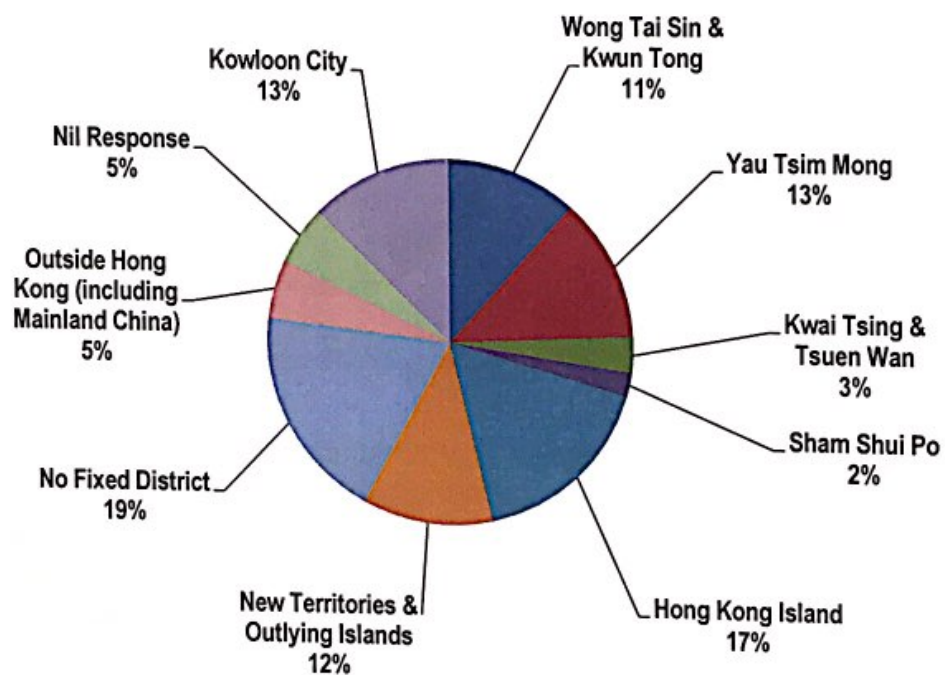


Figure 6.2 Place of Work of Affected Owners' Family Members

Affected Tenants

- 6.4 Among the 136 affected tenant households comprising 261 residents, about 56% had employment, whilst about 7% were unemployed (**Figure 6.3**).

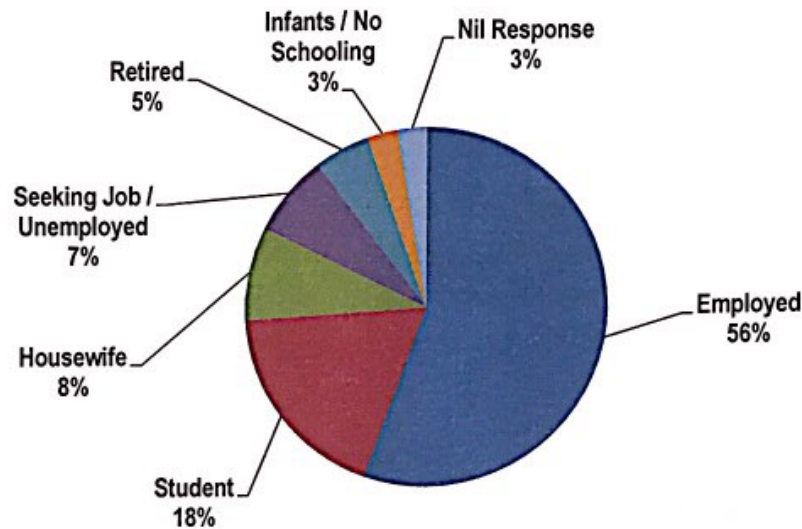


Figure 6.3 Employment Status of Affected Tenants

- 6.5 Among the 145 tenanted residents who were employees, about 26% were working in Kowloon City. About 20% were working in the neighboring districts Yau Tsim Mong and Wong Tai Sin / Kwun Tong districts. Around 6% are working in New Territories and Islands. About 26% of residents had no fixed location of work, whilst about 3% of the residents did not respond to this question. **Figure 6.4** shows the places of work of the tenant residents.

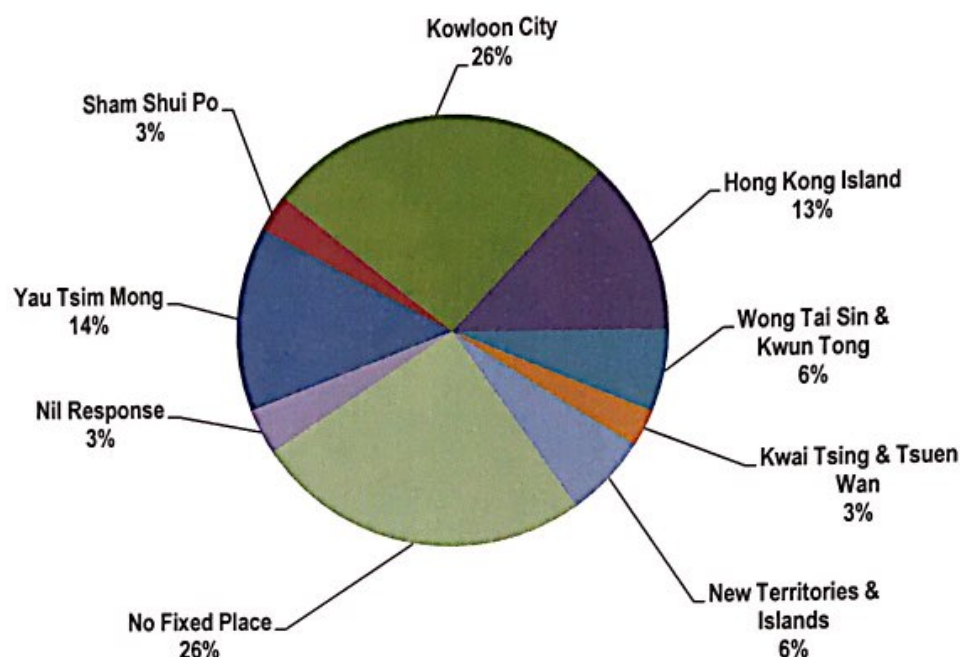


Figure 6.4 Place of Work of Affected Tenants

- 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 (3%) and the tenant households (7%) which are much higher than the territory-wide figure [The territory-wide figure is 3.3% for a period of January 2016 – March 2016⁴]. 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.

⁴ Information from website of Census and Statistic Department as of April 19, 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 70 surveyed domestic owner-occupier households. Forty-seven (47) households (about 67%) considered that it would have no impact and 1 household (about 2%) has positive impact. Five (5) households (about 7%) considered there would be negative impact whilst 17 households (about 24%) gave no response.

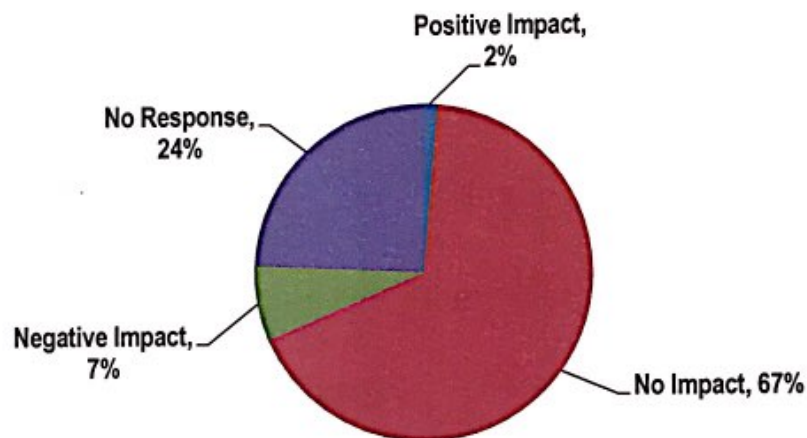


Figure 7.1 Impact on Employment to Affected Owners

- 7.2 The expected impact on family finances of the 70 interviewed owner-occupiers is summarized in **Figure 7.2**. 6 households (about 9%) considered that there would be positive impact on his financial condition, 21 households (about 30%) considered that there would not be any impact, and 22 households (about 31%) expected negative impact. The remaining 21 affected owner households (about 30%) gave no response to this question.

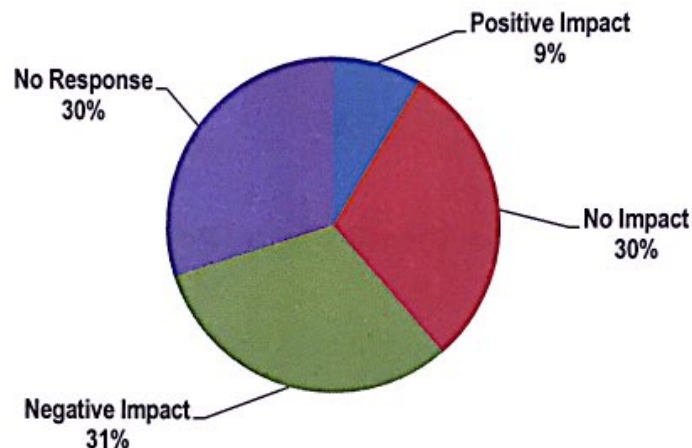


Figure 7.2 Impact on Economic Condition to Affected Owners

- 7.3 The 6 interviewed owner household expecting positive financial impact cited more saving and better cash flow as the major advantage. Among the 22 owner households who considered having negative impact, most of them cited more expenditure (e.g. management fee), less saving and may lead them to more debt burden as the negative impacts resulting from the proposed project.

Affected Tenants

- 7.4 The expected impact on employment condition as reflected by the 136 interviewed tenant households is summarized in **Figure 7.3**. Only 2 households (about 2%) considered there would be positive impact to their employment whilst more than half of the tenant households (82 households, about 60%) considered there would not be any impact. Thirty-one (31) households (23%) expected negative impact. Another 21 households (about 15%) gave no response to this question.

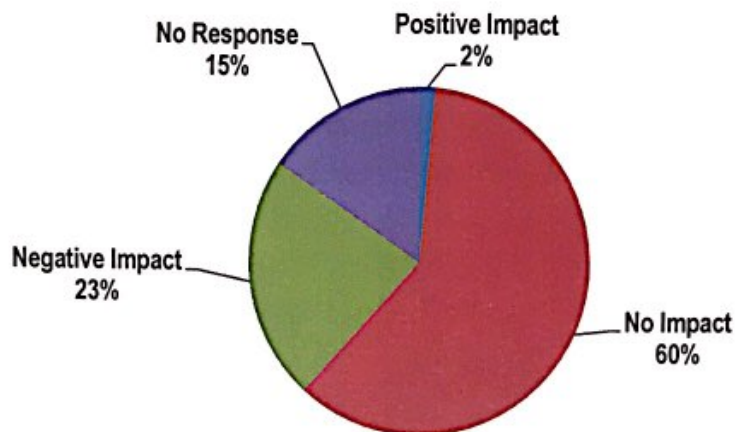


Figure 7.3 Impact on Employment to Affected Tenants

- 7.5 The expected impact on family finance as reflected by interviewed tenants is summarized in **Figure 7.4**. Fifteen (15) (about 11%) tenant households considered there would be positive impact to their finance condition due to the Project. Forty-five (45) households (about 33%) considered there would not be any impact, whilst 53 households (about 39%) expected negative financial impact and 23 households (about 17%) gave no response to this question.

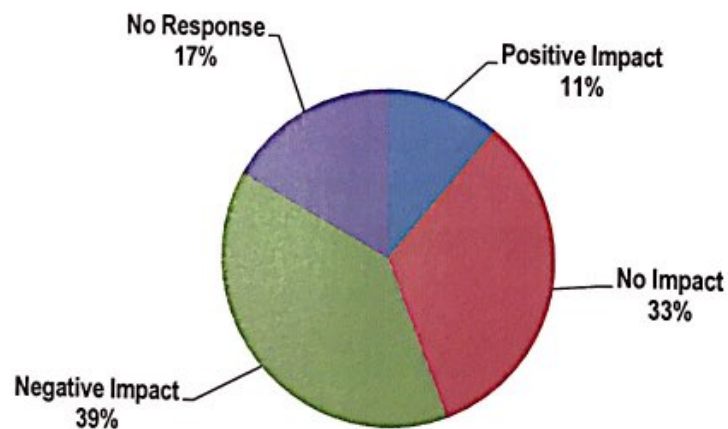


Figure 7.4 Impact on Economic Condition to Affected Tenants

- 7.6 For those 53 interviewed tenant households which considered the proposed redevelopment project would have negative financial impact, 3 households provide further information. Forty (40) anticipated that their living expenditure would increase due to the Project. Nine (9) tenant households anticipated that they would have less saving and 7 tenant households anticipated that they would have less cash flow (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 project is to be implemented, the eligible tenant households will be subject to the URA's prevailing compensation policies.

...about 60%, considered that their network would not be affected; 10 households (14%) gave no response to this question. The distribution pattern is shown in **Figure 8.1**.

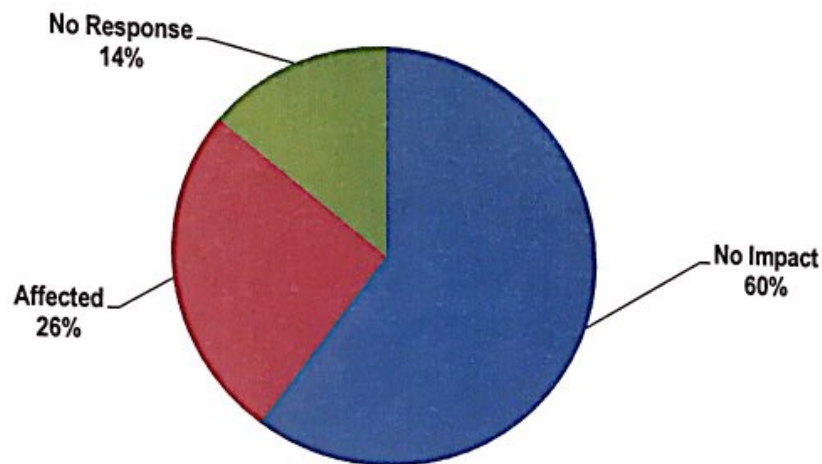


Figure 8.1 Redevelopment Effect on Social Network to Affected Owners

- 8.2 Of those respondents who were concerned about the possible adverse effects of the Project on their social network (about 26% of the owner-occupiers), the perceived impact on network related to medical support (9 households or 18%), neighbours and friends (10 households or 29%) and children/ relatives (6 households or 17%) were cited as their three major concerns (each respondent can provide more than one concern). The distribution pattern is shown in **Figure 8.2**.

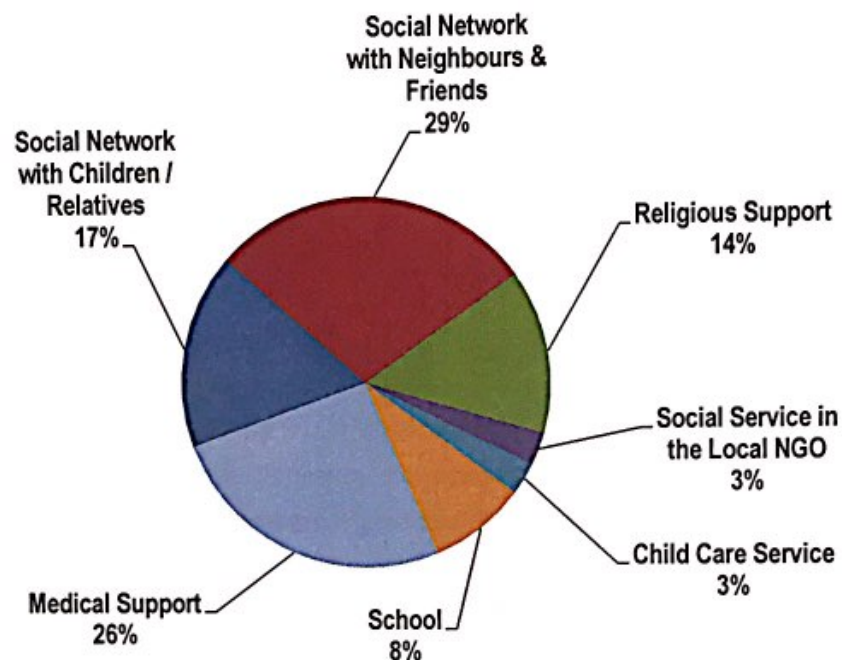


Figure 8.2 Nature of effect on Social Network to Affected Owners

Affected Tenants

- 8.3 When asked about the likely impact of the proposed redevelopment on their social network, 30 (about 22%) of the 136 surveyed tenant households answered that their current social network would be affected. Eight-nine (89) (about 65%) responded that their network would not be affected. Seventeen (17) households (about 13%) gave no response to this question (**Figure 8.3**).

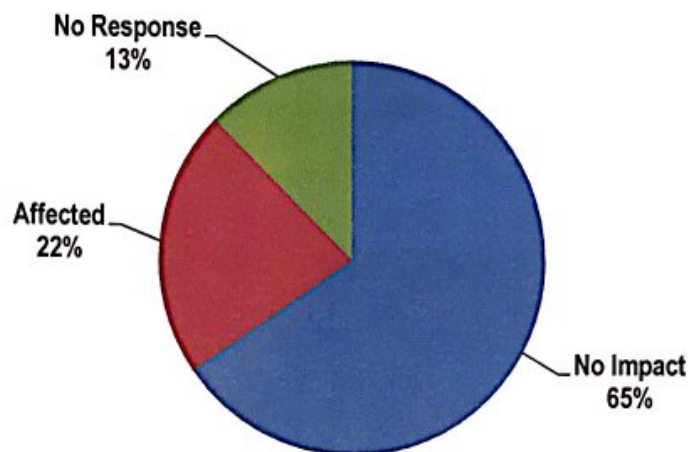


Figure 8.3 Redevelopment Effect on Social Network to Affected Tenants

- 8.4 Of those tenant households who were concerned about the possible adverse effects of the Project on their social network (about 22% of the tenant households), the perceived impact on network related to school (about 16%), with children / relatives (10%), medical support (about 9%), and with neighbours and friends (14%) as their major concerns (respondent could provide more than one concern). The distribution pattern is shown in Figure 8.4.

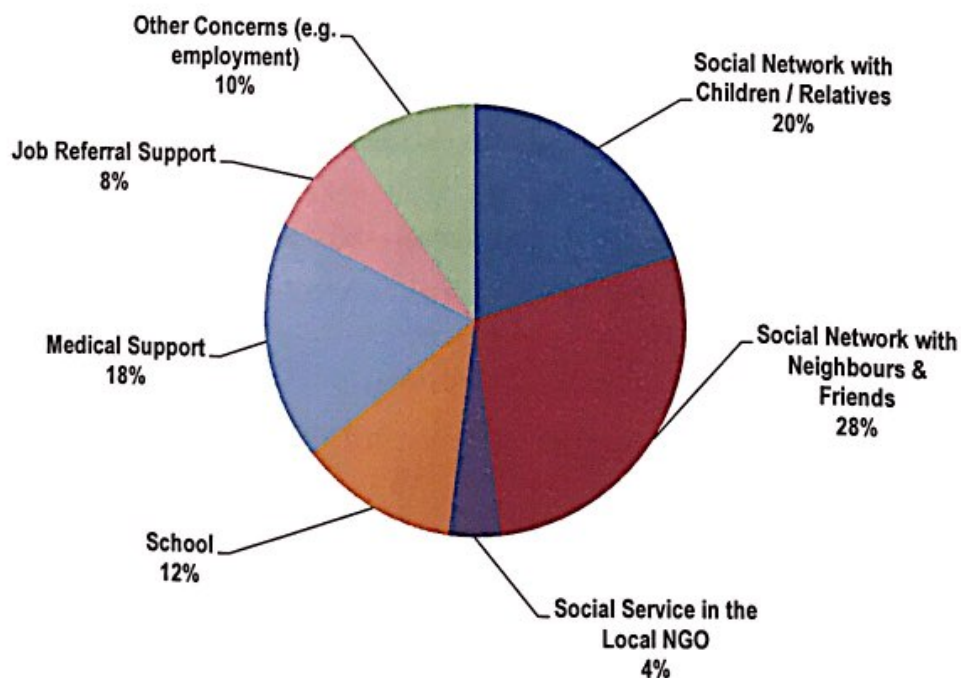


Figure 8.4 Nature of effect on Social Network to Affected Owners

- 8.5 About half of both interviewed owner-occupiers and tenants (62% and 65% respectively) who responded that they did not expect impact on their social network would arise is not surprising given that around 44% of total households (see paragraph 4.4) have only lived in the Project for 5 years or less.
- 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 FFF option for those eligible domestic owner-occupiers to choose to buy so that they can move back to the same area and retain the social networks upon completion of the redevelopment.

- 9.1 The survey identified 66 students. 33 (50%) were primary or kindergarten students, 19 (about 29%) were secondary students and 13 students (about 20%) were Tertiary or above levels whilst 1 student (1%) did not response to this question. There were 39 students (about 59%) studying in schools in Kowloon City. Thirteen (13) students (20%) studied elsewhere in Kowloon. Eight (8) students (13%) studied in the New Territories and 6 students (9%) studying outside Hong Kong (i.e. Mainland China / Macau or Overseas). **Figure 9.1** shows the type of schools attended by the students residing in the Project.

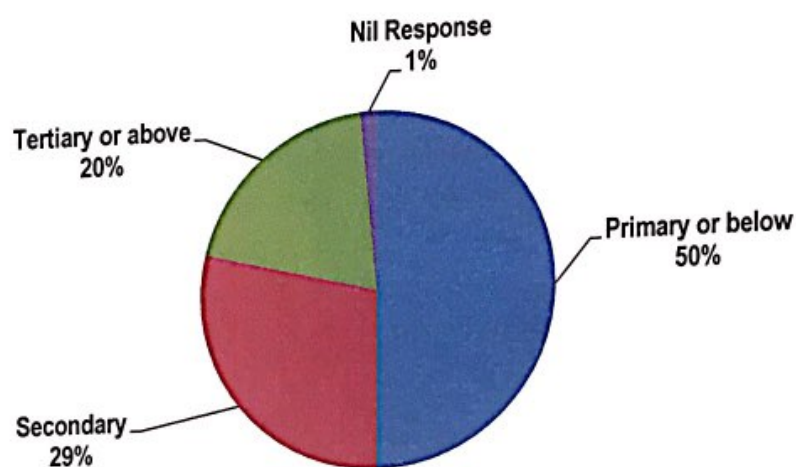


Figure 9.1 Educational Level of Student

- 9.2 Given the preponderance of students studying locally, it is not surprising that 23 students (about 35%) did not need to pay for transport to school. 17 students (about 36%) spent HK\$10 or less per trip travelling to school and 19 students (about 29%) incurred relatively higher travelling costs of over HK\$10 per trip. One (1) student have no fixed traveling costs. Two (2) students only answered they travel by school-bus whilst 4 students did not respond to this question. **Figure 9.2** shows the transport costs of the students in the interviewed households.

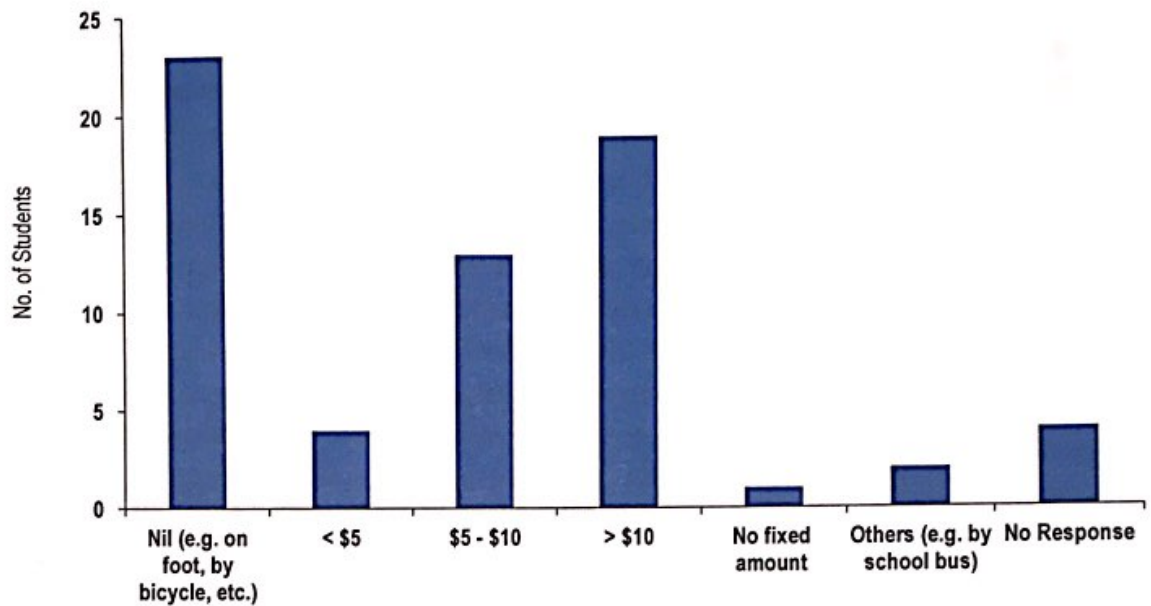


Figure 9.2 Travelling Cost to School – Single Trip

9.3 **Figure 9.3** shows the students' travelling time to school. 25 students (38%) spent 20 minutes or less travelling to their schools. 26 students (39%) students spent 20 to 60 minutes. 10 students (15%) spent over 60 minutes travelling to school. 1 student (2%) has no fixed traveling time whilst 4 students (6%) did not respond to this question.

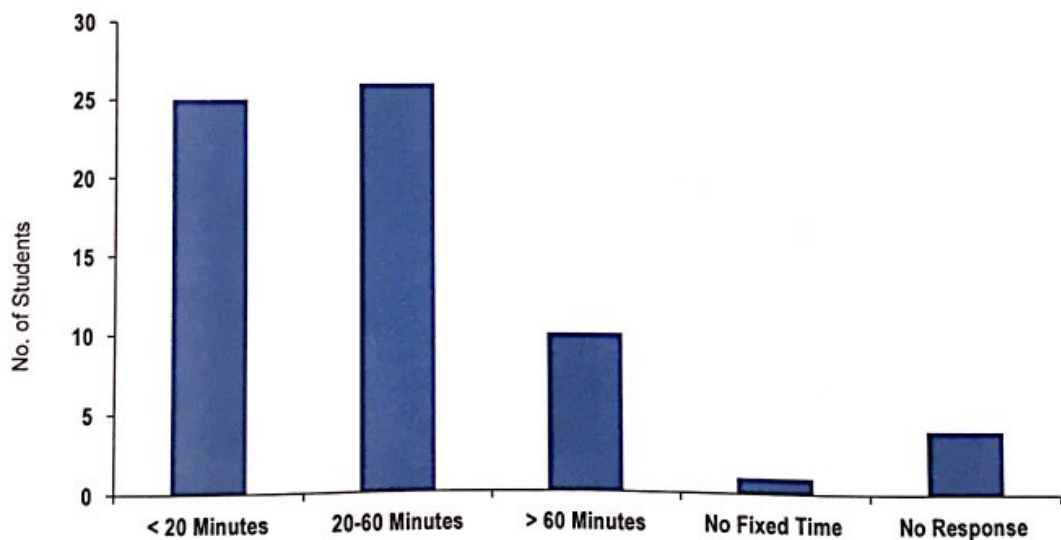


Figure 9.3 Travelling Time to School – Single Trip

- 9.4 The 66 students come from 53 households of which 48 students (about 73%) were from tenant households. 29 of these 48 students in tenant households were studying in primary school or kindergarten. Impact of the Project on this group of students may be greater as these students may need to change to another school if their families 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 The FS has identified a total of 61 elderly residents in 40 households within the Project. Of these, 14 were singleton and 12 elderly persons in 6 doubleton households, whilst the remaining 35 elderly residents were from 20 households. All the 40 households with elderly residents lived in self-owned units.
- 10.3 The presence of elderly population within the Project has implications on types of rehousing 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. Eligible elderly owner-occupiers can choose the FFF offers at where elderly friendly design is adopted for some FFF units.

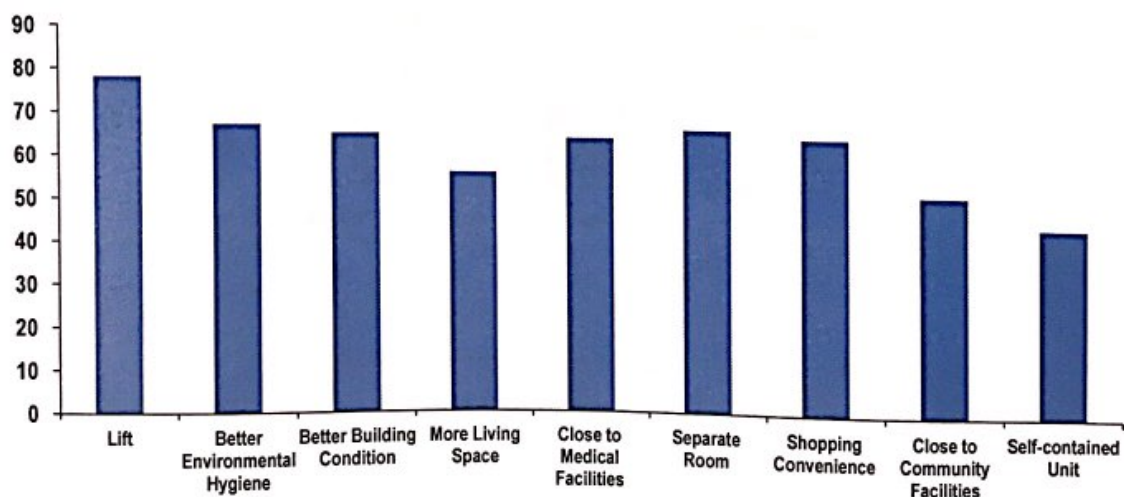


Figure 10.1 Elderly Concerns on Living Environment (based on the first three priorities chosen)

Persons with Disability

- 10.5 11 residents with disabilities (about 2%) were recorded in the survey. Their disabilities relate to mentally handicapped, mental health problem, hearing problem, visual impaired, difficulties in walking, disability of hands reaction, Parkinson's disease, Brain degradation, Stroke and Hemiplegia. Most of these residents with disabilities considered medical support as their primary concern. Rehousing for disabilities may be considered on compassionate grounds if they are not eligible under the normal eligibilities.

Single-parent Families

- 10.6 11 single-parent families with 16 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.

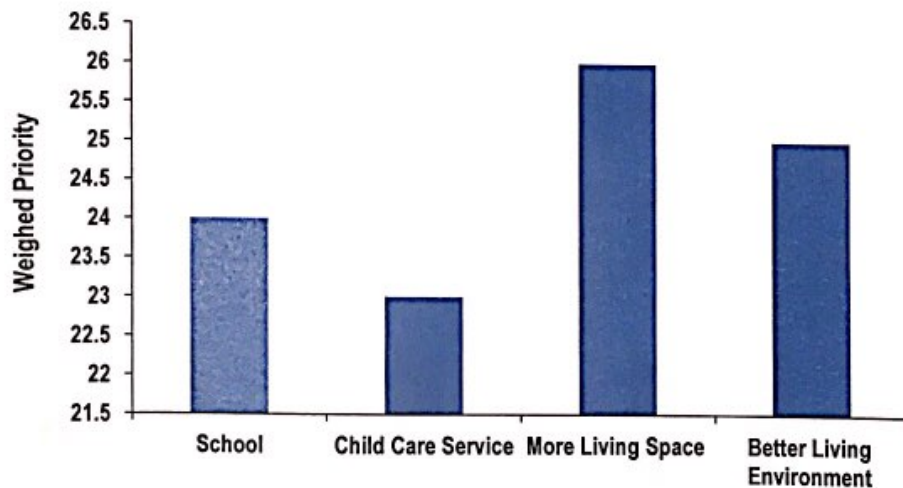


Figure 10.2 Major Needs of Single-parent Families
(based on the first three priorities chosen)

Ethnic Minority Group

- 10.7 According to the 199 households who answered SIA questionnaire, 17 households claimed to be ethnic minority groups. Among 17 households of ethnic minority, 10 households were from ASEAN countries (including Cambodia, Indonesia, Philippines and Thailand). Five (5) households were from South Asia (including Pakistan and India). One (1) household had members from ASEAN and South Asia countries. One (1) household was from Australia..
- 10.8 All 17 households of ethnic minority were tenant households. Of these, 6 households would like to have private housing as their new accommodations. 9 households would like to be arranged in a public rental flat. One (1) household indicated he would like to live with family but did not specify any housing type, and the remaining 1 household gave no response to this question. Twelve (12) households considered there would be no impact on his social network. Four (4) households considered there would be impacts of the Project on their social network with children/relatives, social network with neighbours/friends, medical support and job referral support. Six (6) households had expressed willingness to meet the SST. Ten (10) households were not willing to meet the SST. One (1) households had no response on this question. The SST will provide assistance to the households to mitigate the adverse impacts. URA will endeavor to arrange rehousing as far as practicable, subject to the availability of public rental flats and their eligibility.

11. BUSINESS IMPACT

- 11.1 According to the original GBPs of all buildings in the Project, there are a total of 16 ground floor premises (i.e. Nos. 4-24 Kai Ming Street (even nos.), Nos. 26-28 Kai Ming Street (even nos.) and Nos. 29-33 Wing Kwong Street (odd nos.)), are designated as "Shop" for non-domestic uses in the Project. Based on the FS record, a total of 34 premises were identified as "non-domestic uses", which were all (34) ground floor premises with 1 of them in mixed uses, 1 of them under the staircase and 3 of them with cockloft. During the FS, 2 structures were found to be used as storages in the lane while they would not be counted as non-domestic premises in this assessment.
- 11.2 Among the identified non-domestic premises, 24 premises were successfully surveyed with 23 business operators were identified (1 operator occupying 2 premises). In addition, 10 premises were not surveyed. In counting the number of business operators found in the Project, it is based on the total number of FS forms completed in the Project.
- 11.3 Since all (23) operators have answered both FS and SIA forms, this section's analysis in regard to the size of premises, reason for operating in current premises, length and performance of business and etc. are based upon the answers of the 23 business operators. Some operators may answer few but not all the answers in the SIA forms, as such, those missing information are categorized as "no response" in this SIA. **Table 11.1** shows the number of non-domestic premises and business operators identified in the Project.

	Non-domestic premises	Business operators
Successfully responded to both FS (successfully surveyed) and SIA (successfully interviewed)	24	23*
Responded to FS forms only (successfully surveyed), but refused to do SIA.	0	0
Unit surveyed vacant	0	N/A
Unsurvey Non-domestic premises	10	N/A
Total	34	23

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

* 1 operator occupying 2 premises

- 11.4 Of those 23 operators who answered FS questions regarding their occupancy status, 5 (about 22%) were owner operators, 17 (about 74%) were tenant operators and 1 (about 4%) were occupiers. (Figure 11.1)

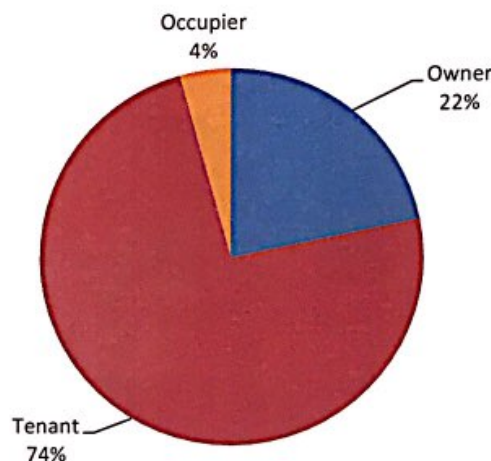


Figure 11.1 Occupancy Status of Business Operators

- 11.5 The nature of existing businesses of the 23 interviewed operators while 2 operators gave no response to the question is shown in Figure 11.2. Two (2) businesses (about 9%) were related to retail sales activities. Nine (9) businesses (about 39%) were related to services while 4 businesses (about 17%) were eateries. Four (4 or about 17%) were workshops, including electrical repair workshops and other repair workshops. Two (2 or about 9%) were other businesses (i.e. warehouses). The remaining 2 operators (about 9%) gave no response to the question. 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 electrical repair workshops and other 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 23 interviewed operators who answered both FS and SIA, 2 indicated that

it was a chain store or had a branch elsewhere.

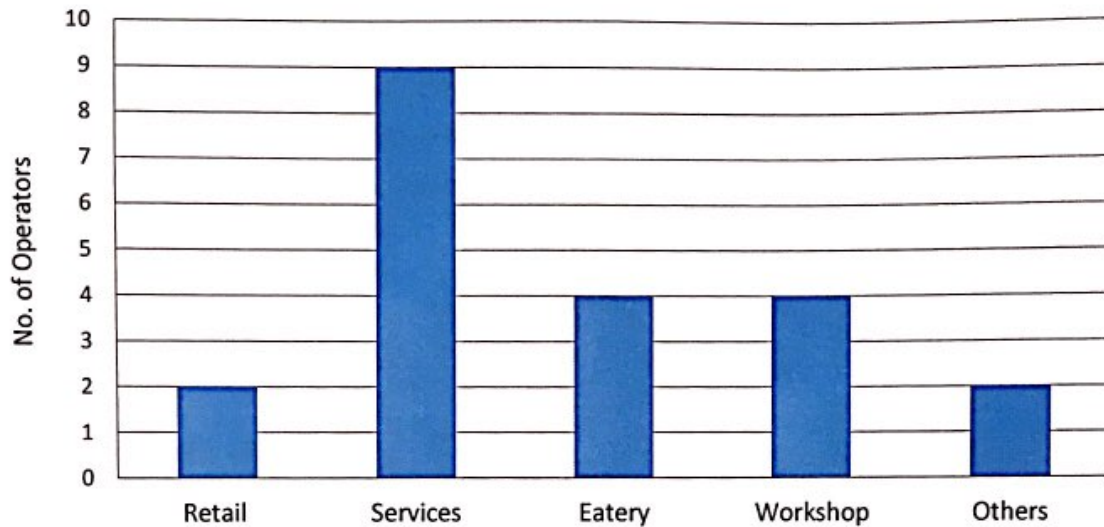


Figure 11.2 Classification of Non-domestic Uses

11.8 As for the size of the non-domestic premises, according to those 23 interviewed operators who responded to both the FS and SIA questions, 1 premises (about 4%) was less than 50 square feet. Two (2) premises (about 9%) were between 51sq.ft. and 100sq.ft. Most of the premises (13 units or about 57%) were between 101sq.ft. and 500sq.ft. Five (5) premises (about 22%) were between 501sq.ft. and 1000sq.ft. Two (2) premises (about 9%) were between 1001sq.ft. and 1500sq.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 SDEV authorization of the Project].

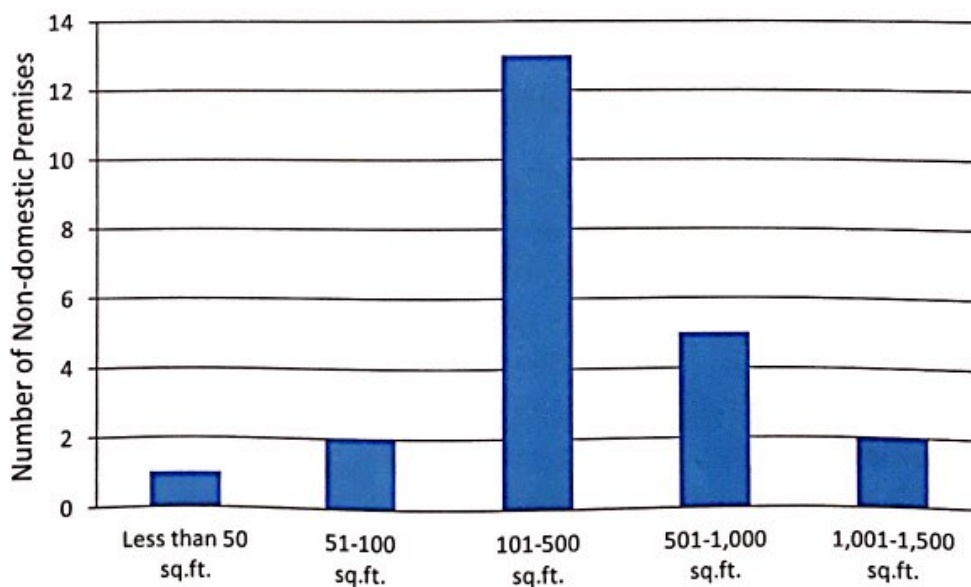


Figure 11.3 Size of Non-domestic Premises as claimed by operators

- 11.9 Among the 23 interviewed business operators, 12 operators (about 52%) either strongly supported or supported the proposed redevelopment. Eight (8) operators (about 35%) had no comment and 3 operators (about 13%) did not support the proposed development (Figure 11.4). Those who supported the Project mainly considered that the building condition was poor and that the buildings should be demolished for redevelopment, which could improve the local environment. If the Project proceeds, 14 operators would consider relocating their businesses. Those not supporting the Project mainly responded that the Project would affect their business operations and they worried about the social network. **Figure 11.4** shows the views of the business operators to the proposed redevelopment.

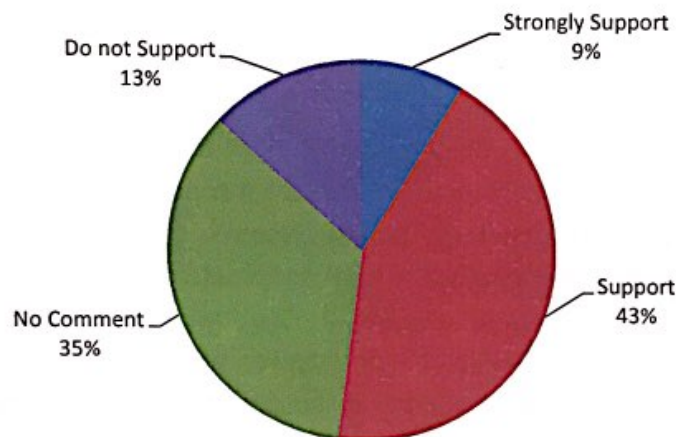


Figure 11.4 View of Business Operators to the Proposed Redevelopment

- 11.10 Five (5) operators (about 22%) out of the 23 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. Eighteen (18) operators (about 78%) indicated that they had only operated in Kowloon City District.
- 11.11 In terms of year of business operation of their existing businesses, among the 23 interviewed operators, 14 operators (about 61%) had been operating in the current premises for less than 5 years; 4 operators (about 17%) between 5 and 10 years; 2 operators (about 9%) between 11 and 20 years; and 3 operators (about 13%) had been operating in the current premises for over 30 years. (**Figure 11.5**).

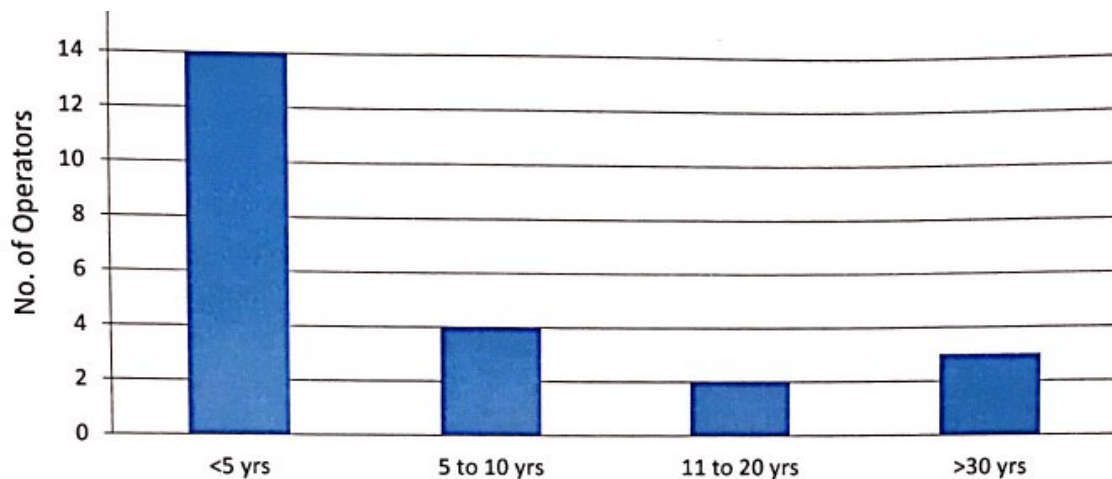


Figure 11.5 Year of Business Operation in the Current Premises

11.12 **Figure 11.6** shows the reasons of 23 interviewed operators for operating their businesses at the existing premises. Ten (10) operators chose low rent while five (5) operators chose convenient parking and loading/unloading as one of their reasons for operating in the current premises. Wide customer base and convenient for suppliers were considered by 5 operators as their reasons respectively. Four (4) operators chose owning the existing property and 2 operators chose physical attributes of the premises (with cocklofts) as their reasons. One (1) operator cited good neighbourhood relationship as his / her reason. Five (5) operators provided other reasons and cited the nearby-home location of premise, continuation of business sold by others and long history of occupation as the reasons (Some operators selected more than one reason).

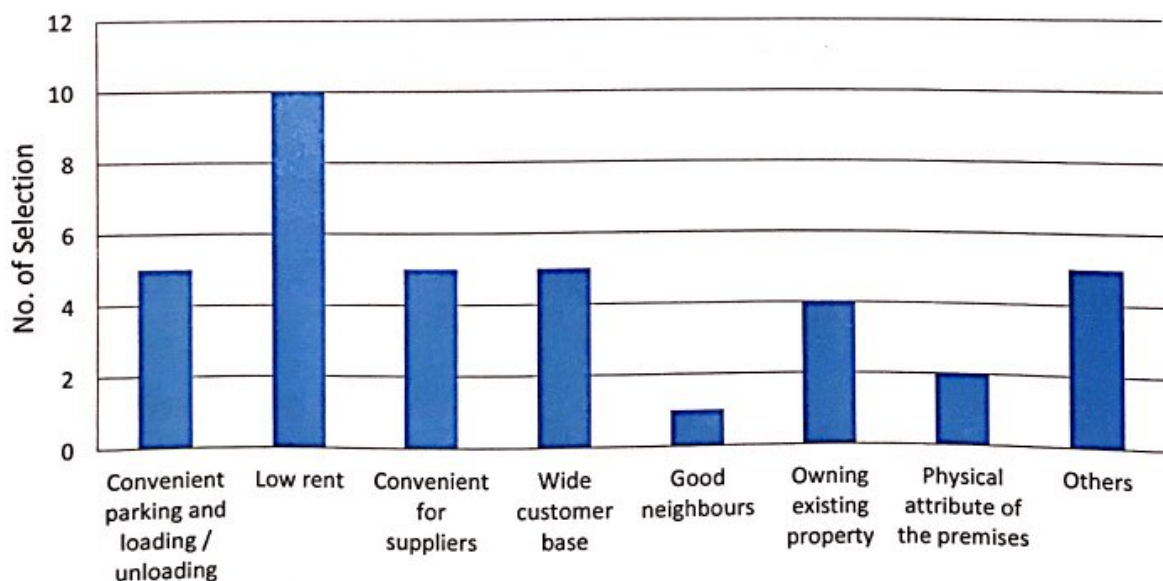


Figure 11.6 Reasons for Businesses Operating in the Current Premises

11.13 In terms of the satisfaction level of their business / business performance of the 23 interviewed operators, 11 operators (about 48%) responded that they were satisfied; 2 operators (about 9%) were very satisfied; 7 operators (about 30%) indicated they were neither satisfied nor dissatisfied with the performance; and 3 operators (about 13%) operators were dissatisfied with the performance (**Figure 11.7**). In summary, more than half of the operators (about 57%) were satisfied with their current business performance.

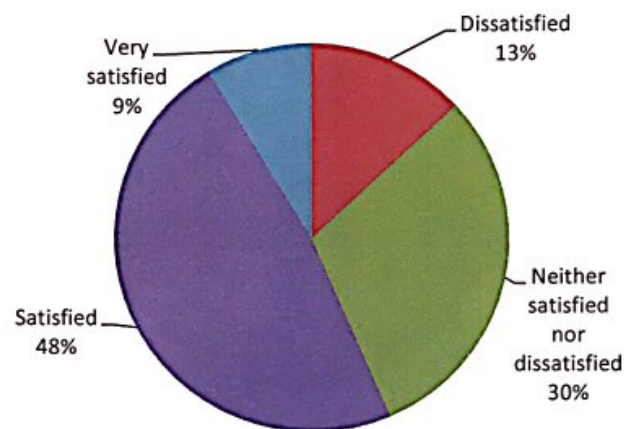


Figure 11.7 Satisfaction of Business Performance in Existing Premises

11.14 On the opinion of interpersonal relationship built from the existing business of the 23 interviewed operators, 15 operators (about 65%) were satisfied and 5 operators (about 22%) were very satisfied. Two (2) operators (about 9%) were neither satisfied nor dissatisfied while 1 operator (about 4%) were dissatisfied with the interpersonal relationship built from existing business. It can be observed that most of the operators considered themselves as having good interpersonal network in the area. (**Figure 11.8**).

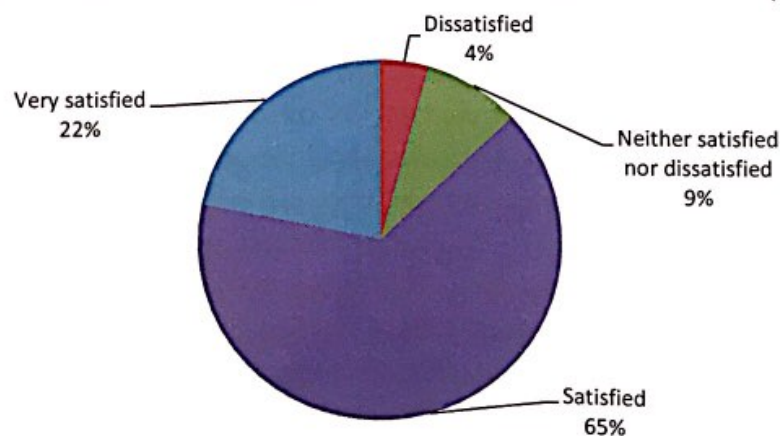


Figure 11.8 Satisfaction of Interpersonal Relation in Existing Premises

11.15 On the opinion of business network established from the existing shops, e.g. customer base, number of suppliers and etc., among the 23 interviewed operators, 12 operators (about 52%) were satisfied and 1 operator (about 4%) were very satisfied with the aspect of business network. Six (6) operators (about 26%) responded they are neither satisfied nor dissatisfied while 4 operators (about 18%) were dissatisfied with the aspect of business network established from the existing shops (**Figure 11.9**).

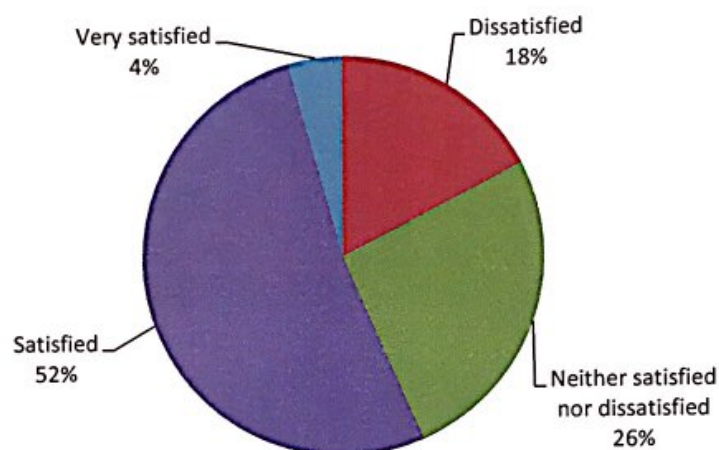
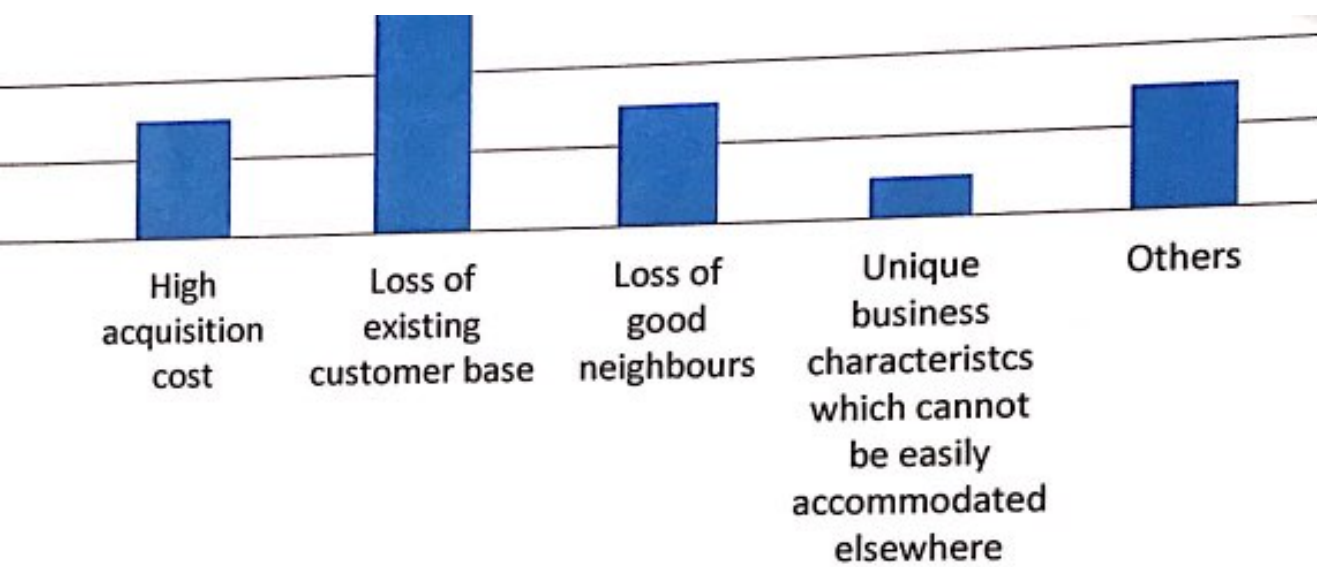


Figure 11.9 Business Network Built up by Operators in Existing Premises

11.16 On the future intention of the operators if the proposed Project is implemented, among the 23 interviewed operators, 12 operators (about 52%) responded that they would like to continue their businesses nearby. Only 2 operators (about 9%) considered relocation anywhere suitable and preferably in Kowloon, elsewhere in Kowloon City District or in Yau Tsim Mong district. One (1) operator (about 4%) responded that he / she would close his / her business. Eight (8) operators (about 35%) replied that they had not decided yet.

11.17 Among the 23 interviewed operators who had responded on their major concerns on looking for alternative accommodation for continuing their businesses, 13 operators responded that they were concerned about the possibility of higher rental cost after relocation. Ten (10) operators were concerned that relocation would result in loss of existing customer base. Three (3) operators were concerned about the high acquisition cost and 3 operators indicated their worries on the loss of good neighbours. One (1) operator was concerned about his / her unique business characteristics made him / her difficult to find suitable accommodation elsewhere. Three (3) operators indicated their worries on other aspects, like the loss of convenient parking and loading/unloading, wide customer base and convenience for suppliers. (Some operators selected more than one concern). **Figure 11.10** shows the major concerns on relocation.



Major Concerns on Relocating to New Premises

<u>Client Group</u>	<u>No. of Households/ Shops</u>	<u>Percentage</u>
<i>Domestic Tenants</i>	73	52 %
<i>Domestic Owners</i>	46	32 %
<i>Business Operators</i>	23	16 %
<i>total</i>	142	100 %

<u>Problem or Enquiry Nature</u>	<u>No. of Households/ Shops</u>	<u>Percentage</u>
<i>Domestic Tenants (73 households)</i>		
a) Unclear on compensation and rehousing policies	60	82 %
b) Evicted by owners / outrageous rent rise	0	0 %
c) Worry about eviction, termination of tenancy or outrageous rent rise in future	31	42 %
<i>Domestic Owners (46 households)</i>		
a) Unclear on compensation policies	32	70 %
b) Worry about compensation not enough to purchase another flat in the same district	32	70 %
<i>Business Operators (23 shops)</i>		
a) Unclear on compensation policies	23	100 %
b) Worry about compensation not enough to resume	10	44%

<u>Subject Matters of Enquiries</u>	<u>Percentage</u>
Project information, progress, timetable and procedures of urban renewal	2 %
Acquisition Compensation and rehousing policies	9 %
Household Survey (e.g. registration arrangement)	85 %
Others (e.g. residents briefing session information)	4 %
Total	100%

Table 12.3 Nature of Enquiries

Based on past experience with implementation of redevelopment projects, the URA is confident that the prevailing compensation and rehousing policies and arrangements

the social network and their family finance. With regard to the view of business operators, 52 % of the interviewed operators indicated support or strongly support for the Project. The operators supporting the Project considered that the building condition was poor and the building should be redeveloped to bring better local environment. About 13 % of operators indicated not support or strongly against to the proposed redevelopment. They considered that the Project would affect their business operations and destroy the social network. The remaining 35 % of operators had no opinion (Paragraph 11.11 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 on 23 March 2017, 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, 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 a URA new development in-situ or in the same district or at available site(s) (as URA may select for the purpose provided that necessary approvals / authorization has been obtained at the time of FFF offer), as an additional option to cash compensation to such owner-occupiers. As this is an additional option, the amount of cash compensation offered to an owner-occupier 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 or the URA. 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.
- 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, the 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 rateable 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 rateable 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 rateable 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 rateable 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 rateable 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

May 2017



Shop A, G/F,
4 Kai Ming Street



Shop B, G/F,
4 Kai Ming Street



Shop C, G/F,
4 Kai Ming Street



G/F, 6 Kai Ming Street



G/F, 8 Kai Ming Street



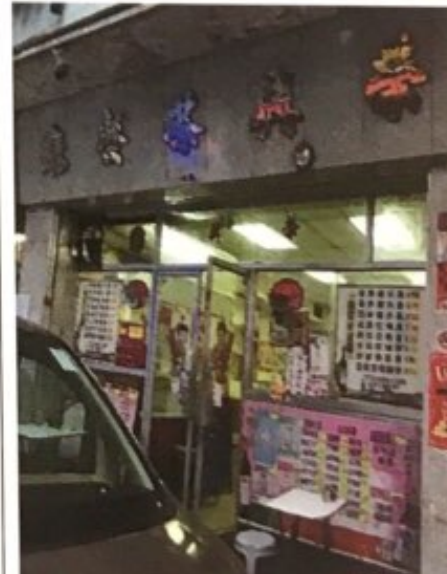
G/F, 10 Kai Ming Street



G/F, 12 Kai Ming Street



G/F, 14 Kai Ming Street



G/F, 16 Kai Ming Street



G/F, 18 Kai Ming Street



G/F, 20 Kai Ming Street



Shop A (Front Portion), G/F,
22 Kai Ming Street



Shop A (Rear Portion), G/F,
22 Kai Ming Street



Shop B (Front Portion), G/F,
22 Kai Ming Street



Shop A, G/F,
24 Kai Ming Street



Shop B, G/F,
24 Kai Ming Street



Shop A, G/F,
26 Kai Ming Street



Shop B, G/F,
26 Kai Ming Street



Shop C,
G/F, 26 Kai Ming Street



Shop 1, G/F,
28 Kai Ming Street



Shop A, G/F,
28 Kai Ming Street



Shop B, G/F,
28 Kai Ming Street



Shop C, G/F,
28 Kai Ming Street



Shop A, G/F,
29 Wing Kwong Street



Shop B, G/F,
29 Wing Kwong Street



Shop A, G/F,
31 Wing Kwong Street



Shop B, G/F,
31 Wing Kwong Street



Shop C, G/F,
31 Wing Kwong Street



Staircase, G/F
33 Wing Kwong Street



Shop A, G/F,
33 Wing Kwong Street



Shop B, G/F,
33 Wing Kwong Street



Shop C, G/F,
33 Wing Kwong Street



Shop D, G/F,
33 Wing Kwong Street



Shop E, G/F,
33 Wing Kwong Street