

Wing Kwong Street / Sung On Street

Development Project (KC-014)



Stage 1 Social Impact Assessment

June 2018

CONTENTS

	<i>Page</i>
1. INTRODUCTION	1
2. THE PROJECT AREA	2
3. HISTORICAL BACKGROUND	7
4. POPULATION & SOCIO-ECONOMIC CHARACTERISTICS	10
5. HOUSING & ENVIRONMENTAL CONDITIONS	16
6. CULTURAL & LOCAL CHARACTERISTICS, AND CHARACTERISTICS OF LOCAL BUSINESS ACTIVITIES	18
7. RECREATIONAL, AMENITY & COMMUNITY AND WELFARE FACILITIES	21
8. INITIAL ASSESSMENT OF POTENTIAL SOCIAL IMPACT, AND MITIGATION MEASURES	27
9. CONCLUSION	31

List of Figures

- Figure 2.1 Location Plan
- Figure 2.2 URA projects in the vicinity
- Figure 2.3 Proposed District-based urban renewal approach
- Figure 3.1 Places with Historical Background and Local Character in To Kwa Wan
- Figure 4.1 Boundary of To Kwa Wan North (G13) and South Constituencies (G14) of the Kowloon City District and Tertiary Planning Unit (TPU) 244
- Figure 4.2 Street Block Boundary of the Project (TPU/SB 24404-24406 and LSBG 24404L)
- Figure 7.1 GIC & Amenity Facilities within 500m Radius of Project Area

List of Tables

- Table 6.1 Ground Floor Business Activities Facing Major Streets and Pedestrianised Lanes
- Table 7.1 Social Welfare Facilities within 500m Radius of the Project Area

1. INTRODUCTION

- 1.1 In the new Urban Renewal Strategy (URS) issued by the Government in February 2011, the Urban Renewal Authority (URA) will carry out Social Impact Assessment (SIA) studies in the form of “a Stage 1 social impact assessment before the publication of any proposed redevelopment project in the Government Gazette”; and “a Stage 2 social impact assessment after the proposed project has been published in the Government Gazette”.
- 1.2 The URS also states “Early social impact assessments will be initiated and conducted by the DURF (District Urban Renewal Forum) before redevelopment is recommended as the preferred option. The URA will update these assessments by DURF before implementing any specific redevelopment project.” As the Project falls within the study area of Kowloon City DURF (“KC DURF”) and the consultants for the KC DURF have completed a DURF SIA report of the Urban Renewal Plan for Kowloon City in 2014, reference has been made to the DURF SIA report, where appropriate, in preparation of this Stage 1 SIA.
- 1.3 According to the URS, the main elements of the Stage 1 SIA conducted by the URA before publication of a proposed project should include:-
- the population characteristics of the proposed project area;
 - the socio-economic characteristics of the area;
 - the housing conditions in the area;
 - the characteristics of local business activities, including small shops and street stalls;
 - the degree of overcrowding in the area;
 - the availability of amenities, community and welfare facilities in the area;
 - the historical background of the area;
 - the cultural and local characteristics of the area;
 - an initial assessment of the potential social impact of the proposed project; and
 - an initial assessment of the mitigation measures required.
- 1.4 The Stage 2 SIA to be conducted after publication of the project will use factual information collected as part of the freezing survey to be conducted upon project commencement. The URS stipulates URA should submit the reports of both the Stage 1 and Stage 2 SIAs to the Secretary for Development (SDEV) when it submits a development project under section 24 of the Urban Renewal Authority Ordinance (URAO). It also stipulates the URA should release the reports for public information.

2. THE PROJECT BACKGROUND

- 2.1 The proposed development project (the Project) comprises buildings of 8 storeys high, at Nos. 44 to 54A Ngan Hon Street (even nos.), and Nos. 72 to 118 Wing Kwong Street (even nos.), To Kwa Wan, Kowloon City.
- 2.2 The Project is located in To Kwa Wan, Kowloon City District. It abuts Ngan Hon Street on the northeastern boundary, Sung On Street on the southeastern boundary, Wing Fai Mansion on the southwestern boundary and Wing Kwong Street on the northwestern boundary (**Figure 2.1**). It covers a gross site area of about 3,016m², including portion of the surrounding public footpath and Government lanes. Subject to detailed design, the net site area used to calculate the development potential of the Project is about 2,857m².

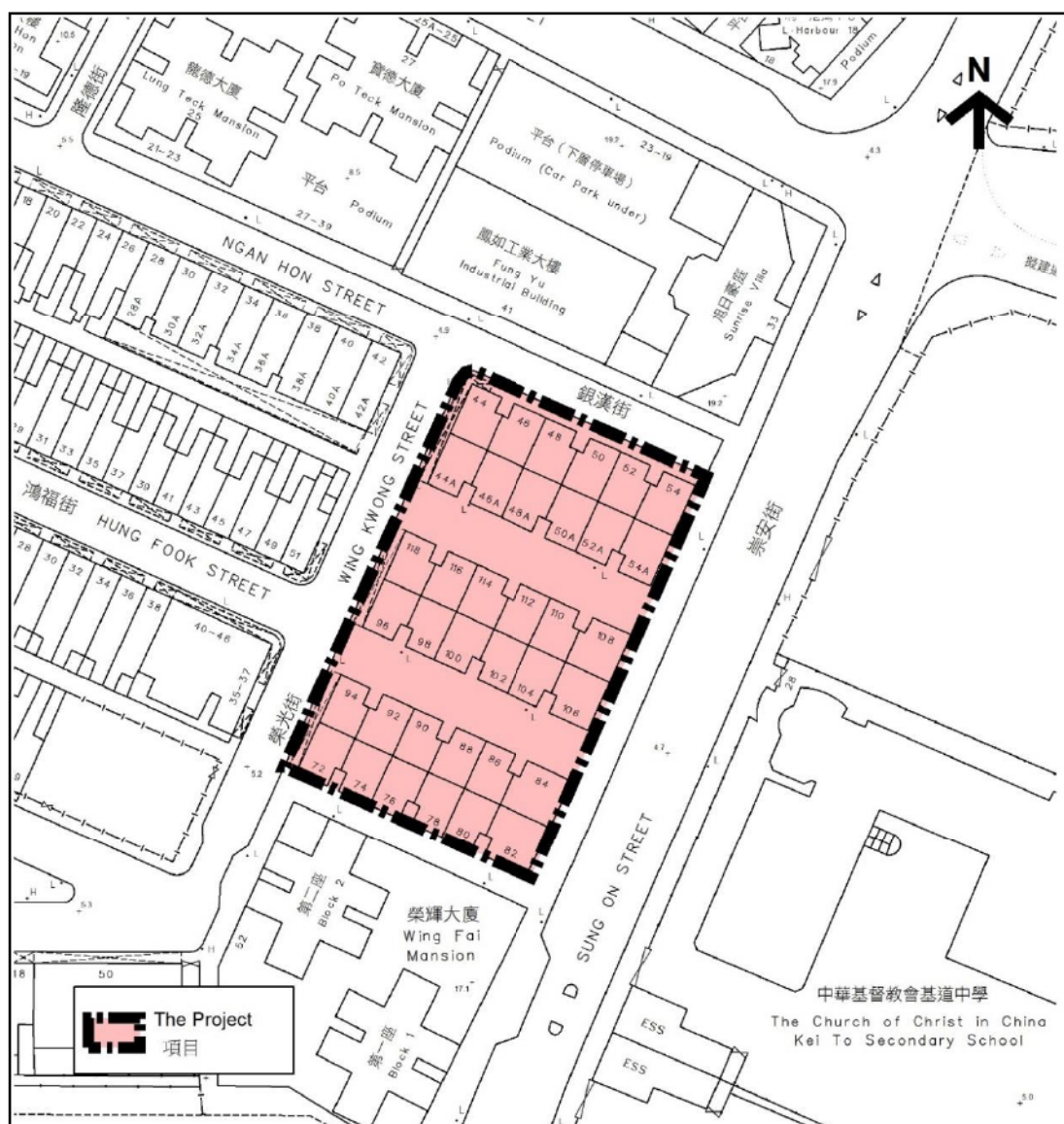


Figure 2.1 Location Plan

- 2.3 The Project falls within one of the “Proposed Redevelopment Priority Areas”, in the KC DUF’s Urban Renewal Plan. The KC DUF’s Urban Renewal Plan recommended that in the “*Proposed Redevelopment Priority Area*”, “*redevelopment should be given priority as the urban renewal approach for the area*”. The DUF SIA, in particular the community profile compiled for this Priority Area, will be taken into consideration in this report.
- 2.4 The Project is located close to a number of ongoing URA projects nearby (**Figure 2.2**). In particular, DL-8 and KC-009 to KC-013 located in the vicinity, together with the Project, form a cluster of URA projects that allow URA to undertake broader scale restructuring and replanning to improve the built environment and create opportunities for designing a pedestrian friendly neighbourhood with integration of revitalisation initiatives.
- 2.5 Further south of the Project is URA’s 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.
- 2.6 East of TKW/1/002 Project is another URA project- 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.

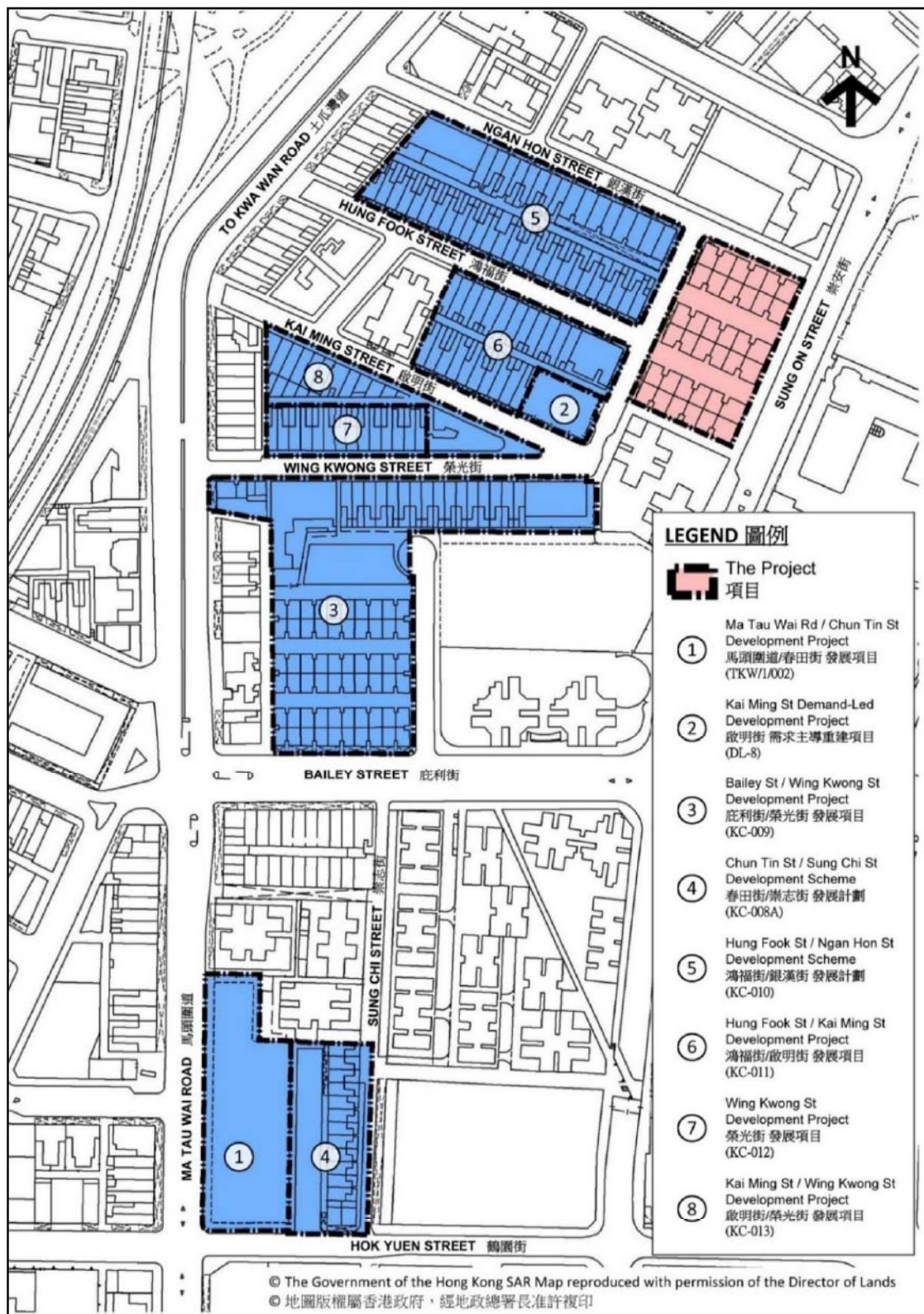


Figure 2.2 Ongoing URA projects in the vicinity

2.7 This integrated urban renewal approach is promulgated by the 2011 URS, which, inter alia, states the following objectives:

- Restructuring and replanning of concerned urban areas;

- Designing more effective and environmentally-friendly local transport and road networks within the concerned urban areas;
- Rationalising land uses within the concerned urban areas; and
- Enhancing the townscape with attractive landscape and urban design.

2.8 In accordance with the above objectives, the “district-based planning” adopted for this cluster of urban renewal projects has proposed two major initiatives (**Figure 2.3**):

1. Open up the north-south connection between Wan On Street and Lung Tak Street through URA projects KC-009, KC-010, KC-011, KC-012 and KC-013. This will improve connectivity for this neighbourhood;
2. A communal car park within KC-010 will be provided for shared use within the local district (including KC-014). As a result, shop frontage at other URA projects can be maintained without the need to provide individual car park ingress/ egress points and thus enhancing the street vibrancy and improving pedestrian safety by minimising vehicle disruption.

2.9 In addition to the above, the commencement of KC-014 Project also provides an opportunity to synergise with other URA commenced projects to further improve the pedestrian friendly environment and to enhance the walkability of the neighbourhood. As an integrated urban renewal approach, subject to further liaison works with relevant Government departments, implementation of related traffic and pavement improvement works could be carried out under revitalisation initiative to achieve the goal.

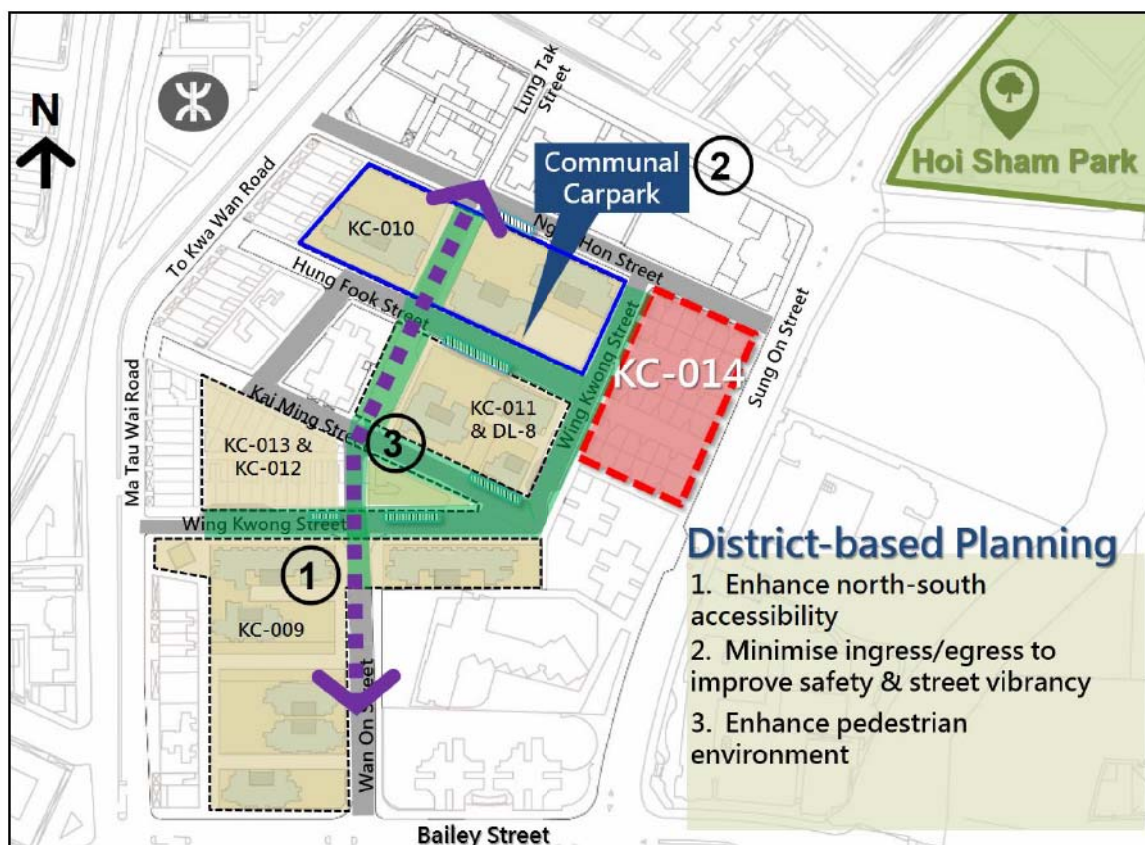


Figure 2.3 Proposed District-based urban renewal approach

2.10 With these initiatives as well as the overall urban renewal works in this area, it is anticipated that the local urban environment and residents will be benefited from a more coordinated restructuring resulting in a more walkable neighbourhood with quality street environment.

3. HISTORICAL BACKGROUND

- 3.1 The origin of the name “To Kwa Wan” has two different narratives. One was named after the bay with plentiful crops of sweet potatoes (“To Kwa”). Another suggests that the Hoi Sum Island (in the middle of the sea) just opposite to To Kwa Wan was shaped like a “To Kwa”.
- 3.2 Before 1864, To Kwa Wan was a bay lined by beaches and mud-flats and the only significant stream from the hinterland running towards the bay was Ma Hang Chung, which flowed closely along the existing Ma Hang Chung Road. Ma Tau Kok (means pier’s headland) was the northern headland of the bay, which was probably named after the long pier of Kowloon Walled City nearby.
- 3.3 On the north-facing coast of the headland, there was a small settlement with 8 to 11 cottages bearing the same name as the headland. The quarries at Ma Tau Kok and To Kwa Wan had started to operate since mid-18th century and one of the quarries was located at the slope of a knoll named San Shan (means new quarry). San Shan Road was believed to commemorate the quarry and the settlements of stone-cutters nearby.
- 3.4 To the south of Ma Tau Kok, there was a string of villages along the coast of To Kwa Wan Bay sharing the name of To Kwa Wan Village. This agricultural and stone-cutters village was believed to be the largest village in the Hung Hom and To Kwa Wan area with over 400 people living there in 1873.

Land Reclamation

- 3.5 The Project area was probably located near the coastline in the 1890s. Reclamation had been undertaken off the northern side of Ma Tau Kok and To Kwa Wan Bay since the late 1890s. The last phase of reclamation in To Kwa Wan was carried out in the 1960s and the reclaimed land was designated for residential development and industrial uses such as manufacturing, car-repairing, weaving, bleaching and dyeing, printing and electroplating.

Hoi Sham Island and Tin Hau Temple

- 3.6 Hoi Sum Island was originally a small island but was subsequently linked with the mainland by reclamation. In 1964, the Lung Mo Temple at the island was relocated into the Tin Hau Temple at No. 49 Ha Heung Road. Hoi Sum Island was developed as Hoi Sham Park with the landmark of Fishtail Rock. The Tin Hau Temple has been graded the Grade III status by the Antiquities Advisory Board.

Pak Tai Temple

- 3.7 The temple was originally located on a hillock, at the junction of the present Tsing Chau Street and Ma Tau Wai Road. According to the inscription on the incense burner, the temple was built in 1876. However, because of urbanization, the temple was demolished and a new temple was built at the present location in the 1930s. The temple had undergone major renovation in 2005.

Green Island Cement

- 3.8 Green Island Cement Company was founded in Macau in 1887. The company has set up a cement plant in Hung Hom, near the existing Hok Yuen Street and Hung Hom Road. The plant covered a large area with both rail and pier for raw materials and products transportation. It supplied cement for both local and overseas construction projects and provided support to the city development. The plant was moved and redeveloped into industrial and commercial blocks, while part of the pier still exists near the building named "Harbour Centre".

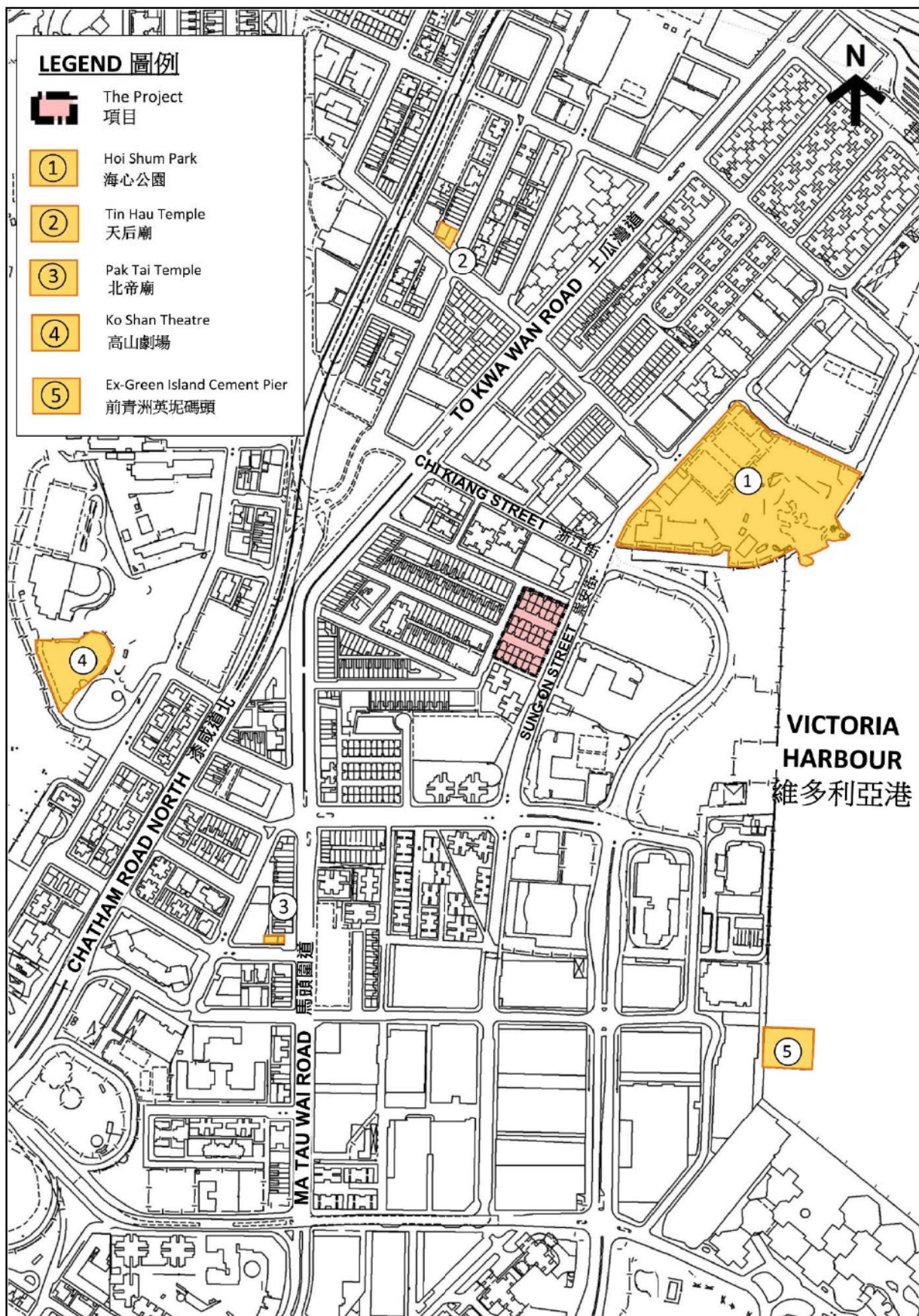


Figure 3.1 Places with Historical Background and Local Character in To Kwa Wan

4. POPULATION & SOCIO-ECONOMIC CHARACTERISTICS

- 4.1 To assess the population and socio-economic characteristics of the Project, a combination of sources has been used, including the 2011 Population Census, the 2016 Population By-Census and past experience from other URA projects. For the accommodation assessment, it is based on approved building plans and on-site non-obtrusive observation. Given the background of the (general and non-obtrusive nature) sources of the data available to carry out this Stage 1 SIA, the assessments derived should only be considered as indicative and for reference use only and subject to the Freezing Survey.
- 4.2 The Census and Statistics Department's (C&SD) website provides the 2016 Population By-Census results. Depending on the type of census data, the 'lowest' disaggregated data available may be down to Tertiary Planning Unit (TPU), Large Street Block Groups (LSBG) level or Small Street Block Groups (SSBG) levels and Constituency Area.
- 4.3 The Project falls within the To Kwa Wan North Constituency (G13) and To Kwa Wan South Constituency (G14) of the Kowloon City (KC) District and within Tertiary Planning Unit (TPU) 244 (**Figure 4.1**).
- 4.4 The Project lies within the TPU Small Street Block Group (SSBG) 24404, 24405 and 24406 (**Figure 4.2**). It falls within LSBG 24404L (**Figure 4.2**). Apart from SSBG 24404-24406, the LSBG 24404L also includes Wing Fai Mansion (24408). Since Wing Fai Mansion is a private residential development completed in 1994, the socio economic characteristics of those residing in a more modern building can be assumed to be different (i.e. more affluent in general) to those residing within the Project. In particular, information on the monthly household income/rent may not be representative for those in the Project as compared to those in the comparatively young private residential buildings.
- 4.5 The DURF SIA report has suggested that the average household size within its study area is around 2.6-2.9. However, such figure corresponds to the wider study area of KC DURF, which may be less representative for older, dilapidated buildings with sub-divided flats that are in need of redevelopment. Based on past URA experience, the average household size of those within the Project is estimated to be around 2.1. A tenure split of about 30% owner occupied and 70% tenanted households is assumed in the preparation of this report. Site observation indicates a number of the units of the Project appear to have been converted into subdivided units or cubicle apartments, and are mainly rented out, the actual number will be ascertained as far as practicable at Stage 2 SIA.

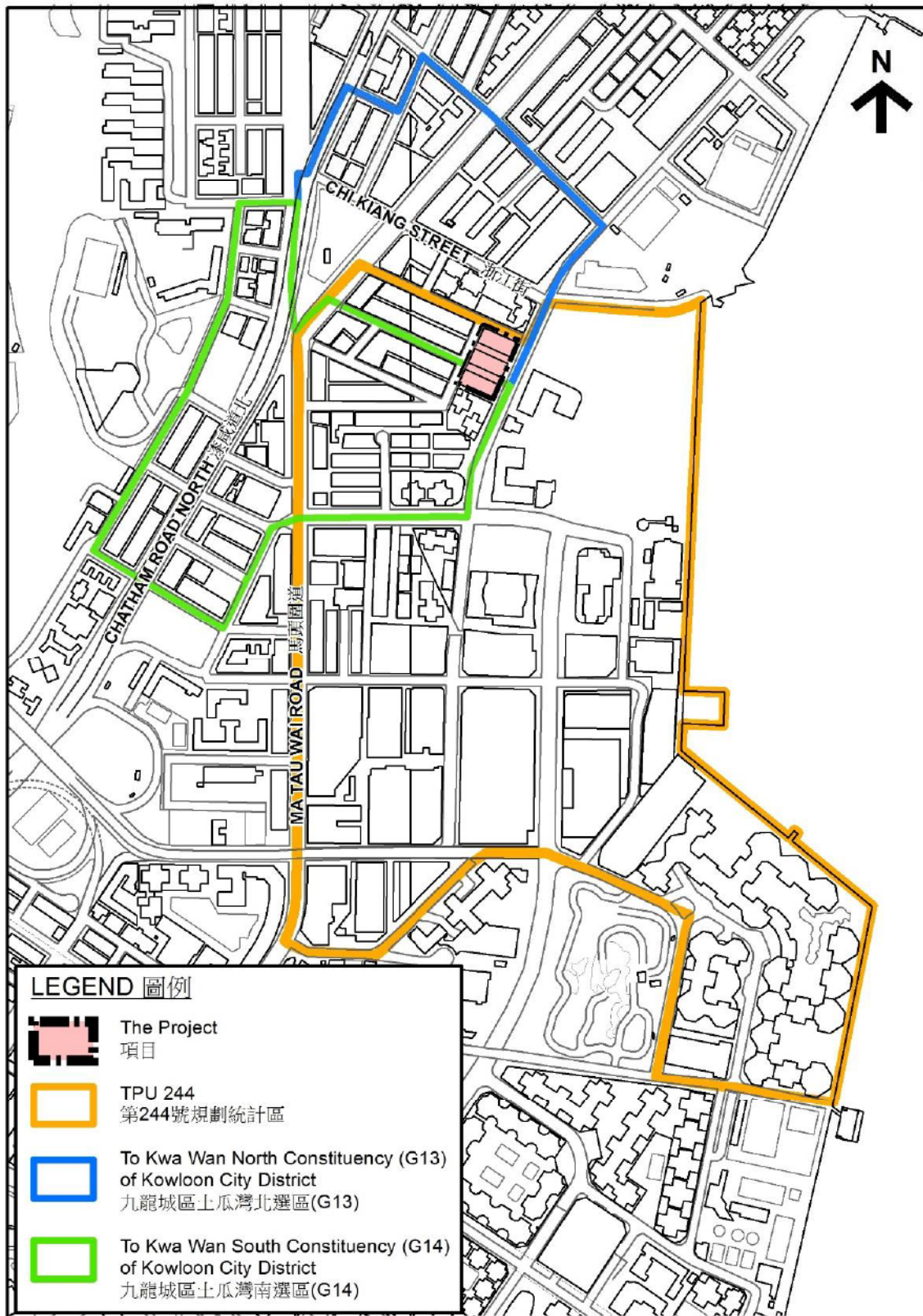


Figure 4.1 Boundary of To Kwa Wan North Constituency (G13) and To Kwa Wan South Constituency (G14) and Tertiary Planning Unit (TPU) 244

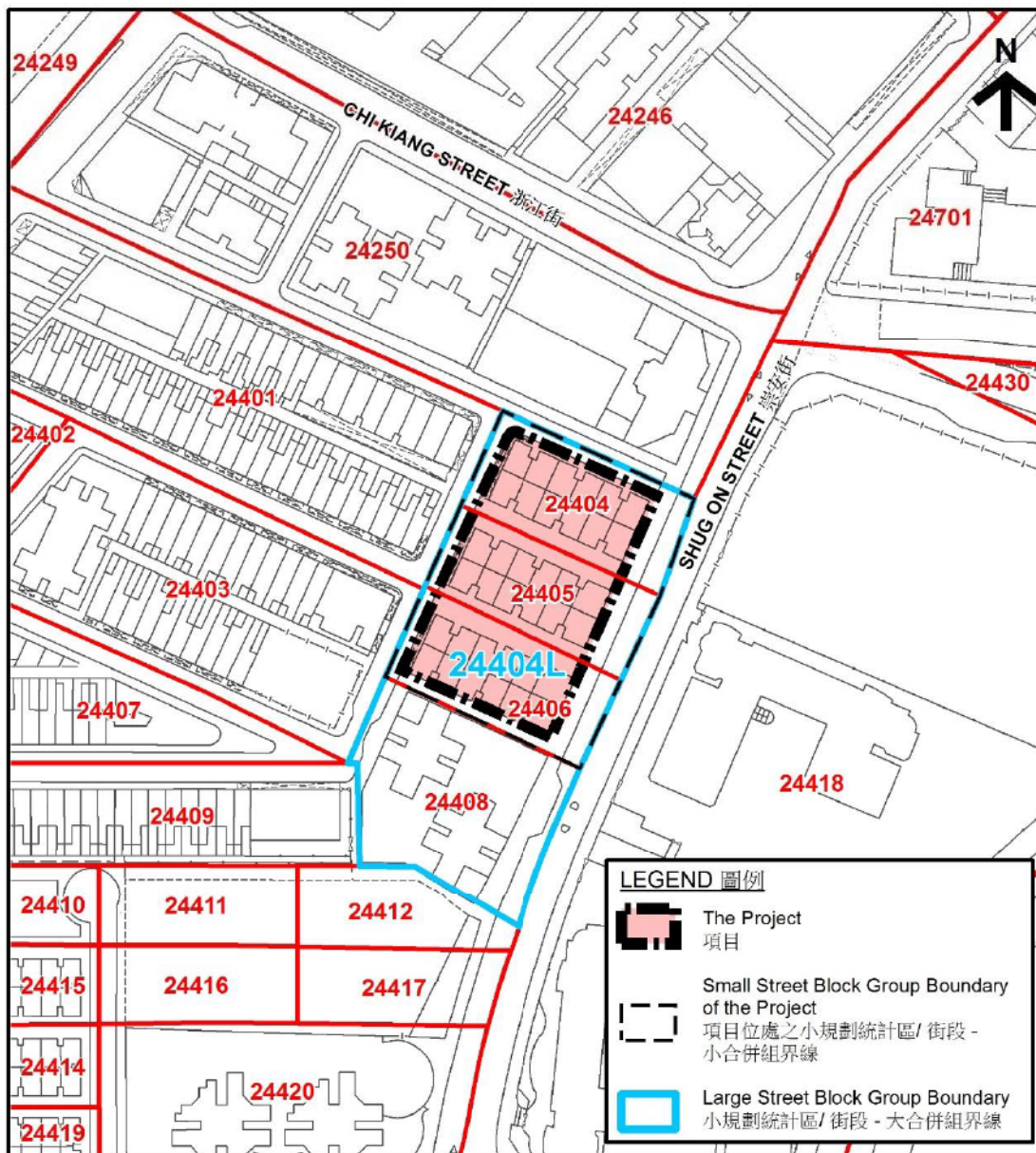


Figure 4.2 Street Block Boundaries of the Project (TPU/SB 24404 - 24406 and LSBG 24404L)

Overview of Housing & Population Characteristics of Kowloon City District

4.6 As revealed in the 2016 By-census, the KC District has a population of about 418,732. In terms of monthly household income, the DURF SIA reported that the particular “Proposed Redevelopment Priority Areas” which covers the Project has a median monthly household income of \$18,068, which is much lower than the average of the whole KC District (i.e. \$25,500) and is the second lowest among the seven study areas of DURF. The DURF SIA explained that the low income level might be related to the residents’ occupations and the high proportion of residents with low educational attainment.

- 4.7 According to the 2016 By-Census, the majority of the living quarters in KC District are in private housing blocks (about 73%); only about 26% of living quarters are in public rental housings / subsidized home ownership housings. The remaining living quarters (about 1%) are in other types of housing. Being mainly built in the 1950s and 1960s, quite a number of private residential blocks in KC District appear to lack proper maintenance and management.

Household Composition

- 4.8 In accordance with the approved General Building Plan (GBP), the total number of upper floor residential units (excluding ground floor units) within the Project is 252. If adopting a degree of sharing of 2 based on URA experience for the upper floor domestic units, the total number of households is estimated to be about 504 households. It should be noted that the actual number of domestic units differs from that under the approved GBP, due to the subdivided units, whilst ground floor units at Nos. 46A, 48A, 50A, 52A and 54A Ngan Hon Street and Nos. 72-118 Wing Kwong Street (even numbers only) are recorded for domestic uses. From site observations in May/June 2018, they are all being used for non-domestic purposes. The nature and details of the shops will be verified in the Freezing Survey.
- 4.9 The assumed degree of sharing of 2 is higher than about 1.0 (i.e. no sharing) recorded for the KC District, and the Territory in the 2016 By-Census. This is based on actual experience of URA projects previously undertaken in various districts. It reflects the overcrowded and unsatisfactory living conditions, which are common characteristics found in URA redevelopment projects. This estimate shall be verified in the analysis of Freezing Survey in the Stage 2 SIA.
- 4.10 Applying the Census LSBG proportion of singleton (31%), doubletons (19%) and 3-person or above households (50%), it gives a distribution of 156 singletons, 96 doubletons and 252 3-person or above households in the Project. The proportion of singleton households (31%) is higher than the territorial ratio (18%) while that of the doubleton households (19%) estimated from the LSBG data is lower than the territorial ratio (27%). On the other hand, the proportion of 3-person or above households (50%) is lower than the territorial ratio of 58%.
- 4.11 Based on the assumption as stated in Para. 4.5 above, the average household size of those within the Project is estimated to be around 2.1, which is lower than the average household sizes of the KC District (2.8) and the territory (2.8). This 'smaller' household size compared to district and territorial data could be a result of the presence of many sub-divided units and/or cubicle apartments in previous URA projects, which can be

assumed to be occupied by some singleton and doubleton households.

Population

- 4.12 An average household size of 2.1 has been assumed based on URA's experience as stated in Para 4.5. Assuming 504 households, the number of residents living within the Project is estimated to be around 1,060 persons. The number of households, living quarters and population affected will all be verified by the results of the Stage 2 SIA.
- 4.13 Based on the LSBG data, the working population accounts for about 54%, which is similar to the Tokwawan North Constituency (53%), and higher than Tokwawan South Constituency (52%), KC District (52%) and the whole territory (51%).
- 4.14 The LSBG data indicates a lower percentage of elderly residents over 65 (12%) than the Tokwawan North Constituency (17%), Tokwawan South Constituency (14%), KC District (15%) and for the whole territory (16%). Attention would be paid to elderly residents and their needs.

Tenure of Accommodation

- 4.15 As explained in Para. 4.5 above, the assumption adopted is that about 30% of the households will be owner occupiers with 70% tenants. This assumption was based on the experience obtained from many redevelopment projects previously undertaken by URA. The LSBG data (which covers the Project and Wing Fai Mansion) shows 49% of owner occupiers, which is lower than the KC District (57%) and similar to the whole territory (48%).
- 4.16 The median monthly domestic household rent for all housing types in the To Kwa Wan North Constituency area is \$5,000 and To Kwa Wan South Constituency area is \$5,500 under the 2016 By-Census (the Project falls within these two Constituency areas). Median rent for the all housing types in KC District is \$2,750, and the territorial level is \$2,180. The high medium rent for the Constituency area than the KC District and the territory may be due to relatively fewer public rental housings but the presence of many newer and more modern private residential developments in the Constituency area, such as Wing Fai Mansion, Bailey Garden, the Axis, and other newer residential developments to the south of the Project. They are of much higher rent than the general old private housings and public housings.
- 4.17 In conclusion, the presence of younger private residential development built within the LSBG with more affluent residents and possibly different household composition means

such data should be used for reference only. Non-obtrusive site observation in May/June 2018 indicates a number of units within the Project appear to have been converted into sub-divided units and cubicles.

- 4.18 The Stage 2 SIA to be conducted upon project commencement will give clearer and accurate information concerning those living and working within the Project.

5. HOUSING & ENVIRONMENTAL CONDITIONS

Building Age

- 5.1 The Project comprises 36 street numbers, and the buildings are 8 storeys high, without the provision of lifts. The buildings were completed between 1958 and 1961. The upper floors are accessible via the internal common staircases only.

Building and Living Condition

- 5.2 Based on ownership records in the Land Registry as of 11 May 2018, all buildings within the Project are under multiple ownerships. The Government lanes are not included within the private lots. Based on the search in Land Registry's "*Index of Owners' Corporations*" (as of 3 April 2018) and Home Affairs Department- Building Management's "*Database of Private Buildings in Hong Kong*" (as of 4 May 2018), all the buildings within the Project have Owners' Corporations (OCs) for their management.
- 5.3 According to URA's Building Condition Survey (BCS) conducted in May 2018, the buildings within the Project are in "**Poor**" ("*Poor*" being the worst category) and "**Varied**" conditions. The dilapidated conditions of the buildings are particularly noticeable at the common areas such as staircases and external walls, where seepage and cracks could be found. Some structures on the roof of the buildings in the Project were suspected to be Unauthorized Building Works (UBWs).
- 5.4 Based on the Building Department (BD)'s records as of May 2018, Nos. 44-44A Ngan Hon Street has completed repaired works to defective drainage (BD S28 Order) carried out by Government Contractors under Operation Building Bright (OBB) Scheme (Category 2) in September 2011. However, it is understood that these Category 2 works mainly comprise patch repair of structural defects for BD S26 Order and/or defective drainage for BD S28 Order in common or public areas of the buildings. Based on past URA's experience in rehabilitation works, even buildings that have undergone repair works need to undertake comprehensive building rehabilitation every 5-6 years in order to avoid further deterioration.
- 5.5 Based on the Buildings Department (BD)'s records as of May 2018, Nos. 96-118 Wing Kwong Street have participated in the Mandatory Building Inspection Subsidy Scheme (MBISS) and Nos, 72-94 Wing Kwong Street have appointed an Authorised Person for the MBISS. Based on the records of the Land Registry as of May 2018, all the common areas of buildings within the Project have various outstanding building orders, including Sections 28, 30B, 30C and FSDN (fire services) building orders.

- 5.6 Non-obtrusive site observations conducted in April and May 2018 found that some of the original units as shown in the approved General Building Plans (GBPs) were suspected to be sub-divided into smaller units.

Existing Uses

- 5.7 Based on non-obtrusive site observation conducted in April and May 2018, all the ground floor units within the Project were used for non-domestic purposes including retail, car repair, engineering workshops, and service businesses (**Para. 6.4** refers as well). As suggested in Para. 4.8 above, this differs from that as shown on the approved GBP, where only ground floor units at Nos. 44, 44A, 46, 48, 50, 52 and 54 Ngan Hon Street are shown as “shop”, and the other ground floor units at Nos. 46A-54A Ngan Hon Street and Nos. 72-118 Wing Kwong Street are shown as domestic uses on the GBP. The upper floor units appear to be used mainly for “domestic”, which is in conformity with the use as permitted in the approved GBPs. The detailed uses of the units will be verified in the Freezing Survey and reported in the SIA Stage 2 as far as practicable.

Planning Intention under Outline Zoning Plan

- 5.8 Area within which the Project located is currently zoned “Residential (Group A)” or “Road” on the Approved Hunghom Outline Zoning Plan (OZP) No. S/K9/26. This zone is intended primarily for high-density residential developments. Commercial uses are always permitted on the lowest three floors of a building or in the purpose-designed non-residential portion of an existing building. The Project falls within one of the KC DURF’s “*Proposed Redevelopment Priority Areas*”.

Environmental Condition

- 5.9 The Project is predominately surrounded by residential buildings, with retail uses and workshops. Two schools are located to the east of the Project. Some industrial buildings are located to the north and northwest of the Project. Uses in the adjacent buildings mainly comprise residential units on the upper floors and a majority of ground floor shops in these buildings are either retail, service businesses or workshops. During site observation, double parking along Ngan Hon Street (dead-end section) was found. The two Government lanes were being used for storage of goods and materials, and the condition is not conducive to facilitate a pedestrian friendly environment.

6. CULTURAL & LOCAL CHARACTERISTICS, AND CHARACTERISTICS OF LOCAL BUSINESS ACTIVITIES

- 6.1 The area is dominated by large industrial/ commercial buildings to the east of Ma Tau Wai Road, along Hok Yuen Street East, Man Yue Street and Hung Hom Road. The majority of these buildings appear not to be engaged in manufacturing activities but mainly office, storage, workshop/showroom uses. In particular, workshops and showrooms are concentrated in this area.
- 6.2 About 48 shops were identified at ground floor of the Project during site visits in April and May 2018. Uses of the shops are observed to be retail, pet shop, laundry, hair salon, light engineering workshops, car repair services, and services businesses. Several shops were unidentified and suspected vacant, as they were closed during several attempts of site visits. The addresses and business nature of the shops are listed in **Table 6.1** below. The exact number of non-domestic operators / details and nature of the businesses in the Project will be verified in the Freezing Survey upon commencement of the Project and reported in the Stage 2 SIA.

Table 6.1 Ground Floor Business Activities Facing Major Streets/Lanes

	Address	Current Use*
1.	44 Ngan Hon Street	Retail (F&B)
2.	44 Ngan Hon Street	Industrial Company
3.	44A Ngan Hon Street	Car Repair
4.	44B Ngan Hon Street	Laundry
5.	46 Ngan Hon Street	Car Repair
6.	46A Ngan Hon Street	Industrial Company
7.	48 Ngan Hon Street	Motorcycle Repair Workshop
8.	48A Ngan Hon Street	Engineering Company
9.	50 Ngan Hon Street	Food Processing Workshop
10.	50A Ngan Hon Street	Storage/ Light Engineering Workshop
11.	52 Ngan Hon Street	<i>(Unidentified)</i>
12.	52A Ngan Hon Street- Shop 1	<i>(Unidentified)</i>
13.	52A Ngan Hon Street- Shop 2	Light Engineering Company
14.	54 Ngan Hon Street (facing Ngan Hong St)	Paper Products Factory
15.	54 Ngan Hon Street (facing Sung On St)	Laundry
16.	54A Ngan Hon Street	<i>(Unidentified)</i>
17.	72 Wing Kwong Street	Hair Salon
18.	72A Wing Kwong Street- Shop 1	Hair Salon
19.	72A Wing Kwong Street- Shop 2	Renovation Company
20.	74 Wing Kwong Street	Food Processing Workshop
21.	76 Wing Kwong Street	Laundry Workshop
22.	78 Wing Kwong Street	<i>(Unidentified)</i>
23.	80 Wing Kwong Street	<i>(Unidentified)</i>
24.	82 Wing Kwong Street- Shop 1	Retail (F&B)
25.	82 Wing Kwong Street- Shop 2	Pharmacy
26.	84 Wing Kwong Street	Car Accessories
27.	86 Wing Kwong Street	
28.	88 Wing Kwong Street	

	Address	Current Use*
29.	90 Wing Kwong Street	Renovation Company
30.	92 Wing Kwong Street- Shop 1	Industrial Company
31.	92 Wing Kwong Street- Shop 2	Motorcycle Accessories
32.	94A&B Wing Kwong Street	Pet shop
33.	94C Wing Kwong Street	Light Engineering Company (Building Materials)
34.	94D Wing Kwong Street	Bicycle Accessories
35.	96A&B Wing Kwong Street	<i>(Unidentified)</i>
36.	96C Wing Kwong Street	Light Engineering Company (Air Condition)
37.	98 Wing Kwong Street	<i>(Unidentified)</i>
38.	100 Wing Kwong Street	<i>(Unidentified)</i>
39.	102 Wing Kwong Street	Light Engineering Company (Kitchenware)
40.	104 Wing Kwong Street	Light Engineering Company (Building Materials)
41.	106 Wing Kwong Street	Light Engineering Company (Air Condition)
42.	106B Wing Kwong Street	Printing Company
43.	108 Wing Kwong Street	Advertising Company
44.	110 Wing Kwong Street	Engineering Workshop
45.	112 Wing Kwong Street	Engineering Company
46.	114 Wing Kwong Street	Renovation Company
47.	116 Wing Kwong Street	Light Engineering Workshop (Machinery)
48.	118 Wing Kwong Street	<i>(Unidentified)</i>

(Based on site visits conducted in April and May 2018)

* Nature/details of businesses subject to Freezing Survey and Stage 2 SIA

7. RECREATIONAL, AMENITY & COMMUNITY AND WELFARE FACILITIES

- 7.1 **Figure 7.1** shows the location of various government, institution and community (GIC) facilities and public open spaces within the 500m radius area of the Project Area. There are a number of public open spaces near the Project Area, the closest being Hoi Sham Park located to the northeast of the Project.
- 7.2 The major GIC facilities within 500m radius of the Project include To Kwa Wan Market and Government Offices and Kowloon City Government Office. There are also a number of educational facilities, including primary schools and secondary schools within 500m of the Project.
- 7.3 A wide range of existing social welfare facilities and services (refer to **Table 7.1**) are found in close proximity to the Project including family and child welfare services, social security services, services for the elderly, rehabilitation and medical social services. In future, subject to funding arrangement and support from Government Departments, there will also be a Neighbourhood Elderly Centre within URA's Kai Ming Street Demand-led Redevelopment Project (DL-8:KC), and about 1,000m² community facility space for as yet undecided uses within the URA's Ma Tau Wai Road / Chun Tin Street Development Project (TKW/1/002). Upon redevelopment, about 300sq.m at-grade open space will be provided within the combined KC-012 and KC-013 redevelopment site.
- 7.4 Given the existing social services, educational, recreational and amenity facilities are provided in the To Kwa Wan District, as well as the provision of extra open spaces and GIC facilities in nearby URA projects, and conforms to the planning intention as stipulated in the Approved Hunghom OZP, it is envisaged that existing open spaces and GIC facilities can absorb the demand generated from the future residents of the Project. Opportunities for podium greening/landscaping within the Project will be explored to help improve the environment of the local area, including separately deploying other revitalisation initiatives as an integrated urban renewal approach and in collaboration with relevant Government departments, to further improve the pedestrian friendly environment and to enhance the walkability of the neighbourhood.

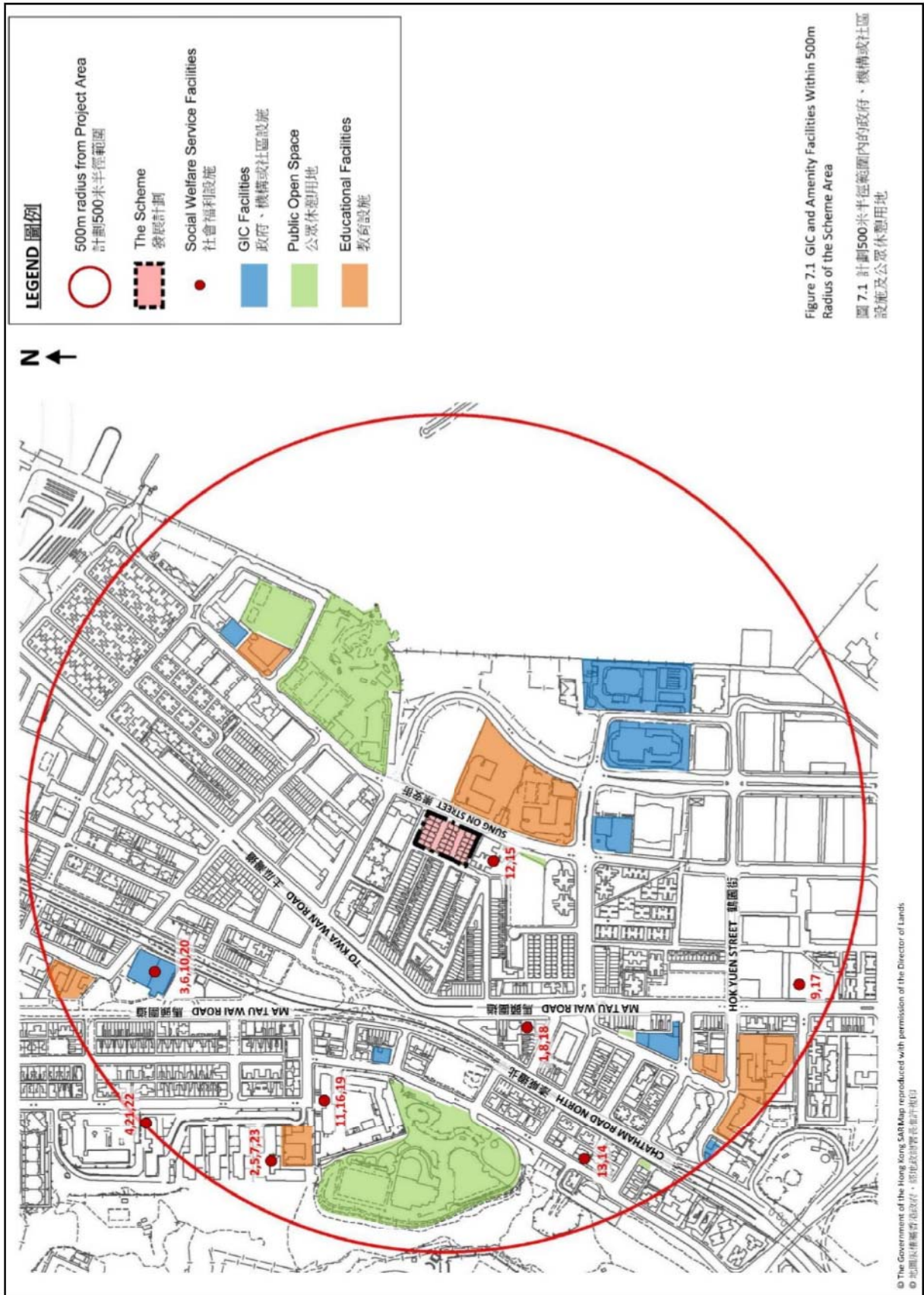


Table 7.1: Social Welfare Facilities within 500m Radius of the Project Area

Service Unit	Operator	Address
A. Family and Child Welfare		
<u>Extended Hours Child Care Service</u>		
1. PLK Chan Lai Wai Lin Nursery (OCCS)/ Chan Lai Wai Lin Kindergarten-cum- Nursery (IP)	Po Leung Kuk	G/F, 1/F and 2/F, Honour Court, 188-194 Ma Tau Wai Road, Kowloon City, Kowloon
<u>Emergency / Short-term Care in Small Group Home</u>		
2. TWGHs Emergency / Short-term Care in Small Group Home	Tung Wah Group of Hospitals	G/F, Block B, (Lok Kei Lau), 160 Kau Pui Lung Road, Lok Man Sun Chuen, Tokwawan, Kowloon
<u>Family Aide</u>		
3. To Kwa Wan Integrated Family Service Centre	Social Welfare Department	Unit 903, 9/F, Tokwawan Government Offices, 165 Ma Tau Wai Road, Kowloon
<u>Family Life Education</u>		
4. BGCAHK Kowloon City Family Life Education Unit	Boys' and Girls' Clubs Association of Hong Kong	G/F, Block G, Lok Man Sun Chuen, Tokwawan, Kowloon
<u>Foster Care</u>		
5. TWGHs Foster Care Service	Tung Wah Group of Hospitals	G/F, Block B, (Lok Kei Lau), 160 Kau Pui Lung Road, Lok Man Sun Chuen, Tokwawan, Kowloon
<u>Integrated Family Service Centre</u>		
6. To Kwa Wan Integrated Family Service Centre	Social Welfare Department	Unit 903, 9/F, Tokwawan Government Offices, 165 Ma Tau Wai Road, Kowloon
<u>Neighbourhood Support Child Care Project</u>		
7. TWGHs Nanny Buddy - Neighbourhood Support Child Care Project (Kowloon City)	Tung Wah Group of Hospitals	G/F, Block B, (Lok Kei Lau), 160 Kau Pui Lung Road, Lok Man Sun Chuen, Tokwawan, Kowloon

Service Unit	Operator	Address
<u>Occasional Child Care Service</u>		
8. PLK Chan Lai Wai Lin Nursery (OCCS)/ Chan Lai Wai Lin Kindergarten-cum-Nursery (IP)	Po Leung Kuk	G/F, 1/F and 2/F, Honour Court, 188-194 Ma Tau Wai Road, Kowloon City, Kowloon
B. Social Security		
<u>Integrated Employment Assistance Programme for Self-reliance</u>		
9. HKLSS Integrated Employment Assistance Programme for Self-reliance	Hong Kong Lutheran Social Service, the Lutheran Church - Hong Kong Synod Limited	Room B, Unit 01, 9/F, Tower B, Hunghom Commercial Centre, Nos. 37-39 Ma Tau Wai Road, Hunghom, Kowloon
<u>Social Security Services</u>		
10. To Kwa Wan Social Security Field Unit	Social Welfare Department	7/F, To Kwa Wan Government Offices, 165 Ma Tau Wai Road, Kowloon City, Kowloon
C. Services for the Elderly		
<u>District Elderly Community Centre</u>		
11. Hong Kong Sheng Kung Hui Lok Man Alice Kwok Integrated Service Centre	Hong Kong Sheng Kung Hui Welfare Council Limited	G/F, Block H, Lok Man Sun Chuen, 111 Ko Shan Road, To Kwa Wan, Kowloon
<u>Integrated Home Care Services (Agency and District-based)</u>		
12. Hong Kong Sheng Kung Hui Hok Yuen Integrated Home Care Services Team	Hong Kong Sheng Kung Hui Welfare Council Limited	Unit 8, G/F, Wing Fai Mansion, 52 Wing Kwong Street, Hung Hom, Kowloon
13. Hong Kong Sheng Kung Hui Lok Man Alice Kwok Integrated Service Centre - Integrated Home Care Services Team	Hong Kong Sheng Kung Hui Welfare Council Limited	Shop No. 2 & 4-5, G/F, Tak Lee Court, 10 Ko Shan Road, To Kwa Wan, Kowloon
14. Hong Kong Sheng Kung Hui Lok Man Integrated Home Care Services Team	Hong Kong Sheng Kung Hui Welfare Council	Shop No. 2 & 4-5, G/F, Tak Lee Court, 10 Ko Shan Road, To Kwa Wan, Kowloon

Service Unit	Operator	Address
<u>Neighbourhood Elderly Centre</u>		
15. CSBS Tan Siu Lin Neighbourhood Elderly Centre	Chung Sing Benevolent Society	Shop 9-13 & 27, G/F, Wing Fai Mansion, 52 Wing Kwong Street, Hung Hom, Kowloon
<u>Support Team for the Elderly Based at District Elderly Community Centres</u>		
16. Hong Kong Sheng Kung Hui Lok Man Alice Kwok Integrated Service Centre	Hong Kong Sheng Kung Hui Welfare Council Limited	G/F, Block H, Lok Man Sun Chuen, 111 Ko Shan Road, To Kwa Wan, Kowloon
D. Rehabilitation and Medical Social Services		
<u>Integrated Community Centre for Mental Wellness</u>		
17. SRACP Vitality Place (Kowloon City) (1.1 Team)	Society of Rehabilitation and Crime Prevention Hong Kong	Unit 6 & 11A-B, 9/F, Tower B, Hunghom Commercial Centre, 37 Ma Tau Wai Road, Kowloon
<u>Integrated Programme in Kindergarten-cum-Child Care Centre</u>		
18. PLK Chan Lai Wai Lin Nursery (OCCS)/ Chan Lai Wai Lin Kindergarten-cum-Nursery (IP)	Po Leung Kuk	G/F, 1/F and 2/F, Honour Court, 188-194 Ma Tau Wai Road, Kowloon City, Kowloon
19. SA Lok Man Nursery School	Salvation Army	1/F, Block H, Lok Chi House, Lok Man Sun Chuen, 111 Ko Shan Road, To Kwa Wan, Kowloon
E. Services for Offenders		
<u>Probation and Community Service Orders Office</u>		
20. Kowloon City Probation and Community Service Orders Office (2)	Social Welfare Department	11/F, To Kwa Wan Government Offices, 165 Ma Tau Wai Road, Kowloon City, Kowloon
F. Services for Young People		
<u>After School Care Programme</u>		
21. BGCAHK Lok Man Children and Family Integrated Activity Centre	Boys' and Girls' Clubs Association of Hong Kong	G/F, Block G, Lok Man Sun Chuen, To Kwa Wan, Kowloon

Service Unit	Operator	Address
<i>Children Centres with Reading/Study Rooms</i>		
22. BGCAHK Lok Man Children and Family Integrated Activity Centre	Boys' and Girls' Clubs Association of Hong Kong	G/F, Block G, Lok Man Sun Chuen, To Kwa Wan, Kowloon
<i>School Social Work Service (provided for all secondary schools and administered by offices shown below)</i>		
23. BBHK School Social Work Division	Boys' Brigade, Hong Kong	G/F, Block A, Lok Man Sun Chuen, To Kwa Wan, Kowloon

Source: Social Welfare Department's website: Local District Service Profile: Welfare Service Units Managed or Funded by Social Welfare Department (Kowloon City), as of 4 August 2017.

8. INITIAL ASSESSMENT OF POTENTIAL SOCIAL IMPACT, AND MITIGATION MEASURES

Potential Social Impact

- 8.1 The Project is estimated to affect 504 households, with 1,060 residents. About 48 shops were identified in the Project during site visits. Based on non-obtrusive observation, there are a number of original units appeared to be sub-divided into smaller units (sub-divided units/cubicles). The exact number of affected residents and shop operators will be verified at Stage 2 SIA.
- 8.2 The proposed redevelopment offers an opportunity to improve the living environment of the affected households, and to synergize the commenced redevelopment projects in the district with revitalisation initiatives for enhancing the townscape/pedestrian environment as mentioned in para. 2.9 above.
- 8.3 The Project, if implemented, will inevitably affect the domestic and non-domestic occupants within the Project. Generally, the most vulnerable resident groups in the Project are the elderly, the disabled, single parent families, low-income households, and those who rely heavily on their social network (including receiving support/care from their friends/relatives who live nearby). Upon implementation of the Project, the existing residents will be displaced to areas where they have to rebuild their social networks, whereas the existing shops will have to move to other locations to continue their businesses, depending on individual operator's needs.
- 8.4 During the Freezing and SIA surveys, needy cases such as households with single elderly, elderly couples, family members with disability or new immigrants worried about the impact of redevelopment on employment, living expenses and social network etc. will be identified. It is expected that the Social Service Team (SST) commissioned by the Urban Renewal Fund (URF) will provide assistance to those in need. This SST is independent of the URA and will directly report to the Board of the URF.

Mitigation Measures and Prevailing Compensation & Rehousing Policies

- 8.5 Upon implementation, compensation based on the prevailing URA Policy would be offered to the affected owners. For affected tenanted households, rehousing or ex-gratia allowance would be offered. Shortly after the Freezing and SIA Surveys, the URA will carry out briefing session(s) to the owners and tenants to explain the URA compensation and rehousing policies. An in-house URA engagement team will visit the affected owners and tenants accordingly as to care for those who are unclear about compensation and require any other assistance.
- 8.6 If affected residents and/or business operators are not clear about the URA compensation and rehousing policies or future arrangement, the SST will endeavour to clarify their doubts with full support from the URA.
- 8.7 In handling problems related to different kinds of livelihood problems, the SST, apart from offering counselling, will mobilise different community resources to liaise closely with Government departments and work with the URA to resolve the residents' and operators' problems and reduce their anxiety. The SST will also provide orientation assistance for those in needs after moving home such as familiarisation with new neighbourhood, accommodation and local facilities.
- 8.8 For the vulnerable groups (including the elderly, disabled and single parent families), arrangements for assistance such as child care/ foster services, domestic help services, etc. offered by the Social Welfare Department, and other social service agencies would be made. For the low-income households, arrangement could be made with the Hong Kong Housing Authority or the Hong Kong Housing Society on public rental housing allocation if they are eligible. In addition, if practicable, those vulnerable groups would be re-housed on compassionate ground.

Prevailing Measures

- 8.9 The URA will offer an owner-occupier of domestic property the market value (valued on vacant possession basis) of his/her property plus an ex-gratia allowance, namely Home Purchase Allowance (HPA), for purchase of the property. The assessment of HPA is based on the unit rate of a notional replacement flat, which is defined as a hypothetical seven-year-old flat in a building of comparable quality, situated in a similar locality in terms of characteristics and accessibility, and located at the middle floor with average orientation. The HPA is the difference between the value of the notional replacement flat and the market value of the property being acquired.

- 8.10 The URA may also offer “flat-for-flat” (FFF) (subject to any changes in the relevant legislations) 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 approval / authorization has been obtained at the time of FFF offer), as an additional choice to cash compensation to owner-occupiers of domestic units. The amount of cash compensation and ex-gratia payment offered to an owner-occupier will not be changed by his/her choice of using that amount, or part of it, to join the flat-for-flat arrangement or otherwise.
- 8.11 According to the new URS, the URA will offer an ex-gratia allowance to eligible elderly owners of tenanted domestic properties on compassionate ground in exceptional circumstances such as elderly owners who rely on the rental income from their properties for a living.
- 8.12 Eligible domestic tenants affected by URA's redevelopment projects are provided with rehousing, if eligible, or Ex-gratia Allowance (EGA), which is calculated with a sliding scale that begins with the first \$10,000 of the rateable value multiplied by 9, the second \$10,000 of the rateable value multiplied by 8, and so on. The EGA for eligible domestic tenants will be subject to a minimum amount of \$160,000 for one-person household and \$180,000 for two-person or larger household. The minimum amount is subject to annual review.
- 8.13 Tenants who are not provided re-housing due to various reasons or who decline re-housing, will be offered ex-gratia allowances. The amount of ex-gratia allowance will be dependent on, amongst other things, whether the tenants have been living in the project area before and since the first date of the freezing survey and have no alternative accommodation.
- 8.14 In case where tenants were notified that their tenancies would not be renewed, URA will explain to their owners that they would not get more compensation by evicting the tenants. The URA has also introduced the “Domestic Tenants Compassionate Assistance Programme” 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 special ex-gratia allowance based on the sliding scale as mentioned in paragraph 8.12, or public housing, if eligible, or units at URA's rehousing blocks, subject to meeting URA's requirements.

- 8.15 For owner-occupied non-domestic premises, the market value of the affected property plus an ex-gratia allowance of 4 times the rateable value or 35% of the market value of the affected property, whichever is the higher, will be offered. Owner-occupiers may lodge a claim for business loss in lieu of both the ex-gratia allowance and the Ex-gratia Business Allowance (EGBA) as stated in the next paragraph. For owners of tenanted or vacant non-domestic properties, the market value 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.
- 8.16 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 who commenced occupying the premises for business before the date of freezing survey. The amount is subject to a minimum of \$110,000 and a maximum of \$700,000, depending on the number of years of continuous operation by the tenant-operator as business owner in the property. The EGBA arrangement will also be applicable to non-domestic owner-operators occupying the properties for their own businesses. Those non-domestic tenant-operators who have occupied the properties before Freezing Survey and are evicted by their landlords before acquisition of the properties by the URA, can apply for the Special EGBA. The minimum payment of EGBA will be subject to annual review.
- 8.17 According to the new URS, if requested, the URA will help identify suitable premises in the district of the redevelopment projects to enable the affected shop operators to relocate and continue operation in the same district as far as practicable.
- 8.18 Details of the current acquisition, compensation and rehousing 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.
- 8.19 The Stage 2 SIA to be conducted after the Freezing Survey will further assess the impact of the Project in detail on both domestic and non-domestic occupants and propose mitigation measures. It may also be able to highlight the psychological stress and worry for some of the affected within the Project. Special measures may have to be adopted under exceptional circumstances.

9. CONCLUSION

- 9.1 The local community and the surrounding neighbourhoods are likely to experience gains and losses due to the proposed redevelopment. Residents, business operators and their employees within the Project will be affected in different ways and to various degrees depending on their particular circumstances. Those who currently live in overcrowded or poor building condition within the Project may welcome the opportunity to improve their living environment through cash compensation or rehousing if eligible; whilst others (e.g. some business operators) may prefer to remain undisturbed and maintain the status quo. The various degrees of concerns and social impacts to the affected residents, business operators and their employees within the Project will be assessed in the Stage 2 SIA in detail.
- 9.2 This Stage 1 SIA study provide a general profile of the Project. Based on past URA experience of similar scale and context of redevelopment projects, it can be expected that there will be some sharing of living quarters and a relatively low average household income for those within the Project. The assumptions in this report will be verified by the Stage 2 SIA to be carried out after the freezing survey. The needs of the affected households will be assessed and appropriate arrangements to minimise major adverse social impact, if any, from the Project will be proposed in the Stage 2 SIA.
- 9.3 For the non-domestic uses, a number of ground floor shops are witnessed in the Project, whereas the upper floor non-domestic uses, if any, are to be recorded in the freezing survey upon commencement of the Project under section 23 of the URAO. The needs of the affected non-domestic occupants will be assessed in the Stage 2 SIA.
- 9.4 The “district-based planning” adopted for the cluster of urban renewal projects has proposed two major initiatives:
- Open up the north-south connection between Wan On Street and Lung Tak Street through URA projects KC-009, KC-010, KC-011, KC-012 and KC-013. This will improve connectivity for this neighbourhood;
 - A communal car park within KC-010 will be provided for shared use within the local district (including KC-014). As a result, shop frontage at other URA projects can be maintained without the need to provide individual car park ingress/ egress points and thus enhancing the street vibrancy and improving pedestrian safety by minimising vehicle disruption.
- 9.5 The commencement of KC-014 Project also provides an opportunity to synergise with

other URA commenced projects to further improve the pedestrian friendly environment and to enhance the walkability of the neighbourhood. As an integrated urban renewal approach, subject to further liaison works with relevant Government departments, implementation of related traffic and pavement improvement works could be carried out under revitalisation initiative to achieve the goal.

- 9.6 With these initiatives as well as the overall urban renewal works in this area, it is anticipated that the local urban environment and residents will be benefited from a more coordinated restructuring resulting in a more walkable neighbourhood with quality street environment.

URBAN RENEWAL AUTHORITY

June 2018