

Wing Kwong Street / Sung On Street Development Project (KC-014)



Stage 2 Social Impact Assessment

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Appendix 1 : Non-Domestic G/F Premises within the Project Area

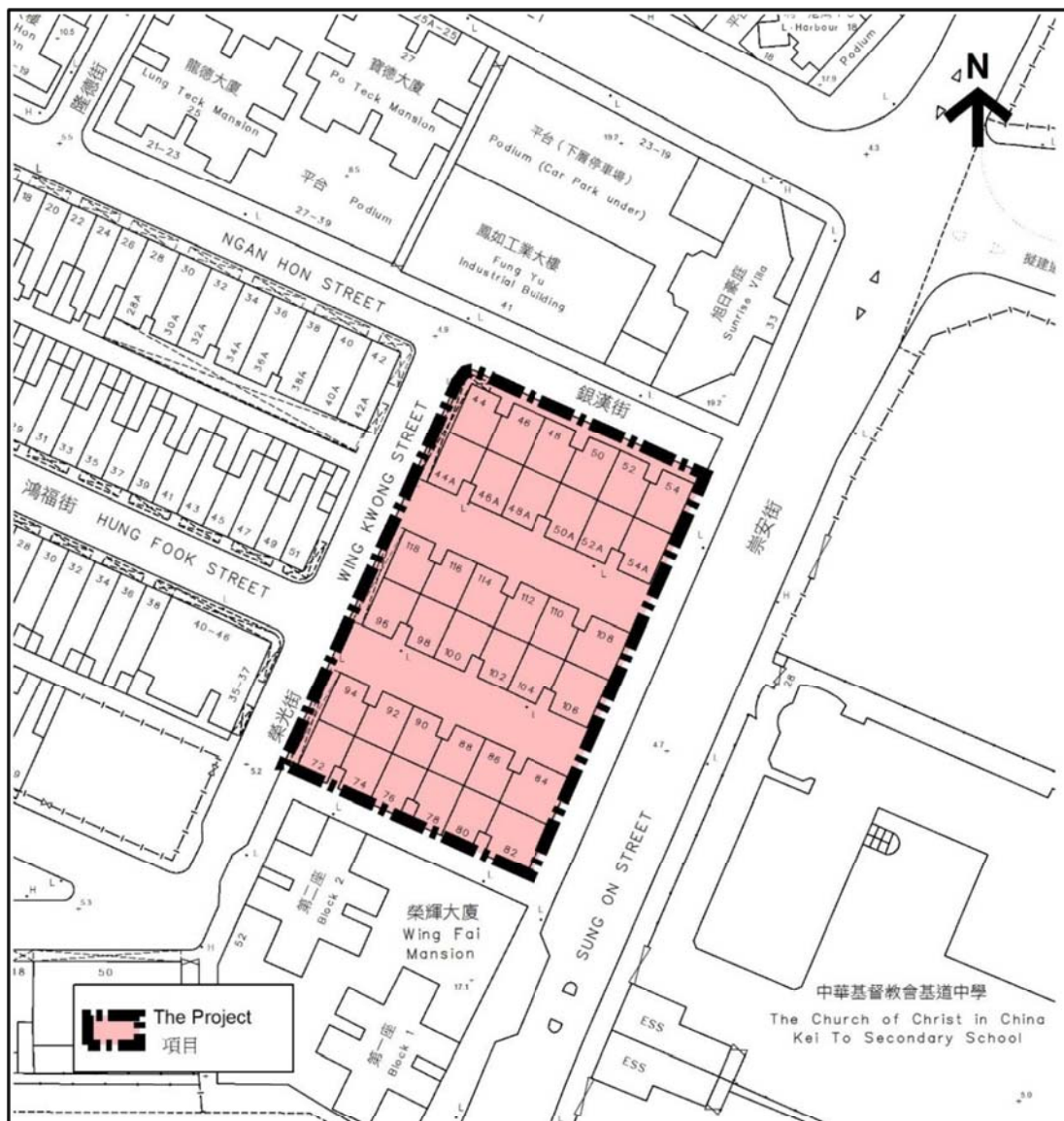
1. INTRODUCTION

- 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 Wing Kwong Street / Sung On Street Development Project KC-014 (the Project) by way of development project under section 26 of the Urban Renewal Authority Ordinance on 22 June 2018. 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 22 June 2018 to 24 June 2018, and from the follow-up survey visits by appointments conducted up to 13 July 2018.
- 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 Salvation Army 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 business operators affected by the Project. Cases requesting assistance and those identified in the course of the SIA analysis as requiring assistance have been referred to the SST for their follow-up actions.

2. BACKGROUND

- 2.1 The 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 (**Figure 2.1**).
- 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

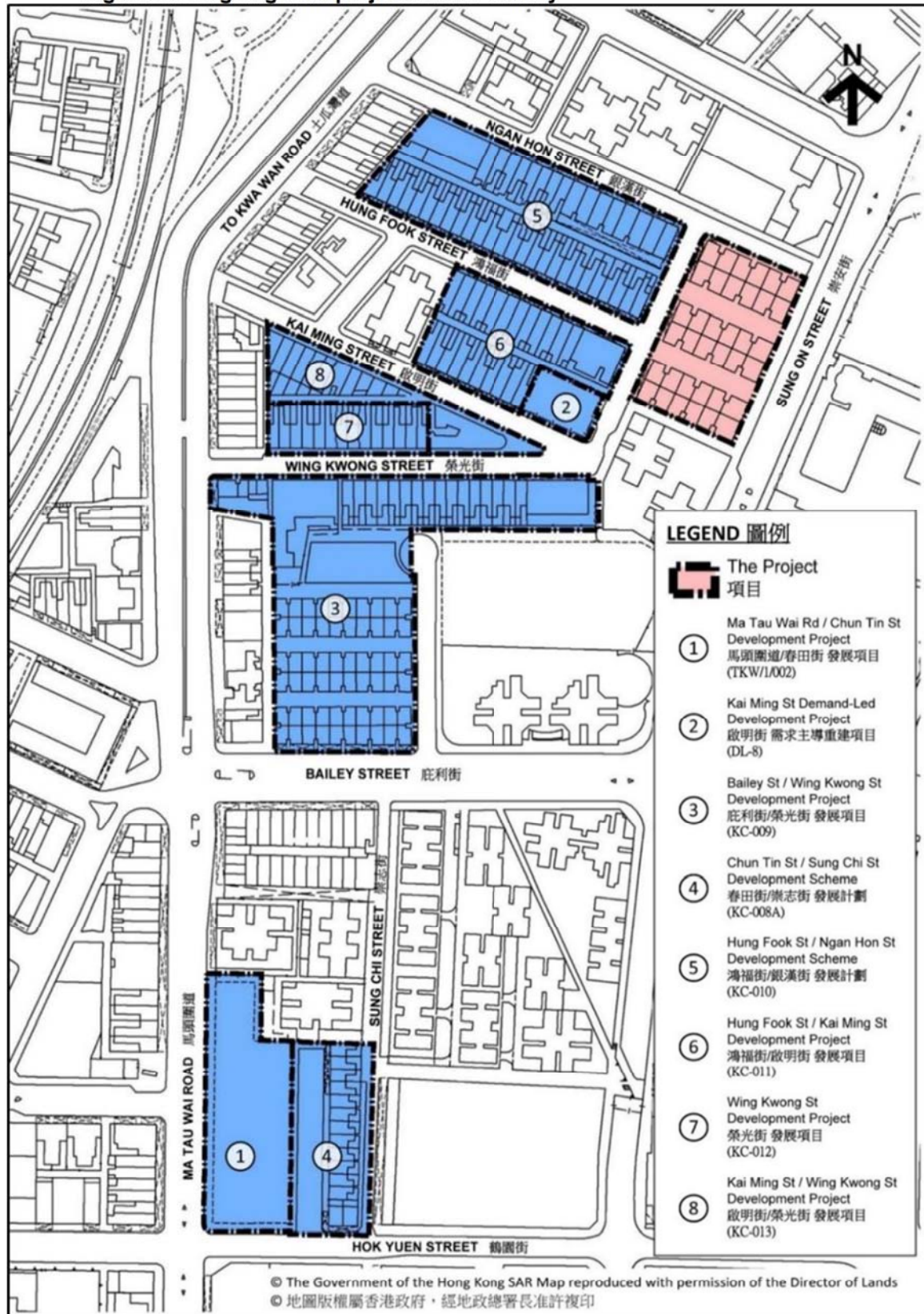


- 2.3 The Project falls within one of the “Proposed Redevelopment Priority Areas”, in the KC DURF’s Urban Renewal Plan. The KC DURF’s Urban Renewal Plan recommended that in the “Proposed Redevelopment Priority Area”, “redevelopment should be given priority

as the urban renewal approach for the area". The DURF SIA, in particularly 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), and was approved by the Chief Executive in Council ("CE in C") on 31 October 2017.

Figure 2.2 Ongoing URA projects in the vicinity



Distribution of Units and Households

2.7 The Freezing Survey (FS) successfully surveyed 327 domestic households in 252 approved General Building Plan (GBP) units (up to 13 July 2018). The detailed breakdowns of surveyed and the unsurveyed units will be illustrated in Section 3. Among the surveyed 327 households, 312 households (95%) answered both FS and SIA questionnaires. 15 households only answered the FS questionnaire but did not answer the SIA questionnaires. For those who did not respond to the SIA questionnaires and those who refused to answer particular questions in the SIA questionnaire, will be categorized as “Nil Response” in the report. **Table 2.1** shows the results of FS and SIA surveys within the Project.

Table 2.1 Results of FS and SIA surveys within the Project

	No. of Households
Total No. of surveyed households	327
Successfully responded to both FS (successfully surveyed) and SIA questionnaire (successfully interviewed).	312
Only responded to FS (successfully surveyed) but refused to do SIA questionnaire (Refused to do the SIA).	15

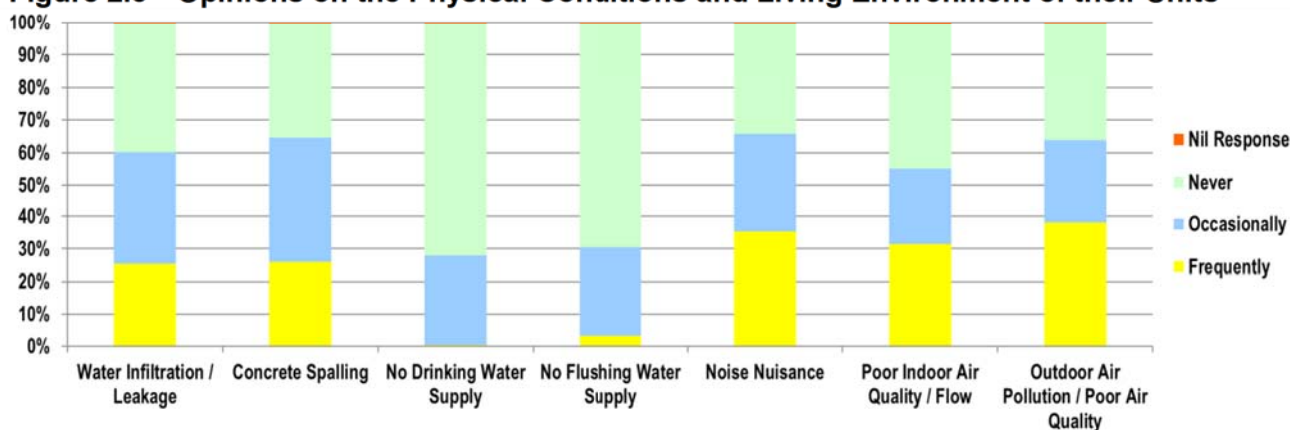
Business Operators and Non-domestic Premises

2.8 Regarding non-domestic uses premises in the Project, the FS successfully surveyed 43 business operators (up to 13 July 2018), occupying 45 ground floor premises and one upper domestic unit for mixed domestic and non-domestic use. The details will be illustrated in Section 11.

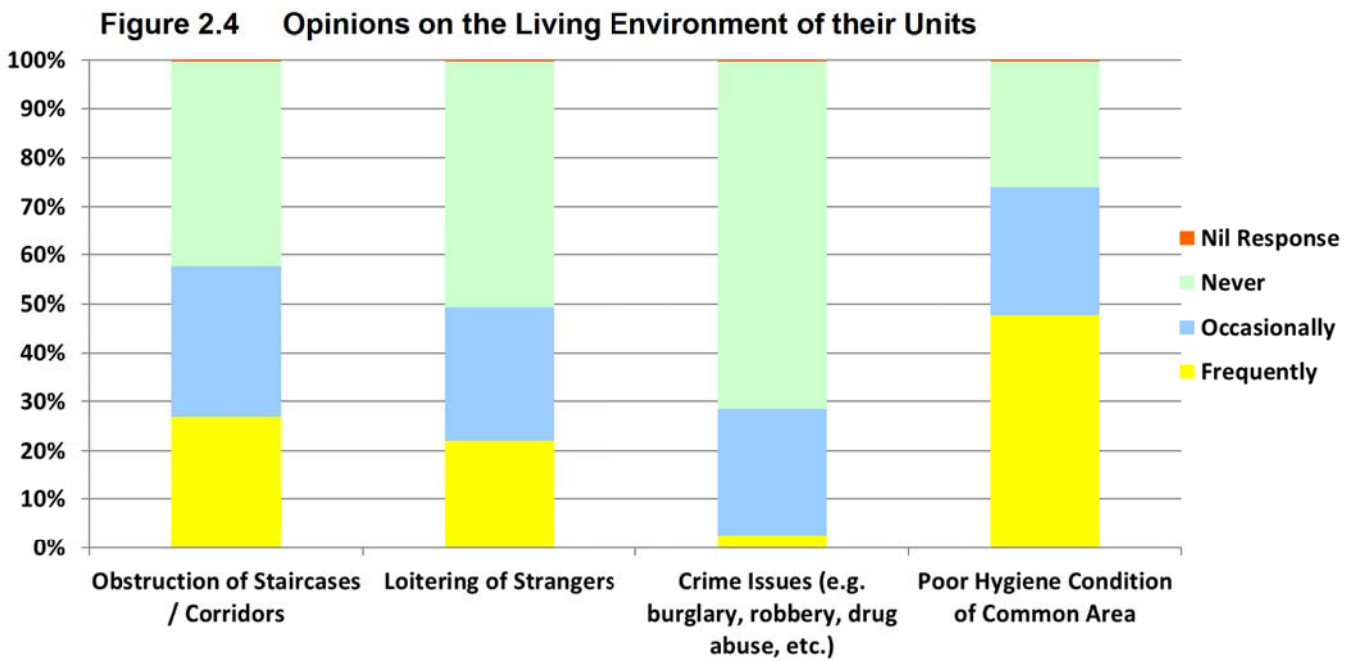
Physical condition and living environment

2.9 The following paragraphs in this Section refer to the domestic household units. **Figure 2.3** shows the opinions of the surveyed households on the physical condition and the living environment within their units.

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



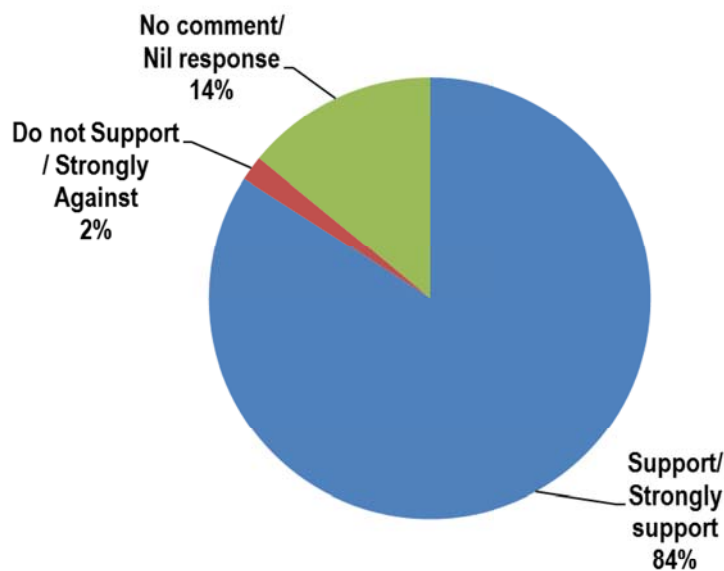
2.10 **Figure 2.4** shows the opinions of the surveyed households on the living environment of their units in terms of fire safety, hygiene and security issues.



Views on redevelopment

2.11 **Figure 2.5** shows that out of the total 327 surveyed households, 275 households (about 84%) indicated that they either strongly supported or supported the proposed project.

Figure 2.5 Domestic Households' Views on Redevelopment (327 Households)



3. POPULATION & HOUSEHOLD CHARACTERISTICS

- 3.1 Except stated otherwise, the territorial average numbers used for comparison in this report are based on the 2016 Population By-census, and the assessments will be based on the latest available information for comparison where appropriate.
- 3.2 The total number of households and population surveyed within the Project are 327 households and 798 persons. It results in an average household size of about 2.4 persons. It reflects a lower average household size in the Project as compared to the territorial average of 2.8 persons per household. This lower than average household size may be due to the presence of relatively large number of singletons and doubletons (180 households), which account for about 55% of the total number of households in the Project. This percentage is higher than the territorial level of 44.8% according to the 2016 Population By-census.
- 3.3 Based on the number of surveyed households (327) and the actual successfully surveyed units or quarters (326) within the Project, the degree of sharing (or the “average number of domestic households per unit or quarter”) in the Project is 1.0 (327 households/326 surveyed quarters), which is similar to the territory-wide average of 1.0 for private permanent housing in the 2016 Population By-census.
- 3.4 However, this does not reflect the real situation, since out of the 252 original GBP upper floor domestic units, 52 units (21%) were found to be sub-divided into self-contained units or partitioned into cubicles (with shared toilets). 49 units have been subdivided into 120 surveyed self-contained units, with 120 households. 3 units were found to contain 8 cubicles (shared toilet and kitchen). If the 129 households living in the sub-divided units and cubicles are considered as “sharing” of these original 52 units, the degree of sharing is about 2.5 (129 households /52 original surveyed GBP units). **Table 3.1** shows the details of the sub-division of units for the domestic use and **Figure 3.1** shows the percentage of sub-divided units in approved GBP units.
- 3.5 In addition, 2 mixed-used households were found, one at an upper floor domestic unit and one at a ground floor unit. These 2 households filled in both domestic and non-domestic FS and SIA questionnaires. 10 rooftop units which are not shown on the GBP were also found.

Figure 3.1 Percentage of Sub-divided Units in 252 Approved GBP Units

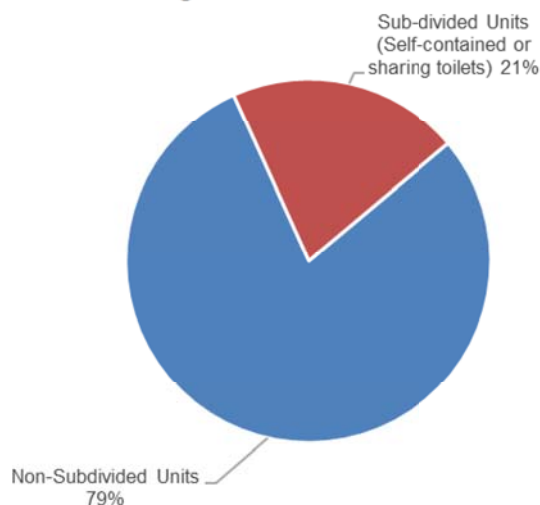


Table 3.1 Sub-Division of Domestic Units

			According to Original GBP	Units or Quarters Actual Found	Households for Domestic Use
Surveyed	Non-subdivided	Surveyed units for domestic use	186	186	186
		Surveyed units for domestic use (cubicle)	3	8 cubicles	9*
	Sub-divided (self-contained with independent facilities)	Surveyed units for domestic use (self-contained units with independent facilities)	49	120	120
	Sub-total		238	314	315
	Non-domestic G/F unit used for both domestic & non-Dom use		N/A	1	1
	Domestic unit (according to GBP) used for both domestic and non-domestic use		1	1	1
	Rooftop		N/A	10**	10**
	Sub-total		239	326	327
	Unsurveyed Domestic Unit		13	N/A	N/A
	Total No. of Units for Domestic use found in the Project		252	326	327

Remarks:

Results are as of 13 July 2018

* One household lived in the living room of a flat hence total 9 households in 8 cubicles.

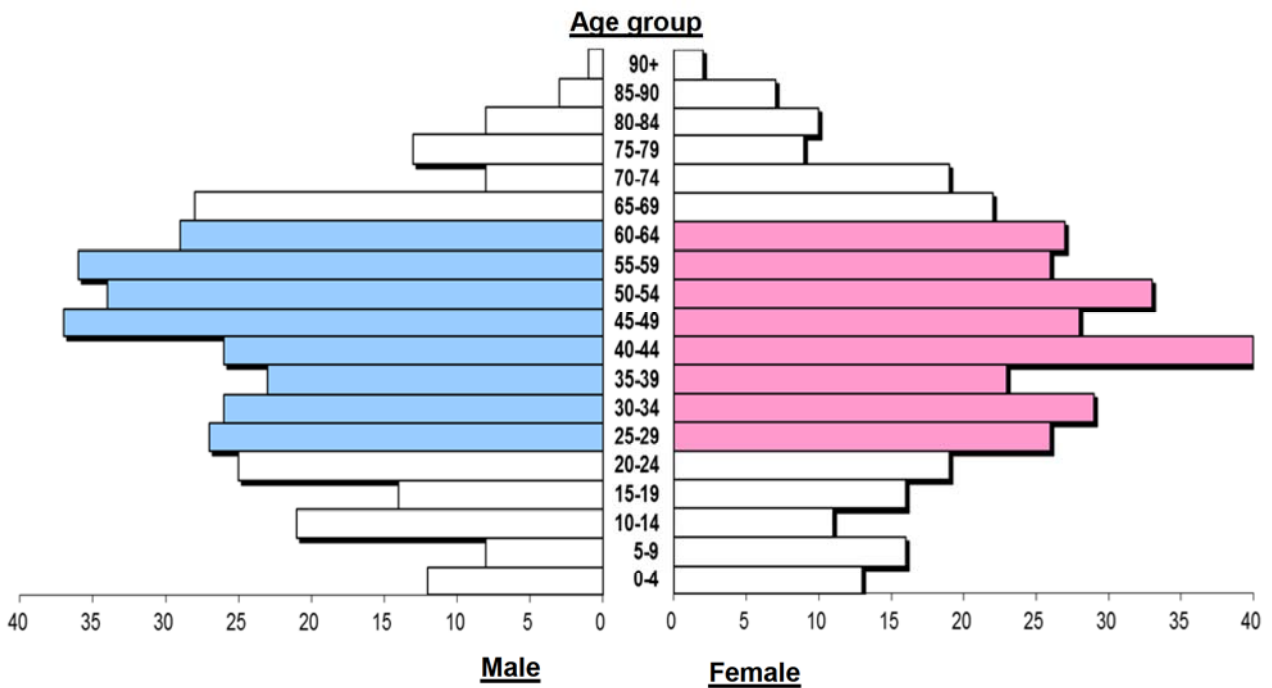
** 6 rooftop units filled in both FS and SIA forms whilst 4 only filled in an FS form.

- 3.6 A total of 798 residents were recorded in the Freezing Survey, 393 were male, 392 were female, and 13 residents did not provide any information. The distribution gives a ratio of about 1 male resident to every 1 female resident.
- 3.7 **Figure 3.2 and Table 3.2** shows the age structure of the Population. The findings of the survey show that the percentage share of the number of children and elderly in the total population of the Project are not particularly high. It is anticipated that the assistance required to support these more vulnerable groups should be manageable.

Table 3.2 Age Structure of the Population

Age Group	SIA2	Territory wide level	Assessment
0-14 (Children)	11%	11%	Similar
15-24 (Youth)	10%	11%	Slightly lower
25-64 (economically active age group)	62%	62%	Similar
65+ (Elderlies)	17%	16%	Slightly higher
Total	100%	100%	

Figure 3.2 Age Structure

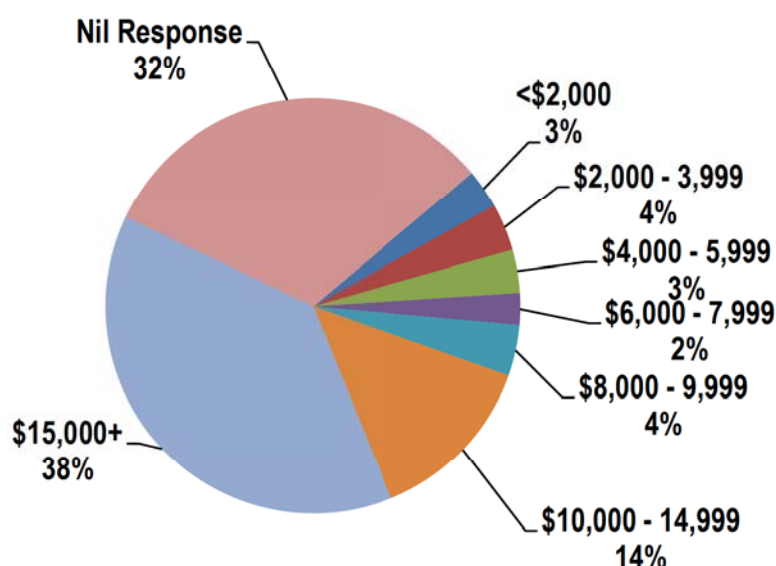


4. SOCIO-ECONOMIC CHARACTERISTICS

Income Level

- 4.1 This section will be based on the 327 surveyed households and 798 residents' surveyed up to 13 July 2018. The monthly income of 223 households (68%) are recorded and analyzed in the FS and the remaining 104 households (32%) had no response or did not answer this question. As shown in **Figure 4.1**, approximately 16% of the households have monthly income less than HK\$10,000 per month, which is lower than the territory-wide average of 19%. 7% were receiving less than HK\$4,000 per month, which is similar to the territory-wide average of 6% as reported in the 2016 Population By-census.

Figure 4.1 Household Income (HK\$ per month)



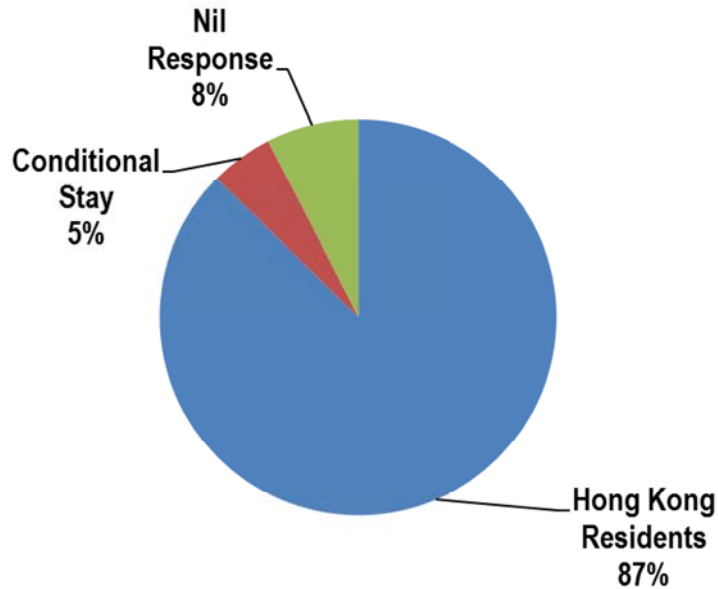
- 4.2 Nineteen out of 327 households (about 6%) were recorded as currently receiving Comprehensive Social Security Assistance (CSSA), which is higher than the territorial level of about 4.5% as at May 2018¹. The URA and the SST will pay particular attention and to offer assistance to those in need of help and refer them to relevant services and practical assistance from various Government Departments and services providers.

Residence

- 4.3 Forty one (41) residents (about 5%) were subject to conditions of stay in Hong Kong, as shown in **Figure 4.2**. This group of people will not be able to meet the eligibility criteria for public rental housing under the Hong Kong Housing Authority (HKHA) and the Hong Kong Housing Society (HKHS). Subject to the merits of individual cases, some may be considered under special circumstances by the SST and the URA, and rehousing may be offered on genuine compassionate grounds. Assistance will also be provided, if requested, in finding potential suitable premises at affordable rent in the private market.

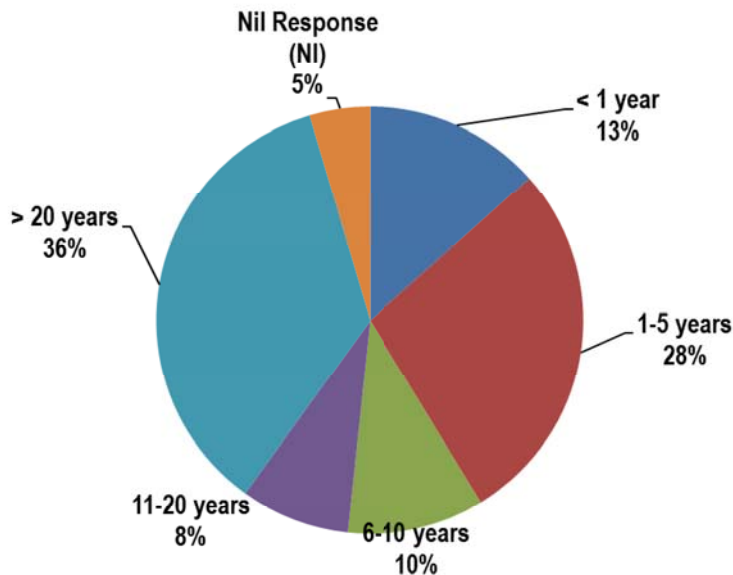
¹ 'CSSA caseload for May 2018', 20 June 2018, Press Release The Government of the Hong Kong Special Administrative Region.

Figure 4.2 HKSAR Resident Status (Total 798 residents)



4.4 The number of years of residency is shown in **Figure 4.3**. A total of 116 households have lived within the Project continuously for over 20 years, of which 66 out of 116 households have elderly family members. This elderly group might find it more difficult to adjust to a new living environment. The assistance from the SST in providing orientation services and holding community gatherings will be important in helping these residents adapt to their new living environment.

Figure 4.3 Period of Residence at Current Premises (Total 327 Households)

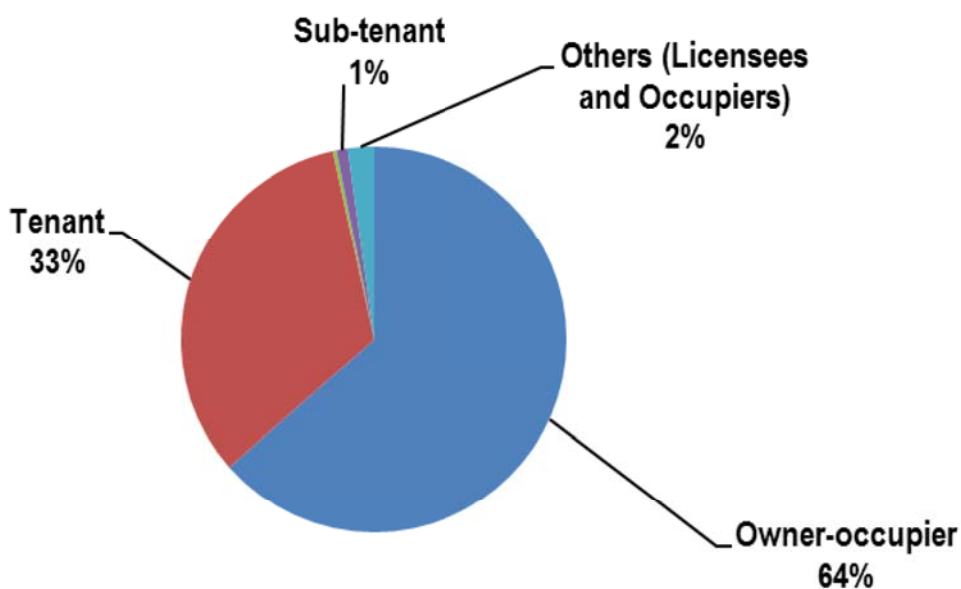


5. HOUSING

Re-housing Needs and Location Preference

- 5.1 Owner-occupiers account for about 64% (208 households)² of surveyed households (**Figure 5.1**). This rate of owner occupancy is higher than the territory-wide average of 48%. Tenants (including principal tenant, sub-tenant, licensee, occupiers, etc.) account for about 36% (119 households) of surveyed households. The tenants in the Project may generate a demand for rehousing services should the Project be authorized to be implemented and subject to their eligibility for rehousing. Ten rooftop structures were found within the Project. 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.

Figure 5.1 Occupancy Status of Households (327 Surveyed Households)



Affected Owner-occupiers

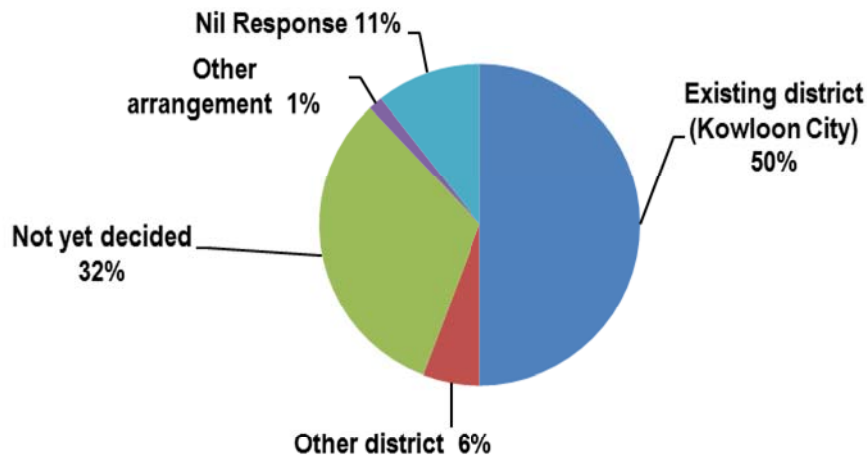
- 5.2 **Figure 5.2** shows the 208 surveyed owner-occupiers' preference of finding alternative accommodations in the existing district (ie. Kowloon City) or in other districts.

² The actual occupancy status of the 208 owner-occupiers has not been verified. All responses related to owner-occupiers are based on the questionnaire surveys only.

³ The relevant specific criteria are listed in the URA website:

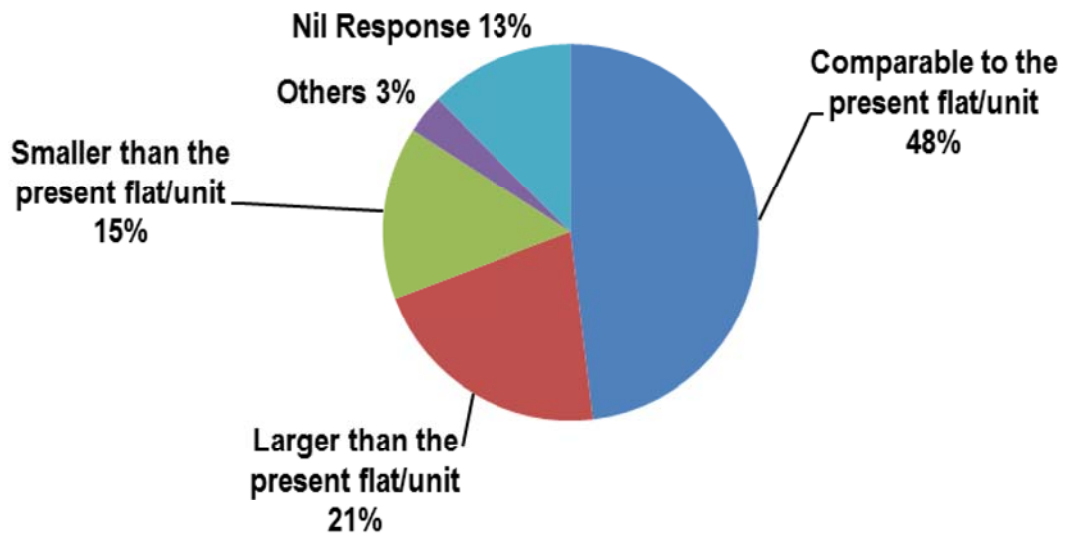
<https://www.ura.org.hk/en/redevelopment/tenants-corner/rehousing-and-ex-gratia-allowance-policies>

Figure 5.2 Preference of Alternative Accommodation Location (208 Households)

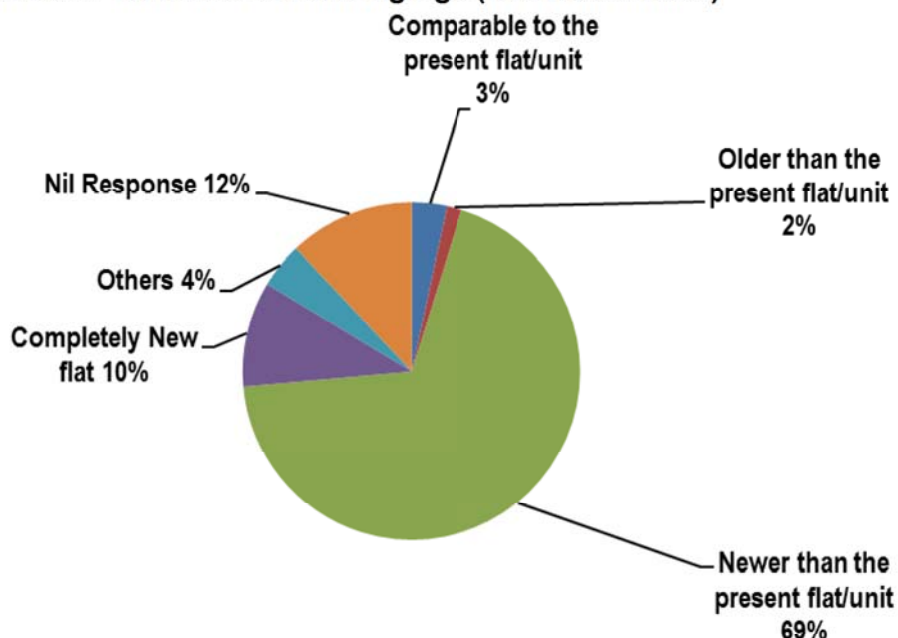


5.3 **Figure 5.3** shows the owner-occupier households' preference on flat size for the new accommodation.

Figure 5.3 Preference of Flat Size (208 Households)



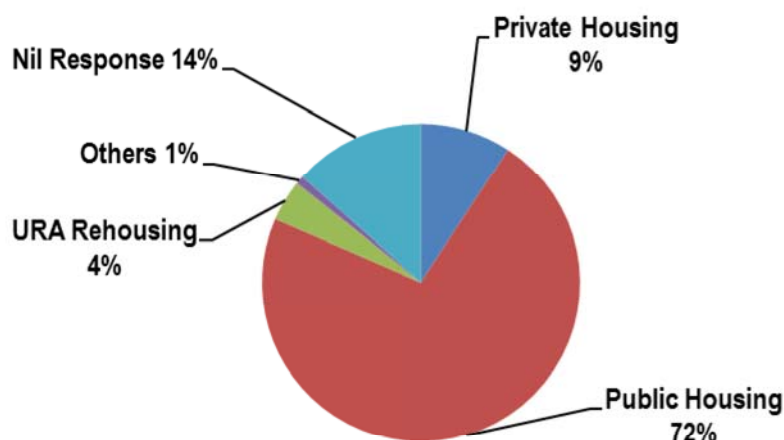
5.4 **Figure 5.4** shows the owner-occupier households' preference on building age for the new accommodation.

Figure 5.4 Preference of Building Age (208 Households)

- 5.5 To sum up, majority (79%) of the surveyed owner-occupiers wanted their alternative accommodation to be brand new or newer than the current abode. Subject to the authorization by the Secretary for Development to implement the Project, the URA will offer an owner-occupier of domestic property the market value, plus an ex-gratia allowance (namely home purchase allowance). It is believed that the affected owner-occupiers will be able to buy a newer flat of similar size in the same district. For those affected owner occupiers expressing their desire to move to a new flat, URA will offer '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 alternative option to cash compensation.

Affected Tenants

- 5.6 **Figure 5.5** shows the tenant households' preference for moving into public rental housing (72%), and for URA's rehousing blocks (4%). However, as stated in **paragraph 4.3** above, those residents who are subject to conditional stay in Hong Kong may not be eligible for public rental housing. Rehousing may only be considered in very special circumstances and on compassionate grounds.

Figure 5.5 Preference for Public Housing and URA's Rehousing Blocks (119 Households)

- 5.7 According to the agreement made between the URA and the Hong Kong Housing Authority (HKHA) and the Hong Kong Housing Society (HKHS), the HKHA and HKHS will provide flats within their estates for rehousing eligible tenants. The URA will liaise with HKHA and HKHS to reserve flats in available estates to cater for the potential demand. Subject to the availability of rehousing flats, the URA will endeavour to arrange allocation of rehousing flats for the eligible tenants in the same district (e.g. Kowloon City) or in Kowloon as far as practicable.

Affected Rooftop Residents

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

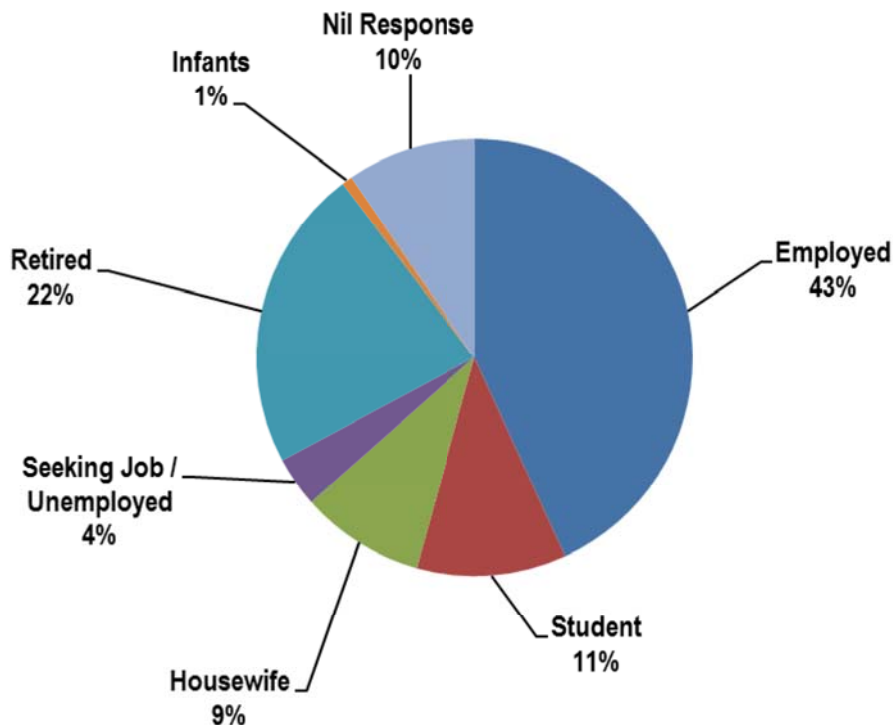
6. EMPLOYMENT STATUS AND PLACE OF WORK

6.1 Out of 798 residents (including 512 owner-occupiers and 286 tenants), 621 residents indicated their employment status. Among these 621 residents, about 50% of the population (315 out of 621 residents) within the Project were employed. Unemployed persons accounted for about 5% (29 residents). The employment status of the affected owner-occupiers and tenants are analyzed in **paragraphs 6.2 to 6.7** below.

Affected Owner-occupiers

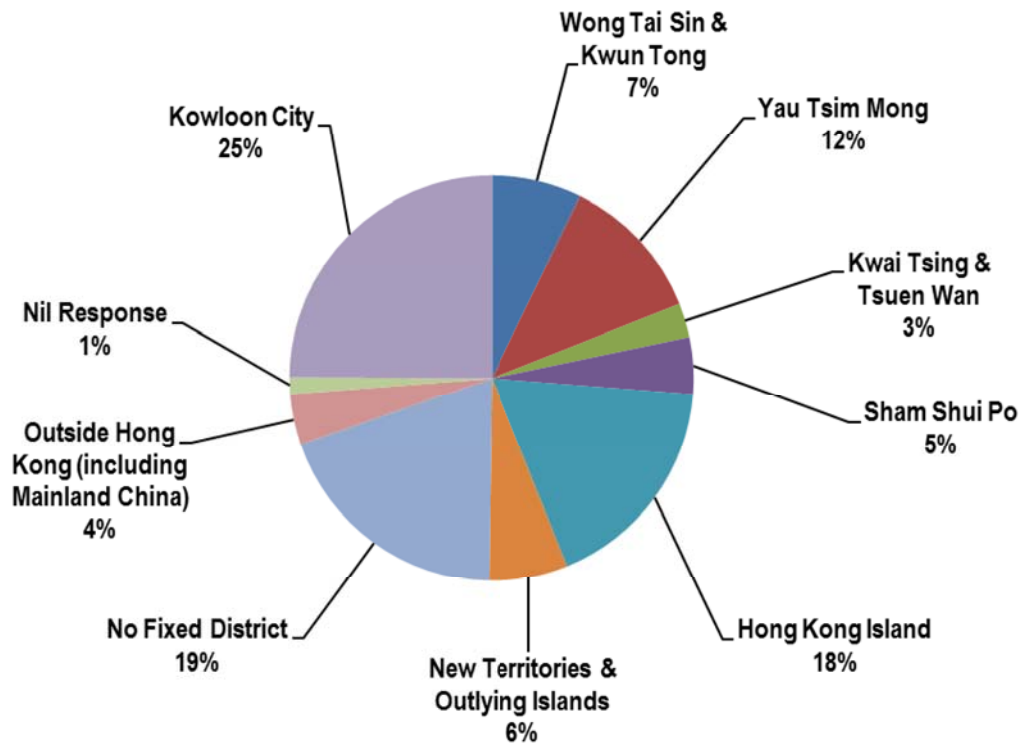
6.2 **Figure 6.1** shows details of employment status of the affected owner-occupier households.

Figure 6.1 Employment Status of Affected Owner-occupier Households (512 Residents)



6.3 **Figure 6.2** shows the percentage share of different places of work of the employed persons within owner-occupier households.

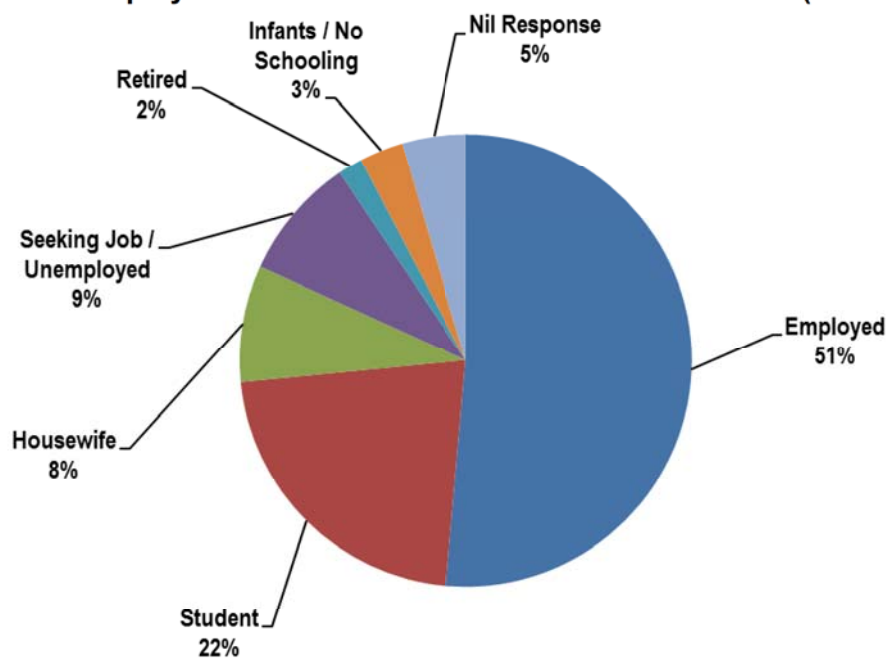
Figure 6.2 Place of Work of Affected Owner-occupier Households under Employment (221 residents, 43%)



Affected Tenants

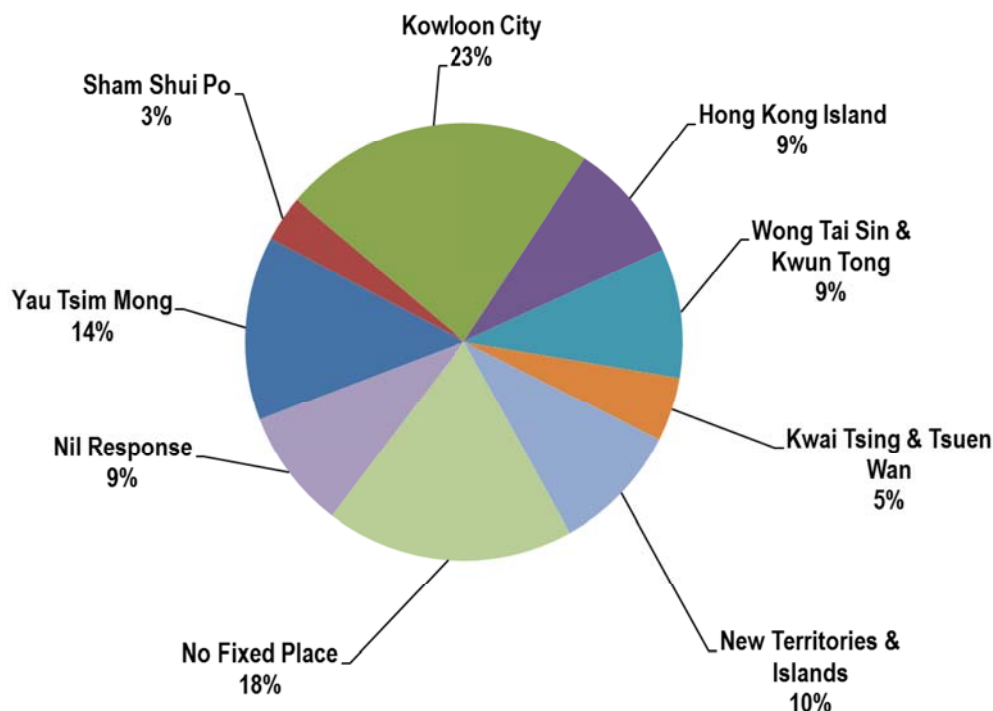
6.4 **Figure 6.3** shows details of employment status of the affected tenanted households.

Figure 6.3 Employment Status of Affected Tenant Households (286 Residents)



6.5 **Figure 6.4** shows the places of work of the tenant residents.

Figure 6.4 Place of Work of Affected Tenant Households under Employment (147 residents, 51%)



- 6.6 For those employed tenants who are working in Kowloon, there will be economic concerns arising from higher transportation costs if they were to be relocated away from the project area. 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. 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 tenant households (9%), are higher than the territory-wide unemployment rate of 2.8% (seasonally adjusted, for the period from March 2018 to May 2018⁴). There may be 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.

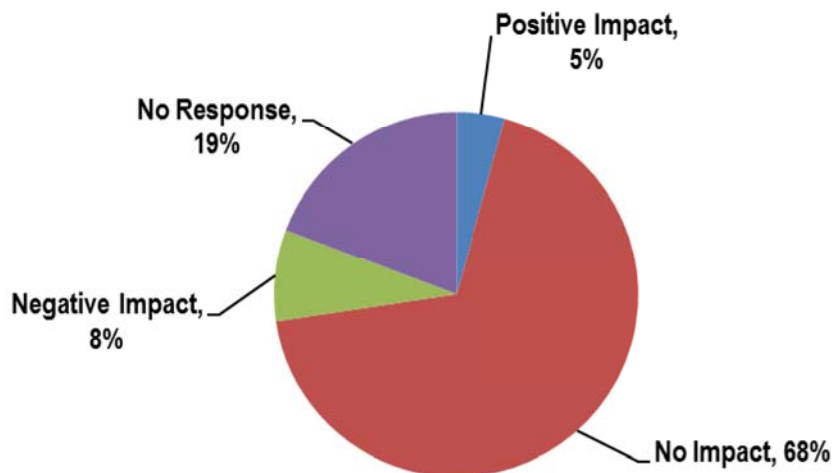
⁴ Information from website of Census and Statistic Department as at 26 June 2018

7. ECONOMIC AND EMPLOYMENT IMPACTS

Affected Owner-occupiers

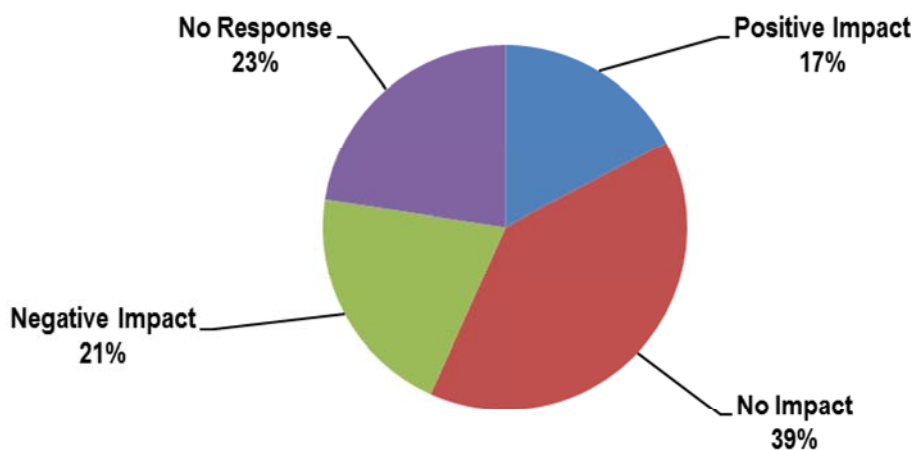
7.1 **Figure 7.1** summarizes the impacts of the redevelopment on employment condition as anticipated by the 208 surveyed domestic owner-occupier households. Majority (68%) said there would be no impacts. For those expressing negative impacts, they were concerned about the increase in transport expenditure, difficulties in finding employment, and longer travelling time to workplace, etc.

Figure 7.1 Impacts on Employment to Affected Owner-occupiers (208 Households)



7.2 The expected impacts on family finance for the 208 interviewed owner-occupiers is summarized in **Figure 7.2**. For those expecting positive financial impacts, they cited more savings and better cash flow as the major advantages. For those expressing negative impacts, they were concerned about less savings and additional expenditure (each household can express more than one concern) resulting from the proposed project.

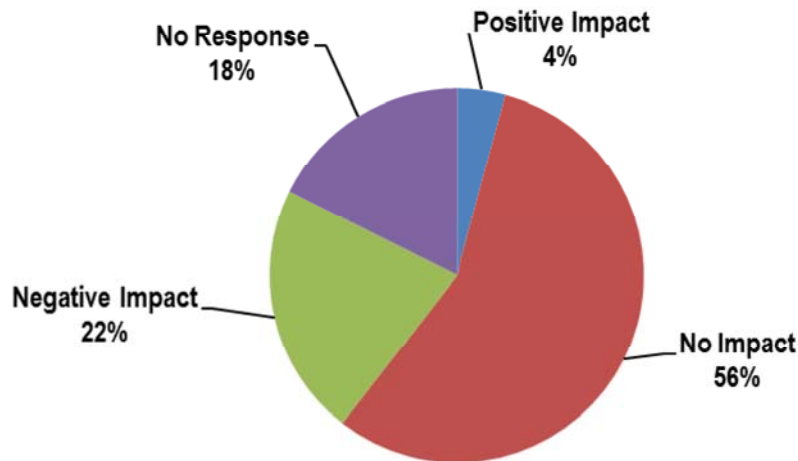
Figure 7.2 Impacts on Family Finance to Affected Owner-occupiers (208 Households)



Affected Tenants

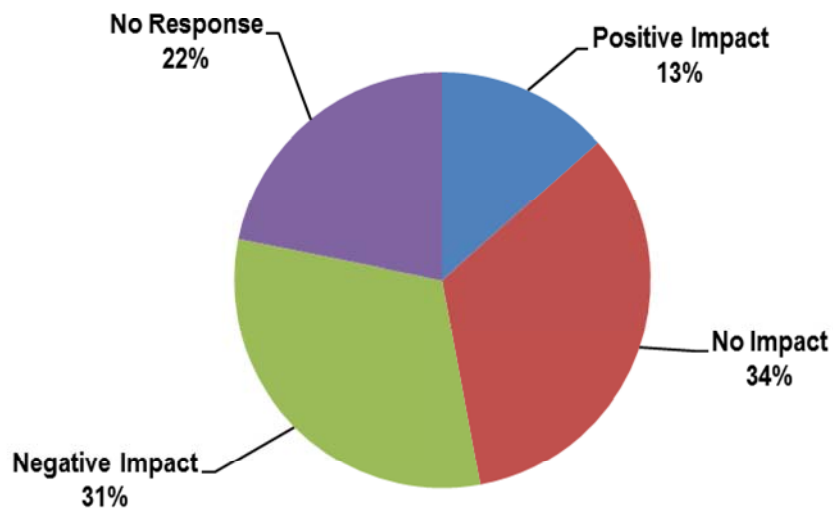
7.3 The expected impacts on the employment condition suggested by the 119 interviewed tenant households are summarized in **Figure 7.3**. For those tenants who considered the Project would result in negative impact on their employment, their main concern was the longer travelling distance from the future living places to workplaces, and difficulties in finding new job.

Figure 7.3 Impact on Employment to Affected Tenants (119 Households)



7.4 The expected impacts on family finance as suggested by interviewed tenants are summarized in **Figure 7.4**. For those who considered positive impacts, most of them indicated more saving and better cash flow. For those who considered the proposed redevelopment project would bring negative financial impacts, most households anticipated that their living expenditure would increase due to the Project. Less savings, less cash flow and had also been anticipated by them (each household can express more than one concern).

Figure 7.4 Impacts on Family Finance to Affected Tenants (119 Households)



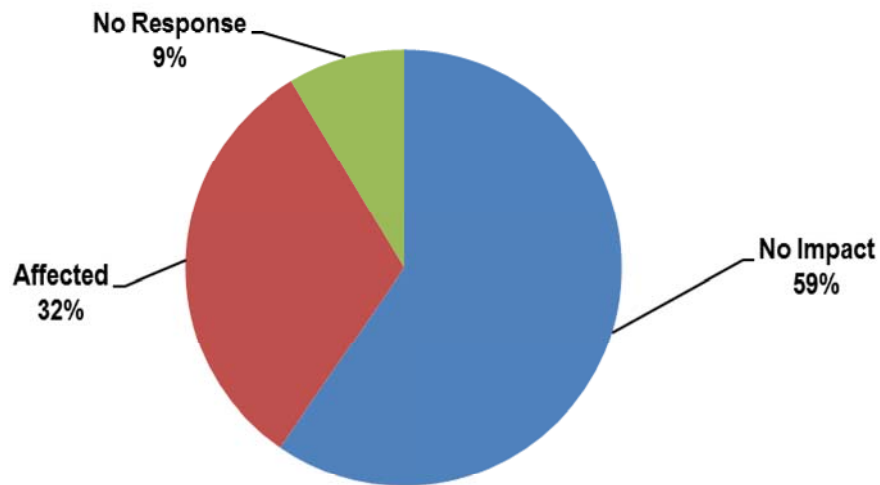
- 7.5 After commencement of the Freezing Survey, the URA has organized a public briefing on 27 and 28 June 2018 to the affected owners and tenants to explain the prevailing policies on compensation and rehousing to alleviate their concerns. If the project is to be implemented, the eligible tenant households will be subject to the URA's prevailing compensation policies.

8. SOCIAL NETWORK

Affected Owners-occupiers (208 Households)

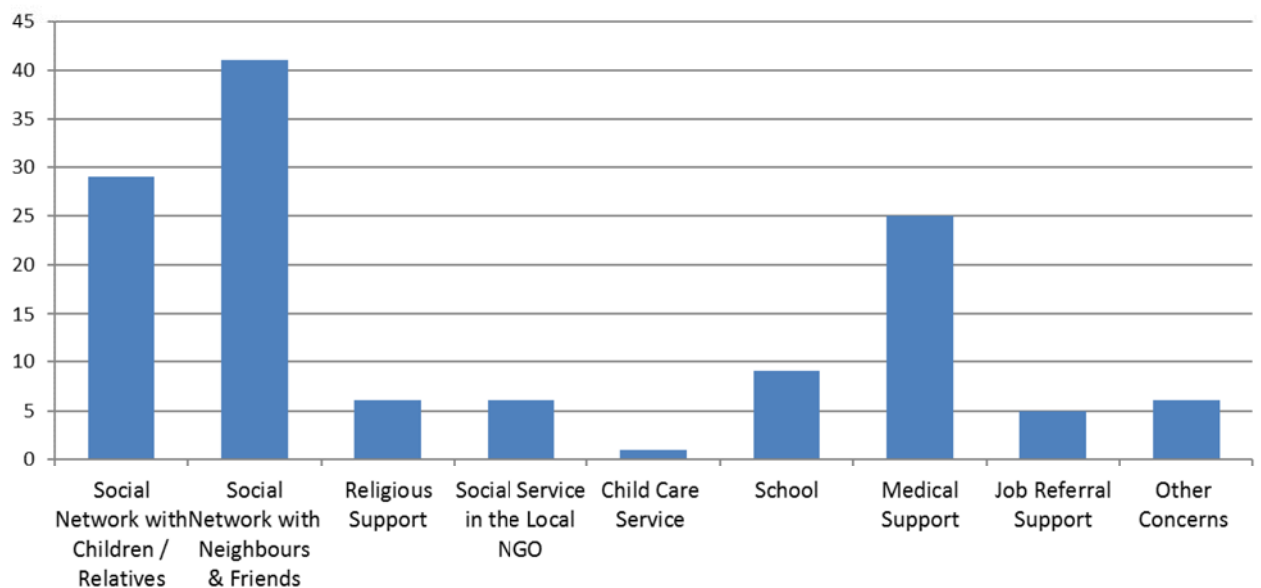
8.1 The likely impacts of the proposed redevelopment on owner-occupier’s social network is shown in **Figure 8.1**. 59% of the interviewees said they had no impacts.

Figure 8.1 Effects of Redevelopment on Social Network to Affected Owners-occupiers (208 Households)



8.2 The possible effects of the Project on the interviewee’s social network (each household can choose more than one concern) is shown in **Figure 8.2**.

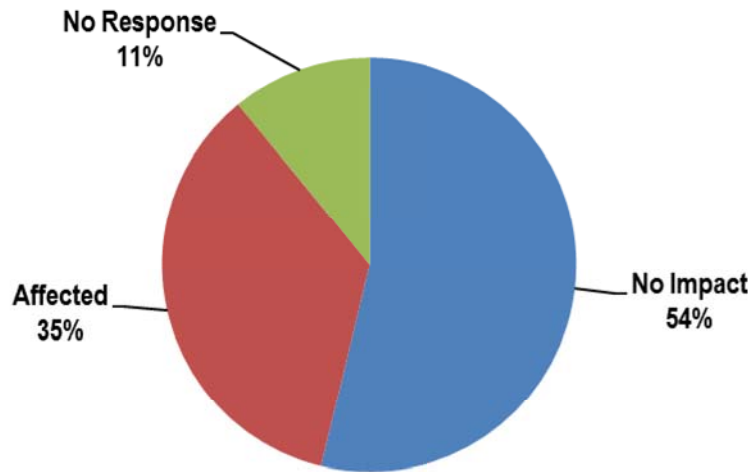
Figure 8.2 Nature of effects on Social Network to Affected Owner-occupiers (can choose more than one answer)



Affected Tenants (119 Households)

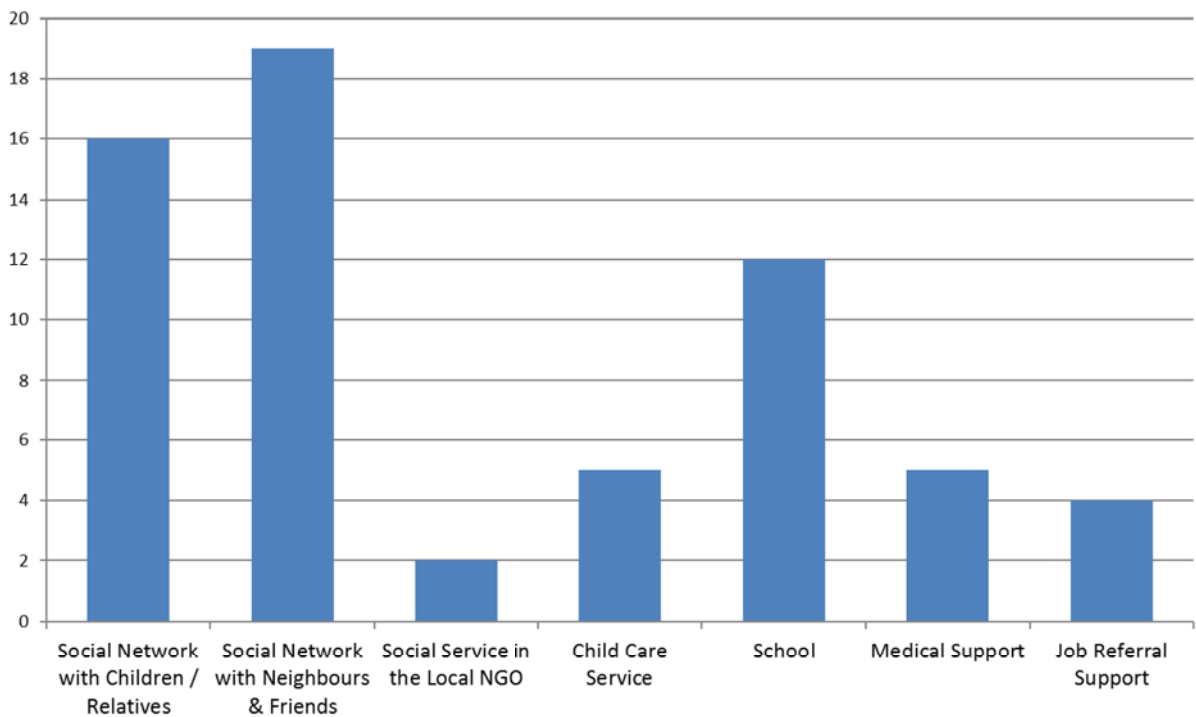
8.3 **Figure 8.3** shows the likely impacts of the proposed redevelopment on the tenant’s social network. 54% of the interviewees said they had no impacts.

Figure 8.3 Effects of Redevelopment on Social Network to Affected Tenants (119 Households)



8.4 The possible effects of the Project on the tenant household’s social network (each household can choose more than one concern) is shown in **Figure 8.4**.

Figure 8.4 Nature of effect on Social Network to Affected Tenants

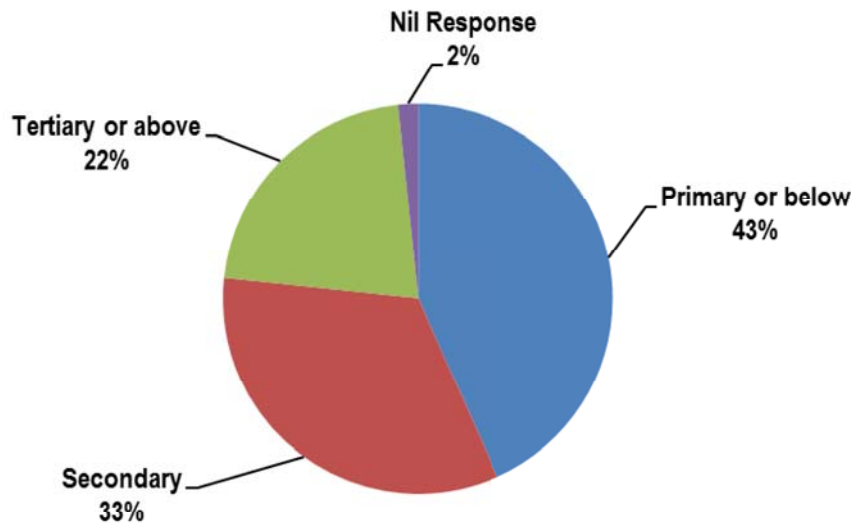


- 8.5 The SST will provide orientation sessions before and after rehousing to help the affected residents adapt to their new homes and introduce various community resources available in the area, including medical support, NGO services and community facilities. It will help them to identify suitable 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 (in-situ, in the same district or at available site(s)) for those eligible domestic owner-occupiers to minimize the effect on their intrinsic social networks.

9. EDUCATION NEEDS OF CHILDREN

9.1 The survey identified 120 students residing in 85 households within the Project. Of this, 57 students (48%) were from owner-occupier households and 63 students (52%) were from tenant households. **Figure 9.1** shows the type of schools attended by the students residing in the Project.

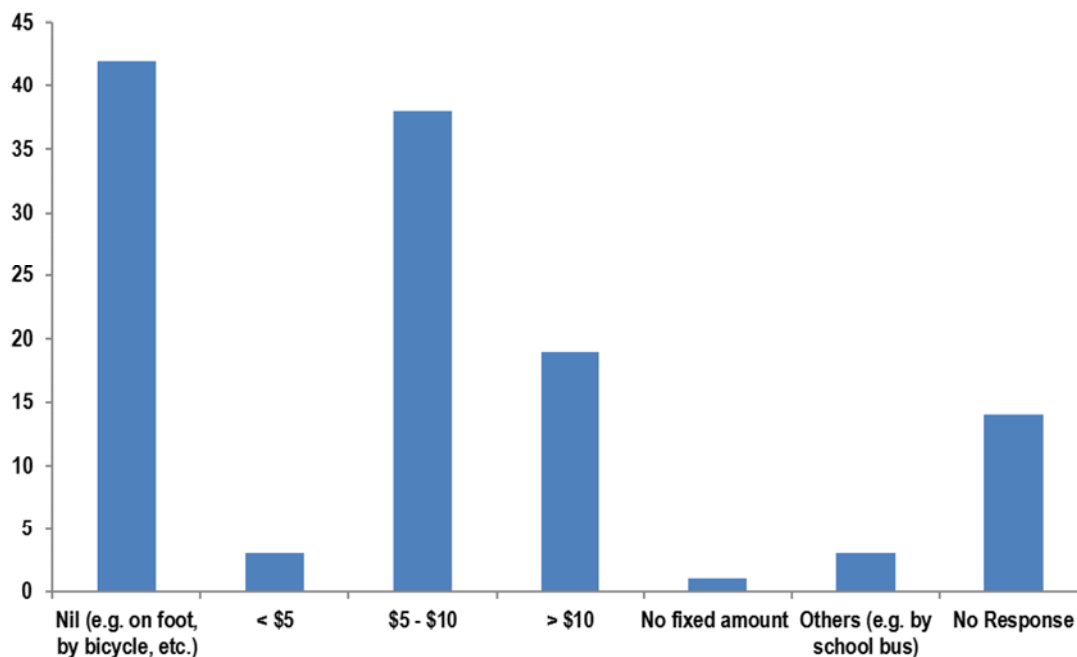
Figure 9.1 Educational Level of Students (120 Students)



9.2 The majority of the students (75 students or about 63%) are studying in schools in Kowloon City.

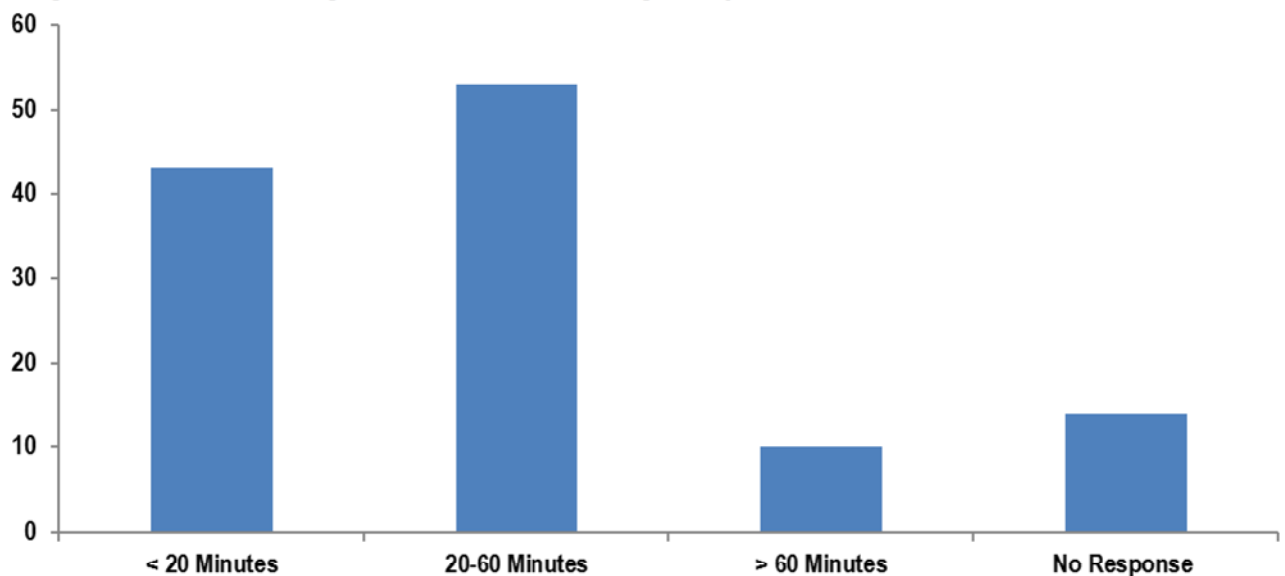
9.3 **Figure 9.2** shows the transport costs of the students in the interviewed households. Since 63% of students within the Project were studying locally, it is not surprising that 42 students (about 35%) did not need to pay for transport to school.

Figure 9.2 Travelling Cost to School – Single Trip



9.4 **Figure 9.3** shows the students' travelling time to school.

Figure 9.3 Travelling Time to School – Single Trip



9.5 Of the 63 students from tenant households, 30 (48%) 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 minorities identified in the survey.

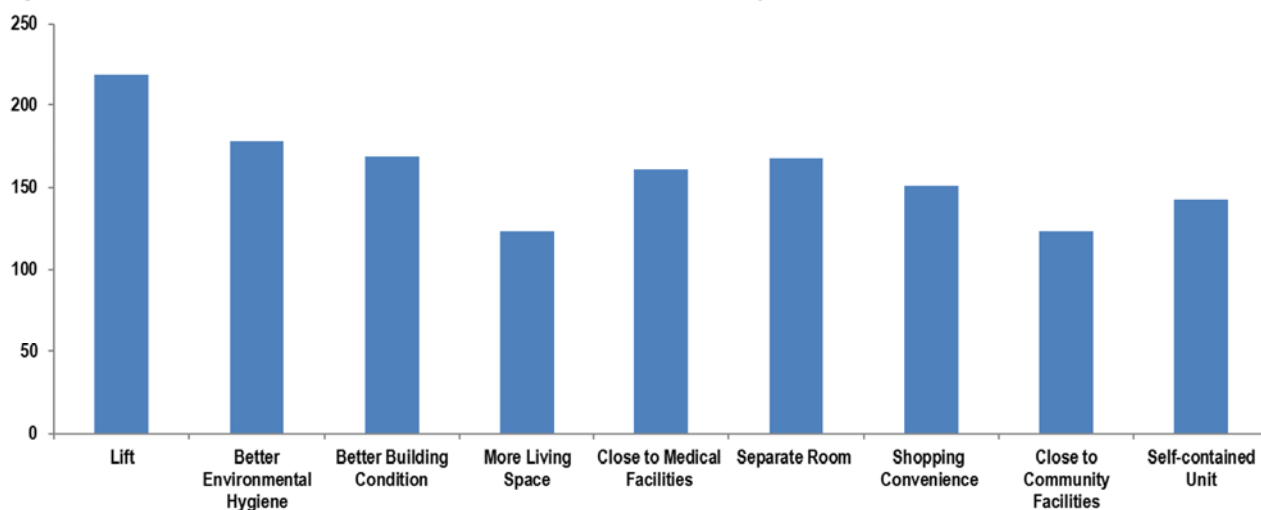
Elderly Persons (Age 65 and above)

10.2 The FS has identified a total of 130 elderly residents within the Project. Of them, 25 were singleton households and 22 elderly persons in 11 doubleton households, whilst the remaining 83 elderly residents were living with their family members in 66 households. 95 (93%) out of the 102 households with elderly residents were living in self-owned units, whilst 7 (7%) were tenanted households.

10.3 The presence of elderly population within the Project has implications on the 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 an effort to alleviate their anxiety by providing information on the arrangement of rehousing and the new environment surrounding the estate.

10.4 **Figure 10.1** shows the aspirations of the elderly when questioned about the improvements they would like to see in their new home.

Figure 10.1 Elderly Concerns on Living Environment (based on the first three priorities chosen, can choose more than one answer)



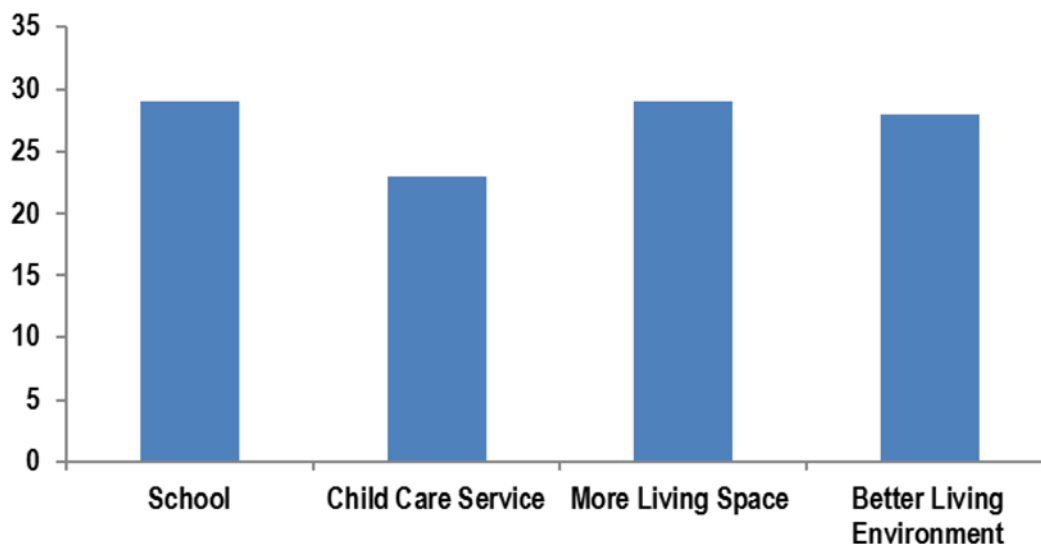
Persons with Disability

10.5 21 residents with disabilities (about 3% of total number of 798 residents) were recorded in the survey. Their disabilities mainly relate to wheelchair access, mental health, cancer or heart disease. Most residents with disabilities considered medical support, disability access/facilities, and special schools as their primary concerns. Rehousing for disabilities may be considered on compassionate grounds if they are not eligible under the normal eligibility requirement.

Single-parent Families

10.6 Among the 327 surveyed households, 14 single-parent families with 22 children were identified in the survey. Their major concerns are shown in **Figure 10.2**.

Figure 10.2 Major Needs of Single-parent Families (based on the first three priorities chosen, can choose more than one answer)



Ethnic Minority Groups

10.7 Among the 327 surveyed households, 11 household recorded to be ethnic minority groups and were from Philippines, Thailand, Pakistan and Nepal.

10.8 These ethnic minority households were all tenant households and 5 responded that the proposed project would not have impact on their family in terms of employment and social network. 6 households considered that the Project would bring good effect on family finance in terms of better cash flow.

11. BUSINESS IMPACT

- 11.1 According to the FS, there were 47 ground floor premises in the Project for non-domestic uses. In addition, one upper floor domestic unit was being used for domestic and non-domestic use. Two ground floor units were not entered hence could not be surveyed. According to the approved GBP, ground floor premises at No. 46, 48, 50, 52 and 54 Ngan Hon Street are for shop uses, whilst Nos. 46A to 54A Ngan Hon Street and Nos. 72-118 Wing Kwong Street were all designated for domestic uses, but they were being occupied as non-domestic units according to the FS record.
- 11.2 Among the 47 ground floor premises, two premises were not entered, and 45 premises were surveyed and they were occupied by 42 business operators. One upper floor unit was being used for domestic and non-domestic use. One G/F premise was being used for domestic and non-domestic use. Therefore, the following paragraphs report the survey of these 43 business operators.
- 11.3 The occupancy status, nature of businesses, premises size, reasons for operating in current premises, length and performance of business and etc. are based upon the answers from the 43 business operators. Two operators did not answer the SIA form, and only answered the FS forms. **Table 11.1** shows the number of ground floor shops and business operators identified in the Project.

Table 11.1 Number of ground floor shops and business operators identified in the Project

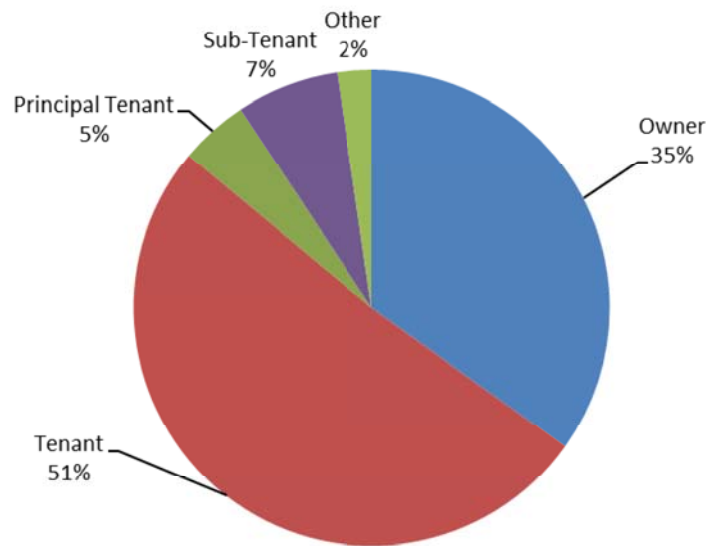
	Business Operators	Ground Floor Shops*
Total No. of surveyed business operators	43*	45
Successfully responded to both FS (successfully surveyed) and SIA (successfully interviewed)	41	43**
Only responded to FS (successfully surveyed) but refused to do SIA questionnaire (refused to do the SIA)	2	2
Unsurveyed ground floor shop	Unknown	2

* 1 business operator occupied an upper floor domestic unit for domestic and non-domestic use and 1 operator occupied a G/F unit for domestic and non-domestic use, both of them filled in both domestic and non-domestic FS and SIA questionnaires

** 3 business operators occupied 2 shop premises each

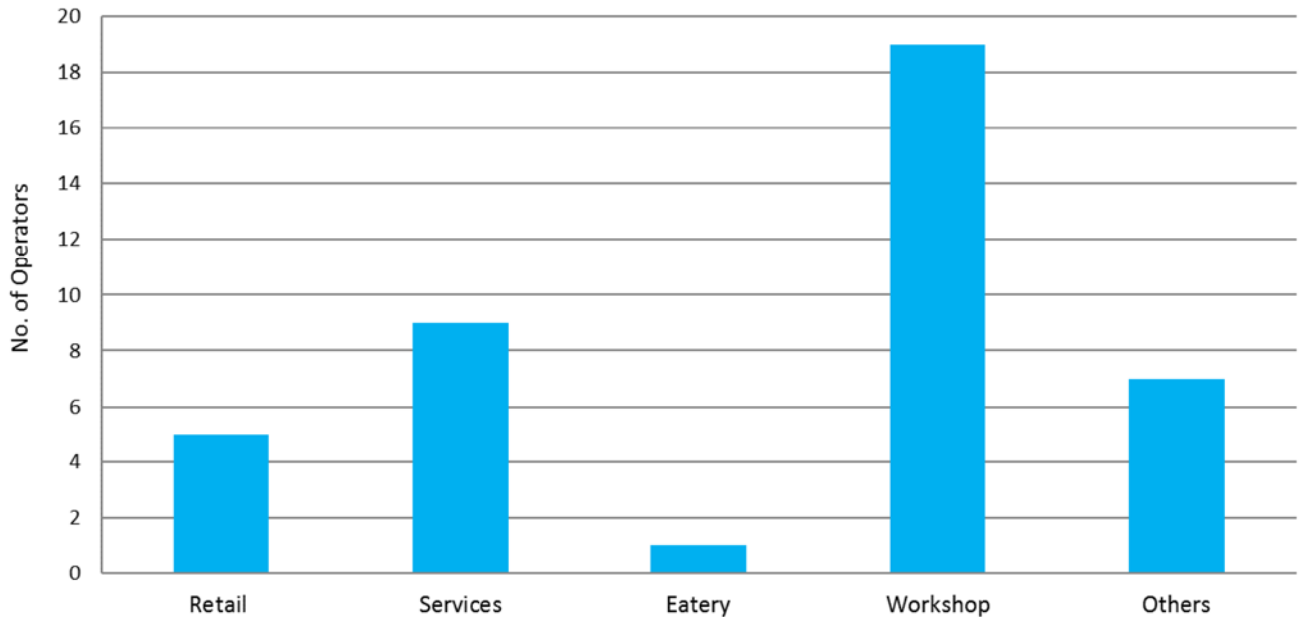
- 11.4 Out of the 43 business operators who answered FS questions regarding their occupancy status, 15 (35%) were owner operators and 28 (65%) were tenant operators (**Figure 11.1**).

Figure 11.1 Occupancy Status of Business Operators



11.5 **Figure 11.2** shows the nature of existing businesses of the total 43 operators, in which 2 did not answer the SIA forms. Nature of businesses include retail, laundry, hair salon, car repair and accessories, services, renovation and engineering workshops, food processing workshops, etc. The types of business identified in the Project are commonly found in some ground floor premises in the district, eg. Tokwawan. It is possible for those operators to find a suitable premises in or outside Tokwawan to continue their businesses.

Figure 11.2 Nature of Existing Businesses

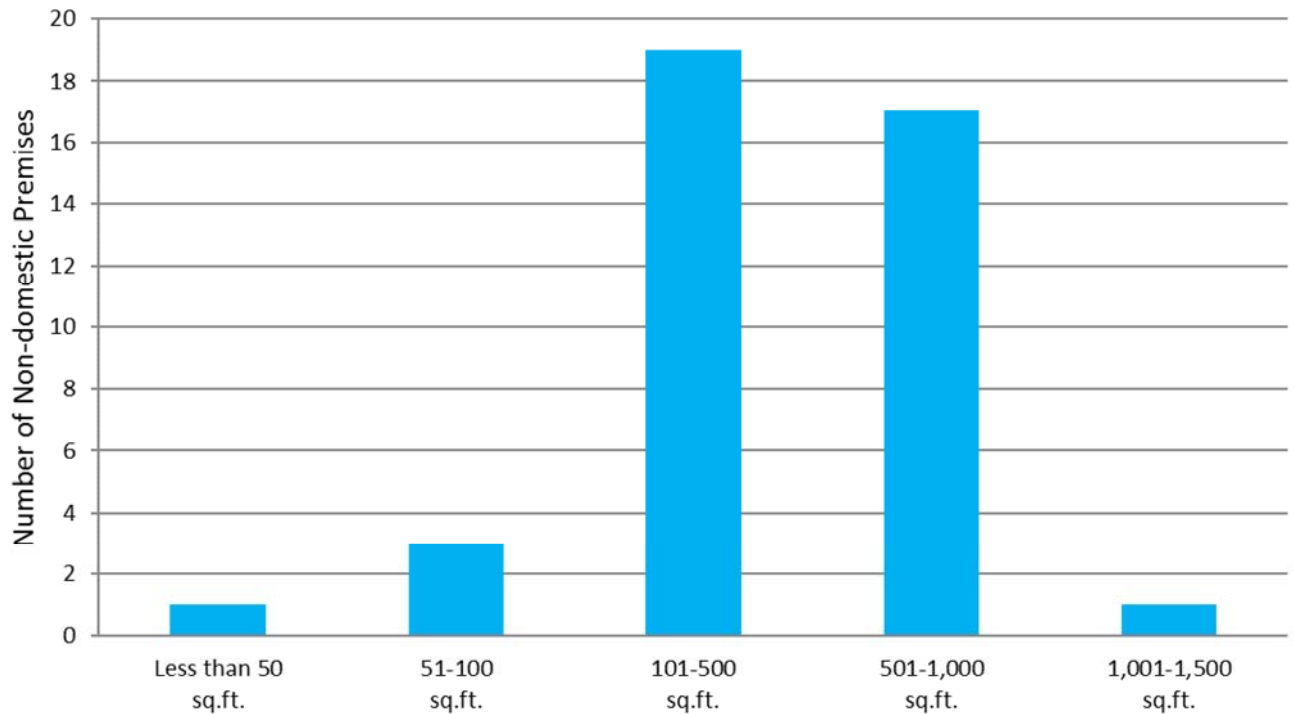


11.6 According to the freezing survey, 3 ground floor premises were occupied by car repair shops and 1 for motorcycle repair shop. These shop operators may need to find alternative non-domestic premises, which can satisfy its various operational requirements and the respective uses are permissible in both the lease and planning terms, in compliance with the Deed of Mutual Covenant (DMC) of the buildings. Upon

the agreement of the shop operators, the URA can assist to identify suitable premises to enable them to relocate and continue operation in the same district as far as practicable.

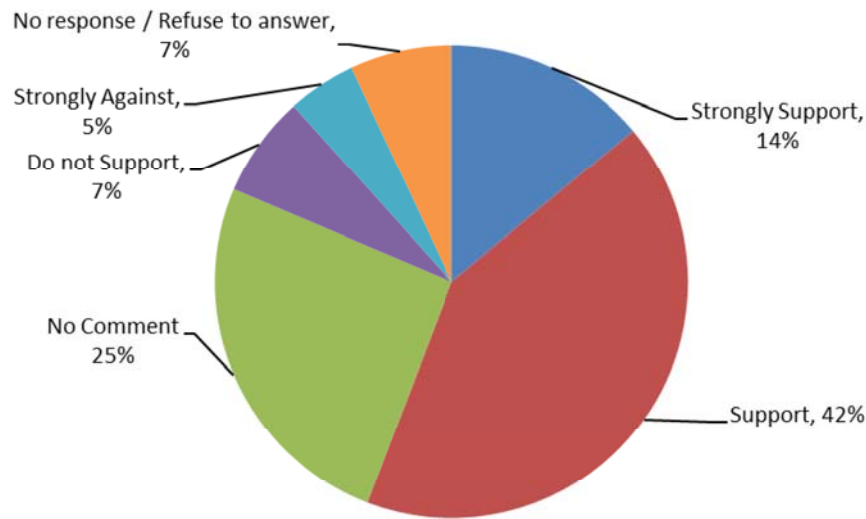
- 11.7 Among the 43 interviewed business operators, 1 of them indicated that it was a chain store or had branches.
- 11.8 The size of premises for operators are shown in **Figure 11.3**. [NB: The exact size of the premises can only be confirmed subject to detailed survey after SDEV authorization of the Project].

Figure 11.3 Size of Premises



- 11.9 **Figure 11.4** shows the business operators’ views on redevelopment. 24 business operators (56%) strongly supported or supported the proposed redevelopment. They considered that the existing poor condition and local environment could be improved through redevelopment. Only 5 operators (12%) objected to the proposed development. They were concerned their businesses would be affected by the redevelopment.

Figure 11.4 Business Operators' Views on Redevelopment



11.10 13 (30%) of the 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 experience operating in other districts.

11.11 **Figure 11.5** shows the years of operation of their existing businesses. **Figure 11.6** shows the business operator's main reasons for operating at the existing premises.

Table 11.5 Years of Business Operation

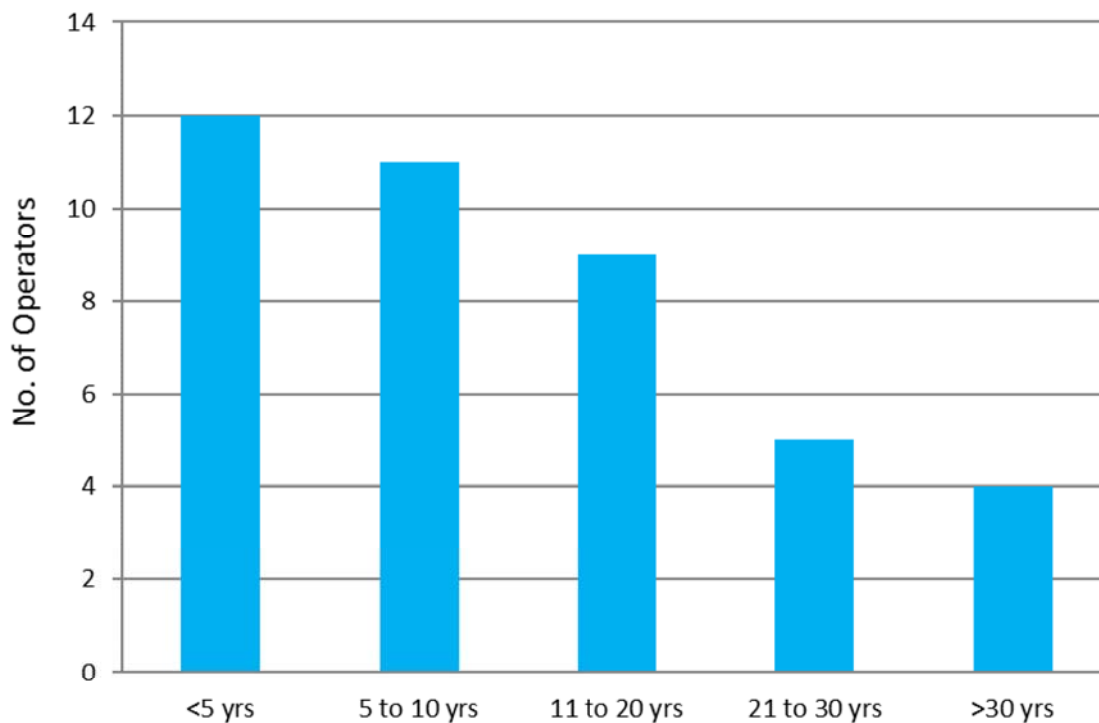
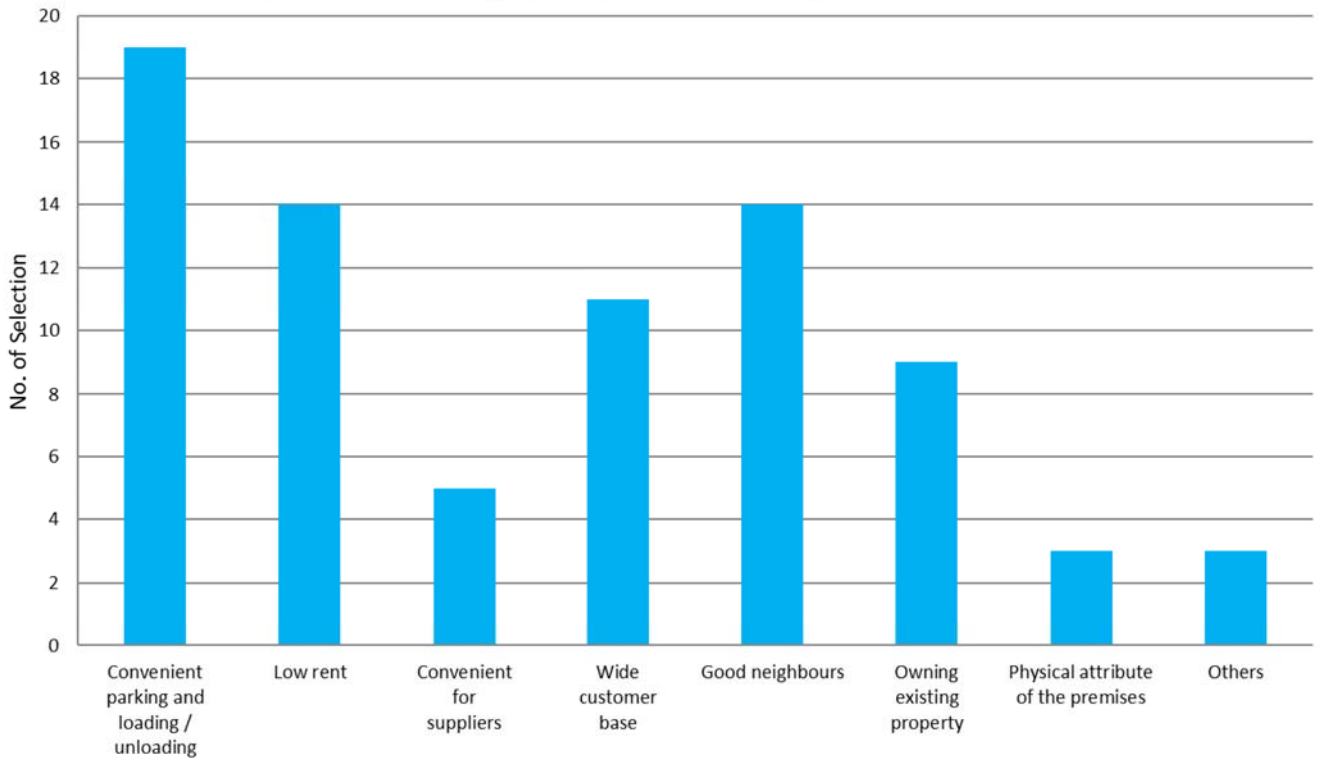


Table 11.6 Main Reasons for Operating at the Existing Premises



11.12 **Figure 11.7** shows the satisfaction level of their business / business performance. Most operators (65%) responded they were satisfied or very satisfied. **Figure 11.8** shows the opinion of interpersonal relationship built from the existing business. Majority of the interviewed operators (87%) were satisfied or very satisfied with interpersonal relationships.

Figure 11.7 Satisfaction Level of Business Performance

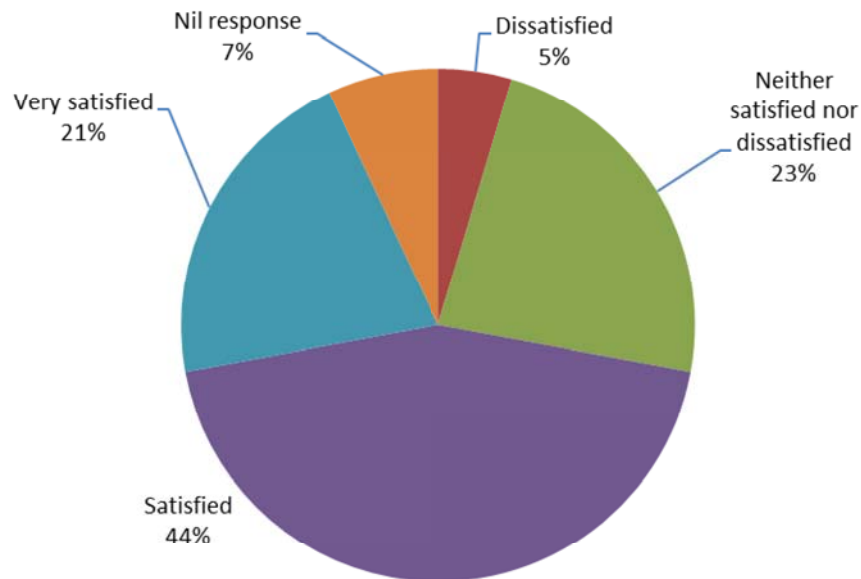
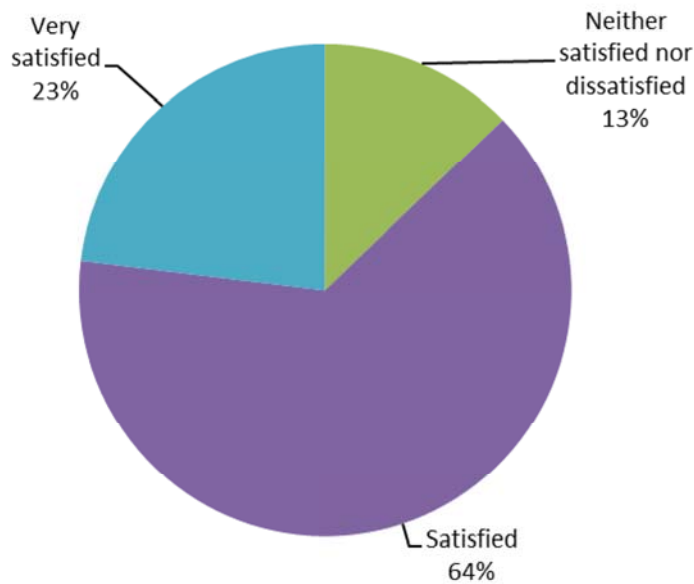
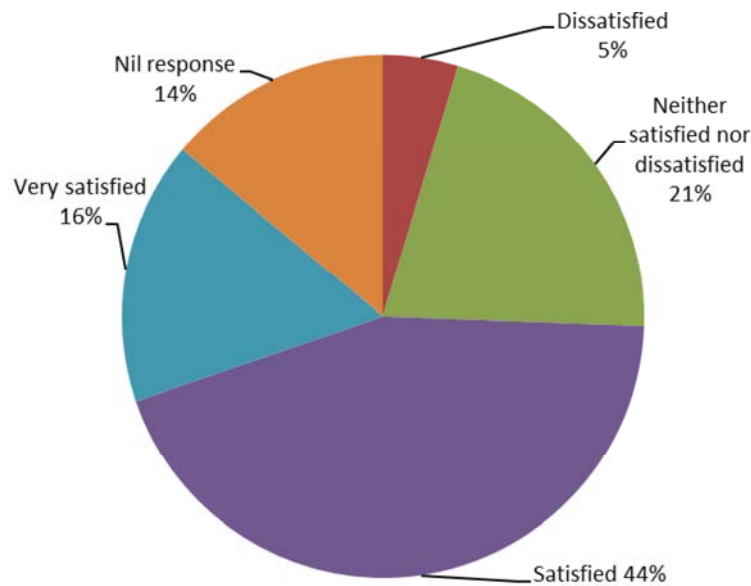


Figure 11.8 Opinion of Interpersonal Relationship



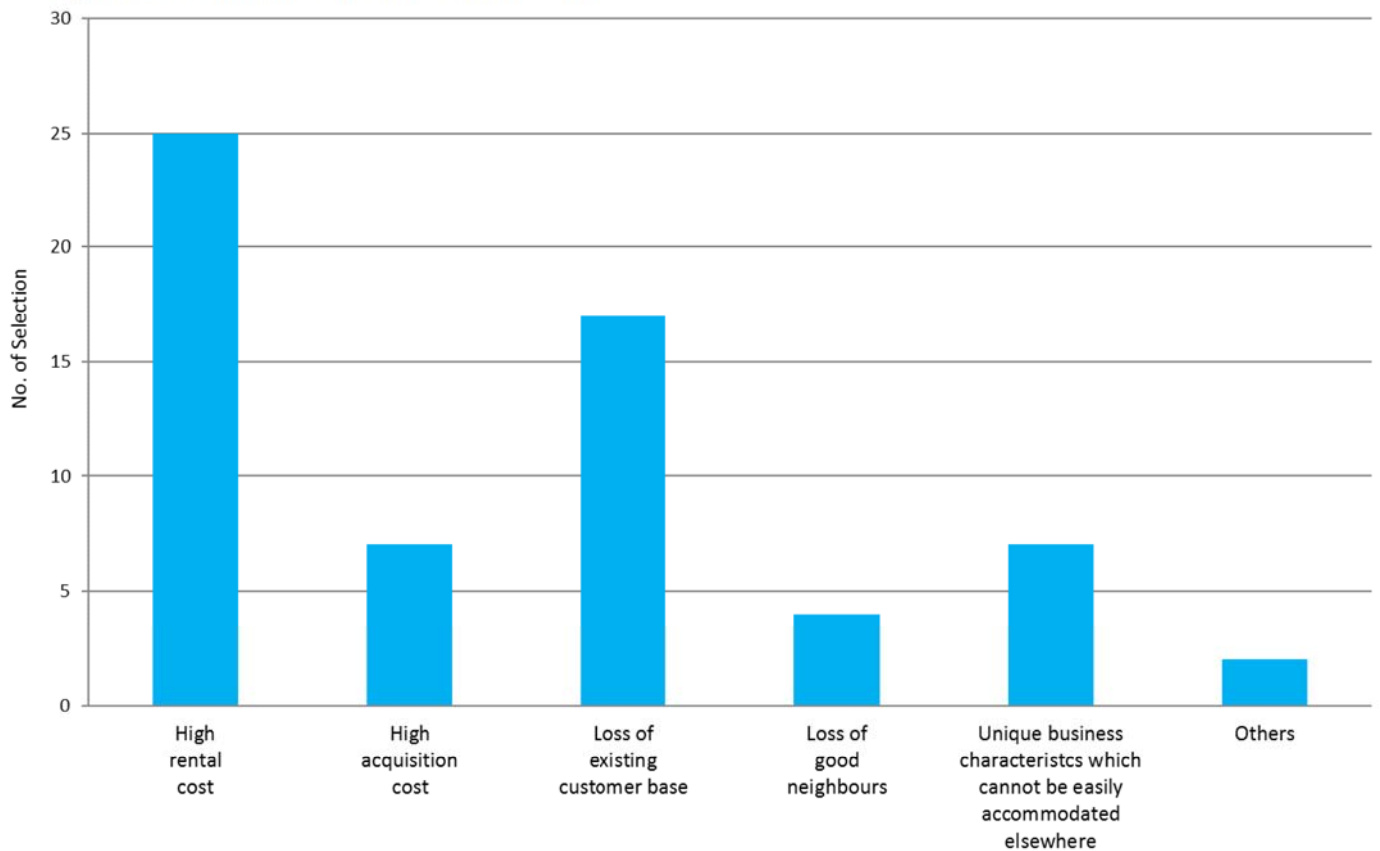
11.13 **Figure 11.9** shows the opinion of business network established from the existing shops.. Majority (60%) interviewed operators were very satisfied or satisfied with the aspects of business network. On the future intention of the operators if the proposed Project is implemented, 17 operators (40%) responded that they would like to continue their businesses nearby.

Figure 11.9 Opinions of Business Network



11.14 **Figure 11.10** shows the business operators' major concerns on relocation.

Figure 11.10 Main Concerns on Relocation



11.15 20 operators (47%) indicated that they would like the URA to assist them in finding new premises to continue their businesses.

11.16 13 operators (30%) expressed that they wanted to meet URA staff and SST for assistance. The URA will assist to identify suitable premises nearby to the Project to enable them to relocate and continue operation in the same district as far as practicable. 17 interviewed operators had expressed that their employees had no major concern on the proposed project.

12. MITIGATION MEASURES REQUIRED

Social Service Team

- 12.1 In accordance with the new URS, the Urban Renewal Fund (URF) has been set up to, inter alia, fund the Social Service Team (SST) who provides assistance to residents and operators affected by URA-implemented redevelopment projects. The SST reports directly to the Board of the URF. The SST is expected to play a coordinating role in assisting the residents to access the services they need from relevant Government departments and/ or other service providers. For instance, the help of the HKHA and the HKHS will be sought in the rehousing process, the Education Bureau in providing school places for children affected by home removal, the Social Welfare Department and various social organisations for counseling services, the Hospital Authority and Department of Health in medical assistance, etc. As at 1 August 2018, the SST has successfully contacted 160 households and 14 business operators. A breakdown of the Cases (Contacts) by client groups is listed in **Table 12.1**.

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

<u>Client Group</u>	<u>No. of Case</u>
Domestic Tenants	61
Domestic Owners	99
Business Operators	14

- 12.2 The nature of the problems identified are summarized as follows:

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

<u>Problem or Enquiry Nature</u>	<u>No. of Enquires from Households / Shop Operators*</u>
<i>Domestic Tenants</i>	
a) Unclear on compensation and rehousing policies	61
b) Evicted by owners / outrageous rent rise	4
c) Worry about eviction, termination of tenancy or outrageous rent rise in future	9
<i>Domestic Owners</i>	
a) Unclear on compensation policies	99
b) Worry about compensation not enough to purchase another flat in the same district	10
<i>Business Operators</i>	
a) Unclear on compensation policies	14
b) Worry about compensation not enough to resume their businesses in the same district	1

* Each household / shop operator may lodge more than 1 enquiry

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

Public Briefing

- 12.4 The URA has arranged four public briefings on 27 and 28 June 2018 to inform all the stakeholders, including owners, tenants and business operators affected, the details of the Project, and to obtain public views on the Project. The total attendance of the four public briefings was about 400 persons. Questions on Freezing Survey, planning, acquisition and compensation and rehousing issues were addressed at the meeting. Those present were also informed that owners would not get more compensation by evicting tenants identified in the Freezing Survey.

Enquiries and Hotline Services

- 12.5 The URA also answers enquiries and provides hotline services to residents within the redevelopment area. About 50 enquiries had been received between 22 June 2018 and 1 August 2018. The subject matters of the enquiries are summarised in **Table 12.3**.

Table 12.3 Nature of Enquiries

<u>Subject Matters of Enquiries</u>	<u>Percentage</u>
Project information, progress, timetable and planning procedures of urban renewal	24%
Acquisition Compensation and rehousing policies Household Survey (e.g. registration arrangement)	36%
Household Survey (e.g. registration arrangement)	40%
Total enquiries: 50	100%

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

-

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

- 12.7 As revealed in **para. 2.11** above, majority (84%) of the interviewed domestic households either supported or strongly supported the Project. Only around 2% of the interviewed households were strongly against or did not support the Project. 104 owner-occupier households prefer to be relocated within Kowloon City district. 86 tenanted households would like to move into public rental housing (if eligible). With regard to the views of business operators, 56% of the interviewed operators indicated 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 (**Para. 11.9** refers).
- 12.8 The URA will assist displaced elderly owner-occupiers to find replacement flats within urban Kowloon. Redevelopment will inevitably affect the existing social network of some residents in the Project. The SST will follow up their cases for 6 months after their relocation to a new accommodation. In helping “the affected residents in maintaining and rebuilding social support network”, the team will also conduct below activities: -
- (i) After resettlement, the displaced residents have contacted at least once their old acquaintance in Kowloon City, 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 briefings held on 27 and 28 June 2018, 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 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 amount of HPA payable to individual owners is the difference between the value of a notional replacement flat and the market value of the property being acquired. The notional replacement flat is based on a seven-year-old flat of a size similar to the flat being acquired in the same locality. The notional replacement flat is assumed to be in a comparable quality building, situated in a similar locality in terms of characteristics and accessibility. The notional replacement flat will be situated at the middle floor of a notional building with average orientation, i.e. not facing south or west, and without sea view. 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 “flat for flat” (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) (subject to changes in the relevant legislation and regulations) (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. Under FFF Scheme, the amount of cash compensation and ex-gratia allowance offered to an owner-occupier will not be changed regardless of whether or not he elects to take up the choice of “Flat-for-Flat” offer and that the FFF Scheme is not an exchange of a new flat of equivalent or similar size to the owner-occupier’s flat.
- 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 allowances. Details of the ex-gratia allowances for domestic tenants can be obtained from <https://www.ura.org.hk/en/redevelopment/tenants-corner/rehousing-and-ex-gratia-allowance-policies>.
- 12.15 According to the new URS, the URA will adopt a compassionate approach in assessing the eligibility of owners of tenanted domestic units for ex-gratia allowance in exceptional circumstances such as elderly owners who rely on the rental income from their properties for a living.
- 12.16 In case where tenants were threatened not to have their tenancies renewed, the URA will explain to the owners that they would not get higher offers by evicting the tenants. The URA has also introduced the “Domestic Tenants Compassionate Assistance Programme” (“DTCAP”) to take care of those domestic tenants whose tenancies commenced before the freezing survey of this Project and moved out from the properties because they have been 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 Government resumption of the properties concerned, special ex-gratia allowance based on the rateable value of the properties concerned, the ex-gratia allowance is calculated according to the method as listed in **Table 12.4** below subject to a minimum amount of HK\$170,000 (for an one-person household) and HK\$190,000 (for a two-person or larger household). Domestic tenants, who undergo the same situation as mentioned above and are not eligible for DTCAP, can apply for the URA’s Relocation Assistance.

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

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

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. In calculating the number of years of continuous operation, the expiry date of continuous operation is 2 years from the date which URA issues initial acquisition offer to property owners. The amount is calculated at a rate of 0.1 times the rateable value for each year that the affected premises has been in operation up to a maximum of 30 years. For an incomplete year, the amount of EGBA is calculated on a pro-rata basis to the nearest month. The amount of EGBA is subject to a maximum amount of \$700,000 and a minimum amount as described in **Table 12.5** below.

Table 12.5: Calculation of EGBA

<u>Years of Continuous Operation</u>	<u>Minimum EGBA</u>
10 years or less	HK\$110,000 (amount is subject to annual review)
More than 10 years (maximum of 30 years)	Additional HK\$10,000 for each completed year

- 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
August 2018

Appendix 1: Non-domestic G/F premises within the Project Area



44B Ngan Hon Street



44 Ngan Hon Street Shop B



44 Ngan Hon Street Shop A



44A Ngan Hon Street



48 Ngan Hon Street



46A Ngan Hon Street



48 & 48A Ngan Hon Street



48A Ngan Hon Street



50 Ngan Hon Street



Rear Shop, 50A Ngan Hon Street



52 Ngan Hon Street



Shop 2, Rear Portion, 52A Ngan Hon Street



Shop 1, Rear Portion, 52A Ngan Hon Street



Front portion, 54 Ngan Hon Street



54 Ngan Hon Street



54A Ngan Hon Street



72 Wing Kwong Street



72 Wing Kwong Street



72B Wing Kwong Street



72C Wing Kwong Street



72 Wing Kwong Street



74 Wing Kwong Street



74-76 Wing Kwong Street



78 Wing Kwong Street



80 Wing Kwong Street



82A Wing Kwong Street



82B Wing Kwong Street



84 Wing Kwong Street



86 Wing Kwong Street



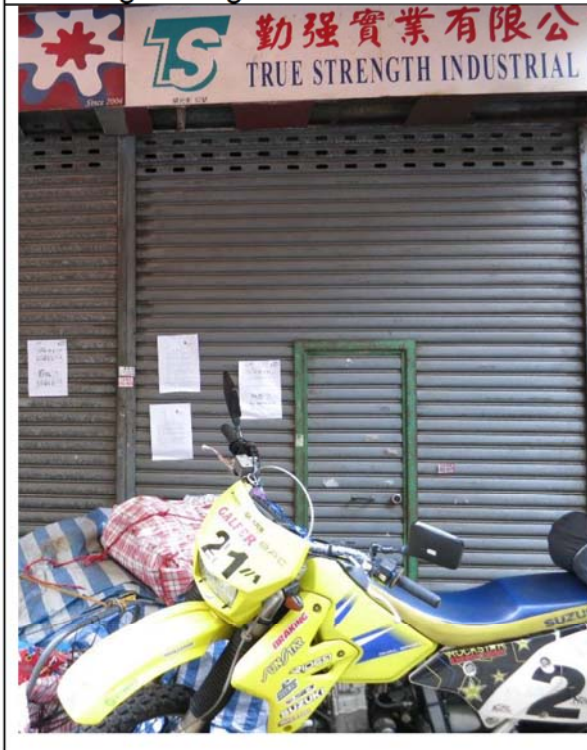
88 Wing Kwong Street



90 Wing Kwong Street



92 A Wing Kwong Street



92 Wing Kwong Street



94AB Wing Kwong Street



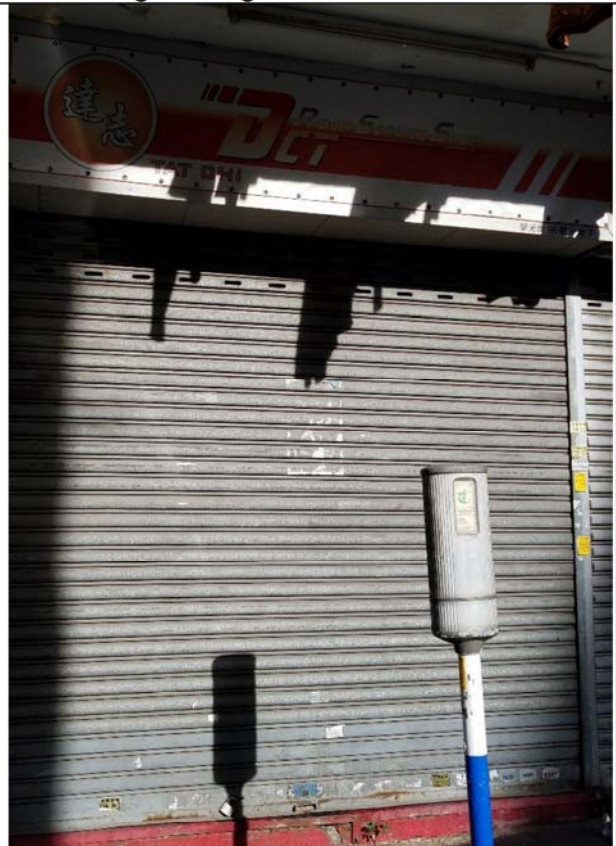
94C Wing Kwong Street



94D Wing Kwong Street



96 Wing Kwong Street



96B Wing Kwong Street



96C Wing Kwong Street



98 Wing Kwong Street



100 Wing Kwong Street



102 Wing Kwong Street



104 Wing Kwong Street	106 Wing Kwong Street
	
106B Wing Kwong Street	108 Wing Kwong Street
	
108 Wing Kwong Street Shop B	110 Wing Kwong Street
	
112 Wing Kwong Street	114 Wing Kwong Street



116 Wing Kwong Street



118 Wing Kwong Street