

THE HONG KONG HOUSING AUTHORITY

Memorandum for the Housing Authority

Rehousing Arrangements in Urban Renewal

PURPOSE

This paper seeks Members' agreement on a broad framework for the Housing Authority (HA) to assist the Urban Renewal Authority (URA) in rehousing tenants to be affected by urban renewal, before a formal agreement is to be reached with the URA in due course.

BACKGROUND

2. To tackle the problems of urban aging and deterioration, the Government intends to establish the URA to implement and speed up the urban renewal strategy. In the Urban Renewal Strategy Study issued by the Planning Department in October 1999, a total of 200 priority projects areas, involving some 37,000 households, have been identified. To facilitate urban renewal, the URA will need adequate rehousing resources from the HA and the Housing Society (HS).

3. At an HA brainstorming session on 20 November 1999, both HA and Committee Members discussed whether and how the HA should assist in rehousing tenants to be affected by urban renewal. The general view was that the HA should contribute positively in urban redevelopments by providing rehousing resources. However, the rehousing arrangements must be drawn up carefully to ensure that they would be compatible with other HA policies and would not compromise our existing housing pledges.

LATEST DEVELOPMENT

4. As the URA Bill is now being discussed at the Legislative Council (LegCo), rehousing arrangements will be a matter of concern for both the LegCo and the public. It will hence be useful for the HA and the Government to reach an initial consensus on the subject although the URA has not been set up.

5. Having regard to Members' advice and our initial discussions with the Planning and Lands Bureau, we had drawn up a set of draft terms and conditions on rehousing arrangements which were considered and endorsed by the Strategic Planning Committee on 30 March 2000 vide Paper No. SPC 34/2000. The proposed rehousing framework is outlined at **Annex**. Members may also

wish to know that the HS has also agreed to provide rehousing assistance to the URA. The terms and conditions contained in the HA's rehousing framework reflect the following principles -

- (a) The HA will offer rehousing assistance to the URA but should not be its automatic rehousing agent. The URA should also look for alternative assistance from the Housing Society and the private sector concurrently.
- (b) Given the HA's existing commitments to shorten PRH waiting time and fulfill other rehousing pledges, the HA must work on a clear and affordable rehousing quota.
- (c) The Government and the URA should provide additional land and finances for the HA to take up this additional rehousing task so that our ability to accomplish other commitments will not be compromised.
- (d) The rehousing eligibility criteria must be compatible with the HA's established policies to ensure consistency and fairness over other prospective PRH tenants.
- (e) Local rehousing cannot be guaranteed, given the potential mis-matches between our supply and the locations of URA's projects. We will however try to match our supply with the demand as far as practicable.
- (f) The URA should be responsible for carrying out freezing surveys, clearance operations and the allocation of rehousing units.

WAY FORWARD

6. The proposed rehousing framework at Annex is only a preliminary understanding between the HA and the Government for providing rehousing assistance to the URA in future. When the URA is set up, we will agree with the URA on a Memorandum of Understanding (MOU). The proposed framework at Annex will hence form the basis for both sides to draw up the detailed terms and conditions of the MOU in due course. We will seek the approval from Members again before a formal agreement, i.e. the MOU, is reached with the URA.

RECOMMENDATION

7. At the HA meeting to be held on 13 April 2000, Members are invited to endorse the proposed terms at **Annex** as a broad framework for the HA to assist the URA in the course of urban renewal.

c.c. Members of the Rental Housing Committee
Members of the Home Ownership Committee

File Ref. : HD(CR) 53/201

Date : 10 April 2000