

Urban Renewal
- the Housing Authority's Proposed Framework on Rehousing

A. General

The HA will be one of the agents to assist the URA in rehousing tenants to be affected by urban renewal. The URA may solicit assistance from other agents.

B. Quota

- (i) The HA and URA will agree on an annual quota (on a financial year basis) on the number of housing units [including both public rental housing (PRH) and interim housing (IH) units] to be allocated to the URA for rehousing purpose. The quota will be drawn up on a 5-year rolling basis. The HA will not top up any shortfall when the annual quota is exhausted.
- (ii) In the initial 5 years of the URA's operation, the HA shall provide a maximum of 1,000 housing units (PRH and IH) per annum. Subject to mutual agreement, this quota may be varied.
- (iii) The HA will pool the rehousing units from its existing housing stock. New housing units may be included subject to availability.

C. Local Rehousing

The rental units will be drawn from casual vacancies all over the territory. Local rehousing cannot be guaranteed.

D. Reimbursement of Land

- (i) The Government shall grant serviced land to the HA for constructing an equivalent number of flats to be provided to the URA. Given the lead time in housing production, the Government should allocate sufficient land to the HA for building additional housing units in each 5-year period when

the rehousing programme rolls forward.

- (ii) The land to be granted to the HA under this agreement shall be on top of the committed land allocated to HA for meeting its prevailing annual production target.

E. Reimbursement of Costs

- (i) The URA shall reimburse the HA the total development costs of the units to be allocated to the URA in that financial year. To allow for a turnover of flats by rehoused tenants, 5% of the annual actual quota will be deducted from the calculation of development costs payable by the URA.
- (ii) The development costs of the rental units shall be calculated according to a formula to be worked out by the HA and the URA. The costs comprise project management, design and construction expenses.
- (iii) Once the rental units are reserved and allocated to the URA, the URA shall start paying the rents of the units in question until they are occupied.
- (iv) Once the units are occupied, tenants shall pay rents to the HA direct. Management and maintenance costs of the units will be borne by the HA. The URA will not be responsible to pay rents for any subsequent vacancies.

F. Allocation of Units

- (i) Before 1 March each year, the URA shall inform the HA on the flat mix and locations of rental units to be required in the forthcoming financial year so that appropriate units can be reserved accordingly. To facilitate forward planning, the URA should, as far as practicable, also advise the HA on the flat mix and locations of rehousing units to be required on a 5-year rolling basis.
- (ii) The HA will allocate the units to the URA in batches of a specified size each year. The URA shall conduct freezing surveys and vet tenants' eligibility according to the established criteria laid down by the HA and allocate the units to them. The HA reserves the right to audit the allocations made by the URA.

- (iii) The URA, in conjunction with the HA, will devise a system to avoid tenants receiving double benefits in different redevelopment exercises. If tenants have received cash compensation in lieu of rehousing, they will not be eligible for public housing assistance for a specified period of time.
- (iv) For displaced tenants who are not meeting the PRH eligibility criteria and are rendered homeless as a result of the URA's operations, they may be rehoused in transit centres or IH units. IH units will be counted into the allocation quota.

G. Rights and Obligations of Rehoused Tenants

- (i) Displaced tenants who have been on the PRH Waiting List may opt to be rehoused through the Waiting List provided they meet the HA's eligibility criteria and are due for allocation. They will continue to enjoy 1-year advanced allocation under the Anticipatory Housing Scheme. Tenants who are rehoused through the Waiting List will not be counted into the allocation quota.
- (ii) Once rehoused into the HA's rental units, they will have the same rights and obligations as other HA's tenants. They will be subject to the HA's management policies.

H. Eligibility for Home Purchase

The HA will allow displaced tenants to join its assisted home ownership schemes subject to their meeting of the eligibility criteria of the respective schemes. Assistance to be provided through this channel will not be covered in the quota described above.