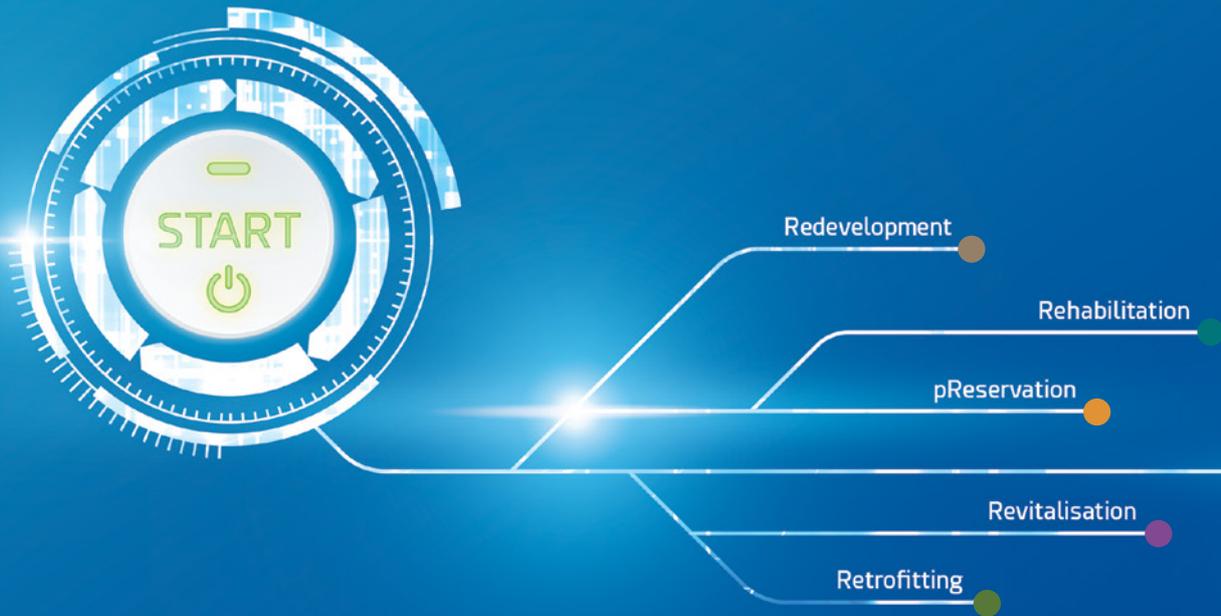


OPERATING REVIEW



The vision of URA is to create quality and vibrant urban living in Hong Kong. Over the years, we have striven to realise this vision by implementing the 5Rs in our business strategy, namely “Redevelopment”, “Rehabilitation”, “Retrofitting”, “pReservation” and “Revitalisation”.



The stock of 50-year-old buildings is growing at an alarming rate of about 600 a year and we need to continuously re-engineer our 5R strategies to create synergy for tackling the increasing challenge of urban decay. Hence, we have taken a more holistic approach, moving from a project-led to a planning-led model in redevelopment to maximise benefits to the community, through replanning and restructuring to optimise land uses, improve walkability and connectivity, and provide spaces for amenity and community use.

As regards rehabilitation, the URA encourages and facilitates owners to implement improvement works through different financial incentives and user-friendly tools; in addition, we actively promote the preventive maintenance of buildings at a young age. Through building rehabilitation and our newest “R” strategy of Retrofitting, it aims to extend building life, slow down the issue of ageing and hence alleviating the pressure on redevelopment needs.

To upkeep our capability in fulfilling the URA’s vision, and as continuous improvement efforts to tackle challenges timely, the URA commenced three strategic studies in 2017/18, namely, the Yau Mong District Study, the Study on New Strategy on Building Rehabilitation, and the Sustainability Study, all aiming to address Hong Kong’s rapid urban decay in an effective and sustainable manner. The studies are currently at their final stages with notable progress achieved in 2019/20.

Three Strategic Studies for Sustainable Urban Renewal

Yau Mong District Study (YMDS)

Objectives:

- To explore and innovate solutions to tackle the scale of urban decay in a high-density district in a socially and financially sustainable manner
- To set the YMDS as a pointer to facilitate future urban renewal projects in other districts



The sheer magnitude of Hong Kong's rapidly-ageing building stock is well beyond the URA's capabilities under its current mode of operation. Commenced in May 2017, the YMDS is a strategic planning study which aims at a district-based renewal approach encompassing all the "5Rs" in a holistic manner.

Several deliverables were achieved for YMDS in 2019/20, including baseline reviews, examination of opportunities and constraints, formulation of Urban Renewal Opportunity Areas ("UROAs") and the draft Institutional and Implementation strategy. New planning tools to tackle the urban renewal challenges such as upzoning at strategic nodes, transfer of plot ratio, new concept of "Superblock" through the assembly of street blocks for restructuring and replanning as well as the incorporation of inclusionary zoning for multiple uses are being explored. Some development nodes are being identified as well. Apart from redevelopment and rehabilitation, historical local characteristics and vibrancy of character streets in Yau Mong District were also identified for preservation and revitalisation, which would be sustained through appropriate place-making strategy.

Taking forward, the development of draft Master Renewal Concept Plans ("MRCPs") with three different density and development intensity scenarios (i.e. "+", "0" and "-") as well as various technical assessments and resource implications for the scenarios is underway. Subject to resources and assessment results, the URA will also identify viable initiatives which are in common across the three MRCPs for implementation by adopting the current mechanism for commencing projects. YMDS is expected to be completed in 2020/21.

Study on New Strategy on Building Rehabilitation (NSBR)

The NSBR which commenced in 2017 aims to formulate a comprehensive rehabilitation strategy covering buildings of all ages to reduce the number of decaying buildings, which may otherwise require redevelopment. Findings revealed that the culture of building maintenance is generally not strong amongst building owners, and the lack of capability to organise rehabilitation works and affordability are major reasons for the buildings to become disrepair. A package of recommendations has therefore been suggested to foster the culture of building maintenance and bridge the capability and affordability gaps.

Objectives:

- To formulate a comprehensive rehabilitation strategy, targeting buildings at all ages, to promote building rehabilitation and regular maintenance, including preventive maintenance across building owners

Over the years, the URA has stepped up its efforts to raise building owners' awareness on the importance of rehabilitation and promote preventive maintenance. Apart from providing supporting measures to assist building owners in carrying out rehabilitation works, the URA has formulated a promotion strategy focusing on promotion of good practices on preventive maintenance and the operation of maintenance fund.

In general, the promotion strategy will take a two-pronged approach, viz. general public promotion and stakeholder-oriented promotion. For general public promotion, the URA will raise the public awareness of the need of preventive maintenance, building rehabilitation and regular contribution to special fund for maintenance. Such messages will be further promulgated through stakeholder-oriented promotion to owners of different groups of buildings as well as industry practitioners. For a newly completed building, owners should be aware of the need of preventive maintenance right from the first occupation of the building. To enhance the effectiveness of the promotion for existing buildings, the URA will dispatch the messages with the assistance of property management companies ("PMC") and Owners' Corporation ("OC") to building owners. For those 3-nil buildings (i.e. without PMC or OC or any owners' organisation), building owners will be encouraged to form OC for the sake of better management and maintenance of their buildings and of carrying out building rehabilitation and preventive maintenance.

The URA will endeavour to provide supporting measures to assist building owners in carrying out building rehabilitation and preventive maintenance such as maintenance manual, guidelines in formulating maintenance schedule and making contribution to special fund through the one-stop service Building Rehabilitation Platform (www.brplatform.org.hk). With the above strategy, we look forward to a change in building owners' perspective of the importance of timely building maintenance.

Sustainability Study

Objectives:

- To strive for our best effort in urban renewal process to address relevant sustainability challenges in order to create and innovate sustainable and resilient urban renewal strategy

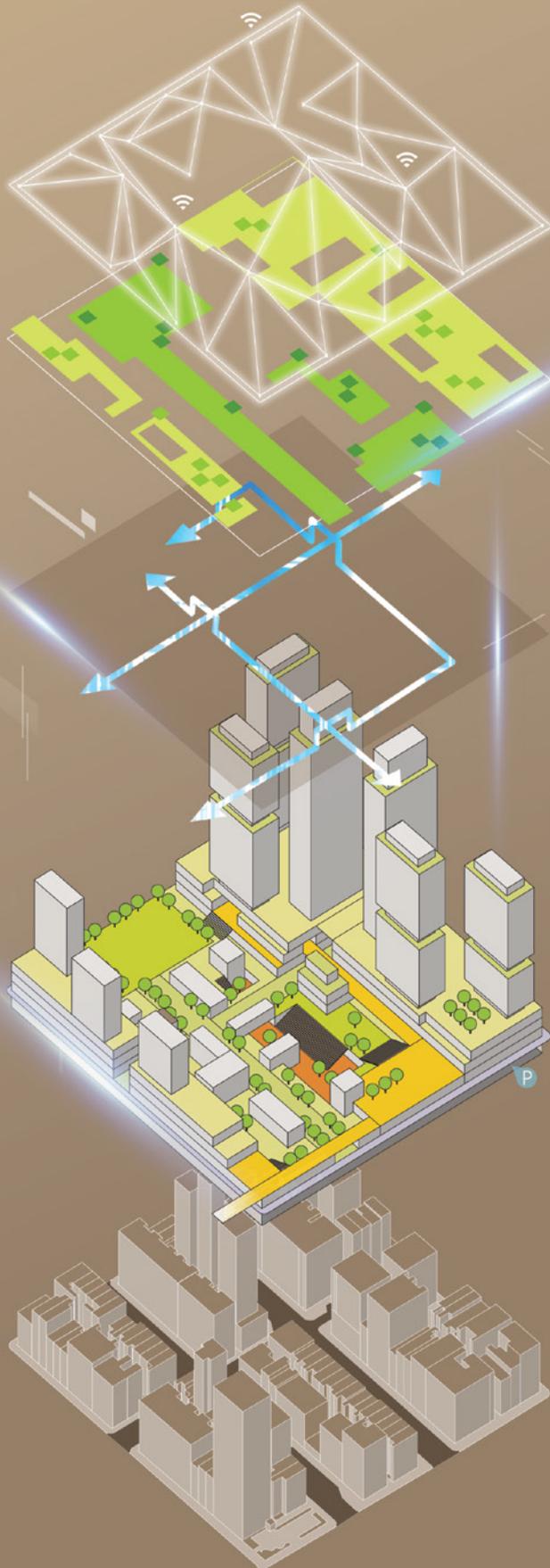
To ensure that the urban renewal process should be forward-looking, and create sustainable and positive impacts for the community as stipulated in URS, the URA commenced a strategic sustainability study in 2017 to establish a systematic framework comprising a set of indicators for measuring and tracking the impacts of 5R projects within the community, and for facilitating the setting of objectives in line with business strategies.

In 2019/20, a sustainability framework consisting of five domains, namely, Economy, Environmental, Social, Process and People, was formulated to measure performance of urban renewal. Draft key performance indicators ("KPIs") were also validated through hypothetical testing to evaluate the constraints and opportunities of applying the framework. The practicality of application of each KPI to measure the effectiveness of urban renewal works is being evaluated to provide indicators guiding our continuous improvement to our work.

Preliminary Project Feasibility Studies ("PPFSs")

To pilot the integrated and district-based urban renewal approach, along with the three strategic studies, PPFSs in three Action Areas were commenced in 2019/20 to provide solid planning basis and opportunities pertaining to the integrated implementation of 5Rs under a planning-led approach. The baseline review and key analysis under the PPFSs for two Action Areas in Kowloon City and one Action Area in Sham Shui Po were completed with key planning objectives and restructuring opportunities identified. Subject to further discussion with the Government, 5R projects would be incorporated into future Business Plans / Corporate Plans for Government's approval. URA will continue to explore and carry out PPFSs at various districts with urban renewal needs, so as to build up the planning reserve under the planning-led urban renewal approach.

REDEVELOPMENT



-
- Rationalise Land Use
 - Improve Built Environment
 - Enhance Walkability and Street Vibrancy

While redevelopment of existing ageing buildings continues to be URA's linchpin activity, the outbreak of COVID-19 in the later part of 2019/20 has however presented us with an unprecedented challenge. Three projects as described in the 2019/20 Annual Business Plan originally scheduled for commencement in early February and mid-March 2020 respectively, were delayed to 2020/21. Nonetheless we were able to commence two pilot Civil Servants' Co-operative Building Society (CBS) projects in Kowloon City this year. Not only will these two projects help tackle the housing shortage in urban Hong Kong through unleashing development potential of the sites and pave the way for redevelopment of other CBS buildings in accordance with the Policy Address; it will also enhance connectivity and accessibility in the vicinity and provide a better pedestrian environment through replanning, landscaping and urban design.

Kwun Tong Town Centre, our largest scale redevelopment project to date, has seen major progress. After years of consultations with relevant stakeholders under statutory procedures, the majority of occupants have accepted our offers and vacated the site, facilitating demolition of the vacant building blocks at Yue Man Square. Meanwhile the new indoor and air-conditioned public transport interchange, the first of its kind in Hong Kong, will be completed in the coming year, providing hundreds of thousands of commuters with a more convenient and comfortable experience.

In light of the acute housing shortage situation, the Government has asked the URA to allot certain units in its redevelopment projects as "Starter Homes" (SH), to be offered to eligible first-time home purchasers at a discounted price. The 450 SH units in our Ma Tau Wai Road project, now named eResidence, were launched for sale during the year and recorded an over-subscription of more than 45 times. Going forward, URA will, under viable financial circumstances, gradually increase its supply of SH units to meet the strong public demand.

Redevelopment Projects under the District-based and Integrated Approach

Since 2015, the URA has adopted a district-based approach integrating the 5Rs in the urban renewal process in order to secure greater planning and social gains for the wider community. This overall approach aims to better tie in with the objectives of the URAO and URS to restructure and re-plan urban areas with more environmentally-friendly transport networks and rationalised land uses, thus creating more positive impact towards sustainable urban renewal.

OPERATING REVIEW

Six projects, namely Bailey Street / Wing Kwong Street Project (KC-009), Hung Fook Street / Ngan Hon Street Project (KC-010), Hung Fook Street / Kai Ming Street Project (KC-011), Wing Kwong Street Project (KC-012), Kai Ming Street / Wing Kwong Street Project (KC-013) and Wing Kwong Street / Sung On Street Project (KC-014), have been launched so far under the district-based approach in Kowloon City. These six projects, together with Demand-led Pilot Scheme project at Kai Ming Street (DL-8) covering a total site area of more than two hectares and involving about 2,700 households, have formed a cluster of projects in the Action Area in Kowloon City. One of the visions is to create a walkable and smart living neighbourhood with good accessibility, connectivity, environmental quality and vibrant street life, to be achieved through restructuring and re-planning of the existing pedestrian and vehicular traffic network, building block disposition, land use optimisation, provision of public square and landscaped pedestrianisation with place making elements.

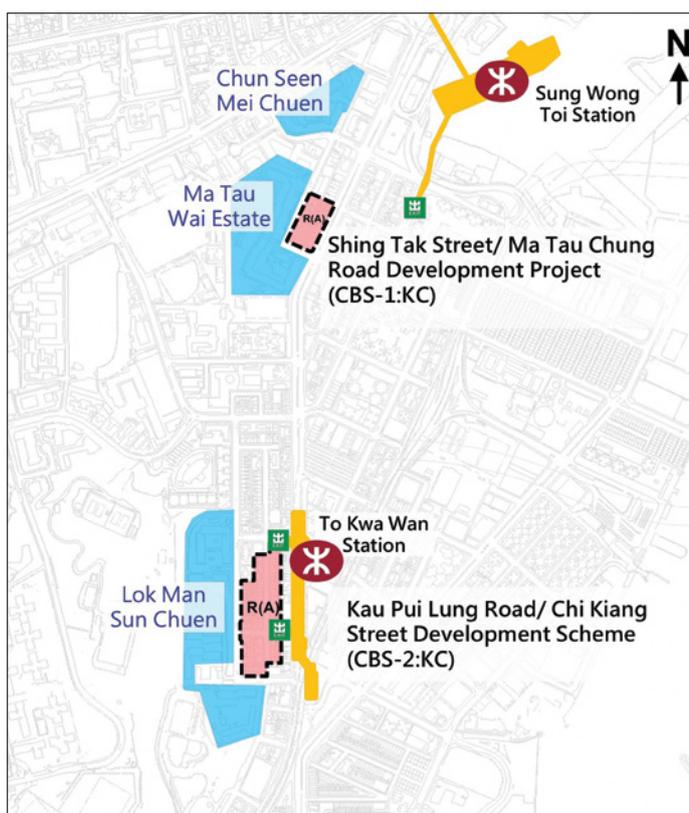
While site clearance for DL-8 was completed in 2015, the URA submitted resumption applications to the Government in 2019/20 for the other six projects (KC-009 to KC-014) in the cluster, of which five out of them (KC-009 to KC-013) were approved in July 2019. Reversion of unacquired property interests to the Government took place in December 2019 and clearance works are underway. The resumption application of KC-014 is now being processed by the Government. All these preparation works pertaining to the tendering of these projects will be timely completed for the upcoming tender invitation.

Commencement of Pilot Projects to Redevelop Buildings under the Civil Servants' Co-operative Building Society (CBS) Scheme

In response to the Government's invitation in the 2018 Policy Address to identify one or two clusters of CBS sites suitable for high-density development as pilot projects for implementation under URA's redevelopment mechanism, the URA commenced the two pilot CBS projects at Shing Tak Street / Ma Tau Chung Road (CBS-1:KC) and Kau Pui Lung Road / Chi Kiang Street (CBS-2:KC) on 22 May 2020 which had been deferred for three months due to the pandemic. The commencement decision was made after careful assessment of the pandemic situation in May 2020, with appropriate precautionary measures introduced to reduce personal contacts during freezing surveys. The two projects would boost housing supply by providing more than 3,000 units, which is about five times of the existing number of flats.

Cleared and Tendered Projects

The keen pursuit of project site clearance and tendering has been ongoing in 2019/20. Over the period, the site clearance of Tonkin Street / Fuk Wing Street Project (SSP-015) was completed and the joint venture tender was awarded for a Demand-led Pilot Scheme project at Hang On Street (DL-10); and the tender for SSP-015 was invited in March 2020.



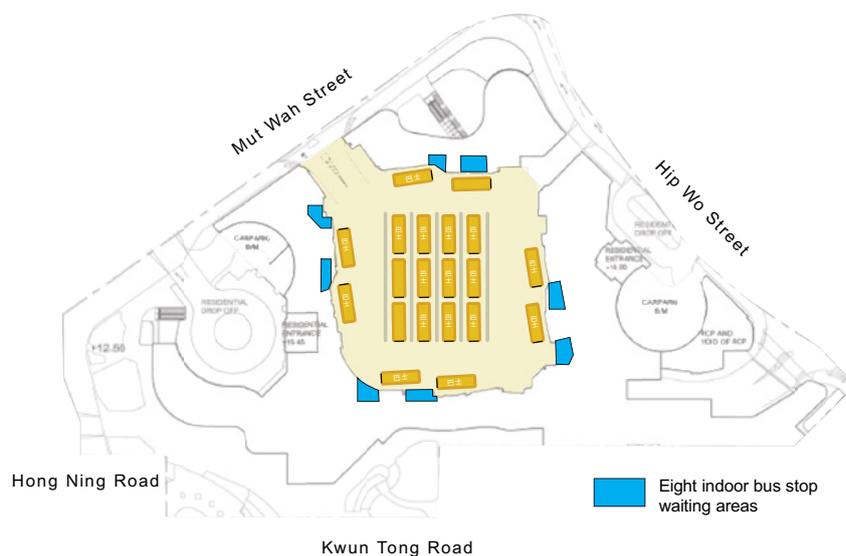
Through restructuring and replanning, both Shing Tak Street / Ma Tau Chung Road and Kau Pui Lung Road / Chi Kiang Street projects will enhance connectivity and accessibility of the district, hence providing a better pedestrian environment.

Other Ongoing Projects of Note

Kwun Tong Town Centre



Hong Kong's first indoor air-conditioned bus waiting area in the Kwun Tong Town Centre Project enhances commuting experience.



The Kwun Tong Town Centre is the URA's largest single project to date in term of site coverage with a total site area of 5.3 hectares. Altogether, the project is expected to produce nearly 2,300 new flats, over 200,000 square metres of commercial space, 31,000 square metres of GIC facilities, including the indoor Public Transport Interchange equipped with smart facilities, and over 13,000 square metres of public open space.

The project is being implemented in phases, with the site divided into five Development Areas (DAs). DA 1 at Yuet Wah Street was completed in June 2014 and the flats have almost been sold out. Superstructure works for the podium and residential towers in DAs 2 and 3 were generally completed and fitting-out works are in progress. The sales of residential flats were launched in December 2018 and has been ongoing in 2019/20. DA 4 has been vacated for use as interim GIC facilities to reprovision hawker bazaars, public light bus termini and refuse collection point/public toilet from DAs 2 and 3. An interim bus terminus has also been provided on the former Mido Mansion site in DA 4.

DA 5 is approaching the end of the acquisition and clearance stage. Special offers for occupiers of the unauthorised building structures ("UBTs") in DA5 were issued in September 2018. Over 93% of such offers were accepted, and vacant possession was successfully obtained for 77 UBTs. Land resumption for DA5 was gazetted in May 2019 and reversion of unacquired property interests took place in August 2019. The Government's resumption offers and URA's top-up offers were issued to occupiers in September 2019 to facilitate the clearance. The URA has proceeded to demolition of vacant building blocks at Yue Man Square in DA5. A special package, which was approved by the URA Board, was also offered to hawkers of the Interim Hawker Bazaar at DA4 in December 2019 to facilitate the clearance. All the 117 hawkers have accepted the offers and vacant possession of over 110 stalls have been obtained.

Gazettal of the proposed road closure scheme of DAs 4 & 5 is under preparation. The Lands Department is finalising the draft land grant conditions in consultation with relevant Government departments. Going forward, the URA will press on with the timely implementation of the project and subsequent preparation of the joint venture tender in forthcoming years.

OPERATING REVIEW

Nga Tsin Wai Village

Following site clearance in March 2016, an Archaeological Impact Assessment (“AIA”) was undertaken in 2016 on site, and foundation remains of old village walls and watchtowers at some excavated locations were revealed. Further excavation according to the AIA licence granted by the Antiquities and Monuments Office (“AMO”) and field investigation to update the findings on heritage significance was completed in February 2019. The AIA report with these updated findings was then submitted to AMO in July 2019. Upon finalisation, the AIA report will be submitted to the Antiques Advisory Board.

KC-015 (Kai Tak Road / Sa Po Road Project)

The project, which commenced in February 2019, aims to restructure the urban fabric and road layout with provision of public car parks and community facilities. The project will also create a node between Kai Tak Development Area and Kowloon City through a proposed sunken plaza connecting the project to Kai Tak underground shopping street linking the “old” and “new” districts. The URA will also explore pavement widening at nearby streets to enhance the walkability and street vibrancy, and preserve local character for the district. The Development Scheme Plan of KC-015 is being processed by the Town Planning Board.

eResidence - “Starter Homes” Pilot Project

In June 2018, the Government introduced the Starter Homes (“SH”) Pilot Scheme and invite the URA to assign its project as SH units. A total of 450 units at the URA project at Ma Tau Wai Road (TKW/1/002), later named “eResidence”, was assigned as SH units. Applications were invited in January 2019 for sale at discounted prices of 62% of the then assessed market values. A total of 20,878 applications were received representing an over-subscription of more than 45 times. Flat selection took place in June 2019, and all 450 SH units were sold. The Occupation Permit and the Certificate of Compliance were issued in September 2019 and April 2020 respectively. Execution of Assignments and handover of units to purchasers were all completed in August 2020.



“eResidence” provides a quality living environment for “Starter Homes” owners.

Demand-led Pilot Scheme Projects

Under the URS, the URA may respond to a joint approach from building owners to initiate redevelopment of their buildings. A Demand-led Pilot Scheme (“the Scheme”) was hence introduced in 2011 with five rounds of application being held between 2011 and 2016. Out of the 12 redevelopment projects commenced under the Scheme, only nine projects were successfully implemented while the remaining three were terminated due to their failure to meet the 80% threshold on owners’ consent.

The Scheme was first reviewed in 2014, with a view to enhancing the planning gains of projects under the Scheme. Subsequent applications received, however, were still not conducive to the Scheme’s objectives, thus necessitating a holistic review of the Scheme in 2016.

By adopting a planning-led approach to create a greater planning impact whilst ensuring owners’ demand could be properly addressed, the URA is devising a preliminary framework for the new Demand-led approach comprising a registration system to register owner’s aspiration for various urban renewal initiatives including redevelopment, rehabilitation and retrofitting. The URA will further explore details of the framework and will examine its opportunities and constraints within the context of the YMDS.

Facilitating Services

Urban Redevelopment Facilitating Services Co. Ltd. ("URFSL") was set up in 2011 as a subsidiary wholly-owned by the URA to help interested property owners assemble titles for joint sale in the market, which is another way to respond to the joint approach from building owners to initiate redevelopment of their buildings. Up to June 2020, a total of 40 applications for facilitating services (36 for residential buildings and four for industrial buildings) have been received.

Status of the 40 applications for facilitating services

Completed/terminated	
Failed to fulfil the application criteria/failed to reach the required threshold for joint sale	31
Failed to reach a successful sale on the market	5
Sold by Auction	1
In Progress	
Put on market for joint sale in June 2020*	1
Implementation underway	2

* The tender was originally scheduled in 2019/20 but deferred to June 2020 due to the pandemic.

Since the launch of a pilot scheme for buildings developed under CBS and Government Built Housing Scheme in May 2016, three applications from owners of CBS buildings have been received and selected for implementation as facilitation projects. One project was put up for sale by public tender in the market with no bid received. The remaining two projects were terminated as they failed to reach the relevant thresholds for joint sale.

In April 2019, the URA Board approved a new service to be provided by URFSL for facilitating the dissolution of CBS within the boundaries of redevelopment projects commenced by the URA. The new facilitating service will be provided for members of the undissolved CBS affected by URA's projects to assist them in obtaining legal titles of their CBS flats. After dissolution, they will have the capacity to sell their properties to the URA and / or to receive resumption offers from the Government. This facilitating service to undissolved CBSs is available to those within the boundary area of two commenced pilot CBS projects at Shing Tak Street and Kau Pui Lung Road, i.e. CBS-1:KC and CBS-2:KC.

New Initiatives under the 2019 Policy Address

The 2019 Policy Address entrusted the URA with a new mission to actively provide more SH or other types of subsidised sale flats in its redevelopment projects in light of the successful implementation of the first SH Pilot Project, i.e. eResidence. The Government would provide resources as appropriate to enable the URA to continue carrying out its urban renewal mission. As a prompt response to fulfil this new mandate, the URA Board approved in February 2020 the assignment of the remaining 43 units in eResidence for sale as SH units; while a proposal to further assign KC-008(A) (Chun Tin Street / Sung Chi Street Project) as the URA's second SH project was approved by the URA Board in July 2020.

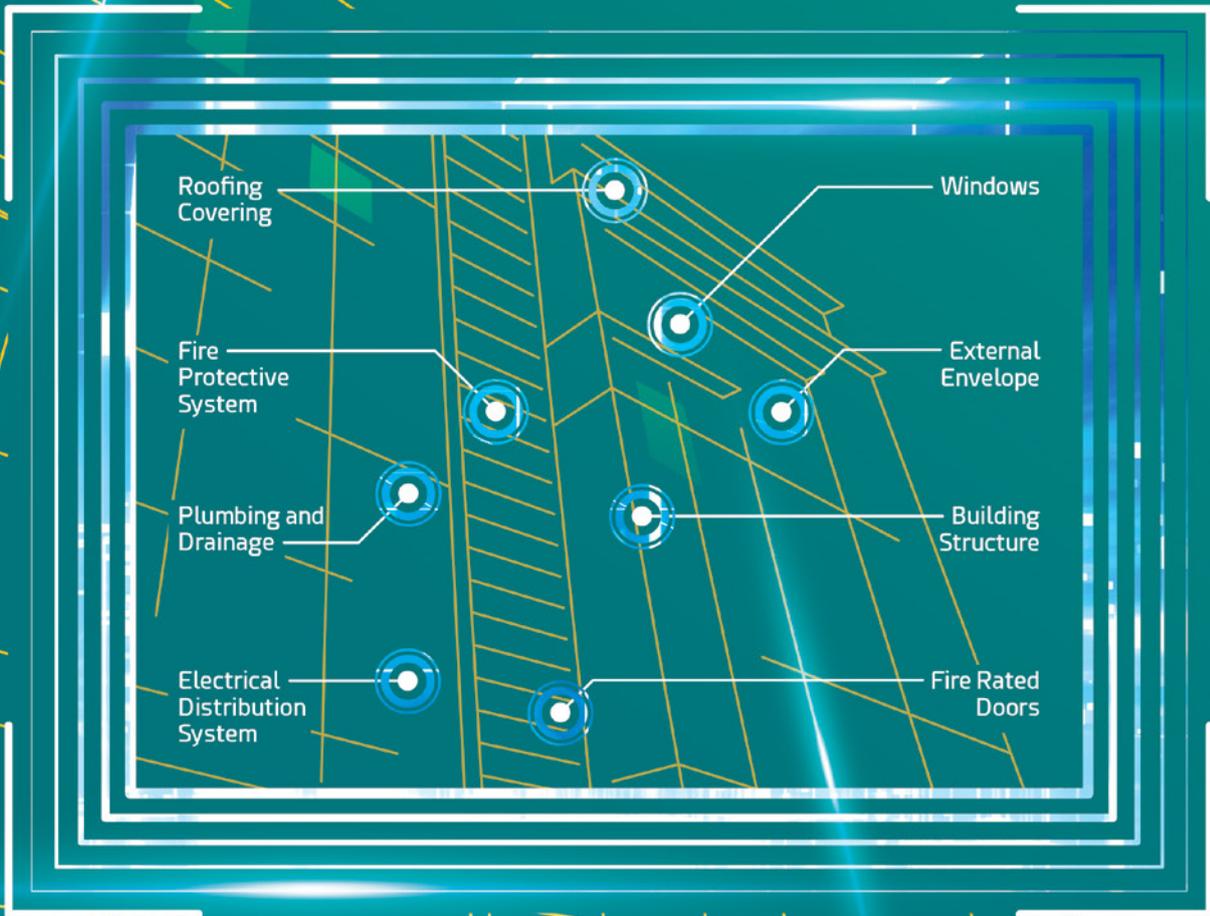
The Government also announced in the 2019 Policy Address, the provision of a total of 10,000 transitional housing units within the next three years to relieve the pressure of families living in unpleasant conditions and those who has been waiting for Public Rental Housing for a long time. The Government then further increased the three-year target to 15,000 units. The URA has been invited to provide professional advice and project management support at cost to assist NGOs in developing transitional housing. The URA will liaise with NGO operator to work out the implementation programme of relevant projects, and is currently preparing planning submissions of two potential sites for transitional housing.



KC-008(A) Project

eResidence

Current view of Chun Tin Street / Sung Chi Street Development Scheme with eResidence in its neighbourhood.



REHABILITATION AND RETROFITTING

- Upgrade to Modern Standard
- Prolong Building Serviceability
- Enhance Liveability

At URA, we strive to raise building owners' awareness of the importance of rehabilitation and preventive maintenance, as well as implement subsidy schemes to help owners tackle general building decay, fire safety and lift improvements in ageing buildings.

During the year, government subsidies for building maintenance covered all buildings over 50 years of age with Mandatory Building Inspection Notices, while a new lift improvement scheme was implemented with some 1,400 multi-decade old lifts being included in the first round for subsidy.

We also took over the administration of all Government building rehabilitation subsidy schemes this year, facilitating the provision of an integrated one-stop service to the public, encompassing both financial assistance and technical support to eligible owners for their building rehabilitation work.

This year we launched a content-rich, all-in-one web platform to help owners better understand the works, procedures and legal requirements involved in each step of undertaking building rehabilitation works. Included in the web resources are intuitive guides and videos, along with sample tender and contract documents. We are also producing a database to include expected cost ranges for typical items of rehabilitation work items for owners' reference.

Operation Building Bright 2.0 (OBB 2.0), Fire Safety Improvement Works Subsidy Scheme (FSW Scheme) and Lift Modernisation Subsidy Scheme (LIMS Scheme)

In the 2017 Policy Address, the Government announced the launch of OBB 2.0 and the FSW Scheme to tackle safety hazards and enhance the fire safety standards. The primary scope of works to be subsidised under OBB 2.0 covers the prescribed inspection and repair works under the Mandatory Buildings Inspection Scheme (MBIS). The applications for the first round of OBB 2.0 and FSW Scheme ended on 31 October 2018 with about 580 and 2,500 eligible applications respectively. Eligible applicants were approached in phases for assisting them in organising repair works, covering the arrangement of independent consultants for provision of professional support services on budget estimation of works, review of tender documents and tendering for registered inspectors, works consultants and contractors through the e-tendering platform. In addition, the URA has also engaged legal consultants to help owners of "three nils" buildings (old blocks without owner corporations, resident organisations and property management companies) examine relevant provisions governing the validity of resolutions in their Deeds of Mutual Covenants in order to take forward repair works for their buildings.



1,200
valid applications
(involved around 5,000 lifts)

In the 2018 Policy Address, the Government announced the launch of LIMS Scheme to promote lift modernisation in the community and enhance lift safety through providing financial incentive with professional support to building owners in need. The first round of application for the LIMS Scheme started in March 2019 and closed in August 2019 with around 1,200 valid applications (involved around 5,000 lifts). After prioritisation of eligible cases based on risk assessment, about 1,400 lifts have been included in the first round of LIMS Scheme. The URA has arranged case officers to assist the respective applicants in organising and conducting lift modernisation works; and provision of free consultancy service to assist the owners in budget estimation of works, preparation of tender documents, tendering for contractors through electronic platform, management of works contract etc.

The second round of application was commenced in January 2020 with the deadline extended from 30 June 2020 to September 2020 due to the impact of COVID-19 pandemic on convening owners' meetings. This extension allows sufficient time for building owners to deliberate and resolve on filling an application.

Integrated Building Rehabilitation Assistance Scheme (IBRAS), previously known as Integrated Building Maintenance Assistance Scheme (IBMAS)

IBRAS was launched in 2018 to replace previous IBMAS as an all-in-one platform to integrate multiple building rehabilitation assistance schemes and services to facilitate owners in need of joining various schemes. Since 2004 and up to the end of 2019/20, about 1,750 building blocks (around 75,500 units) have been rehabilitated under various assistance schemes. Out of the 1,750 building blocks, about 70 building blocks (around 4,100 units) were rehabilitated in 2019/20. Currently, a total of 960 IBRAS cases for common area repair works are in progress.

960
IBRAS cases in
progress



Mandatory Building Inspection Subsidy Scheme (MBISS)

The implementation of MBIS, covering all buildings at the age of 30 or older, came into force in June 2012. The URA duly launched the MBISS in conjunction with the HKHS in the same year, and later become the single authority to administer the scheme when it took over the work from HKHS in July 2018. Under MBISS, the URA assists building owners to arrange first inspections of buildings, which are subject to statutory notices issued by the Buildings Department under the MBIS. Owners of buildings requiring rehabilitation on inspection, may apply for rehabilitation works assistance under IBRAS. In 2019/20, about 630 building blocks (around 15,900 units) have commenced / completed building inspections under MBISS.

“Smart Tender” Building Rehabilitation Facilitating Services Scheme (Smart Tender)

In May 2016, the URA launched Smart Tender which aims to provide technical support to OCs of private buildings and reduce the risk of bid rigging at the works procurement stage. Smart Tender seeks to help building owners procure contractors independently to carry out rehabilitation works with practical tools, independent professional advice and an electronic tendering platform. In 2017, the Government has committed \$300 million to enable owners to participate in Smart Tender at a concessionary rate which was expected to benefit around 3,000 owners’ organisations in five years.



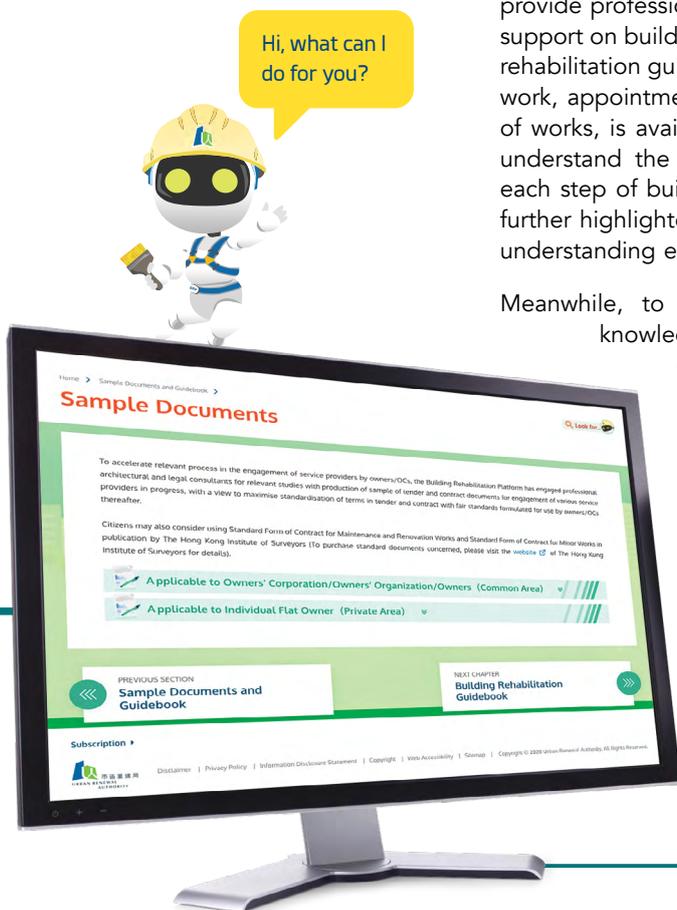
To provide more comprehensive service and complementing LIMSS and FSWS in specific, Smart Tender has been expanded to cover the procurement of consultants, registered lift contractors and registered fire service installation contractors since 2019. Up till 31 March 2020, around 1,180 valid applications have been received, of which about 1,060 have been approved and service agreements issued to the owners’ organisations concerned.

Findings from a review completed by early 2020 showed encouraging feedbacks from building owner applicants, consultants and contractors. The e-tendering platform of the Smart Tender was proven to be effective as more competitive tendering prices were obtained and some 90 registered general building contractors joined to submit tenders.

Building Rehabilitation Platform (BRP)

The BRP launched in March 2019, is an all-in-one information platform to provide professional and comprehensive information along with technical support on building rehabilitation to building owners. Currently, a building rehabilitation guidebook with a broad range of information on preparatory work, appointment of consultants and contractors, as well as monitoring of works, is available for download from the BRP to help owners better understand the works, procedures and legal requirements involved in each step of building rehabilitation. The key rehabilitation information is further highlighted through 51 sets of trilingual videos to enhance better understanding especially among elderly owners.

Meanwhile, to support building owners who lack the professional knowledge in preparing tender and contract documents, a total of nine sets of sample tender and contract documents for procurement of consultants and contractors were prepared and uploaded onto the BRP website for public use and reference. Going forward, the BRP will continue to enrich its content. Specifically, it will include a cost reference centre to provide the cost range of typical rehabilitation works items. The feasibility of establishing an assessment mechanism on the quality system adopted by service providers for users’ reference is also being explored.



New Rehabilitation Initiatives in 2019 Policy Address

The Government has obtained additional funding of \$3 billion for OBB 2.0, \$3.5 billion for FSW Scheme, and \$2 billion for LIMS Scheme. The funding would benefit some additional 2,500 buildings and 3,500 to 4,000 buildings under OBB 2.0 and FSW Scheme respectively, and around 3,000 additional lifts under LIMS Scheme. The URA planned to approach around 13,000 potential applicants in the second round of OBB 2.0, FSW Scheme and LIMS Scheme in 2020/21.

On top of the above, the Government has committed to injecting \$2 billion into the existing \$1 billion funding of the Building Maintenance Grant Scheme for Elderly Owners, previously administered by HKHS, to implement enhancement measures to provide financial assistance to owner-occupiers in need to repair and maintain their own properties. To reflect its enhanced scope, the scheme was rechristened as the Building Maintenance Grant Scheme for Needy Owners (“BMGSNO”), launched on 30 June 2020 and centrally administered by the URA to provide more integrated services to owners who may benefit from various building maintenance assistance schemes under the purview of URA.



Retrofitting

Yu Chau West Street, Sham Shui Po

The project first commenced in 2013 under the Pilot Scheme for Redevelopment of Industrial Buildings. Due to the low acquisition rate, the URA Board, in 2018, decided that the redevelopment project should be halted. Instead, the URA will carry out retrofitting works at the acquired premises to support rehabilitation initiatives in particular the application of retrofitting to extend the serviceability of old industrial buildings.

Major progress was made in 2019/20 as the statutory approval for partial retrofitting design was obtained in Q4 2019 and procurement for construction works was scheduled in mid-2020, with a view to commencing the works in Q4 2020, subject to further discussion on some outstanding issues with the Government.

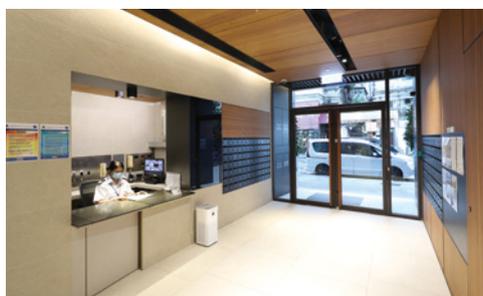
Apart from the URA-owned premises, the retrofitting works will also cover the common area of the building. The URA has been consulting other owners on their willingness to join a wholesale conversion and to explore collaborative efforts to enhance the value of the building as well as to extend its building life through retrofitting works.



Retrofitting works to be carried out at Yu Chau West Street Project allows the URA to explore retrofitting initiatives to extend the serviceability of old industrial buildings.

URA's Rehousing Blocks

The URA is keen to pioneering the implementation of retrofitting at its properties. Retrofitting and improvement works for one-person and two-person units as well as the common area in three rehousing blocks at Soy Street, Lai Chi Kok Road and Bedford Road were completed in 2019/20. For the rehousing block at 466 Des Voeux Road West, the URA has completed the design and awarded the tender for the retrofitting works in February 2020. The retrofitting works for this rehousing block will introduce a co-living concept to three floors and provide recreational areas for tenants' use.

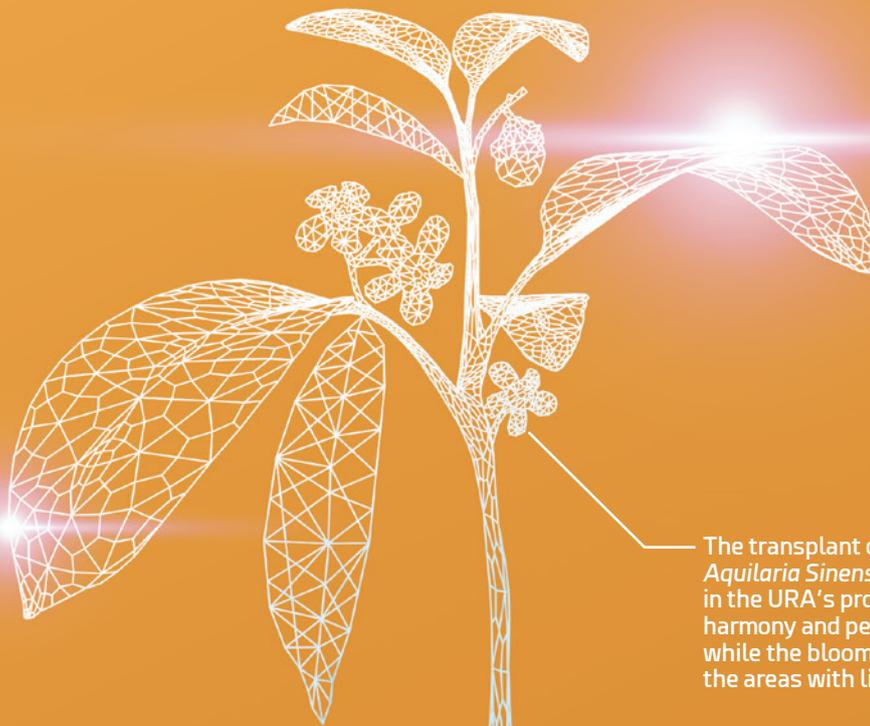


The flat units and facilities of the rehousing block at Soy Street are renovated to provide the tenants a more comfortable living environment.



PRESERVATION AND REVITALISATION

- Bring New Life and Vibrancy
- Reflect Local Character
- Facilitate Community Sharing



The transplant of the endangered *Aquilaria Sinensis* (aka Incense Tree) in the URA's project sites conserves harmony and peace in the old urban area while the blooming and fruiting team the areas with life and vitality.

In fast moving Hong Kong, the preservation of heritage buildings always presents a daunting challenge. Two of URA's five key businesses are "pRreservation and Revitalisation", and our focus is not only on buildings, sites and structures of historical or architectural value, but also on intangible heritage and cultural elements.

Fresh conservation concepts have been adopted by the URA including "place-making" and "community-making" with the objective of preserving local heritage and characteristics through rebuilding community networks and creating a more harmonious society.

Our two most important revitalisation initiatives in this area have been the Central Market project at the very heart of urban Hong Kong; and a "tong lau" project at 618 Shanghai Street in Kowloon. The 618 Shanghai Street project, completed during the year, has become a trendy and lively destination for locals and visitors who enjoy a nostalgic trip to vintage Hong Kong. The Central Market revitalisation works are on schedule and the first phase of this project will be ready for public enjoyment in 2021.



Enriched with local characteristics, 618 Shanghai Street was open for operation in late 2019.

618 Shanghai Street

In 2019/20, the URA pressed on with the Shanghai Street/Argyle Street preservation project with Certificate of Compliance issued in July 2019. The project, now named 618 Shanghai Street, commenced operation in November 2019. The building not only preserved key architectural features of historical significance, but also brought in new functions and vitality to the community by hosting a number of shops with local character, heritage, community and creative elements. In particular, a social enterprise named Dignity Kitchen with the mission to build and return dignity to the disadvantaged and disabled through vocation and passion were invited to operate in the building to provide hawker stalls Singaporean food to match local character of Mong Kok. The project also won multiple accolades for the adoption of Building Information Modelling (BIM) technology across the project's lifecycle and, in specific, in facility management after the completion of works, as well as for its structural excellence in preserving historical and architectural elements. In recognition of its sustainable architectural design, the project was also the first preservation project in receiving BEAM Plus Final Assessment Platinum rating under Hong Kong Green Building Council's BEAM Plus New Buildings Version 1.2 rating scheme.

OPERATING REVIEW

Western Market

To work out a future plan for the Western Market, the Lands Department has agreed to a further two-year extension of holding over of the land lease until February 2022.



7 Mallory Street, Wan Chai

7 Mallory Street is managed and operated by the URA with continuous collaborations, comprising a wide spectrum of art, cultural and community organisations. In 2019/20, over 120 activities including exhibitions, performances and workshops were held at the indoor and outdoor community areas of the project.



(Left) The future view of Central Market as depicted in the Building Information Model.

(Below) The Central Market, built in 1939, is a Grade 3 Historic Building.



Central Market

The URA commenced the main contract for the preservation works of Central Market in November 2018, with the application of BIM technology throughout its construction process. The past year has made good progress in repairing the dilapidated columns, beams, floor slabs and architectural fins of this 80-year-old building by introducing a new material, Fiber-Reinforced Polymer Composites, hence strengthening the building's structure while preserving its historical appearance. The project is expected to complete in two phases, with the first phase works, covering the majority of the building, to be completed tentatively by late 2020 for operation in 2021. The proposed land grant of the site was in-principle approved by the Lands Department in May 2020. Procurement for the operator of Central Market has commenced, and tenders will be invited around the second half of 2020. The revitalised Central Market Building will create a unique identity of heritage conservation and become an approachable, energetic, and gregarious quality space, meeting diversified uses for public enjoyment, according to the mainstream public aspirations collected in previous engagement process.

Mong Kok Streetscape Improvement

The URA is enhancing the local characteristics of five themed streets, namely Flower Market Road, Tung Choi Street, Sai Yee Street, Fa Yuen Street and Nelson Street involving streetscape improvement to enhance their unique characteristics and ambience. The improvement works at Flower Market Road were completed while the implementation of the improvement works at Tung Choi Street will be taken up by Government Departments. Improvements for Sai Yee Street and Fa Yuen Street have been partially completed with the completion of URA's Sai Yee Street redevelopment project. Local consultation on the final phase of the improvement project at Nelson Street and other sections of Sai Yee Street and Fa Yuen Street was conducted in Q2 2019. Detailed design was completed in Q1 2020 and procurement of construction works will take place in Q3 2020.

Staunton Street/Wing Lee Street, Sheung Wan

As announced in the 2018 Policy Address, the URA, having conserved the buildings in Wing Lee Street, will carry out a further study with a view to revitalising the building clusters owned by the URA to preserve the heritage urban fabric at and near the Staunton Street / Wing Lee Street Project (H19) and to synergise with revitalisation projects nearby through community making initiatives. Since then, the URA has adopted an integrated approach to renew the neighbourhood replacing the previous redevelopment mode. To gauge support from the local community and solicit insights from key stakeholders / Central and Western District Council, the URA commissioned a Community Making Study which was completed in mid-2019. The community making process and key findings from the study have enabled the establishment of several key visions and directions for urban renewal in the area, which would be supported by various initiatives in coming years.

Quick-win community making initiatives in collaboration with local schools / social groups / artists were identified for pilot implementation within the neighbourhood. As a start, the art wall / hoarding paintings co-created by artists and schools were completed in January 2020, while an urban farm was established in March 2020 to encourage community participation and ownership. In parallel, Planning Department has commenced the rezoning process in August 2019 to reflect the latest planning intention of preserving the building clusters to supersede early planning intention as indicated in previous Development Scheme Plan for the project.



The Community Making Study reflects the visions of the locals towards the H19 Project.

Place-making Initiatives

The URA keeps up its efforts in exploring the application of place-making concepts to its project portfolio, including three projects in the Central and Western District, namely, The Center (H6), Peel Street / Graham Street (H18), and the Central Market being developed under "CONET"¹, to connect the community spaces through diverse events, exhibitions, performances and cultural activities for public enjoyment. In 2019, over 70 events were organised by the community at the community exhibition space of H6 CONET, including exhibitions, workshops and performances. The number of visitors to H6 CONET have increased by over 25% (year-on-year), with around 8,000 on a regular weekday.

This "CONET" concept of place-making was further explored in 2019/20 to connect the three sites through integration of the renewed built environment and the local community. For instance, 2019/20 saw the completion of the beautification of 11 hawker stalls and the extension of mural art walls to H6 entrance connecting Queen's Road Central near H18 as well as the standardisation of signage graphics at both H6 and H18 areas. Specifically, two mural art walls featuring local artists' creativity in expressing district culture and history were implemented at Hing Lung Street adjoining H6 CONET. H18 mobile app was launched in December 2019 to provide functions like shopping guide, recipe creation and featured stories to promote the unique historical Graham Market while at the same time help sustain its business development.



A mural wall at the Hing Lung Street entrance of H6 CONET.



Cultural and art activities are organised at H6 CONET.

¹ CONET stands for Community, Open space and NETWORK