

Urban Renewal – a Case Study in Hong Kong

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Key words: Land distribution; Land management; Real estate development; Urban renewal; Valuation; Urban Renewal Acquisition and Resumption Reshape Redevelopment

SUMMARY

The Kwun Tong Town Centre project in Hong Kong is one of the biggest urban renewal and redevelopment projects ever since. Occupying a site area of 570,000 square feet, this multi-billion-dollar project will be the largest single project undertaken by the Urban Renewal Authority (URA) affecting about 1,653 property interests and about 5,000 people. Most of the existing buildings in the area were built in the 1960s, although 24 buildings are well over 40 years old and quite dilapidated. Back-lane hawker stalls and temporary structures pose serious hygiene and safety problems, with the poor sanitary conditions contributing to a hazardous living environment. The project plans include residential and commercial developments, leisure and recreational amenities, various community facilities, a public transport interchange, Government offices, and medical clinic. A landmark building will be erected in Kwun Tong once the redevelopment project is completed. The implementation of the project faces lots of challenges: The project involves more than 1,600 property interests and around 5,000 residents, and over 500 shops and licensed hawkers are affected. Taking proper care of all these stakeholders, and handling their re-housing arrangements, is a substantial and difficult task. Because of the unprecedented scale of the project, the very large number of property interests involved and the need to ensure that the offers made closely reflect market prices, 11 independent surveyors have been appointed to work out offer prices for these properties. They are required to take into account both current market conditions and the URA's established compensation policies. Urban Renewal – A case study in Hong Kong As the project covers a large area, the URA needs to consider factors such as the appropriate density of development, the height of the buildings, and the transport facilities required, while still preserving important original local features. A further goal is to meet the needs of the 'grass-roots' local population by retaining some low-cost residential flats and shops in the town centre. With a total development cost of over \$30 billion, this large-scale project is the most challenging development ever undertaken by the URA. Despite the high financial stakes involved, the URA's primary aim is to take care of the needs of the community and local residents. However, the large investment in the area should also bring with it a host of economic benefits. This paper aims to give an overall view of this mega urban renewal project highlighting the issues as abovementioned.