

**Yau Tsim Mong District Council**

**Resumption of Private Land  
for Implementation of Development Project (TKT/2/001)  
by the Urban Renewal Authority  
at Fuk Tsun Street/Pine Street, Tai Kok Tsui, Kowloon**

**Purpose**

The purpose of this paper is to consult the Yau Tsim Mong District Council on the captioned project.

**Background**

2. In order to address the problem of urban decay, improve the environment of the older urban areas, and revive the socio-economic fabric of these areas, the Urban Renewal Authority (URA) was set up in May 2001 to implement a 20-year urban renewal programme.

**Development Proposal and Acquisition of Properties**

3. The site area of the Fuk Tsun Street/Pine Street Development Project (TKT/2/001) covers about 536 square metres. (Please see the attached Plan at Appendix I with the site boundary indicated thereon.)

4. The captioned site is zoned "Residential (Group A)" on the approved Mong Kok Outline Zoning Plan No. S/K3/24. It will be developed for residential development with commercial use on the lower floors. The proposed development project will contribute to the general environmental improvements in the locality.

5. The URA started acquisition of the property interests by way of private negotiation with the affected owners in August 2006.

6. Out of the 79 formal offers made, the URA has reached purchase agreement with 62 owners, including 15 cases where legal procedures for assignment are being undertaken. The URA is still actively negotiating with the owners of the remaining 8 shops and 9 upper floor domestic units.

7. The representatives of the URA will report on the latest progress of acquisition at the meeting.

#### **Land Resumption Proposal**

8. As it is in the public interest to speed up urban renewal, the URA submitted a land resumption application to the Secretary for Housing, Planning and Lands (SHPL) in January 2007 to resume the unacquired properties in order to assemble the land as soon as possible to enable early implementation of the project. The land proposed to be resumed under Section 3 of the Lands Resumption Ordinance (Cap. 124) is set out at Appendix II. Land which interests are already assigned to the URA before the Chief Executive makes a resumption order will not be included in the order.

9. SHPL is currently considering the URA's land resumption application under the Urban Renewal Authority Ordinance before deciding whether the land resumption request should be recommended to the Chief Executive in Council. Members' comments on the land resumption proposal for the captioned project will be reported to SHPL and the Chief Executive in Council.

#### **Compensation**

10. If the Chief Executive orders the resumption, the land concerned will be reverted to the Government on the expiration of the notice period stated in the resumption notice affixed to the land. Normally, the notice period will be three months from the date of the

affixing of the resumption notice to the land. Affected owners (including domestic and commercial owners) will be offered compensation in accordance with the Lands Resumption Ordinance. Under the said Ordinance, compensation payable to the former owners is based on the value of the resumed property at the date of reversion. If an agreement on the compensation amount cannot be reached, the former owners concerned may submit claims to the Lands Tribunal for determination of the amount of compensation to be paid. Any professional fees reasonably incurred for making a statutory claim may be reimbursed by the Government. (Resumption procedures after the gazette of resumption notice are set out at Appendix III)

11. In accordance with the policy approved by the Finance Committee of the Legislative Council in March 2001, eligible domestic owner-occupiers will be offered an ex-gratia Home Purchase Allowance (HPA) in addition to the statutory compensation. This allowance, together with the statutory compensation, will normally enable the affected owner-occupiers to purchase a relatively new replacement flat of a similar size in the locality of the resumed flat. The notional replacement flat for calculating the HPA is an average seven-year-old flat.

12. Eligible occupiers (including those of commercial properties) will be offered an ex-gratia allowance. Alternatively, they may opt for making a claim to cover the removal expenses and the business loss (if applicable) under the Lands Resumption Ordinance. (A brief note of Government compensation on land resumption is at Appendix IV)

### **Rehousing Arrangements for Domestic Households**

13. Eligible domestic households will be re-housed in units to be provided by the Hong Kong Housing Authority or the Hong Kong Housing Society. Eligible domestic households may also opt to receive cash compensation in lieu of rehousing.

**Appendices**

- I Location Plan of the URA Development Project (TKT/2/001) at Fuk Tsun Street/Pine Street
- II Schedule of land to be resumed
- III Resumption procedures after the gazette of resumption notice
- IV Brief Note of Government compensation on land resumption

Urban Renewal Section  
Lands Department  
30 March 2007



**RESUMPTION OF PRIVATE LAND  
FOR IMPLEMENTATION OF DEVELOPMENT PROJECT (TKT/2/001)  
BY THE URBAN RENEWAL AUTHORITY  
AT FUK TSUN STREET / PINE STREET, TAI KOK TSUI, KOWLOON**

**Undivided Shares to be Resumed**

Ref. No.	Lot Nos.	Property Address	Undivided Shares
1.	KIL 10419	G/F, 33 Fuk Tsun Street	2/6
2.	KIL 10419	1/F, 33 Fuk Tsun Street	1/6
3.	KIL 10419	2/F, 33 Fuk Tsun Street	1/6
4.	KIL 10419	3/F, 33 Fuk Tsun Street	1/6
5.	KIL 10419	4/F including roof, 33 Fuk Tsun Street	1/6
6.	KIL 10390	G/F, 35 Fuk Tsun Street	1/5
7.	KIL 10390	4/F, 35 Fuk Tsun Street	1/5
8.	KIL 10446	G/F and cockloft, 37 Fuk Tsun Street	1/5
9.	KIL 10446	1/F, 37 Fuk Tsun Street	1/5
10.	KIL 10446	2/F, 37 Fuk Tsun Street	1/5
11.	KIL 10446	3/F, 37 Fuk Tsun Street	1/5
12.	KIL 10446	4/F and roof thereof, 37 Fuk Tsun Street	1/5
13.	KIL 10403	G/F, 39 Fuk Tsun Street	1/63
14.	KIL 10403	1/F, 39 Fuk Tsun Street	1/63
15.	KIL 10403	G/F, 8 Ivy Street	1/63
16.	KIL 10403	2/F, 8 Ivy Street	1/63
17.	KIL 10403	8/F, 8 Ivy Street	1/63
18.	KIL 10403	G/F, 37 Pine Street	1/63
19.	KIL 10403	2/F, 37 Pine Street	1/63
20.	KIL 10403	4/F, 37 Pine Street	1/63
21.	KIL 10403	G/F, 39 Pine Street	1/63
22.	KIL 10403	1/F, 39 Pine Street	1/63
23.	KIL 10403	3/F, 39 Pine Street	1/63
24.	KIL 10403	4/F, 39 Pine Street	1/63
25.	KIL 10403	G/F, 41 Pine Street	1/63
26.	KIL 10403	G/F, 43 Pine Street	1/63
27.	KIL 10403	3/F, 43 Pine Street	1/63
28.	KIL 10403	4/F, 43 Pine Street	1/63
29.	KIL 10403	6/F, 43 Pine Street	1/63

**Appendix II**

<b>Ref. No.</b>	<b>Lot Nos.</b>	<b>Property Address</b>	<b>Undivided Shares</b>
30.	KIL 10403	8/F, 43 Pine Street	1/63
31.	KIL 10403	G/F, 45 Pine Street	1/63
32.	KIL 10403	6/F, 45 Pine Street	1/63

Brief Note of Government Compensation on Land Resumption

**(I) Domestic Property**

(A) Statutory Compensation

1. Owners' property interest – Open Market Value (OMV) of the resumed properties at the date of reversion
2. Tenants' property interest – OMV, if any, of their interest in the resumed properties
3. Legal occupiers – Removal costs and expenses

In the event that an agreement as to the amount of statutory compensation cannot be reached between the claimant and the Government, the claimant may submit the claim to the Lands Tribunal for a determination.

(B) Home Purchase Allowance (HPA) / Supplementary Allowance (SA)

1. Owner-occupiers – HPA is payable in addition to the statutory compensation
2. Owners of Tenanted Flats/Tenanted Areas/Vacant Flats – SA is payable in addition to the statutory compensation

For appeal, apply to Director of Lands or the Home Purchase Allowance Appeals Committee.

**(II) Commercial Property**

1. Owner-occupiers – the higher of (a) and (b) below :
  - (a) Redevelopment value of the resumed properties at the date of reversion
  - (b) Existing Use Value (EUV) of the resumed properties at the date of reversion plus
    - (i) Ex-gratia Allowance (EGA) at four times the amount of rateable value (4RV) of the resumed properties prevailing at the date of reversion
    - or
    - (ii) Business loss claim under Cap 124

2. Owners not in occupation – the higher of (a) and (b) below :
  - (a) Redevelopment value of the resumed properties at the date of reversion
  - (b) EUV of the resumed properties at the date of reversion plus EGA at 1RV of the resumed properties prevailing at the date of reversion
  
3. Tenants – OMV, if any, of their interest in the resumed properties plus
  - (a) EGA at 3RV of the resumed properties prevailing at the date of reversion
  - or
  - (b) Business loss claim under Cap 124

**(III) Industrial Property**

Not applicable to Urban Renewal Authority Development Project (TKT/2/001) at Fuk Tsun Street/Pine Street

Note :

- (i) The above summary is for reference only. It shall not constitute any representation on the part of Government or give rise to any expectation whatsoever and shall not be relied on as such. For more details, please refer to the pamphlet “Land Resumption and Compensation in the Urban Area – Guidelines for Owners, Occupiers and Surveyors” prepared by Lands Department ( August 2006).
  
- (ii) For definition of existing use value and redevelopment value, please refer to page 4 and page 6 of the pamphlet.

Resumption Procedures after the Gazette of Resumption Notice

<p><b>Gazette of Resumption Notice</b></p>	<ul style="list-style-type: none"> <li>- A copy of the resumption notice will be affixed on or near the properties affected.</li> <li>- A copy of the resumption notice will be sent to the registered owners.</li> <li>- Under normal practice, the land will be reverted to the Government at 3 months after the date of affixing the resumption notice to the land.</li> <li>- Owners may still enter into agreement with the Urban Renewal Authority (URA) for the purpose of selling their affected premises to URA prior to the date of reversion.</li> </ul>
<p><b>Reversion Day</b></p>	<ul style="list-style-type: none"> <li>- All legal rights and interests are extinguished at the date of reversion. Former owners are not entitled to collect rents or fees of any kind from their tenants or the occupants.</li> <li>- Compensation payable to the former owners is based on the open market value of the resumed properties at the date of reversion.</li> </ul>
<p><b>Compensation Offer</b></p>	<ul style="list-style-type: none"> <li>- Within 28 days from the date of reversion, Government will either make offers of compensation to former owners and to any person having an estate or interest in the land immediately before reversion or invite claims for compensation from them. Former owners will be given 28 days to consider the offer.</li> <li>- Government will make offers of ex-gratia allowance to tenants/occupants. Tenants/occupants will be given 28 days to consider the offer.</li> </ul>
<p><b>Delivery of Vacant Possession</b></p>	<ul style="list-style-type: none"> <li>- Former owners/occupants will be requested to move out of their premises within a reasonable period. <sup>(Note)</sup></li> <li>- Sufficient security measures will be provided to ensure that no property which vacant possession has been obtained will be broken into or illegally occupied.</li> </ul>
<p><b>Clearance/Demolition</b></p>	<ul style="list-style-type: none"> <li>- Clearance/demolition works will commence after all utility services (such as water, electricity and gas supplies) have been disconnected.</li> </ul>

Note – The former owners/occupants will normally be required to deliver vacant possession of the premises to Government within 3 months from the date of reversion.