

**Memorandum for the Hong Kong Housing Authority**  
**Review on the Redevelopment of 22 Non-divested Aged Estates**  
**Including Wah Fu Estate**

**PURPOSE**

This paper informs Members the outcome of the study of the redevelopment of 22 non-divested aged public rental housing (PRH) estates.

**BACKGROUND**

2. As set out in the 2014 Policy Address, the Government will continue to review the redevelopment potential of aged PRH estates with a view to optimising the use of valuable land resources and increasing PRH flat production in these estates. In order to identify future redevelopment opportunities, we have been studying the aged PRH estates, focusing in particular on those estates that may have a high buildback capacity, pursuant to the “Refined Policy on Redevelopment of Aged Public Rental Housing Estate”<sup>Note</sup> (the Refined Policy) which was endorsed by the Housing Authority (HA) in 2011. The Pak Tin Estate was the first estate to be identified for redevelopment as a result of this exercise.

----- 3. We have completed a review of the redevelopment potential of 22 **non-divested** aged PRH estates at the end of 2013 (**Annex**). This has allowed us to determine in a broad sense which sites should be the target for redevelopment and provides a starting point for detailed studies of selected aged estates in the future. The Wah Fu Estate has been included in this exercise.

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Note According to the HA’s Refined Policy, the HA will refer to the findings of the Comprehensive Structural Investigation Programme on structural safety and cost effectiveness in repair works, as well as examine the build-back potential and availability of suitable rehousing resources such that PRH production can be optimised from the existing aged estates through redevelopment.

## REVIEW FINDINGS

4. There is no particular need for the redevelopment of the 22 aged estates to take place at this time from the structural safety or economic repair perspectives. Yet as they continue to age and as maintenance costs are anticipated to rise, it is necessary to plan for the redevelopment of these estates progressively because it is impractical to launch redevelopment for all the aged estates in one go. Another factor is the availability of suitable reception housing: these may not be readily available when required. It is therefore prudent to contain the scale and pace of redevelopment taking into account the availability of reception resources, demand from waiting list applicants and manpower and other resource constraints. The two major findings of the review are -

- (a) As at 2013, the 22 non-divested aged estates range in age from 33 to 61 years, and the structural conditions of these estates are basically sound. However, by 2043 (i.e. 30 years later), they will be 63 to 91 years old if they still remain, and the cost of maintenance will be high. From a sustainability perspective, there exists the possibility for some domestic blocks to be upgraded and converted to bring them up to current standards. This can take place alongside the demolition and rebuilding of other buildings in aged estate under redevelopment.
- (b) Given that the majority of the aged estates are located in urban areas where land for public housing is in short supply, finding suitable sites for the development of reception resources outside the individual aged estates is very difficult in many cases. On the other hand, if the pump-priming approach is adopted, i.e. identify a site within the aged estate to construct a new block to kickstart redevelopment, the entire process can be rather lengthy: it may take up to 30 years to complete one project on a phased basis. As such, the lack of **readily available reception housing** will be a major constraint to the early redevelopment of these aged estates. It follows that availability of reception resources in the vicinity will enable redevelopment to proceed relatively quickly.

## DETAILED STUDY ON THE REDEVELOPMENT OF NON-DIVESTED AGED ESTATES

5. In the earlier years, PRH estates adopted population density (persons per hectare) for planning and development control, instead of plot ratio or total gross floor area (GFA) as applied more recently. Upon completion of individual estates, alteration or addition works may have been carried out to suit

operation need and/or upon demand by residents from time to time, and the total GFA and plot ratio of the estates may change with time. The GFA of individual estates (including the communal facilities therein) and hence the build-back potential can only be derived upon careful assessment by reference to the prevailing regulations and the relevant conditions of the Government leases (if applicable).

6. For the next stage of work, we need to take the following course of actions -

- (a) We will review the site characteristics, development constraints and opportunities pertaining to the individual aged estates and conduct a series of detailed technical studies including environmental and traffic assessments, master planning, urban design, development intensity, geotechnical, pedestrian connectivity, etc. with a view to **identifying suitable reception resources** to allow redevelopment of individual estates to proceed.
- (b) We will liaise with relevant government bureaux and departments on the provision of ancillary facilities such as community, welfare, transport and educational facilities, etc. with regard to the wider context of the districts concerned. Upon completion of these studies, we would then be able to confirm the build-back potential as well as feasibility of redeveloping a particular aged estate and prepare an implementation programme accordingly. We will then be in a position to consult District Councils and respective local communities so as to facilitate the proposed redevelopment.
- (c) We will prepare detailed redevelopment plans and determine the net gain of public housing units upon redevelopment, with a view to striking a balance between the sustainability of buildings and their redevelopment potential, optimising valuable land resources and increasing flat production within the redeveloped estates.
- (d) Upon completion of the detailed technical studies and HA's approval of the redevelopment scheme, we will then be able to confirm the scope, timing and the details for the redevelopment of an aged estate.

## **REDEVELOPMENT OF DIVESTED AGED ESTATES**

7. For **divested estates** which are co-owned by The Link and the HA, it is necessary to have the cooperation and agreement of The Link to jointly address the issues relating to the legislation, land lease, deed of mutual covenant and land ownership, etc. and to derive a redevelopment model that is considered acceptable by both The Link and the HA, before we can embark on any redevelopment. Similar to non-divested estates, we will also have to conduct a series of technical studies, work with relevant government bureaux and departments on the individual estates, consult District Council and local communities and seek HA's approval.

## **WAY FORWARD**

8. We will liaise with the relevant government bureaux and departments and conduct a series of detailed technical studies on the 22 non-divested aged PRH estates in accordance with the HA's Refined Policy. This will allow us to determine the feasibility of and prepare specific implementation programmes for the redevelopment of individual aged estates.

## **INFORMATION**

9. This paper is issued for Members' information.

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c.c. Members of the Building Committee  
Members of the Commercial Properties Committee  
Members of the Finance Committee  
Members of the Strategic Planning Committee  
Members of the Subsidised Housing Committee  
Members of the Tender Committee  
Members of the Audit Sub-Committee  
Members of the Funds Management Sub-Committee

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**List of 22 Non-divested Aged PRH Estates Reviewed**

	<b>Estate</b>	<b>Completion Year of the Earliest Block</b>	<b>Building Age (as at Dec 2013)</b>
1	Model Housing	1952	61
2	Sai Wan	1958	55
3	Ma Tau Wai	1962	51
4	Wo Lok	1962	51
5	Choi Hung	1962	51
6	Fuk Loi	1963	50
7	Wah Fu (I)	1967	46
8	Wah Fu (II)	1970	43
9	Ping Shek	1970	43
10	Mei Tung	1974	39
11	Kwai Shing West	1975	38
12	Lai King	1975	38
13	Lei Muk Shue (II)	1975	38
14	Hing Wah (II)	1976	37
15	Lai Yiu	1976	37
16	Nam Shan	1977	36
17	Cheung Ching	1977	36
18	Yue Wan	1977	36
19	Choi Wan (II)	1978	35
20	Fu Shan	1978	35
21	Cheung Shan	1978	35
22	Shek Kip Mei	1979	34

**Note:**

Under the Refined Policy endorsed by the HA in 2011, a preliminary review of 24 non-divested aged estates was undertaken. Pak Tin was the first estate recommended for redevelopment and Lung Tin at Tai O, Lantau Island was not considered for redevelopment due to the low public housing demand in the area. The remaining 22 aged estates will be further studied before deciding on their way forward.