

# **Urban Land Institute – Hong Kong Submission to the Chief Executive Elect Mr John Lee Ka-chiu, SBS, PDSM, PMSM**

*Shaping the Built Environment for Transformative Impact in Hong Kong*

April 2022

## **INTRODUCTION**

Founded in 1936, the Urban Land Institute (ULI) is the oldest and largest network of cross disciplinary real estate and land use experts in the world. Through our members' dedication to the mission and their shared expertise, the Institute has been able to set standards of excellence in development practice.

With 680 members in Hong Kong, and 45,000 members around the world, we have the advantage of being the most impactful, community minded, multi-disciplinary non-profit organization focusing on sharing best practices that improve the built environment. We truly care about our cities.

In Hong Kong, our foremost interest remains gathering our global knowledge and applying it to the most dynamic and complex city in the world. More importantly, we are steadfast in our loyalty to Hong Kong and equally committed to doing our utmost to making it a better place to live and work.

In this paper, our members have gathered to contribute our modest ideas for the betterment of our beloved city, Hong Kong. Our focus is on Net Zero, Housing, Urban Regeneration, The Role of the Private Sector and Education, Health, and Lifestyle. These have been tailored to the unique conditions experienced in Hong Kong, understanding pre-existing complexities, but challenging assumptions to arrive at practical solutions to explore.

## **TABLE OF CONTENTS**

|  |    |
|--|----|
| NET ZERO   | 2  |
| HOUSING  | 4  |
| URBAN REGENERATION   | 7  |
| ROLE OF PRIVATE SECTOR AND REAL ESTATE INFRASTRUCTURE DEVELOPMENTS | 10 |
| EDUCATION, HEALTH AND LIFESTYLE                                    | 13 |

## NET ZERO

### Background

- The climate change challenge faced by Hong Kong is real, and we need both to reduce our own contribution to the global problem as well as to cope with the changing climate. The Government's announcement of the Hong Kong Climate Plan 2050 and the promise of a new Office of Climate Change and Carbon Neutrality are welcomed.
- The issues are complex and systemic. It is recommended that the new Office has a cross-cutting remit to work across existing bureaux and departments, examining how our built environment can both mitigate and adapt to climate change. Many of the interventions needed to decarbonise our built environment will also increase the city's ability to adapt, hence this section is primarily focused on moving towards Net Zero, the target for which has been set at 2050.
- The opportunity for Hong Kong is to capitalise on the excellent performance of the city in certain metrics (for example, our world-leading public transport mode share and associated low carbon emissions associated with transport) while making gains in other metrics where there is significant room for improvement.
- Buildings account for approximately 90% of Hong Kong's electricity consumption, with over 60% of carbon emissions attributable to generating electricity for buildings, therefore reductions in this area are key. The real estate sector, which is one of the largest industries in Hong Kong, has a large part to play and the following recommendations are focused specifically on buildings.

### Improving Measurement and Incentivising Disclosure

- The current stage of ESG data disclosure is such that only companies listed on The Stock Exchange of Hong Kong (HKEX) are required to disclose ESG-related data for buildings. Government should consider implementing mandatory public disclosure of verified ESG-related data, such as energy and water consumption and waste production from buildings and properties via a data collection and rating system. Meanwhile, the results received from the system can act as reference for documents and reports related to a building or property's performance, e.g. ESG reports and property valuation reports. This enhances the transparency of environmental performance between buildings and incentivizes building owners to deploy resources to increase environmental efficiency.
- Other jurisdictions have implemented different strategies and rating systems for the measurement and disclosure of ESG data for buildings and properties, e.g. The National Australian Built Environment Rating System in Australia (NABERS), Energy Performance Certificates from the U.K., and the Building Energy Efficiency Ratings System in New York City, U.S.A.
- Data collection is challenging, as it is often done on a tenant-by-tenant basis. A whole-building approach is recommended for new or recent buildings (e.g., completed within the last 5 years), and phased implementation for existing buildings. A phased approach for older buildings may be a more practical approach and could take into consideration various factors for instance, the age of the building, location, floor space ratio etc. By adopting a combination of customized measures this will enable the government to closely observe the impact and efficiency of promulgated initiatives, enabling periodic adjustments to be made to optimize the system.

- Appropriate incentives associated with ESG performance disclosures are recommended to promote active improvements in environmental performance. Examples of incentives are set out below:
  - Heightened loan-to-value (LTV) ratios for green loans
  - Access to a range of low interest rate government subsidized green loans
  - Tax reductions or rent and rate concessions
  - Subsidies on green technology development or usage (e.g., alternative energy sources or automated metering infrastructure)
  - GFA concessions for property developers
  - Support by government to study, identify and incorporate ‘green value’ into real estate valuations
- GFA concessions are currently granted to new properties for very limited green and amenity features. In addition, GFA concessions can be obtained via any BEAM+ rating, implying there are no specific requirements for green measures. To motivate developers to achieve higher disclosure and performance ratings or enhance building efficiency, it is suggested to link GFA concessions to verified improvements in environmental performance.

### **Optimising and Retrofitting Existing Buildings**

- It is estimated that two-thirds of the 42,000 buildings in Hong Kong will still be with us in 2050. It is therefore imperative to work with the existing building stock. Almost two-thirds of Hong Kong’s electricity consumption in 2019 was attributable to commercial buildings. As commercial buildings often have single owners, change can be effected more efficiently.
- Recommendations for existing commercial buildings include:
  - Adjusting comfort standards and raising temperatures, to lower energy consumption and increase human comfort in what are currently overcooled offices and shopping centres across Hong Kong
  - Revisiting building fabric, especially entrances and glazing, when refurbishing
  - Implementing green roofs / walls
- Similarly, whole-block refurbishment of residential tower blocks would be more efficient ways to add insulation and better glazing.
- Incentives and regulation, such as mandatory energy audits prior to sale, or targeted reductions in stamp duty for high-performing properties, will play a key part in making change happen. The private sector can also support through public pledges.

## Improved Standards and Innovation for New Buildings

- New buildings are a major opportunity, especially in new development areas e.g., the Northern Metropolis. Government can be a key driver, setting examples by maximizing standards for its own estate and building requirements into the land sale system. New areas create opportunities for innovation with a ‘whole systems’ approach to development which encompasses building and urban design, as well as energy infrastructure and transport. Taken together, a holistic attitude to the design of our city, bearing in mind the needs of a range of users in a heating climate, would make for a more livable, attractive and sustainable city.
- A road map for progressive increases in standards would signal the change and allow the industry and government to proactively engage and work out methods of implementation to achieve the desired outcomes.

## Industry Collaboration

- Collaboration between the real estate sector and government is needed. A comprehensive suite of policies should incentivise and compel change. The private sector should work hand-in-hand with government and adopt a partnership approach to moving the needle for decarbonising Hong Kong’s buildings.

# HOUSING

## Background

- Hong Kong has a housing crisis:
  - A quarter of a million people are on the waiting list for public rental housing (PRH)
  - Average waiting time exceeds 6 years
  - Over 200,000 people living in sub-divided units (SDUs)
  - Median price-to-income ratio exceeds 20x
  - These symptoms of inequality were key factors in 2019 social unrest and generally make the city uncompetitive because the cost of living, and doing business, is much higher compared with, say, Singapore, Shanghai, or Shenzhen
- The social costs of high housing prices:
  - More income must be set aside for accommodation, leaving less income for essentials and emergencies
  - High living costs limits the ability of people to settle down. Hong Kong has one of the highest average age of marriage and lowest birth rates, in the world
  - Couples delaying marriage due to inability to afford family-sized housing
  - Homeownership out of reach; unable to improve standard of living compared with previous generations. This reduced/reversed social mobility can lead to social and political tensions
  - As home prices rise, homeowner wealth increases at a higher rate than renters
  - Disparity between haves and have-nots can create social isolation of disadvantaged groups

- With home ownership being out of reach, we also lack a substantive rental market:
  - Germany has relatively low home ownership rate of circa 50%, (versus Singapore and China at 90% each, respectively)
  - Lack of ownership in Germany is not a problem because more than half of housing stock is for rent (predominantly multifamily type)
  - The private rental market is not very affordable – even an apartment in New Territories would be 37%-44% of median household income, far above the recommended 30%

### **Create more Land Supply for Housing**

- Accelerate development by optimising the determination mechanism of land premium:
  - Must stop underestimating the Before Value of agricultural land. Cleared site value basis neglects value of existing buildings. Should adopt existing use value (EUUV)
  - Must stop overestimating the After Value, and account for costs of demolishing and resettling certain public facilities
- Further adopt standardized rates for land premium across new development areas.
- Potential impact: unlock up to 4,379 hectares of land, equivalent to 2.9 million units.

### **Create more Attainable Housing Stock**

- Emphasis on new supply in the “sandwich” class between private and public housing.
- Allow private developers to build HOS flats:
  - In the UK, the majority of affordable housing units are built by the private sector
  - Incentivize voluntary participation by private developers, such as New World’s Build for Good, “New World Subsidised Housing” located in New Territories West being offered at 50-60% of market price
  - Offer land premium discounts, like the level in HKHS projects, as an incentive
  - Another direction is the Starter Homes Pilot Project
- Re-introduce PSPS to accelerate public housing development:
  - In a study conducted by HKU’s Department of Real Estate and Construction, PSPS projects were 40% cheaper and 20% faster to build than the traditional procurement model, with no compromise in quality
- Enable PRH tenants to buy available-for-sale public housing:
  - Introduce rent-to-buy and shared equity systems already used in the UK
- Convert industrial, commercial, and government property to residential:
  - Given market conditions, focus on vacant school premises (VSPs) first, of which there are more than 200

- Coordinate with Education Bureau, Lands Department, and Town Planning Board to obtain a temporary waiver, which could be extended as needed, to convert VSPs to rental housing
- There are successful case studies of school-to-housing conversion, e.g., Lok Sin Tong Primary School project in Kowloon City which created around 50 housing units
- Tap the Hung Shui Kiu (HSK) temporary mobile cabin hospital site, which has strategically advantageous location - HSK site is 3 hectares and could yield 3,600 housing units

## **Address the Lack of Rental Market**

- Create “multi-family” private housing category:
  - Characterized by a) Single, unified ownership of the entire apartment complex (i.e., cannot be sold strata-title) b) Professional management c) Investor earns return via rental yield, and modest capital appreciation (rather than speculation)
  - Recognized as a stable asset class in multiple developed markets (USA, Germany, Japan, and now China), leading to strong debt and equity capital markets, including REITs
- Future land sales should be tailored to multi-family projects, with appropriate conditions of exchange and land premium below for-sale residential market.
- Modular integrated construction (MiC) should be the default construction method as it is both faster, more sustainable, and would be highly appropriate for multi-family housing.

## **Resolve Institutional Challenges**

- Often siloed or even conflicting approach of government departments leads to unnecessary bottlenecks and communication barriers, slowing down housing development.
- Expedite housing supply by implementing changes on three levels:
  - Vetting and approval departments: Workflow management is missing in the development approval process, leading to duplicated regulations and low productivity. Recommend simplifying procedures, reduce unnecessary public consultations, and facilitate collaboration between public and private sectors
  - Civil servants have gradually developed a pessimistic work culture of minimising responsibilities and changes. Working for the sake of regulation rather than producing results. Recommend establishing cross-departmental supply targets and introduce corresponding quantifiable performance indicators and incentives for civil servants
  - Society is highly fragmented by various rigid individual beliefs on the ideal supply path or development model. We should recognize the necessity to prioritize housing demands, achieve society-wide consensus, and substantially increase land and housing supply
- Simplify and consolidate public engagement, streamline land gazetting process, shorten environmental surveys and report production time.

- Establish re-sale mechanism for Tso/Tong lands, increase flexibility in Land Sharing Pilot Scheme, and introduce land bonds and land readjustment.
- Divide CDAs into smaller sites according to size and ownership distribution and development by phase after a certain time period.
- Establish precise and quantifiable approval criteria for MLP.
- Accelerate private redevelopment: lower compulsory sale threshold for aged buildings, allow transfer of plot ratio, increase plot ratio of selected old urban areas, and allow interchangeability between domestic and nondomestic plot ratios.

### **Invest in Programs Addressing Affordability**

- We must alleviate poverty in order to increase the affordability of housing.
- Invest in job training and re-skilling programs targeted at lowest income stratas, such as a local employment initiative.
- Make consideration for social and other challenges faced by low-income households, such as daycare facilities/ programs, rehabilitation, educational background, etc.

### **Other Housing Recommendations**

- Land premiums paid out by installment to match underlying project cashflows.
- Improve the property tax system via further progressive measures.
- In addition to “Well-off Tenants Policies”, establish reasonable but finite time limit on occupancy of PRH by the same household.
- Work with owners of SDUs to improve the quality of their product.
- Allocate an appropriate portion of public housing to accommodate the homeless.
- Recognize that transitional housing is a “bandage” and study how to phase out over the next 5-10 years.

## **URBAN REGENERATION**

### **Background**

- Since the formation of the Urban Renewal Authority (“URA”) urban regeneration in Hong Kong has gone through many phases from being primarily relying on urban redevelopment to also include rehabilitation, preservation and revitalisation with more focus on people and placemaking. The URA has taken several initiatives in the right direction, but the momentum of urban regeneration has been slow. In Hong Kong Property Review 2021 published by the Rating and Valuation Department, out of the 1.2 million private domestic units, an alarming 14.2% were aged 50+ (built before 1969) and 29.7% were aged 40+ (built before 1979).

- However, the recent Yau Tsim Mong (YTM) Study is district based, much larger in scale and is aggressive development approach and hence needs to be looked at very carefully. A more sensitive approach should be adopted in YTM and other districts such as in Sham Shui Po, Tsuen Wan etc. so that the identity and character of these urban districts is retained while improving the livelihood and quality of life of the people in these areas.
- Hence there is a need to balance social interests and streamline the regeneration process. Five urban regeneration priorities have been identified as well as the expected impacts of the key recommendations are highlighted below, including the restructuring of the URA to deliver more sensitive urban regeneration in Hong Kong, for consideration by government.

### **Holistic Policy Review on Town Planning, Lands and Building Controls**

- A holistic policy review and regulatory reform related to town planning, land administration and building controls is required in order to provide sufficient incentive and momentum for urban regeneration:
  - Relaxation of Development Density – Flexibility for density increase in urban areas with adequate supporting infrastructure and amenities will provide a solution to the demand for housing and commercial spaces, while utilising Hong Kong’s transport-hub strategy and scarce land resources.
  - Flexible Building Height Profile – Currently, the AVA is the primary criteria for determining Building Height Control in urban districts with little attention to urban design considerations which is not a good practice. Relaxation of building height control in urban areas will result in taller and slender buildings which can bring significant social and cultural benefits by releasing the ground level for other public uses – thereby improving the quality of pedestrian environment, and providing more open space, landscape and connectivity between spaces.
  - Sustainable Urban Mobility – With the promotion of public transport, streets need to be reclaimed for pedestrians to provide more non-motorised transit, including walking and biking to reduce noise and air pollution while promoting a healthy lifestyle. Future demand for vehicles and carpark provisions should also be reevaluated to avoid excessive parking including basement carparks provisions which are not sustainable during construction and operation.
- Government should play a “facilitator” role in the urban regeneration process, facilitating an efficient land conversion process by reducing the lead time for all administrative processes, including:
  - Site Assembly – the Land (Compulsory Sale for Redevelopment) Ordinance (“the Ordinance”) enables the Lands Tribunal to make an order for sale for redevelopment. Proposed refinements include lowering the ownership threshold for compulsory sale application and additional resources of the Lands Tribunal to speed up the legal proceedings.
  - Planning & Lands Administration Process – Designated government bodies at the bureau level with sufficient degree of authority can be set up to coordinate efforts between bureaux and departments and expedite the development approval process. Unnecessary lengthy application procedures and duplicated administrative procedures amongst the government departments should be eliminated.



## Area/District Based Planning

- A Business Improvement District (BID) is a geographically defined partnership for area improvement and delivery of services. BIDs can leverage private funding to become catalysts for urban regeneration and area improvements.
- Typically, BIDs are funded by the key paying businesses within the agreed boundary and is managed and operated by a non-profit BID company. Property and business owners come together and elect to make a collective contribution towards a shared maintenance, development and promotion programme of the area.
- BID is a form of public private partnership which includes government, private sector (not only large enterprises or landlords but also small-scale business), social enterprises and local communities, focusing on concrete issues and interest of the community.
- Ideally, government can create a fund or use existing funds like the Urban Renewal Fund to explore the creation of BIDs, adapting to the Hong Kong context with proper governance and engagement of local efforts. The concept of BIDs can be adapted to Hong Kong situation as Area Improvement Zones (AIZs) with an EKEO type of office set up in each district. This will help in regenerating the older districts in a smart and sustainable manner sensitive to the needs of the local people and add value beyond the efforts of the Urban Renewal Authority. Perhaps AIZs can be piloted in Central in Hong Kong Island and YTM in Kowloon, then refined and replicated in other older districts such as Sai Ying Pun, Sham Shui Po etc.

## Heritage Conservation

- Heritage conservation plays a significant role in urban regeneration. Besides enhancing the aesthetic value of the neighborhood, if properly handled, heritage preservation can also enhance the economic feasibility of the area and raise awareness of identity and sense of belonging.
- A set of objective and well-recognised evaluation tools needs to be established to assess the potential contribution of the historical buildings / structures, from a heritage conservation perspective, considering the historical, social, cultural, economic, and environmental factors.

## Environment

- Environmental improvement is one of the top priorities for urban regeneration. Besides achieving the short-term goal to resolve the immediate health and safety hazards to the community, the urban regeneration policies should also look after the long-term sustainability and educate the community on behavioural changes in order to maintain and sustain the improvement.
- The aim should be to transform older urban districts in a sensitive manner responsive to community aspirations and needs, environmentally sustainable balancing the built environment with the natural environment ensuring ecological resilience and biodiversity where appropriate and economically viable which is a win-win for all. The goal should be to create pleasant walkable and liveable districts with mixed use development with better residential space standards and higher quality public spaces and parks with higher open space standards to improve the quality of life of the people of Hong Kong.

## The New Role of the URA

- The URA should be restructured and empowered to take on a more holistic and sustainable approach to regeneration and not solely under the mandate of being financially prudent but also take into consideration social and environmental costs as well. The new restructured URA should still be the delivery agent but should work more closely together with the Development Bureau and the Transport and Housing Bureau to deliver sensitive urban regeneration of the older urban districts using a collaborative district-based placemaking and sustainable development approach engaging the various stakeholders throughout the planning and implementation process. Following the Harbourfront Commission, the URA Board should have members of the public sector, private sector, community and academia to guide the work of the URA. The various departments including Buildings Department, Planning Department etc. could provide the required checks and balances besides undertaking their own responsibilities and functions. The Town Planning Board would still be the statutory agency as it is currently but do a better job of making sound well thought out decisions to ensure the sustainable development of the older urban districts of Hong Kong.

## ROLE OF PRIVATE SECTOR IN HONG KONG AND REAL ESTATE INFRASTRUCTURE DEVELOPMENTS

### Background

- For many decades, the private sector has played a major role in the building of new towns and related infrastructure. For example, the tremendously successful delivery of the Shatin New Town and the Tseung Kwan O New Town would not have been possible without the participation of the private sector.
- Contributions included some pioneering preparatory works from reclamation to site formation and supporting infrastructure, to the more obvious above ground developments whether residential, commercial or otherwise.
- In the last 25 years we have seen how transit-oriented developments such as the Airport Express Railway and “over the station developments” have been admired around the world. We have also seen how the private sector (and even the third sector discussed below) are contributing to more recent projects such as the Kai Tak Sports Park, the Shek O water aquatics sports complex and some of the WKCD related projects. These projects have come to the market, but not without significant challenges especially in the context of Hong Kong’s current situation economically and geopolitically.
- How can the private sector contribute? How can the public sector and private sector work together more fruitfully and successfully in Hong Kong for the next 25 years? We shall now briefly explore these questions as summarized below.

### HOW CAN THE PRIVATE SECTOR AND THIRD SECTOR CONTRIBUTE?

#### What can the Private Sector offer

- Innovation & diversity – drawing upon a wealth of experiences locally, regionally, and internationally to apply best practices in Hong Kong.

- Fair and efficient risk sharing – this needs to be more appropriately balanced between the parties. A stronger emphasis on “partnership” is needed to make projects more bankable and acceptable. Allocating 100 percent of the risks to the private sector in favour of a risk free environment for the public sector is no longer an approach which the international private sector participant (and their lenders) can tolerate.
- Cost & time efficiency – on time and on budget objectives - achievable and within expectation.
- Support to reduce government’s financial burden – especially in such a season of pressure on government resources.

### **What can the Third Sector offer**

- Academic bodies – Schools, universities locally, regionally, and internationally – supporting talent creation, high quality education, training, re-tooling and career enhancements.
- Charitable foundations and other NGO’s – with decades of relevant experience in supporting education, healthcare, affordable housing, community welfare and engagement.

### **Triple Helix Model and Hybrid Models**

- Combining skill sets and experiences of public, private and third sector will create an engaging cocktail for certain developments, e.g.
  - The development of the GBA into an international innovation and technology (I&T) hub
  - Proposed San Tin Technopole and Shenzhen-Hong Kong Innovation and Technology Zone

### **ESG & The Private Sector**

- Sustainable design, planning and construction - using the latest advanced techniques.
- Social aspect, building community and the concept of a “15-minute city” – reducing transport movements (e.g. with private cars).
- Engagement between public, private & other stakeholders – strong collaboration required.
- Transparent process of procurement & delivery – corruption free, level playing fields, clear exposition of expectations & outputs.

## **INSTITUTIONAL, LEGAL AND PROCUREMENT FRAMEWORKS**

### **What does the Private Sector do well?**

- Housing: Private housing; social housing; hybrids with senior living/educational components.
- Infrastructure: Social supporting/infrastructure; roads; utilities; waste disposal; drainage; site formation.
- Projects: Commercial Projects; industrial projects; medical; senior living; educational projects.

**What are possible Procurement Approaches for each type of project?**

- To be considered on a case-by-case basis – e.g., Land Grant tenders/PPP type tenders for Build-Operate-Transfer and Design-Build-Operate (BOT/DBO) etc. – one/two envelope evaluations.

**What Factors could make Public-Private Partnerships more successful?**

- Concessions – land premium/GFA –e.g., for social housing/senior living.
- Project burdens – often too many additional requirements – consider greater balance.
- License/approvals – stronger more streamlined inter-departmental co-ordination needed.
- Town planning – revamping for more streamlined process.
- Software – strong people resources/talent creation & development required.
- Bankability and fairer allocation of risks – a real “partnership” approach.

**RECOMMENDATIONS TO L.E.A.P FORWARD****L: Leadership**

- Consider a senior dedicated appointee - e.g., Deputy CE for Development.
- Consider the creation of:
  - A dedicated “Corporation” - area specific (e.g. - London Docklands Corporation/Milton Keynes Development Corporation); or
  - An “Agency” - more conceptual – (e.g., Land Development Agency); or
  - A new “Authority” or expand the remit of an existing Authority (e.g., URA); and
  - “Project Development Principles” – to be prepared in collaboration with the private sector – to be applied to guide government departments/public sector bodies in the delivery of major Projects.

**E: Evaluation and Re-Evaluation to:**

- Consider international best practices - align to engage international players.
- Provide sophisticated training for civil servants who will staff relevant departments, or any specialist unit created to co-collaborate with relevant Public Sector Bodies and Private Sector participants.

**A: Allocating Risks/Assessing Best Practices**

- More dynamic risk sharing – appropriate, fair and balanced – not 100% risk for Private Sector; and
- Need to appeal more to private sector, not just locally but internationally.

## **P: Preparation, Procurement, Priorities**

- Early engagement with private sector / third sector - locally and internationally.
- Adopt a creative approach to procurement policies & principles.
- Prioritising projects that could most be easily be launched by using a PPP model.
- Which projects are best suited for private sector/third sector involvement.
- Adopt an open-minded approach to each project - not simply deferring to precedent.

## **EDUCATION, HEALTH & LIFESTYLE**

### **Background**

- Education is the key to developing local talent and attracting international talent. It is essential that we broaden our educational offerings in vocational training and the sciences, technology, engineering and mathematics (STEM).
- Sports development can encompass general recreation and community participation in sports and outdoor activities. We should also provide opportunities for youth to engage in their aspirations to become professional athletes on the local, regional and global level, thus the importance of providing suitable training facilities.
- It is important that we continue to build on our expertise in healthcare and further develop technology, innovation and research and development so that we solidify our position as a regional center of excellence in healthcare.
- Culture –a focus on nurturing homegrown arts and entertainment will develop local artists, boost Hong Kong's identity on the world stage, and attract more world class international events to choose Hong Kong as a host city.

### **SPORTS DEVELOPMENT**

Future generations will be more physically active and better prepared with the skills and knowledge to live healthy and active lives. As our society changes with the influx of new ideas and priorities, we need to address these trends in the way we create space for sports in Hong Kong.

#### **Trails Enhancement and Innovative Placemaking**

Many people in Hong Kong have turned to outdoor sports and activities during this COVID-19 pandemic. While the city boasts beautiful and accessible hiking trails and with plans to upgrade our cycle track network connecting eastern and western New Territories, it is also important to increase alternative routes available to all people including the elderly, children and the disabled.

- The objective is to connect existing promenades and trails into a complete coastal trail. Hong Kong Island Coastal Trail is 65km which allows you to walk across the entire island, highlights include the newly upgraded harbor fronts in Wan Chai and North Point. However, continued efforts should be made to take forward the extension of Eastern Kowloon coastal trail. This will enhance the walkability of our city.

Kai Tak Sports Park would be a great addition, but it may be inconvenient and far for some to travel to. More creative and innovative placemaking for sports is needed, including making better use of space in precincts, parks, and the city centre.

- When considering sport infrastructures, there are three main considerations – proximity, type of facilities, more vibrant and exciting neighborhoods. The goal is to have sporting and recreational facilities within 10 minutes' walk from people's homes under a new master plan. This could include a mix of new facilities, as well as a rejuvenation of the existing ones, with innovative new features.
- ULI recommends working with land and housing authorities, to identify and open more spaces in residential areas for community use. We could also activate underutilized spaces in commercial areas to enable better access for working adults and create an environment for work and play. Residents near these commercial areas could also enjoy the use of such spaces, particularly on weekends.
- As we rapidly transform into the digital age, it is also important for us to leverage technology to enhance how we can better deliver user experience, and to enable the building of networks and systems for improved efficacy and productivity. For example, smart sport centers could apply online/ mobile app booking or using data to better understand users' needs.

### **Elite Sports/ Hong Kong as a Center for Major International Sports Event**

Hong Kong has never been considered as a place for career in sports for many youngsters. The city's wide exposure to international cultures notwithstanding, sport is often regarded as just a pastime and not a profession, and subsequently the lack of resources and exposure. This is the biggest headwind for Hong Kong athletes as they seek to realize their sporting dreams.

- We welcome the upcoming completion of the flagship project – Kai Tak Sports Park. The goal should be to enhance the vibrancy of the Sports Hub and its surrounding locale as a sport, entertainment, and lifestyle node. Providing greater access to quality and affordable sports facilities enables public engagement in active living and wider participation in sports.
- This also enables our sports talents to pursue excellence by not only providing sports foundation but also creating common spaces for people to interact, bond and train. To further support elite sports, the government should take advantage of the historic winning of Tokyo Summer Olympics to promote sports in the community by maximizing international sporting success and to further invest spaces for Fencing (Gold medalist, Cheung Ka Long), Swimming (Silver medalist, Siobhan Haughey), Table Tennis and Karate (where we won bronze).
- Having this space allows Hong Kong to host more international sporting events like the Rugby Sevens which could have a transformative effect on HK and bring enormous economic benefits.

## CULTURE

In order to increase Hong Kong's standing as the international cultural metropolis, it is important to focus Hong Kong's cultural uniqueness of East-meets-West – one that's grounded by Chinese tradition and enriched by preservation of British colonial and other foreign cultures. Government should utilize the built environment to help Hong Kong become the hub for international cultural exchange.

### Better Use of Heritage buildings to Bring Back Identity

- Before China became the manufacturing giant it is today, Hong Kong was once the world's biggest garment exporter with skilled tailors and designers. Homegrown brands such as Shanghai Tang and Vivienne Tam have gained international success since. Newly revitalized cultural and shopping developments, such as The Mills and Tai Kwun (Central Police Station), can be used to bring back the glory days of Hong Kong fashion by hosting large-scale events such as Hong Kong Fashion Week.
- The Hong Kong film industry from the late 1970s to early 1990s was a global success. It has received international recognition and earned Oscars. Local actors and directors have also achieved success in Hollywood, such as Bruce Lee, Jackie Chan and Michelle Yeoh. ULI suggests the government to bring back the “Below the Lion Rock” spirit and the identity of Hong Kong people through the former cinematic glory, providing an avenue to promote Hong Kong's cultural identity.

### West Kowloon Cultural District (WKCD)

Building the cultural community- this will nurture a sense of belonging and pride towards Hong Kong and will further strengthen social cohesiveness.

- Flagship projects includes M+ Museums, the Hong Kong Palace Museum and the Lyric Theatre Complex are great addition to lack of arts and cultural facilities in Hong Kong. Moreover, investing in venues made for world-class performances will also attract more talent and international-scale events.
- To boost the arts in Hong Kong, tourism is a vital component of Hong Kong's economy. Tourism transformed the city and has spurred it to become an economic powerhouse.

## EDUCATION

### Diversified Progression Pathway

- Government may wish to consider further encouraging the development of trade related career paths in the GBA for industries with high demand for skilled labor, e.g., in construction, hospitality, language arts and urban planning.
- Government may wish to fund programs that promote on-the-job learning, such as through internships, work study programs, apprenticeships, etc.

## **Building Up a Talent Pool**

- Government may wish to consider the recruitment of talented foreign students to enroll in HK programs in science, technology, engineering and mathematics (STEM) and other fields that will continue to promote HK's future economic and cultural growth. The recruitment programs can include subsidies that take into account the high cost of living in Hong Kong, including up to providing additional housing stock specifically set aside for these recruits
- Government may wish to offer concessions or subsidies to attract overseas talent into the GBA. These may include schemes that house in GBA, commute to Hong Kong or vice versa.

## **HEALTH**

### **Expansion of District Health Centers (DHC) and Development of Regional Health Hubs**

- In addition, as part of this expansion, government may wish to consider creating a regional health hub to cater to private patients from the GBA, as an area of excellence for the Hong Kong Healthcare community.
- These Regionally focused Health Centers may offer specialized treatments like elective surgeries, cancer treatments, care for age related ailments (arthritis, etc.)
- A Regionally directed center of health excellence may require auxiliary services such as transportation and temporary extended stay residential facilities. Government may wish to consider either offering, subsidizing, or creating incentives for the private sector to provide these services
- Government may consider accelerating the adoption of protocols that will facilitate the adoption of innovative forms of patient care such as East-West Integrative Medical Centers, mental health oases, etc.

### **Establishment of Chinese Medicine Testing Institute**

- As part of the establishment of this Institute, government may wish to consider adding an Institute for the study of the care and treatment of the elderly and ageing population. In particular, government may wish to fund research programs integrating Hong Kong's healthcare system with GBA healthcare systems from a care provider level.

### **Greater Bay Area: Expansion of Cyberport to Lok Ma Chau and Qianhai**

- Government may wish to consider funding research centers to explore the digitization of healthcare.

### **Clinical Trials**

- To improve the efficacy of Clinical Trials, and to encourage the development of a larger pool of patients and therapies, government may wish to create special land use permission that allow areas designated health care areas to be developed for the purpose of extended stay patient and patient family residential facilities, allowing for long term housing solutions for patients and their families under care.