



Fig. 1: Dense streetscape in Sham Shui Po (Photo by Xiaojun Liu, 2018).

# The Impact of Hong Kong's Urban Renewal on Chinese Migrants

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**Hong Kong is a magnet for Mainland Chinese migrants, particularly females, children, the elderly, and other non-skilled workers. Lacking economic and social resources, they tend to cluster in the city center, where building quality is poor but they can rely on social networks. Urban renewal is threatening these networks. This research examines the Sham Shui Po district to show the economic and social importance of these communities, as well as the need to save them from development-driven urban regeneration. It questions the current redevelopment model – which leads to gentrification – and identifies things that need to be saved if this vibrant and socially responsive area is to continue in its vital function of welcoming Mainland Chinese migrants to the city.**

## Hong Kong

Hong Kong's economic prosperity and inclusive environment has attracted millions of migrants since the 1960s. More than 40 percent of the current population was born in Mainland China, and around 40,000 people are still migrating annually. Because of the One Way permit,<sup>1</sup> most of these migrants are family members of Hong Kong residents: females, children, the elderly, and a small number of middle-aged men. Normally from lower socio-economic backgrounds, they lack social networks in Hong Kong and tend to settle in districts where the cost of living is more affordable and where they can find jobs (this is something we also see in You Wu's paper, "The Death and Life of Amsterdam's Chinatown"). Hong Kong's decaying central areas are popular, with mid-rise (five- to eight-storey) buildings constructed between the 1920s to the 1950s being cheap to rent. But they lack proper maintenance and the housing quality is poor, with out-of-date living facilities, sanitation, internet access, and the like.

Sham Shui Po is a typical migrant district, with almost 50 percent of its population born outside Hong Kong [Fig. 1]. This is the highest rate in Hong Kong and is predicted to go up to 65 percent by 2028. Areas like this do not only accommodate newcomers; they also help them integrate into Hong Kong. Since 1940, more than 50 percent of Sham Shui Po migrants achieved higher social status and moved out. The area they leave behind, however, remains poor and rundown. Sham Shui Po is considered one of the most problematic districts in Hong Kong by the authorities. It has the second lowest median income in the city and the most aged

community. Buildings are also in poor condition, with more than 1200 of them older than 40 years and lacking proper maintenance.

Since 2011, a number of urban regeneration projects have been proposed for Sham Shui Po. They are aimed at attracting a diverse class of people to activate its upgrading. Noticing the social value of the neighbourhood, the Urban Renewal Authority (URA), the government operator of Hong Kong's urban renewal, also intends to rebuild or densify neighbourhoods to continue to accommodate low-income migrants. Public facilities, like sport and education, are also a mandatory requirement for re-developers. However, as these projects proceed, local migrant communities are torn apart. The population of Mainland Chinese migrants in Sham Shui Po was reduced by around 2000 people between 2011 and 2016, and this is expected to continue as more regeneration projects get underway.

Regeneration claims to improve citizens' environment, health, and safety, in part through the removal of illegally subdivided houses. However, migrants' satisfaction rates are also generally lower than the average population as a result of these regenerations' so-called improvements, as we will show.<sup>2</sup> The goal of integrating Mainland Chinese migrants into Sham Shui Po through regeneration have failed due to the dramatic demolition and gentrification resulting from the current property-led urban renewal, which is detrimental to both affordable living space and neighbourhood-based social networks. With migrant neighbourhoods shrinking, it becomes less economically feasible for these people to enter and settle in Hong Kong.

Due to the cost of transportation and limited social connections, migrants' social networks are more reliant on neighbourhoods. Such place-based networks are crucial for migrants' accommodation and daily lives. Reconstructed by the migrant community itself, the flexible public spaces of old Hong Kong allowed for temporary markets, multi-functional parks, and public spaces for migrants to expand their networks. However, these flexible, multi-functional spaces are being transformed into monotonous public space for the middle class, damaging the migrants' community identity.

## Hong Kong's urban renewal projects

Hong Kong set up the Urban Renewal Authority (URA) in 2001. Its task is to steer urban renewal processes in more socially oriented ways, and it is supported by local academics who research the social impact of communities. The URA insists on more socially oriented clauses in contracts with developers in order to achieve their aims – namely, the 4Rs: Redevelopment, Rehabilitation, Preservation, and Revitalization.

Redevelopment is at the core of these urban renewal projects. It means demolition of dilapidated buildings and reconstruction of new (always higher) ones. This is accompanied by the rehabilitation of less dilapidated buildings, the revitalization of streets and open spaces (with gentrified shops and improvements to pavements), and the preservation of heritage as an anchor to preserve local culture. However, in reality,

these interventions are less likely to be realised than straightforward building redevelopment because they contribute less to profit.

Due to Hong Kong's limited land resources, 100-metre-high residential buildings ("pencil towers") are widely used in urban renewal. They normally comprise the following three components: (1) Car-oriented streets: wide roads (>14 metres) with narrow pedestrian pavements (three to four metres). Sometimes, because of a building's setback, the pedestrian area will be wider (5 metres or more), but walking spaces is limited and in shadow; (2) Commercial podiums: the bottom of the building normally has significant commercial value, so accessible floors are essential to property developers. Normally, the bottom three to five levels will be completely commercial, with the top of the podium housing services for residents or other facilities for the community; (3) Residential towers: to make full use of height restrictions and to create spaces with daylight, residential towers are designed as simple columns, with four to six apartments on each floor, making the façade monotonous but efficient in its use of the built floor area.

## Migrants' integration

Migrant communities have a very different perspective on Sham Shui Po. They see this neighbourhood as an Arrival City with a community that helps their integration. Mainland Chinese migrants' problems are special because they have only limited skills and social resources.<sup>3</sup> In order to achieve economic and social integration, a number of specific things are required: (1) Capital accumulation: migrants' median income is lower than the Hong Kong average. This leads to discrimination by locals and feelings of isolation.<sup>4</sup> Income improvement is a significant part of migrants' integration and has a close relationship with elements such as occupation, work experience, networks, and capital accumulation, all of which require investment in education and real estate.<sup>5</sup> (2) Affordable housing: over half of migrants' monthly income is used on accommodation. Their financial situation, and Hong Kong's relatively high-priced public transportation, limits their choices. Ideally, they need to be close to work. Housing in central areas is expensive, and migrants are likely to live in small apartments with expensive square-metre rentals. The average housing area per migrant is 17 square metres (lower than Hong Kong's average of 32.7 square metres, and much lower than Shenzhen's 45.2 square metres). These apartments are so small that they hardly meet migrants' basic living requirements, which means less life satisfaction. (3) Social network expansion: migrants' social integration goes hand in hand with their social networks, which assist them in psychological ways and also contribute to their financial improvement.<sup>6</sup> Migrants are more likely to find financial support and career information through these social connections, which can be divided into four categories: occupation, family, neighbourhood, and public services. (4) Identity establishment: this can help build confidence. Events and community organisations play important roles here. For example, Chiuchow community's Yulan Festival is an annual ethnic event where the members of the community gather and new migrants are able to meet established ones. These events also help keep community identity alive. These events are open to everyone and act as a platform to showcase culture and build channels to the general public. And finally, (5) Spaces that support integration: physical space has an impact on people's social activities, which in turn contributes to their social networks. The spatial characteristics of migrant settlement have an impact on migrants' social mobility. Doug Saunders describes four elements helping migrants' integration: high density, commercial-friendly streetscape, traffic connection to the city center, and affordable accommodation.<sup>7</sup> Having these elements improves the economic and social status of migrants. (Saunders also discusses political elements, such as open citizenship, welfare, health, and education, some of which are specifically spatial, like schools.)

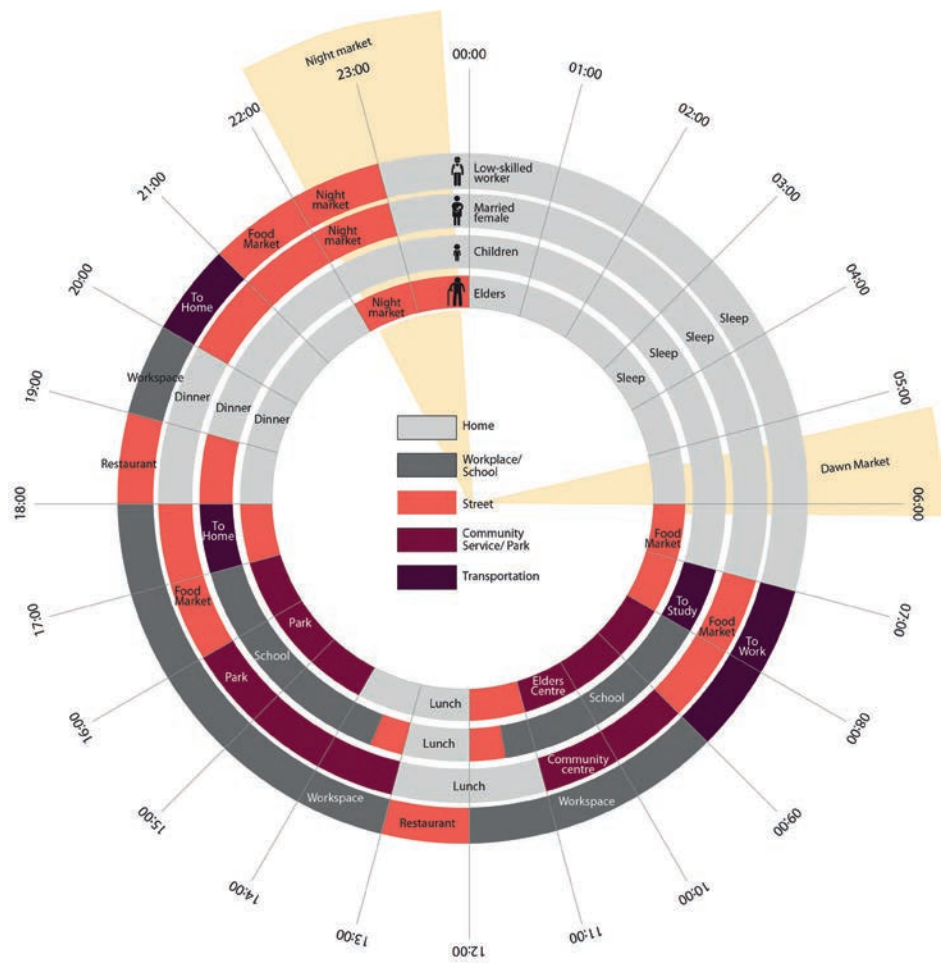


Fig.2: Weekend timetable of Mainland Chinese migrants in Sham Shui Po (Figure by Xiaojun Liu, 2018).

### Sham Shui Po's migrant community

In order to understand Sham Shui Po, this research examined the spatial characteristics of the area and its migrant communities' daily lives [Fig. 2]. Most people are on the street in the morning and again in the afternoon. These are the best times for meeting each other because they usually do not have much time for social life. Three elements in particular were examined: (1) Housing: Sham Shui Po's dense urban environment and high number of rentals result in shared space with little privacy. Apartments are subdivided and accommodate several families [Fig. 3]. Each family has a small room (c.15 square metres), but the toilet, bathroom, and kitchen are shared in common. A lot of activities are done in the apartment's public space, like the corridor, living room, and kitchen, which provides living space for more people and makes them more affordable. Interviews with residents show that they accept this situation. (2) Local streets: these have highly mixed commercial spaces, with shops facing covered pavements that provide shelter from the weather and which are comfortable to stay in. There are also temporary shops and stalls selling small commodities, like toothbrushes, sometimes located in the narrow lanes. Mobile containers are rented from the Food and Environmental Hygiene Department. Rent is low, and tenants can easily move in. After shops close, stalls open selling even cheaper items, like second-hand books and phones. They occupy these structures without paying any rent and are gone before dawn. The streets function 24 hours a day but to serve different groups. Migrants can buy affordable

things, but they can also start their own small businesses. This neighbourhood commerce not only serves locals but also the wholesale clothing and electronics industries located in the empty industrial buildings nearby, where they rent space for their activities and do not require highly skilled workers. (3) Public services: weekends are more flexible than weekdays and are used for more public activities. These can be found on the third and fourth floors of buildings and include civic organizations, community service centers, mini-schools, and even churches. They share staircases with the residential floors above. Hometown Organizations are important. These are organizations of migrants from the same place. Led and sponsored by older, successful migrants, they help the new migrants, unfamiliar with the city, to adapt. Supported by the Cultural Department and District Council, some industry associations also give subsidies and make good use of their influence. The hometown community in Sham Shui Po is from Guangdong Province and dates back 30 years. With work stations and branches in each neighbourhood, they provide voluntary life assistance to residents. Social workers also visit to give help and have daily contact with disadvantaged migrants. Generally, community service stations can be found in the center of the neighbourhoods and are non-profit, aiming to help residents with education and health care (including mental health). They are more active than other organizations because they know more information about the residents and are able to visit people's homes. They are also usually branches of a larger organization that provides knowledge and training. Because they can directly contact residents, the Welfare

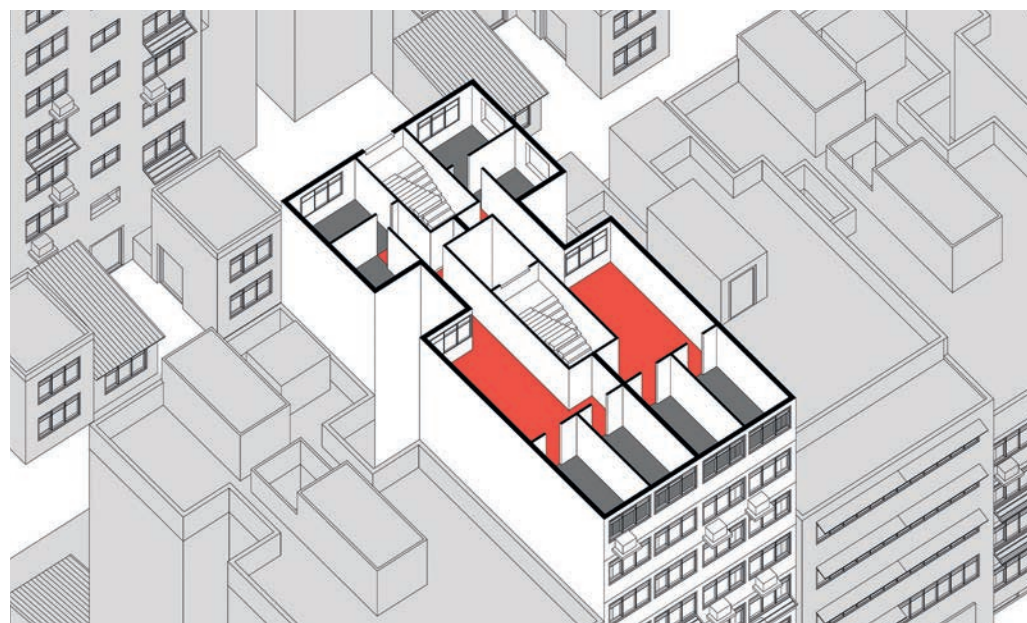


Fig. 3: Existing subdivision of housing in Sham Shui Po (Figure by Xiaojun Liu, 2018).

Department and real estate agencies benefit from their information and, in turn, give them advice and, sometimes, financial assistance. Research institutes, like Hong Kong University, also rely on these social networks to maintain contact with migrants for their research.

### Urban renewal in Sham Shui Po

The Urban Renewal Authority began a number of projects in Sham Shui Po in 2009. Located between Tung Chau Street, Tai Po Road, Boundary Street, and Yen Chow Street, the major interventions were in the southern part, at Hai Tan Street, where three blocks of old buildings were demolished, replaced by new high-rise residential towers and a commercial podium. This project also aimed at rebuilding – and providing space for – the forgotten local ferry heritage.

Other rehabilitation projects were dispersed throughout the neighbourhood. Led by property owners and financed by the government, most of these buildings were better quality and had less history. Property owners, satisfied with their own buildings, were willing to repair them instead of letting the government demolish and replace them. Most of the newly redeveloped residential buildings succeed in the residential market but fail in the commercial market. One example of this is the new development at Hai Tan Street, where three blocks of old buildings were demolished and replaced by high-rise residential towers and a commercial podium. Not all of the shops in the podium have opened, although the building has been in use for a number of years. In addition to failing to attract shop owners, controversy over property rights has also hindered their opening (as can be seen by banners outside the building).

In terms of Sham Shui Po's street revitalization, less has been implemented. In 2013, the Jade Market was relocated to Tong Chow Street. The final outcome of this renewal has yet to be seen [Fig. 4]. But we can look at four elements in order to assess them: (1) Housing and commercial renewal: these projects were all renewed from nine-storey apartments into towers of more than 35 storeys. The old buildings were completely torn down, replaced by new buildings composed of housing towers with a commercial podium. Public facilities (e.g., swimming pools, library, and community service centers) are located inside these podiums. However, when comparing residential data, we can see that these buildings were not designed for the migrant community. Projects follow the self-financing principle of urban renewal, which means developers maximise income by any means, resulting in larger scale units sold at higher prices (and lower construction costs). Despite household numbers increasing by more than one third, residential units under 40 square metres have reduced by more than half. The project in Lai Chi Kok Road does not even have small-sized units. This means that almost 50 percent of migrants are excluded, even though the population increased by a third. If all of the old buildings (housing approximately 22,000 migrants and 33,000 locals) are renewed in this manner, then an estimated 5400 incoming migrants will have no homes. (2) Limiting low-skill job opportunities: in the commercial podiums of these new projects, the typology has also changed. Although the number of shops remains almost the same, the average size of units increased by around 40 percent, from 69 square metres to 113. This means that migrant tenants can no longer afford them. Most of these shops no longer face the street but face inwards towards the malls inside the podiums. The street can no longer function as a public space supporting migrants' informal social networking. Flexible commercial activities are also being replaced by street parking. Because of this new commercial typology, shops in the new projects tend to be spas, supermarkets, cafes, and clinics, which cater to the middle class. Migrants have almost no opportunity to find job opportunities here. (3) Gated public services: in the land requisition phase, developers were required to provide certain public services in their projects. These include sports and cultural

facilities that the neighbourhood residents need. However, in the projects researched, these facilities are located on upper floors and behind gates. Existing residents do not even know the facilities are accessible to them. (4) Spillover effect: apart from this building renewal, nearby Haitan Street is also experiencing rapid gentrification. Between 2018 and 2020, more than 18 cafés targeting middle-class customers opened. The street is also branded as a new Brooklyn. However, mainland migrants are obviously not the target customers. In their contracts, small restaurants, car repair shops, barbers, and more were excluded by the higher rents, and at least one Hometown Organization has moved out. So, we see that not only are migrants' consumer spaces being diminished, but so too are their networking spaces.

### Conclusion

The spatial and social impact of urban development on the migrant communities of Sham Shui Po are significant, and damaging. Rising rent is top of the list. Redevelopment does not only remove small-size apartments; it also raises house prices in adjacent areas. Public spaces, like parks or marketplaces, are being taken over by the new developments, with the result that the ground-floor streetscape is changing into higher-class commercial patterns. These spatial and social changes are impacting these neighbourhoods and having a detrimental effect on migrant quality of life and their all-important social networks.

Property-led urban renewal has unduly targeted migrants. Firstly, the demolition of commercial-friendly streetscapes and the exclusion of low-level shops reduces low-skill job opportunities in the places where migrants are most highly concentrated. Secondly, the demolition of small-size apartments raises migrants' spending on housing. Higher rent for shops also expels smaller tenants who provide the economic necessities for migrants.

Migrant communities have become unstable when facing these challenges. Ethnic cultural events are now also threatened due to dispersion of the migrants, who used to gather in the neighbourhood and share their experiences. There must be a better way to renew the city-centre communities of Hong Kong. If solutions are not found, then the city will lose something special: the traditional welcome it has always given Mainland Chinese migrants – something that has given the city strength and a rich cultural identity for more than half a century.<sup>8</sup>

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### Notes

- 1 Document issued by the People's Republic of China allowing their residents to settle permanently in Hong Kong.
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- 7 Saunders, D. (2011). *Arrival City: How the Largest Migration in History is Reshaping Our World*. Vintage.
- 8 I would like to thank my mentors, Gregory Bracken and Franklin van der Hoeven, for guidance and support in this study.