

立法會
Legislative Council

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Legislative Council
Panel on Planning, Lands and Works

Minutes of special meeting held on
Tuesday, 22 January 2002 at 8:30 am
in Conference Room A of the Legislative Council Building

Members present : Dr Hon TANG Siu-tong, JP (Chairman)
Ir Dr Hon Raymond HO Chung-tai, JP
Hon James TO Kun-sun
Hon WONG Yung-kan
Hon LAU Wong-fat, GBS, JP
Hon Timothy FOK Tsun-ting, SBS, JP
Hon TAM Yiu-chung, GBS, JP
Hon Abraham SHEK Lai-him, JP
Hon Albert CHAN Wai-yip
Hon WONG Sing-chi
Hon IP Kwok-him, JP

Non-Panel Members : Hon CHAN Yuen-han, JP
attending Hon CHAN Kam-lam
Hon Emily LAU Wai-hing, JP

Member absent : Hon LAU Ping-cheung (Deputy Chairman)

Public officers : Item I
attending
Miss CHEUNG Siu-hing
Deputy Secretary (Urban Renewal and Buildings)
Planning and Lands Bureau

Ms Olivia NIP
Principal Assistant Secretary (Urban Renewal)
Planning and Lands Bureau

Mr Billy LAM
Managing Director
Urban Renewal Authority

Mr Stephen NG
District Development Director
Urban Renewal Authority

Mr Ian WONG
Deputy Director, Land and Rehousing
Urban Renewal Authority

Item II

Mr Daniel CHENG
Principal Assistant Secretary (Planning)
Planning and Lands Bureau

Mr Augustine NG
Assistant Director
Planning Department

Mr Raymond WONG
Chief Town Planner (Sub-regional)
Planning Department

Clerk in attendance : Ms Anita SIT
Chief Assistant Secretary (1)6

Staff in attendance : Mrs Queenie YU
Senior Assistant Secretary (1)6

I Work plans of the Urban Renewal Authority

The Deputy Secretary (Urban Renewal and Buildings), Planning and Lands Bureau (DS/PLB) briefly introduced the paper provided by the Administration on the work plan of the Urban Renewal Authority (URA). She highlighted that the booklet containing the finalized version of the Urban Renewal Strategy (URS) had been circulated to members in November 2001 and the booklet on land resumption and compensation in the Urban Area, guidelines for owners, occupiers and surveyors, had also been circulated to members for reference in early January 2002.

2. The Managing Director of URA (MD/URA) then briefed members on the work undertaken by URA since its establishment on 1 May 2001 and its work plans as set out in the Annex attached to the Administration's paper. He highlighted that while URA worked towards attaining its four objectives of URA, namely to redevelop,

rehabilitate, revitalize and preserve, URA had to take into account the practical circumstances and be realistic in implementing urban renewal projects.

Acquisition and compensation policy

3. Mr IP Kwok-him noted from the Administration's paper that URA had decided to use a 7-year-old flat as the basis for calculating the Home Purchase Allowance (HPA) payable to owners of domestic properties, in line with the Government's land resumption offer. In addition, URA would offer an incentive to owner-occupiers and owners of tenanted flats to cover removal costs and expenses related to purchases of a replacement property. Mr IP sought clarification on this incentive and specifically, whether the compensation package for the 25 uncompleted projects of the former Land Development Corporation (LDC) would be comparable to an allowance calculated on the basis of a 5-year-old replacement flat.

4. In reply, MD/URA informed members that URA would provide additional allowances to cover the removal expenses of the affected owners and to encourage owners to surrender their properties ahead of resumption. Such details would be communicated direct to owners after the commencement of each project. In determining the acquisition offer for the owners affected by the three "early-launch" projects announced recently, URA would make reference to the HPA paid to the affected owners in the Tsuen Wan redevelopment projects and the views of the local community. Affected owners would be informed of the details at the end of March or early April 2002.

Rehousing arrangements

5. Mr IP Kwok-him enquired about the details of the Flat-for-flat Exchange Scheme and in particular, whether the Administration would purchase Home Ownership Scheme (HOS) flats from the Housing Authority (HA) and/or flats from the Housing Society (HS). DS/PLB said that the Administration had recommended the Scheme for consideration by URA. MD/URA said that the URA was discussing with HA and HS on the availability of flats and other related arrangements. The URA was also exploring the possibility of building flats on its own for exchange purpose on the basis of value, subject to the availability of suitable sites and sufficient time for construction. Miss CHAN Yuen-han reminded the Administration of its undertaking made when the URA Bill was under scrutiny that under the Scheme, at least 1.2 times the number of flats in proportion to the number of participating owners should be provided for allocation. Mr IP and Miss CHAN urged the Administration to take a proactive role to work out the details of the Scheme so that urban renewal projects would be implemented without further delay.

6. Responding to Miss Emily LAU's enquiry about the availability of the proposed six rehousing sites for the Flat-for-flat Exchange Scheme mentioned in the former DS/PLB's letter of 8 March 2001, MD/URA advised that three of the six proposed sites were could be used for the proposed scheme while the other sites were considered not suitable for rehousing affected tenants/owners of urban renewal projects because of location. DS/PLB clarified that if the proposed sites were suitable, they would be dealt with according to the normal procedure before being allocated to URA.

7. Miss Emily LAU seek confirmation on whether URA had made agreement with the Administration, HS and HA for supplying sufficient land/flats for rehousing affected owners/tenants of urban renewal projects. MD/URA advised that URA had reached initial understanding with HA/HS on the rehousing arrangements for the affected residents of the three "early-launch" projects. The Principal Assistant Secretary of Planning and Lands Bureau (PAS/PLB) said that HA and HS had been requested to reserve 20% of the annual quota for allocation at the discretion of URA, subject to certain riders. The Administration's initial understanding with HA and HS was that vacant flats of the two authorities occasionally available in urban areas would be reserved for URA. In return, the Administration would allocate land to compensate for flats vacated by HA and/or HS.

8. PAS/PLB further advised that while it had been agreed that HA and HS would be paid for the rehousing flats at cost, the costs of individual flats would be determined through discussions between the URA and the HA/HS. The financial implication on URA would be considered in the context of the URA's first 5-year Corporate Plan.

9. Mr Albert CHAN Wai-yip said that it would be reasonable to pay HA the construction cost for an individual new flat which was currently in the region of \$200 000, but according to his knowledge, HA had asked for a very high price for its flats. He urged the Administration to take the opportunity of the current moratorium of the sale of HOS flats to work out a favourable agreement with HA on the use HOS flats for the rehousing purpose. MD/URA said that URA had to consider whether HOS flats available were at suitable locations for rehousing for urban renewal projects.

Modes of implementing redevelopment projects

10. Mr Albert CHAN expressed concern that URA would become the land resumption agent of private developers, which were inclined to give priority to commercial considerations rather than the overall community interest. MD/URA said that URA had three options of mode of implementing redevelopment projects, i.e. undertaking urban renewal projects entirely on its own, or through land disposal, or through joint venture with private developers. The choice would depend on the circumstances of individual projects, including the prevailing property market conditions.

11. Recalling that changes in land uses were approved after LDC project sites had been awarded to private developers through open tenders, Mr Albert CHAN asked whether measures would be put in place to enhance accountability and transparency of URA to safeguard the interest of the community. In this regard, he cautioned URA not to withhold information on the financial arrangements with private developers for URA projects on grounds of confidentiality. MD/URA said that while he was not in a position to comment on the projects undertaken by the former LDC, he could assure Members that URA would always bear in mind the principle of fairness and URA's four objectives in implementing urban renewal projects.

Draft 5-year Corporate Plan and draft Annual Business Plan

12. Responding to Members' concern about the slow progress in the implementation of urban renewal projects, DS/PLB said that both the Administration and URA had undertaken much ground work since the establishment of URA on 1 May 2001. She recapitulated that pursuant to Section 20 of the URA Ordinance (Chapter 563), the Administration had consulted the public on the draft URS from 1 August to 30 September 2001. Over 100 submissions of views had been received and the Administration published the finalized URS in October 2001. Under the URA Ordinance, URA was required to follow the guidelines set out in the URS in preparing its 5-year Corporate Plans and Annual Business Plans for approval by the Financial Secretary (FS). She said that staff of URA needed some time to familiarize with the URA's working procedures and the new statutory framework for urban renewal. With the new Managing Director and one Executive Director of URA having taken up their positions recently and the remaining Executive Director to do so soon, the Administration trusted that implementation of the urban renewal programme stated in the URS would be expedited.

13. Miss Emily LAU sought clarification on the difficulties encountered by the Administration and URA in preparing its first 5-year corporate plan and the viability of implementing 225 projects over a 20-year period as pledged in the URS. DS/PLB said that the Administration's undertaking in the implementation of urban renewal projects had been clearly stated by the Chief Executive (CE) in his 1999 Policy Address and the Administration remained confident in the urban renewal programme as originally proposed. MD/URA assured Members that URA was committed to implementing the urban renewal programme as set out in the URS. Yet, URA would have to adopt a realistic and practical approach in the process especially amid current economic climate. For example, URA was considering to relocate its offices from the Central District to the Sheung Wan District to achieve better cost-effectiveness, and to conduct freezing surveys by its own staff instead of contracting out the work to other organizations.

14. On Miss Emily LAU's concern about the financial capability of URA to implement the pledged urban renewal programme, DS/PLB said that the Government would consider the necessary financial arrangements in the context of URA's 5-year Corporate Plans and Annual Business Plans. Financial tools including waiving land premia for redevelopment lots and land for rehousing, and/or providing loans to the URA would be considered. Relevant funding proposals would be submitted to the Finance Committee (FC) for consideration where necessary. She however remarked that in the long-run, the objective was for the URA to be self-financing in implementing its urban renewal programme.

Submission of the draft 5-year Corporate Plan and the draft Annual Business Plan

15. Mr IP Kwok-him enquired when the first draft 5-year Corporate Plan and the first draft Annual Business Plan would be finalized. DS/PLB said that URA was working hard on the draft plans and the Administration would assist in the process as far as possible. It was difficult to advise on the exact timing of the finalization of the two draft Plans. The two draft Plans would be subject to the approval of FS and she

was not in a position to provide a definite time schedule. Miss CHAN Yuen-han expressed dissatisfaction with the reply and considered that PLB and URA should provide Members with a clear indication of when the 5-year corporate plan would be finalized and announced.

16. Ir Dr Raymond HO Chung-tai said that he appreciated that both DS/PLB and MD/URA were newly in post. He suggested that they should inform Members shortly after the meeting as to when the two draft Plans would be submitted to FS. MD/URA responded that a reasonable period was required for URA and the Administration to work out the financial and other arrangements for the 5-year Corporate Plan to take into account, among other things, the expectations of affected owners/tenants and the community at large.

17. Mr James TO Kun-sun asked whether the Administration considered that URA had failed to perform its duties given that nine months had lapsed since the URA established. Citing that under the URA Ordinance, the Chairman of the Board of URA was required to attend meetings of the committee(s) of the Legislative Council when requested, he suggested that the Panel invite Mr LAU Wah-sum, Chairman of the Board of URA, and key officers of the URA to attend a special meeting to provide more definite and clear answers to Members' questions. In response, PAS/PLB elaborated on the ground work undertaken by the Administration and URA during the past nine months including the following -

- (a) drawing up the draft URS and finalization of the Strategy by the Planning and Lands Bureau (PLB) after public consultation;
- (b) recruitment and appointment of the senior management officials of URA;
- (c) conducting a restructuring exercise by URA to align the Authority's structure with its new mission;
- (d) formulating the acquisition and rehousing policies by URA;
- (e) setting up district advisory committees and urban renewal social service teams by URA; and
- (f) preparing the draft 5-year corporate plan and the draft annual business plan for submission to FS.

18. MD/URA supplemented that six committees had been formed under URA to facilitate the preparation and implementation work on urban renewal projects. These committees had taken some time to work out the detailed arrangements for the three "early-launch" projects and the directions for future projects. The Land, Rehousing & Compensation (LR&C) Committee, for example, had held numerous meetings with local residents and conducted many visits to the target districts to gather views on the compensation issue. He expected that with the experience of the three "early-launch" projects, future urban renewal projects could be implemented more efficiently.

Priority of the 25 LDC projects in the draft 5-year Corporate Plan

19. In reply to Mr IP Kwok-him's enquiry about the implementation timetable for the 25 uncompleted LDC projects, MD/URA said that URA was fully aware of the urgency to implement the 25 LDC projects. In this regard, URA had sought and received separate approval from FS to commence three of the 25 LDC projects as "early-launch" projects in advance of the finalization of the two draft Plans. These three projects would provide valuable experience for future projects. The remaining 22 LDC projects would be accorded priority for inclusion in the draft 5-year Corporate Plan of the URA.

20. In reply to Miss CHAN Yuen-han's enquiry, DS/PLB clarified that the Administration's undertaking was to recommend to URA that priority should be given to the 25 uncompleted LDC projects. She understood that URA would include all the 25 LDC projects into the draft 5-year Corporate Plan. Miss CHAN opined that URA should implement the remaining 22 LDC projects ahead of other urban renewal projects under its first 5-year Corporate Plan, since owners of the affected areas had been waiting for the implementation of the announced LDC projects for a very long time.

21. Mr Albert CHAN commented that the implementation of the three "early-launch" projects was long over-due. He asked DS/PLB and MD/URA to disclose the genuine reasons for the slow progress in preparing the two draft Plans, and whether the Administration or URA should be held responsible for the slow progress.

22. Ir Dr Raymond HO enquired whether the old buildings at the Government sites in Mallory Street and Burrows Street in Wanchai were covered in the Johnston Road redevelopment project, which was one of the three "early-launch" projects. He said that during his recent visit to these buildings, he found the sanitary and environmental conditions extremely poor which required prompt action by the Administration. MD/URA advised that both streets mentioned by Ir Dr HO were not within the boundary of the Johnston Road redevelopment project. However, he undertook to convey Ir Dr HO's concern to the relevant government departments for follow-up.

Admin

Way forward

23. In view of wide public concern about the progress of the work on urban renewal and in the absence of a clear indication from the Administration and the URA as to when the first draft 5-year Corporate Plan of the URA would be finalized, Members agreed to invite the Chairman of the Board of URA to attend a special meeting on 8 February 2002 at 8:30 am to further discuss the work plans of URA. Members also requested MD/URA and DS/PLB to follow up their concerns about the timing of finalizing the two draft Plans and the precise timetable for implementation of the remaining 22 uncompleted LDC projects.

24. Miss Emily LAU suggested and Members agreed that the Panel would report its concern about the delay in the implementation of the 25 uncompleted LDC projects and the need to expedite the projects to the House Committee at its meeting on

25 January 2002. The Panel would also suggest to the House Committee that the matter be raised with the Chief Secretary for Administration (CS).

(Post-meeting note: The Panel had submitted a report on "Delay in the implementation of 25 uncompleted projects of the former LDC" to the House Committee vide LC Paper No. CB(1)900/01-02 issued on 24 January 2002. With the support of the House Committee at the meeting on 25 January 2002, the Chairman of the House Committee relayed Members' concern to CS on 28 January 2002.)

II Study on South East New Territories Development Strategy Review (LC Paper No. CB(1)355/01-02)

25. Members noted that the Administration had briefed Members on Stage 3 of the South East New Territories (SENT) Development Strategy Review Study (the Study) at the Panel meeting on 5 February 2001. The Administration had subsequently provided an information note together with the Stage 3 Public Consultation Report and the Executive Summary of the Study to Members in mid-November 2001.

26. The Chief Town Planner (Sub-regional) of Planning Department (CTP/PD) recapitulated that Stages 1 and 2 public consultation of the Study were completed in 1999 while the Stage 3 public consultation was completed in early May 2001. He then gave a power-point presentation highlighting the study process, the planning strategy to develop SENT into the "Leisure Garden of Hong Kong", the three planning frameworks namely, the Land Use Framework, Tourism and Recreation Framework, and Landscape and Conservation Framework, the outline work programme, action area plan, the key comments and suggestions received during the Stage 3 public consultation and the Administration's responses to these comments and suggestions.

Consultation and progress of the Study

27. Mr Albert CHAN, Miss CHAN Yuen-han and Miss Emily LAU commended the Administration for having conducted thorough public consultation on the development strategies for SENT during the Study. However, Mr WONG Yung-kan and Miss Emily LAU considered that the Study, which commenced in 1999, had taken too long to complete and that the Administration should expedite the implementation of the strategy to develop SENT into the Leisure Garden of Hong Kong. On the other hand, Miss CHAN Yuen-han opined that the Administration should continue to consult the public on the detailed plans before they were implemented. The Principal Assistant Secretary (Planning) of Planning and Lands Bureau (PAS(P)/PLB) advised that the Study was to formulate a planning framework for SENT. The Administration would as the first step revise the relevant Outline Zoning Plans after the planning framework for implementing the Development Strategy for SENT had been finalized. Relevant District Councils and/or other local bodies would be consulted, where appropriate, on the detailed implementation plans at a later stage.

Other views and suggestions raised at the meeting

Admin 28. In view of insufficient time at the Panel meeting, the Chairman suggested and the Administration agreed to provide after the meeting written response to the following concerns and suggestions raised by Members -

- (a) Mr Albert CHAN commented that the Administration should bear in mind the diverse modes of leisure activities of citizens such as family trips, training camps, elderly resort programmes etc. in planning for the leisure facilities and ancillary facilities in SENT;
- (b) Mr IP Kwok-him expressed support for the concept of developing SENT into the "Leisure Garden of Hong Kong" and agreed that adequate public transport facilities should be provided for visitors to travel to the different tourist nodes. He also considered that adequate car parking facilities should be provided for the public to "park and enjoy" their day out in the Sai Kung District;
- (c) Mr WONG Yung-kan suggested that transport facilities to Tai Long Wan should be developed to facilitate access to the area for economical recreational activities. He also suggested that the Administration consider building a marine park and providing water recreational/sports facilities in the area;
- (d) Mr Albert CHAN asked the Administration to clearly specify the areas for conservation in SENT and relevant measures to achieve the conservation objective;
- (e) Miss Emily LAU expressed concern about possible adverse impacts of tourism on the environment of the area and urged the Administration to put in place suitable measures to protect the environment whilst developing the area. She expressed reservation on the proposed low and medium density housing developments in the area;
- (f) Mr IP Kwok-him enquired about the measures to revitalize dilapidated sites and buildings on private lots along the main highways in the Sai Kung District. Since only about 12% of the agriculture land in the Study area was under active cultivation, Mr IP Kwok-him proposed to develop some of the remaining agriculture land for leisure farming activities open to direct participation of the general public; and
- (g) Mr LAU Wong-fat criticized that the land-use zoning of the SENT region had restrained the development potential of the region. He urged the Administration to take into account the rights of the private land owners involved and the views of the Rural Committees in the New Territories in reviewing the land uses of SENT and in drawing up the development plans.

III Any other business

29. There being no other business, the meeting ended at 10:45 am.

Legislative Council Secretariat

11 June 2002