

**Motion on “Transformation of old industrial areas”  
moved by Hon CHAN Kam-lam and amended by  
Hon Alan LEONG Kah-kit and Hon SIN Chung-kai passed at the  
Legislative Council Sitting  
on 20 February 2008**

“That, as Hong Kong is a small place with a large population, there is an increasing shortage of commercial land available for development, many communities also need land allocation to enhance and increase community facilities and, at the same time, many old industrial areas in Hong Kong have a serious ageing problem and the situation of factory building units being left vacant, converted into warehouses or used for other non-industrial purposes is prevalent, the precious land resources are not fully utilized, this Council urges the Government to take proactive measures to comprehensively re-plan the old industrial areas to provide a basis for compliance in the course of transformation, with a view to fully utilizing their potentials for development and achieving the objective of optimizing the use of land resources; the specific measures include:

- (a) fully relaxing the land uses of industrial land, implementing the payment of extra premium by instalments, as well as re-examining and amending the definition of ‘industrial use’ and ‘factory’;
- (b) expeditiously reviewing the Urban Renewal Strategy and studying realigning the role of the Urban Renewal Authority to enable it to actively complement the renewal of old industrial areas;
- (c) rationalizing the road layout and increasing transport ancillary facilities in the old industrial areas;
- (d) increasing leisure and recreational facilities as well as expanding green areas in the old industrial areas;
- (e) according to the needs of different communities, studying changing the land uses of old industrial areas to improve the medical, welfare and educational support for the communities;

and

- (f) encouraging re-planning of vacant factory buildings to provide development opportunities for creative industries, cultural industries, social enterprises and various small and medium enterprises;
- (g) reducing the Forbearance Fee for Commercial Use in Existing Industrial Buildings in the Metro Area, so as to assist in converting the industrial buildings in the Metro Area to commercial use;
- (h) relaxing the approval criteria for converting single or multiple industrial building units to commercial use, so that industrial buildings with fragmented ownership can more easily change the use of individual units;
- (i) expeditiously developing suburban centres in the New Territories to provide cheaper industrial and commercial land as well as to create more job opportunities for the new towns in their vicinity;
- (j) using footbridges to connect industrial buildings to separate pedestrian and vehicle passages, so as to reduce the chances of people breathing in exhaust air; and
- (k) in comprehensively re-planning the old industrial areas, allowing more diversified land uses, including land for commercial, cultural, recreational and leisure facilities as well as open space, lowering the density of development, increasing public space and reducing screen effect.”

### **Progress Report**

The above motion moved by Hon CHAN Kam-lam and amended by Hon Alan LEONG Kah-kit and Hon SIN Chung-kai was passed at the Legislative Council Sitting on 20 February 2008. This

paper reports on the issues of concern raised by Members on the motion.

### **Overall supply and Use of Industrial Buildings**

2. According to the latest information of the Rating and Valuation Department, the vacancy of private flatted industrial buildings was reduced to 1 070 000 square meters in 2007, which was about 6.2% of stock.

### **Land use of the Old Industrial Areas and Zoning Definition**

3. Due to multiple ownership, it has not been easy for a number of industrial buildings to transform or apply for change of use. There is also the concern for safety about the co-existence of industrial and other commercial uses. The Administration has nevertheless sought to adopt policies that would facilitate the transformation of industrial buildings.

4. On the one hand, the Town Planning Board (TPB) reviews and revises from time to time the land use and rezones the statutory land use through amendment to Outline Zoning Plans (OZPs) to meet social and economic needs. Any person may apply to the TPB for rezoning land use under Section 12A of the Town Planning Ordinance. The total area of "industrial" zones on OZPs has substantially dropped from 800 hectares in the late 80's to the current 300 hectares. The reduction includes the 200 hectares of "Industrial" land that have been rezoned for "OU(B)" use since the introduction of the "Other Specified Uses" annotated "Business" in 2001. The definition of "Industrial" use under town plans has also been extended to cover design, research and development in relation to industrial processes and training in relation to industrial processes; to allow the setting up of trading firms which require large storage space and frequent loading/unloading; and to allow the ancillary office use of up to 50% of usable floor area and showroom use of up to 20% of usable floor area.

5. On the other hand, to facilitate the transformation of industrial buildings, the Lands Department (LandsD) has simplified the process of

approving short term waivers, including introducing the standard rates to expedite the approval process. The existing streamlined procedures apply to applicants in or outside the “information technology and telecommunication industries” and those operating at the ground level of industrial premises. Issue of short term waiver for such, except those operating at the ground level, is charged at standard rate. The fee may be paid annually or in lump sum for a permanent waiver during the existence of the premises. As at March 2008, the LandsD has issued about 570 waivers which are still valid.

### **Provision of transport supporting facilities, pedestrian linkage network, leisure facilities and green areas**

6. In developing an industrial area, the Administration has provided relevant supporting facilities, including pedestrian footbridges and road network to connect the area with its surroundings, sufficient public transport facilities, parking space, loading and unloading facilities, and public open space, based on the Hong Kong Planning Standards and Guidelines and taking into account characteristics of individual areas. Following the transformation of our industries, industrial blocks in these areas have gradually been converted to other uses. Existing road design may need to be adjusted as appropriate. Relevant government departments would introduce timely improvement measures in the light of development and traffic conditions of these areas. These measures include, where practicable, road and pavement widening work and proper traffic management measures. Owing to the number of buildings in industrial areas, we can only improve the environment progressively.

7. The Administration is committed to providing quality recreation and cultural facilities to meet community needs. The Leisure and Cultural Services Department (LCSD) has provided leisure venues in industrial areas or their vicinity in accordance with land use planning, for example, the Shing Yip Street Rest Garden and Tsun Yip Street Playground in Kwun Tong and the Sheung On Street Playground in Chai Wan. We will continue to monitor the leisure and cultural needs in the districts. Should there be any suitable site in industrial areas identified for rezoning for cultural and leisure use, the LCSD would be happy to

discuss with the relevant departments and District Councils about the provision of the leisure and cultural facilities required.

8. In taking forward redevelopment projects in industrial areas, at the planning level, the Planning Department (PlanD) may implement initiatives such as setting back sites to provide space for road widening or roadside planting, to improve air ventilation, landscape and traffic of the areas according to the circumstances. PlanD has also commenced work on some area improvement studies. For example, the Pedestrian Planning Framework for Kwun Tong has proposed to improve the pedestrian environment in the Kwun Tong Industrial Area. Besides, the Civil Engineering and Development Department is undertaking a study on the Greening Master Plans for the remaining urban areas in Kowloon and on Hong Kong Island which is scheduled for completion in early 2009. The study covers the enhancement of green features in the industrial area/commercial and business area in Kwun Tong.

### **Review of the Urban Renewal Strategy (URS)**

9. The Development Bureau and the Urban Renewal Authority (URA) plan to consult the Legislative Council Panel on Development on the review of the URS before the end of the current legislative session and to formally commence the review. The review will consider the relative weighting of redevelopment, rehabilitation, heritage conservation and revitalisation in taking forward urban renewal initiatives. Should there be proposal to devote part of the URA's resources to renewal of industrial areas through redevelopment, revitalization and rehabilitation, the Government and the URA would keep an open mind and study the proposal without prejudice to the URA's core projects.

**Development Bureau**  
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