



Submission from the Hong Kong Federation of Electrical and Mechanical Contractors (HKFEMC) on the "Proposals to facilitate redevelopment by the private sector: application threshold under the Land (Compulsory Sale for Redevelopment) Ordinance"

In response to your public invitation for submission on the subject Proposal, HKFEMC would like to submit our views thereon.

Introduction

Under the LCSRO (Land (Compulsory Sale for Redevelopment) Ordinance), any person who owns not less than 90% of the total undivided shares of a lot may apply to the Lands Tribunal for an order of compulsory sale of the whole lot. To further facilitate private redevelopment, Government issued a public consultation document in 2006 to propose making use of the existing mechanism under the LCSRO to specify three classes of lots to be subject to a lower compulsory land sale application threshold of not less than 80% of the undivided shares of a lot (hereafter referred to as "the lower application threshold").

Based on the findings from the 2006 consultation exercise, the Development Bureau (DEVB) has now proposed in its January 2008 paper the lower application threshold to be applied to the following two classes of lots :-

- A Lot with "All Units But One" Acquired; or
- A Lot with All Building(s) that are Aged 40 or Above.

Our views

HKFEMC is in support of the Proposal on the lower application threshold of not less than 80% to be applied to the two said classes of lots. We believe by lowering the thresholds, it will facilitate redevelopment of dilapidated buildings of age 40 and over which will improve on the built environment, enhance economic development, as well as be beneficial to the construction industry.

While we support this Proposal, consideration should be given :-

- not to be used to maximize the land premium;
- to improve the cityscape;
- to preserve the natural environment; and
- compassionate and fair treatment to the existing owners and tenants particularly the elderly people.

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The Hong Kong Federation of Electrical and Mechanical Contractors