

**立法會**  
**Legislative Council**

LC Paper No. CB(1)736/10-11  
(These minutes have been  
seen by the Administration)

Ref : CB1/PL/DEV/1

**Panel on Development**

**Minutes of meeting**  
**held on Tuesday, 26 October 2010, at 2:30 pm**  
**in Conference Room A of the Legislative Council Building**

**Members present** : Prof Hon Patrick LAU Sau-shing, SBS, JP (Chairman)  
Hon LAU Wong-fat, GBM, GBS, JP (Deputy Chairman)  
Ir Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J., JP  
Hon James TO Kun-sun  
Hon CHAN Kam-lam, SBS, JP  
Hon Mrs Sophie LEUNG LAU Yau-fun, GBS, JP  
Dr Hon Philip WONG Yu-hong, GBS  
Hon WONG Yung-kan, SBS, JP  
Hon Tommy CHEUNG Yu-yan, SBS, JP  
Hon Frederick FUNG Kin-kee, SBS, JP  
Hon WONG Kwok-hing, MH  
Hon LEE Wing-tat  
Hon CHEUNG Hok-ming, GBS, JP  
Hon KAM Nai-wai, MH  
Hon Cyd HO Sau-lan  
Hon Starry LEE Wai-king, JP  
Dr Hon Priscilla LEUNG Mei-fun  
Hon IP Kwok-him, GBS, JP  
Hon Mrs Regina IP LAU Suk-yeet, GBS, JP  
Hon Alan LEONG Kah-kit, SC  
Hon Tanya CHAN  
Hon Albert CHAN Wai-yip

**Member attending :** Hon Audrey EU Yuet-mee, SC, JP

**Members absent :** Hon Timothy FOK Tsun-ting, GBS, JP  
Hon Abraham SHEK Lai-him, SBS, JP  
Hon Paul TSE Wai-chun

**Public officers attending :** **Agenda item IV**

Mrs Carrie LAM CHENG Yuet-ngor, GBS, JP  
Secretary for Development

Mr Thomas CHOW Tat-ming, JP  
Permanent Secretary for Development (Planning and Lands)

Mr Tommy YUEN Man-chung, JP  
Deputy Secretary for Development (Planning and Lands) 2

**Agenda item V**

Mrs Carrie LAM CHENG Yuet-ngor, GBS, JP  
Secretary for Development

Mr Thomas CHOW Tat-ming, JP  
Permanent Secretary for Development (Planning and Lands)

Mr Tommy YUEN Man-chung, JP  
Deputy Secretary for Development (Planning and Lands) 2

Mr HO Kwok-hung  
Assistant Director/New Buildings 1  
Buildings Department

Miss Katharine CHOI Man-yee  
Principal Assistant Secretary for the Environment (Energy)

**Agenda item VI**

Mrs Carrie LAM CHENG Yuet-ngor, GBS, JP  
Secretary for Development

Mr Thomas CHOW Tat-ming, JP  
Permanent Secretary for Development (Planning and Lands)

Ms Gracie FOO Siu-wai, JP  
Deputy Secretary for Development (Planning and Lands)1

Miss Ophelia WONG Yuen-sheung, JP  
Deputy Director of Planning / District

Ms Phyllis LI Chi-miu  
Assistant Director of Planning / Special Duties

Mr Tom MING Kay-chuen  
Executive Secretary (Antiquities and Monuments)  
Leisure and Cultural Services Department

**Clerk in attendance** : Mr Stephen LAM  
Chief Council Secretary (1)4

**Staff in attendance** : Mr Simon CHEUNG  
Senior Council Secretary (1)1

Ms Sharon CHUNG  
Senior Council Secretary (1)5

Ms Christina SHIU  
Legislative Assistant (1)7

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Action

- I Confirmation of minutes**  
(LC Paper No. CB(1)156/10-11 -- Minutes of meeting on  
14 October 2010)

The minutes of the meeting held on 14 October 2010 were confirmed.

**II Information papers issued since the meeting on 27 July 2010**

- (LC Paper No. CB(1)2671/09-10(01) -- Administration's response to issues raised at the meeting between Legislative Council Members and Islands District Council members on 27 May 2010 in relation to Phase III development of Tung Chung new town
- LC Paper No. CB(1)2677/09-10(01) -- Administration's response to issues raised at the meeting between Legislative Council Members and Yuen Long District Council members on 10 June 2010 in relation to improvement works of Yuen Long Town Nullahs
- LC Paper No. CB(1)2846/09-10(01) -- Supplementary information on issues raised at the meeting between Legislative Council Members and Yuen Long District Council members on 10 June 2010 in relation to improvement works of Yuen Long Town Nullahs
- LC Paper No. FS29/09-10 -- Paper on collective sales in Singapore prepared by the Research and Library Services Division (Fact sheet)
- LC Paper No. CB(1)2994/09-10(01) -- Issues raised at the meeting between Legislative Council Members and Kwai Tsing District Council members on 5 July 2010 on management and maintenance of pedestrian walkways built by the private sector for public use

- and the Administration's response
- LC Paper No. CB(1)2994/09-10(02) -- Issues raised at the meeting between Legislative Council Members and Kwai Tsing District Council members on 5 July 2010 on effectiveness of the Joint Office set up by the Buildings Department and the Food and Environmental Hygiene Department in following up complaint cases
- LC Paper No. CB(1)3002/09-10 -- Paper on continuation of work of the Joint Subcommittee on Amendments to Land Titles Ordinance in the 2010-2011 session prepared by the Legislative Council Secretariat
- LC Paper No. CB(1)27/10-11(01) -- Submission on the Old Stone Wall of St. Andrew's Church Compound, 138 Nathan Road, Tsim Sha Tsui, Kowloon from a member of the public dated 7 October 2010 copied to the Panel)

2. Members noted that the above information papers had been issued since the meeting on 27 July 2010.

3. Miss Tanya CHAN asked if the Panel could follow up the submission on the Old Stone Wall of St. Andrew's Church Compound (LC Paper No. CB(1)27/10-11(01)). The Chairman said he would ask the Administration to provide information about the issue and the Panel could then decide how to follow it up.

Clerk

*(Post meeting note: Letters from the Clerk to the Antiquities Advisory Board and the Development Bureau requesting more information and comments about the issue were issued on 3 November 2010. Their replies are awaited.)*

**III Items for discussion at the next meeting**

(LC Paper No. CB(1)155/10-11(01) -- List of outstanding items for discussion

LC Paper No. CB(1)155/10-11(02) -- List of follow-up actions

LC Paper No. CB(1)155/10-11(03) -- Letter dated 18 October 2010 from Hon Fred LI Wah-ming and Hon James TO Kun-sun on land supply for housing)

4. Members agreed that the following items would be discussed at the regular meeting scheduled for 23 November 2010 --

- (a) Progress report on heritage conservation initiatives;
- (b) Updating on matters concerning the construction industry; and
- (c) Enhanced control of fresh water cooling towers.

5. As regards the two public hearings suggested by members earlier on, the Chairman advised that the public hearing on the Proposed Redevelopment Scheme for West Wing of Central Government Offices (CGO) would be held on 23 November 2010 (Thursday), from 5:00 pm to 7:30 pm, after the Panel's regular meeting; while that on Urban Renewal Strategy Review would be held on 20 November 2010 (Saturday) from 2:00 pm to 5:00 pm. The regular meeting on 23 November 2010 would be advanced to 2:00 pm and end at 4:45 pm. Apart from inviting District Councils and relevant organizations to give views on the two subjects, the Secretariat would publish a notice on the LegCo website to invite public views.

*(Post-meeting note: The lists of deputations invited to the two public hearings were circulated to members vide LC Papers No. CB(1)254/10-11 on 1 November 2010 and No. CB(1)362/10-11 on 5 November 2010.)*

6. The Chairman advised that he had received a letter dated 18 October from Mr Fred LI and Mr James TO proposing a joint meeting of the Panels on Development and Housing to discuss land supply for housing at present and in the future as well as the work of the Steering Committee on Housing Land Supply. Members had no objection to the proposal.

*(Post-meeting note: The joint meeting would be held on 10 December 2010 from 4:30 pm to 6:30 pm. The notice was circulated to members of the two Panels vide LC Paper No. CB(1)439/10-11.)*

#### **IV Urban Renewal Strategy Review**

(LC Paper No. CB(1)155/10-11(04) -- Administration's paper on Urban Renewal Strategy Review

File Ref.: DEVB(PL-CR) 1-150/77 -- Legislative Council Brief on People First: A District-based and Public Participatory Approach to Urban Renewal -- Urban Renewal Strategy Review

LC Paper No. CB(1)155/10-11(05) -- Paper on review of the Urban Renewal Strategy prepared by the Legislative Council Secretariat (Updated background brief)

7. The Secretary for Development (SDEV) said that the Review of Urban Renewal Strategy (URS) was a two-year long exercise based on a public participatory approach involving many active consultations. Based on public views received after the publication of the "Paper for the Consensus Building Stage of the URS", issued by the Administration in May 2010, the Administration had come up with, in addition to the 10 preliminary directions for future URS, three more urban renewal initiatives as follows:

*(a) District Urban Renewal Forum (DURF)*

In view of wide public support for a "bottom-up" and "district-based" approach to urban renewal, the Administration would set up a pilot DURF in Kowloon City, where there were a large number of dilapidating buildings and the Urban Renewal Authority (URA) had not carried out many projects. DURF would advise the Administration, URA and other relevant bodies on district-based urban renewal initiatives from a holistic and integrated perspective. Among some 4,000 buildings which were over 50 years old in

Hong Kong, 1,088 were in Kowloon City. According to a survey conducted shortly after the incident of the collapse of a building on Ma Tau Wai Road, there were 1,032 buildings that required urgent remedial works or were found to suffer from noticeable defects. Kowloon City had 320 of such buildings, the largest number among all districts. Under the plans of the construction of the Shatin to Central Link and the Kai Tak Development, major developments would be carried out in Kowloon City in the near future. It was therefore the most suitable district to implement the pilot DURF. Manpower for secretariat and professional support to DURF was being planned. The Administration would propose to the Establishment Subcommittee the creation of a Chief Town Planner post to provide such support.

(b) *Urban Renewal Trust Fund*

It was proposed that the URA inject \$500 million to an Urban Renewal Trust Fund to finance (i) activities to be conducted by DURF, (ii) costs for engaging social service teams to provide assistance and advice for those affected by URA-implemented redevelopment projects, and (iii) applications from bodies other than the URA for undertaking heritage preservation and district revitalisation initiatives in the overall urban renewal context. SDEV would be the authority for appointing independent persons to the Board of Trustees to supervise the operation of the trust fund.

(c) *Use of Kai Tak sites to facilitate introduction of "flat for flat" compensation option*

The Administration would allocate one or two sites at the Kai Tak Development to URA to build modest housing units to facilitate the implementation of the "flat for flat" compensation option. The first site would be available in 2014 and could provide about 1,000 small and medium-sized flats for the said purpose.

*Establishment of District Urban Renewal Forum (DURF)*

8. In support of the establishment of DURF, Mr Frederick FUNG proposed that the second forum should be set up in Sham Shui Po, where he believed to have the second largest number of old buildings in Hong Kong.

He suggested the Administration consider the recommendations of a study conducted by the University of Hong Kong (commissioned by the Sham Shui Po District Council) and the results of the consultations done by the Housing Department in the 90s' on the development of Kowloon, covering area studies on Homantin and Shek Kip Mei, as a foundation for the regeneration of Sham Shui Po. Mr James TO urged the Administration to set up more DURFs as soon as possible and suggested that Tai Kok Tsui and Mong Kok should be areas of priorities. Residents in these areas welcomed a formal channel to give views on urban regeneration.

9. SDEV said she was encouraged by the positive response from members and the public to the establishment of DURF. When sufficient experience was gained from the operation of the pilot scheme in Kowloon City, more DURFs would be considered. She agreed that Sham Shui Po could be a reasonable choice as the second district to establish DURF. In the deliberation of the regeneration of a district, reference would be made to previous studies.

10. On the composition of DURF, Mr FUNG strongly recommended that DURF should be operated by the District Council or at least have all the elected District Councillors of the concerned district in it. It would be difficult for the District Council and DURF, both being district advisory platforms, with one based on membership by election and the other based on membership by appointment, to function in harmony.

11. While acknowledging that she and Mr FUNG held different views on the composition of DURF, SDEV stressed that it was of prime importance that DURF had professional leadership and its members handled renewal issues with neutrality. She reassured members that DURF would integrate the views and participation of the District Council and local representatives.

12. Mr CHAN Kam-lam said that URA should make all plans for redevelopment public because the public should be informed of the needs and problems in old areas. Under the revised URS, URA would not be the only party responsible for urban renewal, which would operate on a "bottom-up" and public participatory process. In particular, for URA-implemented projects, URA would have to decide whether they would be carried out by preservation, renewal, revitalisation or redevelopment in nature. As these projects greatly concerned the interest of individual property owners, he proposed that all urban renewal plans be discussed in DURF with wide public participation.

13. SDEV replied that under URA's plan, there were nine target redevelopment areas. URA had taken over from the former Land Development Corporation more than 200 redevelopment projects, some of which had been started, some had been modified. URA would share these plans with the public in the discussion with DURF. She added that the information collected by URA from its building condition survey would be of interest to DURF.

*Compulsory sale for redevelopment*

14. Mr Frederick FUNG proposed that DURF should be allowed to discuss acquisition proposals regarding the compulsory sale of individual lots for redevelopment before such proposals were materialised. There were views from Legislative Council Members, when scrutinising the Land Compulsory Sale for Redevelopment) (Specification of Lower Percentage) Notice, that discussion on the Notice should be deferred until the URS review had been completed. Mr FUNG considered that compulsory sale, applicable to individual buildings, might destroy urban redevelopment planning.

15. Miss Tanya CHAN urged the Administration and relevant organisations, including URA, to take timely action to assist property owners who were approached by purchasers for sale of properties under the Land (Compulsory Sale for Redevelopment) Ordinance. She understood that the 10 Property Management Advisory Centres of the Hong Kong Housing Society (HKHS) would provide general information and distribute leaflets to property owners but these were not immediate and direct assistance. She urged the Administration to take action early and asked whether URA could organise forums for property owners, especially those in the districts with more old buildings, to let them have a comprehensive understanding about the Ordinance and all relevant procedures.

16. Miss CHAN added that purchasers of units in old buildings had purposely tried to maliciously worsen the living conditions of the unco-operative owners by leaving the windows of those vacated units open so as to let heavy rain pour in. As the Lands Tribunal would consider the physical conditions of a building when processing a compulsory sale application, the Administration should take action against purchasers' malicious actions. She would share with the Administration the complaints that she had received from concerned owners.

17. Mr James TO echoed that recently he had also received a large number of complaints about the malicious actions of property purchasers.

To prevent property owners from entering into contracts which they had little understanding of the consequences, he opined that the Administration and concerned organisations should immediately work together to enhance monitoring, publicities, public education, in particular preventive education, and communications with affected property owners regarding compulsory sale of properties for redevelopment. Citing the casting of wet cement and contaminated syringes into a flat as examples of purchasers' malicious actions, Mr LEE Wing-tat proposed that URA's scope of work be expanded to help affected owners to handle the problems that they might encounter during the process of compulsory sale.

18. In response, SDEV said that the reasons for supporting the lowering of threshold for compulsory sale of properties for redevelopment were still valid and URA, when assuming the role of facilitator for owner-initiated redevelopments, would rely on the new compulsory sale regulation. She stressed that the Development Bureau had the responsibility to monitor the implementation of the Land (Compulsory Sale for Redevelopment) Ordinance to ensure that minority owners' interests were protected. She welcomed members' referral of cases that needed assistance. While HKHS, the Estate Agents Authority (EAA) and a number of professional organisations were providing support for the smooth implementation of the Ordinance, URA would be required to join in. Among a series of follow-up actions, public education and preventive measures would be strengthened. Later on, a social welfare organisation would be providing assistance to senior citizens through outreach services. As regards the mediation service for compulsory sale cases, with the collaboration of professional bodies, a pilot scheme would be launched within this year.

*"Flat for flat" and "shop for shop" compensation*

19. On the "flat for flat" compensation option for owner-occupiers affected by urban redevelopment, Mr Frederick FUNG said that he not only advocated for "flat for flat" compensation, but also "foot for foot", meaning affected owners should have replacement units no smaller than those they had. Taking the yardstick of compensation of a seven-year old replacement unit and considering that residential units under the Sandwich Class Housing Scheme were of about 80% of the prices of private developments, he recommended that such units could be adopted as the standard of properties to be provided for "foot for foot" compensation. Mr Albert CHAN also expressed support for "foot for foot" compensation and that luxury flats were not needed for the purpose.

20. Acknowledging that the arrangement for URA to build housing units at the Kai Tak Development to facilitate the "flat for flat" option would benefit the owner-occupiers affected by redevelopment projects in Kowloon City, Mr WONG Kwok-hing asked what the Administration's plans would be for those areas for redevelopment without a nearby development site like Kai Tak to build "flat for flat" units.

21. SDEV said that the "flat for flat" arrangement was intended to be an alternative option to cash compensation based on the notional value of a seven-year old replacement unit. She added that this compensation standard had been approved by the Legislative Council. "Foot for foot" compensation would exceed this standard. Under the "flat for flat" option, depending on what unit an affected owner-occupier wanted to purchase, he/she might not have to make any top-up payment for the replacement flat. The offer and the price would be given to an affected owner-occupier on the day he/she was given the voluntary acquisition offer. This arrangement served to fix the price of the new flats in future at the point owner-occupiers received compensation and ex gratia payment.

22. On the locations for providing units to facilitate the "flat for flat" arrangement, SDEV explained that the concept was based on operation on a rolling basis. For instance, the units at Kai Tak would be provided to affected owners in Kowloon City, when the redevelopment projects in Kowloon City were completed, the units there would be provided to affected owners in a nearby district such as Hung Hom.

23. Mr Frederick Fung said, while he understood the complexity of the issue, he urged the Administration to consider "shop for shop" compensation for shop operators affected by redevelopment projects, as they could hardly afford to continue their business in the newly developed large shopping malls. The Hong Kong Association for Democracy and People's Livelihood had done some research on this subject. He would organise the information collected and discuss it with the Administration.

24. SDEV replied that the revised URS did not have a "shop for shop" arrangement, which would involve much complexity and impracticability. Offering shop operators affected by redevelopment a shop in a future development several years later would not meet operators' primary concern for uninterrupted business. Nonetheless, URA was tasked to provide these operators with as much assistance as possible to re-start their business in the vicinity. The Administration also supported the provision of more shops at street level in redevelopment projects and so had announced that such arrangements would be made in the Ma Tau Wai project.

25. With reference to the "shop for shop" proposal, Mr WONG Kwok-hing strongly recommended that the Administration should consider formulating a policy to help small traditional businesses, like the noodle shop in Sham Shui Po widely reported by the media recently, to continue their operation.

26. Permanent Secretary for Development (Planning and Lands) clarified that based on the information he had gathered, the land lot on which the noodle shop was located did not fall within any one of the three classes of land lot that were subject to the 80% application threshold for compulsory sale for redevelopment. The building on which the noodle shop was located was a building less than 40 years old, was not an industrial building and not every unit of the building accounted for over 10% of the undivided shares of the land lot involved.

*Pricing of units built by the Urban Renewal Authority (URA) or with other developers*

27. Mr Albert CHAN opined that the future direction for URA was independent redevelopment. With a capital injection of \$10 billion, URA could self-finance its redevelopment projects without the need to collaborate with big businesses, which had been perceived as examples of "government-business collusion". Mr WONG Kwok-hing said that URA should have a clear positioning as an organisation to assist property owners affected by redevelopment projects and should not take part in building luxury apartments.

28. Citing Queen's Cube as an example, Mr LEE Wing-tat commented that the small and medium-sized units developed by URA should not be overpriced. It was unacceptable for URA to sell a unit at \$15,000 per square foot while the acquisition cost was \$3,000 per square foot. He believed URA, as a co-developer of the property, should have a say in the pricing. He hoped that such over-aggressive pricing would not repeat.

29. SDEV assured members that URA had been tasked to assist property owners in improving living conditions through urban regeneration. URA had chosen to take joint ventures with developers as a means to carry out some of its redevelopment projects because this could control risks in some ways. As regards the case of Queen's Cube, SDEV shared the concern about the public perception. However, URA had to abide by the contract terms for this joint project. The developer for this joint project should have learnt a lesson from the reaction of the market. The aspirations of members

and the public for URA's redevelopment projects were well noted, and such views would be taken into account in any joint venture redevelopment projects undertaken by URA under the revised URS.

*Role of the Urban Renewal Authority (URA) in redevelopment projects*

30. Mr Albert CHAN proposed three major directions for URA: (a) to formulate a policy for in-situ re-housing, if opted by affected residents, via the provision of housing units of the Hong Kong Housing Authority (HKHA) and (HKHS; (b) to allow affected residents to determine whether their properties should be redeveloped by URA through voting or legally binding surveys; and (c) to start new large-scale redevelopment projects other than those taken over from the former Land Development Corporation as soon as possible to improve redevelopment planning and the living conditions of residents in dilapidated areas.

31. In response, SDEV said that on (a), despite the fact that the supply of public housing was decreasing in urban areas, URA would strive to work with HKHA and HKHS to arrange in-situ re-housing for affected residents as far as possible. On (b), if a redevelopment proposal was a planned project and of public interest, it should not be subjected to a fixed percentage of owners' consent. As URA would assume the roles of implementer and facilitator under the revised URS, it could better respond to owners' aspirations in its course of work to facilitate owner-initiated redevelopment projects. Among such projects, those supported by DURF would be accorded priorities to be facilitated by URA. On (c), with a district-based, "bottom-up" and public participatory approach to URS in the future, URA would have better support to initiate renewal projects that could bring benefits to the community in the context of urban planning.

32. In citing a redevelopment project in Kwun Tong as an example, Mr CHAN Kam-lam expressed the view that URA, in its capacity as a facilitator, would have an important role to play in assisting flat owners in the course of redevelopment of old buildings.

33. SDEV clarified that in performing the roles of implementer and facilitator, URA would take into full consideration the views of DURF. URA would only accord low priorities to those owner-initiated redevelopment projects which were not supported by DURF.

*The revised Urban Renewal Strategy (URS)*

34. Miss Tanya CHAN was concerned about the human resources that URA might lack in initiating redevelopment projects. She considered that this task should not be contracted out. As regards URA's role as facilitator under the revised URS, she enquired about information on the mechanisms and procedures for triggering URA-facilitated projects, and whether funds would be made available to affected owners for solving housing problems before the redevelopments were completed.

35. SDEV advised that when the URS was finalised, URA would review its corporate plan and business plan, including human resources strategy. It would be essential for resources and expertise to be strengthened in redevelopment and rehabilitation, which would be URA's core business, especially in liaison with property owners, acquisition of properties and public education. In addition, advice and assistance from DURF and HKHS would be needed.

36. Miss Tanya CHAN noticed that in paragraph 39 of the existing strategy, it was stated that the URS would be reviewed and updated regularly but there was no such statement in the revised URS. She asked whether the Administration intended not to further review the URS in the future.

37. SDEV replied that it was definitely not the Administration's intention to stop further reviews and would consider whether refinement to the new URS should be made.

38. Mr Alan LEONG enquired whether the principles, in objective terms, for URA's roles as implementer and facilitator could be enshrined in the final URS. He also asked whether the planning procedures were stated in paragraphs 29 and 30 of the draft revised URS in view of the delays in the implementation of redevelopment projects.

39. SDEV advised that as URS was about strategic directions, it might not be appropriate to give definitions and implementation details in the document. The Board of URA would discuss and provide working principles pertaining to those directions once the revised URS had been promulgated. URA would report its work to the Legislative Council annually. As for paragraphs 29 and 30, the statements actually followed the existing URS. Public engagement exercises had been organised for all redevelopment projects and URA had complied with the planning procedures.

40. Referring to paragraphs 40 to 42 of the draft revised URS on the financial arrangements for URA, which emphasised self-financing for urban renewal programmes, Mr LEONG asked whether self-financing would impose restrictions on the flexibility of URA's projects. He also asked about the way forward for URS when the consultation on the draft was completed.

41. SDEV replied that as long as the compensation standard based on a notional seven-year old replacement flat remained unchanged, and preservation and revitalisation were not expected to be URA's priority work under the revised URS, URA's financial capability would not be significantly worsened. The Administration therefore did not see a need to change the self-financing principle. She added that, when the Financial Secretary perused URA's business plans in the future, he would assess the value of URA's urban renewal work taking into account the economic benefits to be brought about by the projects to the vicinity, rather than confining it to within the project boundaries.

42. On the way forward, SDEV explained that after the two-month consultation, the draft text would be revised as necessary taking into account public views gauged. The final URS would be promulgated in January 2011. URA would review its corporate plan and business plan according to the final URS. When the plans were approved by the Financial Secretary, URA would start their work for the years ahead accordingly.

#### *General issues*

43. Mr Frederick FUNG proposed that in a redevelopment project, units should be reserved for the provision of community services and operation of social enterprises because providers of these services could hardly afford the rents at private developments.

44. SDEV replied that URA would consider providing units in redevelopment projects for the operation of community services, such as homes for the elderly and kindergartens, as well as social enterprises, if such requests were received from relevant policy bureaux.

#### **V Measures to foster a quality and sustainable built environment** (LC Paper No. CB(1)155/10-11(06) -- Administration's paper on measures to foster a quality and sustainable built environment

- File Ref : DEVB(PL-CR) 12/2010 -- Legislative Council Brief on measures to foster a quality and sustainable built environment
- LC Paper No. CB(1)155/10-11(07) -- Paper on review of measures to foster a quality and sustainable built environment prepared by the Legislative Council Secretariat (Updated background brief))

45. With the aid of a powerpoint presentation, SDEV briefed members on the Administration's new measures to foster a quality and sustainable built environment. The new measures, largely based on the recommendations of the public engagement report of the Council for Sustainable Development which was published in June 2010, covered the following subjects:

- (a) sustainable building design guidelines on building separation, building setback and site coverage of greenery;
- (b) gross floor area (GFA) concessions for the provision of essential, green and amenity features in buildings;
- (c) energy efficiency of buildings; and
- (d) information and transparency of the property market.

The implementation plans and other details about the new measures were given in the Administration's paper.

*(Post-meeting note: A set of powerpoint presentation materials on measures to foster a quality and sustainable built environment (Chinese version only) was circulated to members on 28 October 2010 vide LC Paper No.CB(1)252/10-11(01).)*

#### *Prevention of abuse of existing GFA concessions*

46. The Chairman said while he understood that the building plans submitted before 1 April 2011 would be assessed for grant of GFA concessions with reference to existing policies, he was concerned about those plans submitted before this date but rejected afterwards. He explained

that he was not referring to revisions of plans required by the Buildings Department involving technical matters but rejection of plans on substantive grounds. In view of the significance of the new GFA concessions rules on the approval of building plans, he strongly recommended that the Administration should hold a discussion with the Hong Kong Institute for Architects about the circumstances under which a building plan, submitted before 1 April 2011, might have to follow new rules if the plan was rejected after April 2011.

47. SDEV advised that existing GFA concessions policies would apply to the building plans submitted to the Buildings Authority (BA) for approval before 1 April 2011. If, however, such plans were rejected by BA after this date, the revised plans, which would become new applications after 1 April 2011, would be assessed in accordance with the new measures for GFA concessions. She assured members that the Administration would work out the technical details with the building industry during the consultation on the revision of the relevant practice notes.

48. Mr IP Kwok-him expressed support for the new measures aiming to reduce GFA concessions for the provision of green and amenity features in buildings as tools to eradicate the problem of "inflated flats". He noted that there were comments that some developers might rush to submit applications for approval of building plans before the new rules took effect on 1 April 2011 and that such developers would need to provide proof of their ownership of the sites concerned, he queried if requirements for the degree or percentage of ownership would be imposed.

49. SDEV replied that in the application form for approval of building plans, a note had been added to remind the applicant to provide proof of ownership of the land concerned. The degree of ownership that BA would consider adequate was a "realistic prospect of control" over the land. This description was based on a precedent court case. As regards what percentage of ownership was regarded as sufficient, she said there would be some practical difficulties in setting an across-the-board figure and the Administration was seeking legal advice. BA had the power not to consider a building plan for approval unless he was satisfied that the applicant had proof of ownership of the land involved.

50. SDEV advised that another measure to control the abuse of existing GFA concessions for the provision of green and amenity features in buildings was the imposition of a validity period on the concessions granted. In permitting modifications of the provisions of the Building Ordinance under section 42 of the Ordinance to grant GFA concessions, BA had added

a condition of two-year validity period. Any granted GFA concessions would become invalid if no building works were commenced within two years. This new condition would bring benefits to town planning.

51. To follow up on the point of town planning, Miss Tanya CHAN asked when the review of Outline Zoning Plans (OZPs) of various districts by the Planning Department (PD) would be completed. She was concerned that, for those OZPs not yet reviewed by PD and without the two-year validity period restrictions, developers could seek the Administration's approval repeatedly for revisions of the plans on existing planning parameters for building heights, plot ratios, etc. This would have the effect of extending the validity period of the plans indefinitely.

52. In reply, Permanent Secretary for Development (Planning and Lands) advised that additional resources had been given to Planning Department for the review of OZPs. About 50% of the plan to review building height restrictions had finished. The review would continue, with priorities accorded to areas around the harbourfront and those with strong redevelopment pressure.

53. Miss Tanya CHAN further asked if the two measures, i.e. the requirement for proof of ownership of land and the imposition of a two-year validity period for grant of GFA concessions, which were announced on 20 October 2010, would apply to building plans submitted between 13 October 2010, when the Policy Address, covering new rules for GFA concessions, was announced, and 20 October 2010. She had heard that an applicant could submit a plan with only 40% ownership of a site. She asked about the factors for consideration and percentage of ownership which BA would take into account before accepting that an applicant had realistic prospect of control over a site.

54. Permanent Secretary for Development (Planning and Lands) advised that BA would adhere to the principle of realistic prospect of control when assessing an applicant's ownership of a site. He cited an example and explained that after a developer had successfully acquired a piece of Government land through an auction, the Land Registry would not have a record of the developer's ownership of the land until the developer had completed the necessary financial and legal procedures. In such cases, if the developer submitted a building plan to BA to seek his approval before his ownership was officially registered, the application could be processed. It would not be practicable to list out all the scenarios under which BA would accept a proof as showing realistic prospect of control.

55. Mr WONG Kwok-hing welcomed the imposition of an overall cap of 10% of GFA on the total amount of concessions. He asked if SDEV had estimated the number of applications for approval of building plans on the eve of the implementation of reduced GFA concessions, and when would be the deadline for receiving applications on that day.

56. SDEV replied that she did not expect that a large number of applications would rush in before the implementation of reduced GFA concessions on 1 April 2011, as the applicants had to be owners of land for developments. The application deadline on 31 March 2011 should be the close of normal office hours.

*Property developments of public bodies*

57. Mr IP Kwok-him asked whether the Administration could require public bodies such as the Mass Transit Railway Corporation Ltd. (MTRCL), being the developer of many property projects and of which the Administration was a major shareholder, to set an example for other developers by following the new rules regarding GFA concessions in new development projects, even though the concerned building plans had already been approved.

58. SDEV replied that, on parity grounds, all building plans approved were valid for implementation. As regards the Administration's influence on the property developments of MTRCL, there were two scenarios: (a) for the land granted to MTRCL for property developments alongside with the rights to construct railways, the Administration, not representing all shareholders, had little control over the development plans; (b) for the sites above the stations along the West Rail, MTRCL had only been appointed the agent to develop the land. On the latter sites, the Administration could have a greater control. However, some of the building plans for these sites had been approved and the contracts for some of the projects had been signed. SDEV said she was not able to give a straightforward answer to members at the moment as to whether the approval for the building plans of the developments of public bodies like MTRCL could be withdrawn for meeting the new requirements for GFA concessions. However, she would listen to members' views.

59. Mr IP Kwok-him was of the view that the sale of "inflated flats" was unfair to consumers. The Administration should tighten the control of "inflated flats" in residential property projects by public bodies as soon as possible to protect public interest. Miss Tanya Chan said that she was encouraged by SDEV's response that the Administration would consider

members' views about revising the building plans for some of the developments of MTRCL to meet the new rules concerning GFA concessions.

60. SDEV said that it was arguable that the sale of "inflated flats" was unfair to consumers. If consumers were well-informed about the GFA concessions granted for certain green and amenity features in a development and agreed to pay for them, "inflated flats" might be an acceptable phenomenon. This issue showed that both "shrunken flats" and "inflated flats" were problems that the Administration had to tackle. Property purchasers should be well informed of the facilities making up the total areas that they had to pay for.

#### *Reduction of GFA concessions*

61. Mr LEE Wing-tat was of the view that the reduction of GFA concessions under the new measures was in fact not as significant as the Administration had claimed. He said that, in the three cases presented by SDEV, where the existing concessions were 36%, 48% and 77% of the GFA respectively, the concessions under the new measures would be as much as 26%, 46% and 46% respectively, but not 10% as widely publicised. He did not regard that such extents were acceptable.

62. Mr LEE considered that the GFA concessions for mandatory features, which would maintain the status quo, should be reviewed. Under the new measures, there were features not subject to an overall cap on GFA concessions. He queried whether the Administration had done its best to eradicate the problem of "inflated flats".

63. In response, SDEV explained that details of the new measures needed quite some time to elaborate. She said that Mr LEE might not have fully understood the tightened control of GFA concessions. She advised that on features not subject to an overall cap, they were in fact facilities essential to or much needed by occupiers, such as refuge floors and covered gardens. If concessions were not granted for such facilities, the areas concerned would be calculated as part of the GFA to be consumed. In the case of concessions for car parks captured in the resultant percentages mentioned by Mr LEE, these would be given on a 100% basis when the car parks were put underground and thus would not give rise to building height and bulk concerns.

64. SDEV stressed that the new measures to reduce GFA concessions were not lax. For example, under the new rules, the allowable extent of

projection of bay windows would only be 100 mm, which might discourage developers from providing such features at all. In fact there were comments that the control was too tight. It was important that the control measures would not prohibit the provision of green and amenity features that occupiers might expect.

65. Mr LEE Wing-tat added that it was unacceptable to grant GFA concessions for the car parks at property developments above Mass Transit Railway stations, as the residents were expected to travel by train. He also disagreed that 100% GFA concessions should be granted for certain car parks.

66. SDEV explained that concessions would only be granted for car parks that were built underground, as such car parks would not contribute to the bulk and height of a building. She agreed that further work could be done to reduce the numbers of car parking spaces on an individual site, and the Transport Department was conducting a review of the car parking provision for private residential developments due to completion by end 2011. Once the study was completed, the Administration would revise the relevant provision in the Hong Kong Planning Standards and Guidelines as appropriate.

67. Hon CHAN Kam-lam noted that for car parks that could provide electric-vehicle charging facilities but were above-ground, only 50% GFA concessions would be granted. He said that, with the reduced concessions, the price for car parking spaces would likely be increased. While an underground car park with electric-vehicle charging facilities would be granted 100% GFA concessions, this would make considerable difference between the prices of above-ground and underground car parking spaces in developments in the same area. In fact, the numbers of car parking spaces in individual developments followed the requirements of the Transport Department and varied from one site to another. If the percentage of GFA concessions for car parks varied for individual sites, the actual areas to be exempted from GFA calculation would be different from one site to another. He urged the Administration to consider these issues.

68. Mr Albert CHAN commented that with the rising expectations for quality of life, green features in buildings should not be prohibited. A cap on GFA concessions might discourage developers from providing green features. The problem with GFA concessions was that the space for green and amenity features was provided to developers by the Administration through concessions but such space were chargeable to consumers. The issue involved calculation of land premium and handling of property

pricing. For the land to be auctioned, the Administration should seriously consider listing out the premiums for the saleable floor area, balconies, clubhouses, etc. For consumers, the Administration should require developers to give a breakdown of property prices for the saleable floor areas and other facilities. Purchasers should be well informed about the price they paid for various items and the actual sizes of such items.

69. SDEV replied that in the valuation of land premium, both for land auction and lease modification, the pricings of land for various uses had been reflected. With the implementation of new measures regarding GFA concessions, the income from land sale would likely be reduced. However, this would not change the Administration's determination to implement the controls. As for information for consumers, SDEV reiterated that the Transport and Housing Bureau would set up a steering committee to discuss specific issues on regulating the sale of first-hand flats by legislation and put forward practicable recommendations, including the use of saleable floor area as the only basis for listing the price per square foot to avoid misleading buyers and eradicate the problem of "shrunken flats".

70. Mr Albert CHAN expressed concerns over the different approaches to the handling of GFA concessions for domestic and non-domestic developments. Citing an example of a shop in Sham Shui Po with a GFA of 100 square feet but a saleable area of only 37 square feet, he urged for better protection of the interest of buyers of commercial units.

71. SDEV clarified that the cap of GFA concessions of 10% applied to both domestic and non-domestic developments, but some of the green and amenity features were applicable only to domestic developments. On the other hand, GFA concessions for prestigious entrances would only apply to non-domestic developments in order to maintain the appeal of Hong Kong commercial developments. Mr CHAN's concern again seemed to be transparency in the sale of units.

### *Building Design Requirements*

72. Regarding the mandatory building setback requirement for buildings abutting narrow streets, Mr CHAN Kam-lam opined that the requirement would reduce the usable GFA for buildings in dense industrial areas. He supported the compensation policy of granting the land owner bonus GFA of up to five times the setback area or 20% of the permissible plot ratio, whichever was the less, if the setback areas at ground level were dedicated for public passage with the consent of the Administration. However, the Administration's paper stated that there would be no bonus

GFA for provision of setback which was a planning or lease condition. Mr CHAN believed that compensation in GFA or plot ratio should be granted to land owners to encourage them to provide building setback. He asked SDEV to elaborate the conditions for not offering any compensation.

73. SDEV explained that a typical case where compensation would be offered under the Buildings Ordinance was dedication of private land for public use such as the provision of public passage areas at the ground level of the HSBC Headquarters. For those development plans where building setback was proposed to be a planning merit for the Town Planning Board to approve of, the concerned land owners would not be offered any GFA or plot ratio compensation. The compensation conditions would be stated as clearly as possible in the relevant practice notes, which would be revised, for the building industry.

74. The Chairman commented that even GFA or plot ratio compensation might not be an incentive to the provision of building setback, as there would be height restrictions on the concerned developments.

#### *Energy efficiency of buildings*

75. Miss Tanya CHAN suggested that under the new requirement for all new buildings to obtain certification by the Building Environment Assessment Method (BEAM) Plus Assessment conferred by the Hong Kong Green Building Council, the grading for each building should be made public. She asked the Administration to consider requiring public housing developments to attain a certain grading in the long term under the BEAM Plus Assessment. She also enquired whether the Administration would conduct a comprehensive micro-climate study for building projects.

76. SDEV replied that the new measures to improve the energy efficiency of buildings would be implemented in a progressive manner. The implications on building costs had to be taken into consideration in imposing new energy efficiency standards for buildings. The Administration would review the progress from time to time. As regards the microclimate study, SDEV advised that if Miss CHAN was referring to the project undertaken by the Chinese University of Hong Kong, it would be completed shortly.

#### *General issues*

77. Mr WONG Kwok-hing proposed that the Administration should implement the new measures against "inflated flats" by legislative rather

than administrative means. He was worried that the new initiatives could be shelved administratively when there was pressure from the business sector in the future.

78. SDEV replied that implementing the new measures through the revision of relevant practice notes did not mean that the rules could be changed easily. The practice notes were public documents and important guidelines for professionals in the building industry for drawing up building plans. The Administration had to consult the industry on the revision of those notes. It would be impossible for those notes to be amended without public knowledge. The advantage of the approach of implementing changes through the revision of practice notes was efficiency and flexibility. She stressed that to set out the details about building designs in legislation would be a time-consuming and less flexible approach.

## **VI Conserving Central -- Redevelopment scheme of West Wing, Central Government Offices**

(LC Paper No. CB(1)2867/09-10(01) -- Administration's paper on proposed redevelopment scheme for West Wing of Central Government Offices

LC Paper No. CB(1)155/10-11(08) -- Paper on conserving Central -- redevelopment scheme of West Wing, Central Government Offices prepared by the Legislative Council Secretariat (Background brief)

LC Paper No. CB(1)187/10-11(01) -- Submission on conserving Central -- redevelopment scheme of West Wing, Central Government Offices from The Conservancy Association dated 22 October 2010)

79. SDEV advised that Administration's proposal to redevelop the West Wing site of the Central Government Offices (CGO) was one of the eight "Conserving Central" initiatives announced by the Chief Executive in the 2009-2010 Policy Address. The proposal was based on the

recommendations of a historical and architectural appraisal undertaken by Purcell Miller Tritton LLP led by Mr Michael Morrison. The appraisal recommended the preservation of the Main and East Wings of CGO and the demolition of the West Wing, which had been assessed as having low historical and architectural value. Aiming at a balance between "conservation" and "development", the Administration's plan was to develop two-thirds of the West Wing site into public open space and one-third of the site into a commercial building with Grade A office and a shopping centre. Executive Secretary (Antiquities and Monuments) (ES(A&M)) supplemented that the Government Hill where CGO stood had no clear boundaries in the past, and the buildings there had undergone numerous demolitions and reconstructions in last century. The existing three buildings – Main, East and West Wings – were completed in 1950s. From a conservation perspective, he believed that instead of preserving all buildings on site, a more sensible move was to concentrate the efforts on those with the highest value. With the aid of a PowerPoint presentation and an animation film, Assistant Director of Planning/Special Duties briefed members on key features of the proposed redevelopment scheme as follows –

- (a) an area of 6 800m<sup>2</sup> would become a new public garden forming an integral part of a greenery network linking the natural green slopes from the Government House down to Ice House Street and Battery Path. It would be created through the redevelopment project. The existing Old and Valuable Trees on site or in the vicinity would be preserved;
- (b) the proposed commercial building at the western end of the site would provide 28 500 m<sup>2</sup> of Grade A office and a shopping centre of 13 500 m<sup>2</sup>. The lower part of the building would be covered by a green facade with vegetation which, together with the vegetated slopes of Battery Path, would become a green focus in Central;
- (c) to ensure compatibility of the new commercial building with the surrounding developments, a building height restriction of 150mPD would be imposed;
- (d) to improve pedestrian connectivity, a landscaped footbridge would be built across Queen's Road Central. There would be direct pedestrian connection within the commercial building linking Queen's Road Central to Lower Albert Road. The

public open space would allow public access from Battery Path to Lower Albert Road and vice versa;

- (e) in order to help improve traffic conditions in Central, the new commercial building would be set back from Ice House Street to cater for road widening. Lower Albert Road would be widened as well. More pedestrian circulation space would be provided at Queen's Road Central and Ice House Street through the building setback;
- (f) the existing heritage precinct would be enhanced after the redevelopment. Located in the midway of the Central and Western Heritage Trail and surrounded by declared monuments, historical landmarks and other "Conserving Central" projects, the West Wing site would be a key destination for local residents and tourists;
- (g) to enhance control over the future development, the Administration would rezone the West Wing site from Government, Institution or Community (GIC) zone to Comprehensive Development Area (CDA) in the Central District Outline Zoning Plan (OZP); and
- (h) public consultation including an exhibition of the proposed redevelopment scheme with a physical model and an animation film showing the proposed public open space and new commercial building would be staged.

### *The Government Hill*

80. Ms Audrey EU expressed grave concern about the proposed redevelopment of CGO West Wing. Given that the Government Hill was a place of political, religious and military significance, she considered that any move to "break it up" would adversely affect the completeness of an important landmark which had been in existence for over 150 years. She urged the Administration to withdraw the proposal so that the Government Hill could stay intact for good. She believed that West Wing could be preserved as an archive for the display of Hong Kong's past and future infrastructure developments.

81. SDEV advised that the Administration's proposal was intended to satisfy the conservation and development needs of Central. She disagreed that the redevelopment scheme would "break up" the Government Hill.

With the development of a large public open space, an integral part of the Government Hill would actually be restored to its previous condition before the buildings were built.

82. Mr KAM Nai-wai criticised that the Administration was transferring the ownership the Government Hill to private developers through the redevelopment scheme. He stressed that the Government Hill, carrying strong symbolic value, belonged to the Hong Kong people. If the land for the construction of the commercial building was sold, it would no longer belong to the Hong Kong people. Further, it was quite likely that the developer might bring considerable changes to the Administration's plan, thereby defeating its original purpose.

83. Miss Tanya CHAN said that members representing the Civic Party (CP) were against the Administration's intention to give up any part of the Government Hill. Citing the Administration's plan to convert the small garden behind Cheung Kong Centre currently used as a public open area into CDA, she was worried that the Administration was moving step by step to give up the GIC zone where the Government Hill stood, turning it gradually into a hill for property developments. She reiterated the stand of CP that the Government Hill had to be preserved as one piece. As for the West Wing, she agreed with Ms Audrey EU that the building should be retained as a place for staging a permanent exhibition on the past and future planning and infrastructure developments of Hong Kong. She urged the Administration to extend the period of public consultation.

84. Deputy Director of Planning / District (DD(D)) advised that the major merit of the CDA zoning was comprehensive planning control on the proposed development within it. Development parameters would be laid down in the relevant OZP and the planning brief for developers to follow. It would therefore be difficult for developers to change the planning concept. Besides, the Town Planning Board would carefully examine the Master Layout Plan submitted by the developers to ensure that the new development would be compatible with the surrounding environment. Regarding Miss CHAN's another suggestion, SDEV clarified that funds had already been sought by the Administration to develop the Hong Kong Planning and Infrastructure Exhibition Gallery at the side of the City Hall. She would consider the suggestion to further extend the public consultation period.

85. Mr Albert CHAN criticised the Administration for failing to learn a lesson from the bitter experiences it had encountered over private developments in CDAs such as Cheung Kong Centre and the redevelopment

of the Former Marine Police Headquarters, Mr Albert CHAN was not optimistic that the Administration could effectively control private developments within the West Wing site. He pointed out that since the Government Hill was an icon of collective memories, the Administration should make all possible efforts to retain it. If a decision was eventually taken to demolish West Wing, he would prefer to have the whole site turned into public open area with no commercial building on it. He believed that whether West Wing should be demolished or preserved should be left for the Hong Kong people to decide through public consultation.

86. SDEV responded that in pursuit of heritage conservation in Central, a great deal of work had been done by the Administration through the "Conserving Central" initiatives. As a major city in the world, it was not possible for Hong Kong to focus its attention on heritage conservation alone without setting aside land of adequate quantity for development. Being one of the "Conserving Central" initiatives, the West Wing redevelopment scheme represented a good balance between "conservation" and "development". To maintain its competitiveness, Hong Kong should strive to provide more Grade A office.

*Proposed construction of a commercial building*

87. Ms Audrey EU was worried that the multi-storey commercial building would create "wall effect" affecting air circulation and generate undue pressure to the busy traffic in Central. Mr KAM Nai-wai expressed similar views and pointed out that the Administration's proposal to widen Ice House Street could not relieve traffic congestion at Queen's Road Central.

88. SDEV advised that private developments within the West Wing site, falling within CDA, would be subject to a set of development parameters. In addition to complying with the lease conditions, the developer would be required to submit a Master Layout Plan and other technical assessments for consideration by the Town Planning Board. DD(D) pointed out that there was an acute shortage of Grade A office in Central. The green facade design of the commercial building and the public open space aimed to complement the greenery stretching from Government House to Battery Path. Due to the lack of natural light, the lower part of the commercial building below Lower Albert Road level was designated for development into a shopping centre with food catering facilities and a green vegetated facade was adopted.

89. Mr Frederick FUNG said that while he supported the construction of the office tower to provide more Grade A office in Central, he had some reservations on the proposal to provide a shopping centre on the West Wing site.

90. SDEV said that she was willing to reconsider the shopping centre proposal in the light of members' feedbacks. As for the office tower, she pointed out numerous studies had shown that Hong Kong was in acute shortage of Grade A office. There was a pressing need for the Administration to address such shortage.

#### *Tunnel networks underneath the Government Hill*

91. On the tunnels underneath the Government Hill, Ms Audrey EU enquired whether the redevelopment scheme would cause further damage to these tunnel networks.

92. Permanent Secretary for Development and ES(A&M) explained that the tunnel networks were constructed in the years from 1940 - 1941 and damaged by different construction projects over the years, one being the construction of an underground car park. Actually, the tunnel system was largely not underneath West Wing. Mr Michael MORRISON pointed out in the appraisal that the potential for archaeology on the site was low as it had been heavily excavated. They however assured members that the future developer would be requested to appoint professionals to monitor possible archaeological remains on the site. In case of any discovery, the features found would be carefully recorded and mitigation measures would be formulated.

93. The Chairman extended the meeting for 15 minutes to allow more time for discussion.

#### *Environment-friendly facilities*

94. Mr Frederick FUNG believed that the Administration should learn from overseas experiences to bring in more environment-friendly facilities in the Government Hill and Central through the redevelopment scheme, for instance, the construction of cycle tracks as well as parking facilities for bicycles and environmental vehicles.

95. SDEV thanked Mr FUNG for his views. She said that in the past few years, the Administration had invested over \$200 million in constructing a 110-kilometre cycle track network in the New Territories.

Efforts had been made to encourage the use of bicycles. For the use of bicycles as a transportation means to help alleviate traffic instead of a form of leisure, it would be necessary to discuss with THB. She opined that the feasibility of drawing on London's experience in using bicycles as a means of daily transport in Hong Kong could be explored.

#### *Other views*

96. Mr Frederick FUNG hoped that the Administration could explore the possibility of providing stalls and related facilities in the redeveloped site for social enterprises to operate. SDEV took note of Mr FUNG's suggestion and said that it involved the management of public open space in private development (POSPD). Although there would be management guidelines for POSPD, the provision of stalls would depend on the facilities available in the POSPD concerned. She agreed that social enterprise should be supported and would liaise with the Secretary for Home Affairs on whether there could be concrete proposals in this aspect.

97. Ms Tanya CHAN referred members to the Conclusions and Recommendations of the History and Architectural Appraisal of CGO which stated that "...It is suggested that there might be a case for making all the low rise and well planted area into a 'Special Protected Area' where the presumption would be against any significant redevelopment work." and "...any new building on the site should take the height of the existing CGO as a maximum height.....", and queried why the Administration did not follow these recommendations and instead proposed to construct a 32-storey commercial building on site. SDEV emphasized that the report should be read as a whole. She noted that it had also been mentioned in the report that the development at the west end of the site could accommodate a taller building. Regarding the "Special Protected Area", she clarified that it had been explained to Mr MORRISON the difference of Hong Kong's planning practices. The 'Conserving Central' project, in a broad sense, had effectively preserved those historical buildings in the area. There should not be any conflict with the concept proposed by Mr MORRISON in his study report.

*(Post-meeting note: The DEV Panel has held a special meeting on 23 November 2010 to receive views from deputations on the redevelopment of CGO West Wing.)*

**VII Any other business**

98. There being no other business, the meeting ended at 6:46 pm.

Council Business Division 1  
Legislative Council Secretariat  
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