

For discussion on  
16 January 2012

## **Legislative Council Panel on Development**

### **Review on the Work of the Development Opportunities Office under the Development Bureau**

#### **PURPOSE**

This paper reviews the work progress and effectiveness of the Development Opportunities Office (DOO) under the Development Bureau and recommends the way forward upon expiry of its three-year tenure by the end of June 2012.

#### **BACKGROUND**

##### **Mission and Function**

2. DOO was established as a government response to the slow down in private sector investment in land development projects after the financial tsunami in late 2008. The goal is to set up a dedicated office to provide one-stop consultation and co-ordination service to non-government land development proposals that carry broader social and economic merits. It is hoped that by encouraging private as well as non-government organisation (NGO) land development projects and facilitating their early implementation, this initiative would help create jobs.

3. With the Finance Committee's approval of the post of Head of DOO (a D3 directorate officer), the Office is established for an initial period of three years until 30 June 2012. The Development Bureau has made regular reports of the work of DOO to the Legislative Council Panel on Development<sup>1</sup> and undertook to review the effectiveness of the Office before deciding on its long-term need, scope of work and organisation in future.

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<sup>1</sup> After the establishment of DOO in July 2009, three progress reports on the work of DOO were submitted to the Development Panel in March 2010, December 2010 and November 2011.

## **Parameters of the Review**

4. In response to a Legislative Council Special Finance Committee question in 2010, we have advised the Finance Committee that the review on DOO would cover –

- (a) The effectiveness of the Office in providing one-stop consultation and co-ordination service to facilitate implementation of land development projects;
- (b) Its contribution to addressing systemic policy issues that may affect implementation of land development projects.

5. Whilst noting that the effectiveness of the work of the Office would mainly be assessed in qualitative terms, we indicated that the review would also look at quantitative results including –

- (a) Number of enquiries handled;
- (b) Number of project proposals handled;
- (c) Number of project proposals assisted with recommendations presented to the Land and Development Advisory Committee (LDAC)<sup>2</sup> for support;
- (d) Amount of investment involved and number of jobs created as a result of implementation of the proposed projects.

## **Resources of DOO**

6. DOO has a small establishment with seven posts, including four civil service posts and three non-civil service contract (NCSC) posts. Its organisation chart is at **Annex A**. The recurrent expenses incurred by DOO are chiefly staff costs. The revised estimate for 2010-11 was \$4.5 million. Both the posts of the head of office and his secretary are supernumerary civil service posts created for three years; the Administrative Officer post is internally redeployed from the Planning and Lands Branch of the

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<sup>2</sup> The LDAC is an advisory committee advising the Government on policies and procedures in relation to planning, land and building matters. Its role has been expanded to include advising the Government on individual land development proposals handled by DOO. The LDAC membership includes representatives nominated by the professional institutes and trade associations most relevant to land development, as well as academics, experts and professionals appointed from a wide spectrum of economic sectors and community service background.

Development Bureau; and the Senior Administrative Officer post is a supernumerary post added to the Office in December 2010 to provide additional support relating to housing land supply<sup>3</sup>.

7. The three NCSC posts include two project managers and an executive assistant. The project manager posts are filled by qualified professionals from the private sector through open recruitment. These are time-limited contracts for three years, matching the initial operation period of the Office. The goal is to bring in private sector expertise with first-hand experience in planning and implementing land development projects.

## ASSESSMENT OF DOO'S EFFECTIVENESS

### Quantitative Assessment

#### *Projects handled*

8. By the end of December 2011, DOO had handled or was handling 51 land development proposals meeting the eligibility criteria for its one-stop consultation and co-ordination service. The full eligibility criteria for DOO's service are set out in **Annex B**.

9. Among these 51 project proposals, 30 were received from NGOs and 21 from private sector proponents. Most of the 30 NGO proposals were submitted by well-established NGOs or charitable organisations with proven track record, whilst the 21 private sector land development proposals were submitted by private organisations of various scales of operation: most of them are small and medium-sized companies. **Table 1** below shows the diverse nature of the land development proposals handled by DOO.

Table 1: Classification of development proposals by project nature

	Number of projects
NGO headquarters and regional centres	7
Educational and related facilities	6
Religious organisations and related facilities	6
Museum/ galleries/ arts and creative industries	6
Social welfare facilities	5
Hotels and guest houses	5

<sup>3</sup> The supernumerary Senior Administrative Officer post was provided to the Office to strengthen its capacity in providing secretariat support to the Steering Committee on Housing Land Supply chaired by the Financial Secretary.

Local area improvement schemes	4
Columbarium	4
Sports and recreational facilities	3
Private hospitals	3
Marina and related developments	1
Nature conservation and related developments	1
<b>Total:</b>	<b>51</b>

### *Projects with substantial progress made*

10. Whilst it is not always easy to quantify the results and achievements of DOO, by the end of December 2011, about 63% of the eligible land development proposals (i.e. 32 out of 51 projects) received by DOO at various times during the past two and a half years have made substantial progress, and DOO has submitted them to the LDAC for advice or information<sup>4</sup>.

11. Of the 32 project proposals that have been submitted to the LDAC for advice or information, the Committee has advised the Government to support 21 of them and not to support four. The Committee noted that the other seven project proposals could not be taken forward due to various reasons<sup>5</sup>. **Table 2** below summarises the status of all eligible land development proposals received by DOO as at the end of December 2011.

Table 2: Status of development proposals meeting the eligibility criteria as at the end of December 2011

Number of projects presented to the LDAC for advice	25
<i>(projects supported)</i>	<i>(21)</i>
<i>(projects not supported)</i>	<i>(4)</i>
Number of projects that could not be taken forward and were reported to LDAC for information	7
Number of projects not yet presented to the LDAC	19
<b>Total:</b>	<b>51</b>

**Annex C** sets out the social and economic merits, the advice and key comments of the LDAC as well as the latest progress of the 25 project

<sup>4</sup> Land development proposals whose major problems and solutions have been identified and substantial progress made are presented to the LDAC for advice; other proposals that cannot be taken forward are reported to the LDAC for information.

<sup>5</sup> Of these seven projects, three projects could not obtain the necessary support of the relevant policy bureaux for granting of the land required for implementation of the proposed projects; two projects were withdrawn by the project proponents; the proponent of one project decided not to proceed further due to changes in circumstance; and one project could not be taken forward because the project proponent could not obtain the consent of all other building owners on the conversion scheme.

proposals that have been presented to the LDAC for advice.

12. Among the 21 project proposals which the LDAC has advised the Government to support, 16 have already obtained the necessary government approvals and are now classified as completed, whilst the remaining five require further assistance from DOO. Ten of the 21 DOO projects supported by the LDAC require planning permissions from the Town Planning Board (TPB) and, as at the end of December 2011, seven of them have already obtained the necessary planning permissions<sup>6</sup>, while the remaining three were preparing the relevant planning applications.

13. For the four project proposals that the LDAC has advised the Government not to support, it is up to the project proponents to decide whether they would take the projects forward. Since the LDAC and DOO are not approving authorities, the project proponents may choose to submit their proposals to the relevant approving authorities, e.g. the TPB, direct in accordance with the relevant statutory or administrative procedures.

14. Meanwhile, DOO is actively handling 19 other development proposals (brief descriptions at **Annex D**). The Office is helping the proponents liaise with the relevant bureaux and departments to identify possible challenges and solutions for the project proposals. They will be presented to the LDAC for advice or information in due course.

### ***Project enquiries received***

15. In addition, DOO has received 26 other land development enquiries. After initial discussions with the project proponents, 15 of them are found to be not meeting the eligibility criteria for the Office's one-stop consultation and co-ordination service. Whilst the remaining 11 enquiries may be eligible for DOO's service, the project proponents have to do more preparatory work (e.g. preparation of concrete development schemes) before DOO could take their proposals forward and invite comments from the relevant departments.

### ***Investment and job creation***

16. According to information provided by the project proponents<sup>7</sup>, the 21 land development projects that the LDAC has advised the Government to

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<sup>6</sup> The applicant of an approved project is applying for further planning permission in respect of its proposed amendment to the approved development scheme.

<sup>7</sup> It should be noted that not all project proponents are ready to disclose the relevant information and where the information is provided, DOO has not verified it.

support, if implemented, would involve a total gross floor area (GFA) of about 590 000m<sup>2</sup> and a total capital investment of about \$13.9 billion (excluding land premium). These proposed development projects would boost the economy and create about 11 000 employment opportunities for the construction and related industries during the construction phase and 4 900 permanent jobs in the relevant sectors during the operational phase.

### **Qualitative Assessment**

17. When we consulted the Panel in April 2009 on the establishment of DOO, we highlighted the following key functions of the Office –

- (a) encourage and facilitate land development projects, especially the more innovative ones to help create jobs and contribute to the economy;
- (b) advocate the adoption of a broader view and holistic approach in assessing the merits of individual land development proposals;
- (c) expedite the pre-planning process of individual project proposals through more focused policy steer and better co-ordination among the relevant policy bureaux and departments.

### ***Encourage and facilitate land development projects thus contribute to the economy and job creation***

18. As demonstrated in paragraph 16 above, DOO's one-stop consultation and co-ordination service is effective in encouraging and facilitating new land development proposals that would bring broader social and economic merits. Whilst it is difficult to prove whether any of the projects might still be taken forward without DOO service, feedback from project proponents and their professional advisers generally confirms that through the co-ordinated efforts by DOO, the projects have been expedited.

19. Among the 21 development proposals that the LDAC has advised the Government to support, besides NGO headquarters and welfare facilities, there are also a good number of projects relating to the six economic areas put forward by the Chief Executive's Task Force on Economic Challenges after the financial tsunami, including education facilities, private hospitals, and premises for the arts and creative industries. Successful implementation of these projects would contribute to further development of the relevant economic areas.

### *Take a broader view in assessing the merits of individual proposals*

20. For new and more innovative land development proposals, a broader and more holistic perspective is often required to assess their full social and economic merits. These proposals normally do not come neatly under one policy bureau or one department. DOO serves as the first-stop receiving a presentation from the project proponent and thus provides a forum for the relevant bureaux and departments to jointly assess more comprehensively the social and economic merits of individual project proposals. This first-stop and one-stop approach is very much appreciated by project proponents given today's highly specialised division of responsibilities among government departments. Practically, individual bureaux and departments may be pre-occupied with their own missions and objectives, but through the DOO platform, there would be a holistic approach in handling development proposals, particularly those more complex projects crossing traditional departmental boundaries. The unique advantages of this approach are illustrated in the two DOO projects handled below.

21. The proposed redevelopment of a to-be-vacated secondary school in Ho Man Tin is a case in point. The school site was bought by the project proponent almost 50 years ago through public tender. With the agreement of the Education Bureau for the school to cease operation after the current academic year due to diminishing student population, it is timely for the land owner to plan for alternative uses of the site to respond to changing social needs and ensure optimal utilisation of our precious land resources.

22. The project proponent approached DOO for advice and indicated that it was prepared to use part of the site for public, particularly sports, purposes. DOO has arranged for the project proponent rounds of discussions and consultation with the relevant government bureaux and departments, including the Home Affairs Bureau, Education Bureau, Leisure and Cultural Services Department, Planning Department, Buildings Department, Transport Department, Environmental Protection Department, Civil Engineering and Development Department and Lands Department. The project proponent has eventually worked out a scheme to redevelop the school site into sports training facilities and residential flats, where the project proponent will be responsible for the design and construction of the sports training facilities according to the users' requirements and will lease them at nominal rental to three selected national sports associations in Hong Kong for training of athletes. The provision of dedicated training facilities for the athletes of the three national sports associations will go a long way towards allowing them to promote a more systematic development of athletes at different levels to improve their performances at international sports

competitions and train a greater number of athletes through organising more training programmes and competitions at different levels.

23. Another example is the proposed development of an outreaching centre of the Hong Kong Architecture Centre under a flyover junction in Central. The Centre aims to enhance public education on appreciation of architecture and provide a new attraction for local and in-bound cultural tourism. The proposed development scheme also represents a creative use of under-utilised urban space and would help brighten up the area nearby. DOO has played an advocacy role in facilitating the granting of policy support to the development proposal and has provided one-stop consultation and co-ordination service to help the proponent address the technical issues identified by Planning Department, Lands Department, Transport Department, Highways Department, Environmental Protection Department and District Office (Central & Western).

24. Nevertheless, it is important to note that DOO, not being an approving authority and as a working unit within the Development Bureau, will not override the policy stance of the relevant bureaux. DOO has also come across land development proposals which might involve numerous problems, to the extent that the LDAC does not consider it advisable for the Government to support it and agrees that the Office should cease providing one-stop service to the project in view of DOO's limited resources. DOO will then honestly reflect the problems identified to the project proponent. We believe that DOO's one-stop consultation and co-ordination service is still valuable to the project proponent in such case, because the consolidated comments from the relevant departments would give the project proponent a better idea about the feasibility of the project as it stands and the key areas that the project proponent should focus on if he still wishes to take the project forward.

### ***Increase administrative efficiency and speed up implementation***

25. DOO is set up to help project proponents overcome obstacles often associated with land development projects straddling different policy areas and involving various technical assessments. Feedback from the industry suggests that project proponents sometimes find it difficult to identify and approach all relevant bureaux and departments on their own, and the time spent and uncertainties involved are often factors inhibiting more innovative development projects. A dedicated one-stop co-ordination office would help facilitate communication between the project proponents and the relevant departments and speed up project implementation by enhancing the administrative efficiency through more comprehensive and co-ordinated



responses during processing of the proposed projects.

26. The proposed conversion of a vacant industrial building in Fo Tan into an education centre for the catering industry is a good illustration of the role of DOO in this regard. The proposed development of the education centre is subject to a tight programme schedule because the project proponent has to obtain all necessary planning permissions and special waiver for change in use of the industrial building, and complete the conversion works by the summer of 2012 so that the education centre would be ready for the student intake of academic year 2012-13.

27. The proponent first approached DOO in January 2011 to discuss its plan and submitted its formal development proposal in March 2011. Noting the tight programme schedule, DOO has facilitated the proponent's consultation with all relevant departments (involving education, town planning, transport, fire services, land administration and buildings) to identify the issues and possible solutions within three months so that the project could be presented to the LDAC for advice in May 2011. The project has by now obtained all necessary planning, land and buildings approvals according to its planned schedule and construction works are due for completion by June 2012.

### **Systemic Issues Affecting Implementation of Land Development Proposals**

28. In the course of facilitating individual land development proposals, DOO may come across systemic issues that would impede implementation of land development projects. Apart from facilitating individual land development proposals, DOO also seeks to address the policy issues identified more comprehensively, where appropriate.

29. Since DOO works closely with project proponents and their professional consultants in the non-government sector, the Office develops a good understanding of the issues that may impede the development process. Where the issues present a systemic challenge to various project proponents, DOO will help formulate and co-ordinate policy responses to tackle the challenge so as to facilitate implementation of such development projects. In such circumstances, the new policies and initiatives are equally applicable to all such project proposals, regardless of whether they are receiving DOO's one-stop service.

### ***Revitalisation of older industrial buildings***

30. DOO has been overseeing the formulation and implementation of measures to encourage and facilitate revitalisation of older industrial buildings through redevelopment and wholesale conversion. The objective is to encourage more gainful use of the existing stock of under-utilised industrial buildings to provide more suitable premises to support Hong Kong's changing social and economic needs. A package of time-limited measures was announced in the Chief Executive's 2009-10 Policy Address and formally came into operation on 1 April 2010. In his 2011-12 Policy Address, the Chief Executive announced some refinements to the measures and extension of the application period of the measures for a further period of three years to 31 March 2016.

### ***Area-based regeneration of former industrial areas***

31. DOO also assisted in formulation of initiatives to facilitate area-based transformation and regeneration of former industrial areas including rezoning of former industrial areas in Tsuen Wan for residential use and formulation of the Energizing Kowloon East initiative to transform the Kai Tak area and the former industrial areas in Kwun Tong and Kowloon Bay into a new business district.

### ***Housing land supply***

32. Furthermore, DOO is providing secretariat support to the Steering Committee on Housing Land Supply chaired by the Financial Secretary. Apart from providing the regular secretariat services and co-ordinating the follow-up actions arising from the Steering Committee meetings, DOO has made use of its knowledge and experience in facilitating land development projects and assisted in the change in layout plans of several West Rail housing development sites so that they would meet the new guidelines for a sustainable built environment and could be made available for housing development early.

### ***From pre-planning service to implementation support***

33. When DOO was first established, it focused principally on providing one-stop service at the pre-planning stage of the land development proposals. Nevertheless, our experience in facilitating the DOO projects suggests that sometimes continual involvement of DOO is necessary even after the project proposals have been presented to the LDAC and received the necessary planning permissions from the TPB, e.g. the project proponent may

need to fulfill certain town planning approval conditions which require inter-departmental co-ordination.

34. At some other times, project proponents may require DOO's further assistance in their discussion with the relevant departments on project implementation, e.g. handing over of government sites for local area improvement works, liaison with various government departments to overcome issues involved in submission of general building plans. Depending on the practical needs and merits of the project, DOO will continue to facilitate implementation of the projects after the pre-planning stage, where necessary. But DOO will not be involved in the project proponents' discussion with the Lands Department, acting in the capacity of private landlord, on lease modification/land exchange and the relevant land premium negotiations.

## **REVIEW OF DOO'S MODE OF OPERATION**

### **Organisation and Manpower**

35. DOO is set up to facilitate land development proposals at the pre-planning stage. The major development issues identified are principally planning, lands and buildings, though transport and environmental considerations are becoming increasingly relevant with growing emphasis now put on quality city life in the town planning deliberations. We are of the view that it is appropriate and effective for DOO to be set up under the Development Bureau. The present set up of placing DOO in the Principal Official's Office has its obvious advantages of easy and direct access to policy steer and enhanced credibility of the Office vis-à-vis project proponents, though it will run the risk of overloading the Principal Official with her extensive policy and political responsibilities.

36. DOO has a small staff establishment. Apart from the supporting secretarial staff, the Office is headed by an Administrative Officer Staff Grade B (D3) and consists of two time-scale Administrative Officers and two land development professionals (one architect and one estate surveyor)<sup>8</sup>. This seems to be a good mix of knowledge and expertise that would allow the Office to operate effectively and efficiently in liaising with the project proponents on their development proposals. The private sector knowledge and experience brought by the NCSC staff have helped the Office develop a

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<sup>8</sup> The non-civil service contract post of Executive Assistant has not been filled after it became vacant in mid-2011.

better understanding of the priorities and challenges faced by private sector project proponents, while the civil servant administrators in the team would help the project proponents navigate the government system, gather the necessary information and facilitate discussions with the appropriate parties in a right sequence. The team working as a whole has contributed to early identification of the key challenges relating to the development proposals and formulation of practical solutions to the challenges identified.

### **Eligibility Criteria**

37. Two key eligibility criteria for DOO's one-stop service are: the land required for implementation of the development proposal should be readily available and that the project should not be exclusively residential but should contain broader social and economic merits, e.g. supporting worthwhile community services or strengthening the competitiveness of certain economic sectors. There are comments that the requirement on land availability may be over restrictive and that housing development is also serving an important community need and such projects' access to DOO service should not be denied.

#### ***The land availability criterion***

38. In view of the stringent economic situation after the financial tsunami in late 2008 and the limited resources of DOO, we need to set broad eligibility criteria so that the Office could focus its limited resources on project proposals that would bring the greatest benefits to the community early. It is therefore appropriate to set land availability as a key eligibility criterion, especially when DOO's one-stop service is also made available to private sector development proposals. This land requirement would screen out proposals with little prospects for implementation and provide an objective criterion for project proponents to approach DOO for service. That said, we have already applied this rule flexibly to non-profit making projects of NGOs, who may request provision of land for proposed community projects where there is a clear policy support from the relevant policy bureau.

#### ***The non-exclusively residential criterion***

39. In view of the policy intention to encourage more innovative land development projects, DOO is currently not providing its one-stop service to exclusively residential development projects. The key words here are "exclusively residential". DOO in fact has been facilitating development proposals with residential elements, e.g. redevelopment of

church-cum-former school premises in Happy Valley to church, residential care home and hostel for the elderly; redevelopment of a to-be-vacated school site into sports training facilities and residential flats. These projects have been presented to the LDAC and the Committee has advised the Government to provide support.

40. In the case of exclusively residential projects, they usually do not involve entirely new development model or process and there are well established practices and procedures for their application for the necessary approval. And there is also a good supply of professional and consultant services in the private market for such projects. Given limited staffing resources, we believe this criterion of not according DOO service to exclusively housing projects is an appropriate one.

### **Transparency and Public Accountability**

41. We attach importance to the transparency and public accountability of DOO's work from the outset, but we also note the need to strike a balance between these civic virtues and protection of potentially sensitive commercial information about the development proposals handled by DOO.

42. We have adopted the following measures to promote transparency and public accountability -

- (a) The eligibility criteria for DOO's one-stop service and the transparency arrangements for projects handled by DOO are published on the Development Bureau's website. Potential project proponents must sign on a project form to confirm their understanding and acceptance of the transparency arrangements before DOO would take up the development proposals.
- (b) All land development proposals meeting the basic eligibility criteria will be submitted to the LDAC for advice or information in due course. The LDAC will be asked to advise whether the Government should support the project proposals with concrete development schemes. All LDAC members are required to make a full disclosure of their interests to the Chairman if they perceive potential conflicts of personal or pecuniary interests in a matter placed before the Committee. The Chairman will decide whether a member who has declared interest will be invited to leave the meeting during discussion of the matter. All cases of declaration of interests are recorded in the minutes of the meeting. For

development proposals that could not be taken forward due to lack of policy support or other reasons, DOO will prepare information notes to inform the Committee of the project proposals and the reasons that they could not be taken forward. DOO also submits periodic reports to the LDAC reporting on the project enquiries being handled and project enquiries that do not meet the eligibility criteria.

- (c) A press release will be issued on the same day after each LDAC meeting to summarise the major topics discussed at the meeting, including the development proposals presented for LDAC's advice and the key advices given by members of the Committee.
- (d) Regular work progress reports are submitted to the Legislative Council Panel on Development, summarising the development proposals handled by DOO, their assessed merits and advice of the LDAC. Since DOO's establishment in July 2009, we have submitted three DOO work progress reports to this Panel in March 2010, December 2010 and November 2011.

## **CONSIDERATION AND RECOMMENDATION**

43. We believe that DOO has met the stated objective in providing useful assistance to land development projects, as a government response to the economic situation following the financial tsunami. Some of the systemic issues flagged up are being taken care of by policy development while functions relating to housing land supply should revert to the relevant policy divisions in Development Bureau, rather than put under the Principal Official's Office direct. Accordingly, we do not propose to seek an extension of DOO beyond the end of June 2012. DOO will aim to complete the processing of those outstanding projects as far as possible.

44. Taking account of current priorities of the Development Bureau vis-à-vis resources available as well as the changing economic situation, we recommend the following arrangements upon discontinuation of DOO from 1 July 2012 –

- (a) Policy issues relating to revitalisation of industrial buildings, area based transformation of former industrial areas, and provision of secretariat support to the Steering Committee on Housing Land Supply and the LDAC be transferred to the Planning and Lands Branch of the Development Bureau. The necessary changes in

manpower provision and organisation of work in the Planning and Lands Branch are set out in a separate Panel paper.

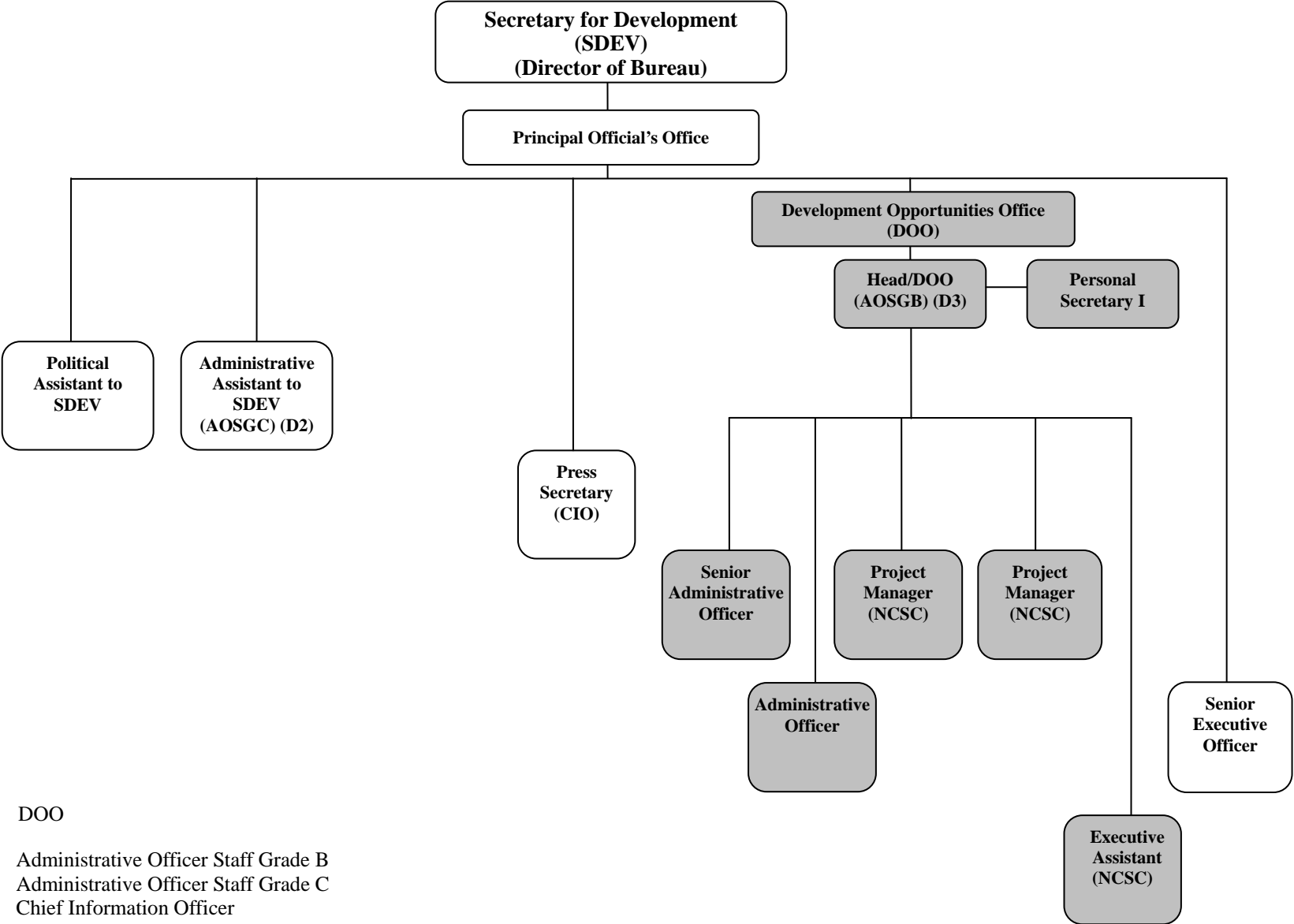
- (b) The current facilitation service for meritorious land development proposals provided by DOO will be taken up by the relevant policy units in Development Bureau and its group of departments, where appropriate. For example, the new Kowloon East Development Office will provide one-stop facilitation service for land development projects in Kowloon East; the policy units with special advocacy roles (e.g. the Harbour Unit, the Commissioner for Heritage's Office) will facilitate land development projects in line with their policy objectives; and other departments, in particular the Planning Department, will facilitate meritorious development projects in the same way as it was before the establishment of DOO.

#### **ADVICE SOUGHT**


45. Members will be invited to advise whether they have any comments on the report, especially on the recommendations set out in paragraph 44 above.

**Development Bureau  
December 2011**

# Organisation Chart of the Development Opportunities Office (DOO) under the Development Bureau



**Legend**

-  DOO
- AOSGB Administrative Officer Staff Grade B
- AOSGC Administrative Officer Staff Grade C
- CIO Chief Information Officer
- NCSC Non-Civil Service Contract



**Eligibility Criteria for Projects Seeking Assistance from the  
Development Opportunities Office**

- (1) For **community projects** proposed by non-governmental organisations (NGOs) –
  - (a) the land required for a proposed project is readily available without any major constraints, though planning permissions, land exchange, lease modification or private treaty grants may be required;
  - (b) the project proposal shall have no recurrent financial implications for the Government, though capital grants for the construction works may be required. The project would then be subject to the requirements of individual funding schemes or trusts;
  - (c) the prevailing land premium policy will apply;
  - (d) the NGO shall be a well-established organisation providing subvented or self-financing community services and have proven track record;
  - (e) some preliminary planning work has been carried out; and
  - (f) the project proposal receives policy support from the relevant bureaux.

(2) For **private-sector development project** proposals –

- (a) the proposed project should not be exclusively residential; it should carry broader social values or help strengthen Hong Kong's economic competitiveness;
- (b) the land required for the proposed development or redevelopment is readily available without any major constraints, though planning permissions, lease modification or other land administration procedures may be required for implementation of the project;
- (c) the prevailing land premium policy will apply;
- (d) the project proponent will be responsible for all development and operating costs of the project;
- (e) some preliminary planning work has been carried out; and
- (f) the project proposal receives policy support from the relevant bureaux, where applicable.

**Land Development Proposals Presented to the Land and Development Advisory Committee  
for Advice between July 2009 and December 2011**

	<b>Project</b>	<b>Expected economic and social benefits</b>	<b>LDAC's advice and comments</b>	<b>Latest Progress</b>
<b>(a) Projects supported by LDAC</b>				
1	Scout Association of Hong Kong – in-situ redevelopment of its regional centre in Wan Chai District <i>(Completed)*</i>	<ul style="list-style-type: none"> <li>➤ Provide new and expanded facilities for leadership training programmes and other scouting activities, and administration offices</li> <li>➤ Provide recreational facilities for local residents</li> <li>➤ Create job opportunities during both construction and operational stages</li> </ul>	<ul style="list-style-type: none"> <li>➤ Members noted the consultation and coordination services provided to the project proponent</li> </ul>	<ul style="list-style-type: none"> <li>➤ The original building was demolished in January 2011</li> <li>➤ The general building plans have been approved</li> <li>➤ Project proponent is preparing tender documents for the construction works</li> </ul>
2	Hong Kong Young Women's Christian Association – in-situ redevelopment of its Kowloon Centre and Anne Black Guest House in Kowloon City <i>(Completed)*</i>	<ul style="list-style-type: none"> <li>➤ Provide new facilities to enhance the quality of existing services, e.g. family wellness, residential care and day care services for the elderly</li> <li>➤ The redeveloped guesthouse will operate as a training and placement venue and provide employment opportunities for its graduates</li> <li>➤ Create job opportunities during both construction and operational stages</li> </ul>	<ul style="list-style-type: none"> <li>➤ Members noted the consultation and co-ordination services provided to the project proponent</li> </ul>	<ul style="list-style-type: none"> <li>➤ In view of the surge in construction costs and premium amount, the project proponent has decided to implement the project by conversion instead of redevelopment</li> </ul>

3	Tung Wah Group of Hospitals – in-situ redevelopment of David Trench Home for the Elderly in Southern District <i>(Completed)*</i>	<ul style="list-style-type: none"> <li>➤ Provide better and wider spectrum of services, e.g. residential care, day care, rehabilitation and medical services, to suit the needs of the elderly</li> <li>➤ Create job opportunities during both construction and operational stages</li> </ul>	<ul style="list-style-type: none"> <li>➤ Members noted the consultation and co-ordination services provided to the project proponent</li> </ul>	<ul style="list-style-type: none"> <li>➤ Project proponent has submitted general building plans to Buildings Department for approval</li> </ul>
4	Hong Kong Sheng Kung Hui – in-situ redevelopment of its compound in Central <i>(Completed)*</i>	<ul style="list-style-type: none"> <li>➤ Preserve four historic buildings and make the compound in Central accessible to the public</li> <li>➤ Enhance community services such as welfare, medical, education and Church services</li> <li>➤ Create job opportunities during both construction and operational stages</li> </ul>	<ul style="list-style-type: none"> <li>➤ Members supported the project and noted its significance in the “Conserving Central” initiative</li> </ul>	<ul style="list-style-type: none"> <li>➤ General building plans for the development have been approved</li> <li>➤ The project proponent is following up on the land administration matters</li> </ul>
5	Hong Kong Red Cross – relocation of its headquarters to Yau Tsim Mong District <i>(Completed)*</i>	<ul style="list-style-type: none"> <li>➤ Enable the proponent to continue providing a full range of services to the community</li> <li>➤ Provide additional space to meet the growing needs of the NGO</li> <li>➤ Create job opportunities during both construction and operational stages</li> </ul>	<ul style="list-style-type: none"> <li>➤ Members supported this project and advised that international relief is an important area of work warranting Government’s support</li> </ul>	<ul style="list-style-type: none"> <li>➤ ExCo approved the proposed non-in-situ land exchange in July 2011</li> <li>➤ The project proponent is following up on the land administration matters</li> </ul>

6	<p>The University of Hong Kong – conversion of a former school building into student hostel in Central &amp; Western District (Completed)*</p>	<ul style="list-style-type: none"> <li>➤ Address the shortage of university student hostel places</li> <li>➤ A quicker and more environmentally friendly way to produce the planned hostel places</li> <li>➤ Preserve the heritage ambience of the historic buildings adjoining the subject building</li> <li>➤ Create job opportunities during both construction and operational stages</li> </ul>	<ul style="list-style-type: none"> <li>➤ Members supported the revised conversion scheme</li> <li>➤ Members noted that the revised scheme would not only provide the much-needed student hostel places in a more environmentally friendly way but also help maintain the heritage ambience of the area</li> </ul>	<ul style="list-style-type: none"> <li>➤ Planning permission was granted by the Town Planning Board in October 2010</li> <li>➤ General building plans have been approved</li> <li>➤ Project proponent is preparing for appointment of consultants</li> <li>➤ Site works will start in mid-2012</li> </ul>
7	<p>China Resources Property Limited – retrofitting and redevelopment of China Resources Centre and associated area improvement works in Wan Chai District</p>	<ul style="list-style-type: none"> <li>➤ Improve traffic and pedestrian flow and alleviate traffic congestion in Wan Chai North</li> <li>➤ Upgrade the Harbour Road Garden to a high quality open space</li> <li>➤ New hotel development to meet increasing demand from business travelers and tourists</li> <li>➤ Create job opportunities during both construction and operational stages</li> </ul>	<ul style="list-style-type: none"> <li>➤ Members supported the proposed area improvement works in view of its merits in improving the vehicular and pedestrian flows in Wan Chai North</li> <li>➤ Members supported the proposed upgrading of the Harbour Road Garden to deliver a high quality open space for public enjoyment</li> </ul>	<ul style="list-style-type: none"> <li>➤ The upgrading works of the Harbour Road Garden is scheduled to be completed by early 2012</li> <li>➤ Project proponent has obtained approval for the general building plans for the hotel development</li> <li>➤ The project proponent is following up on the land administration matters</li> </ul>
8	<p>Scout Association of Hong Kong – in-situ redevelopment of a district headquarters in Eastern District (Completed)*</p>	<ul style="list-style-type: none"> <li>➤ Expand existing youth development services</li> <li>➤ Create job opportunities during both construction and operational stages</li> </ul>	<ul style="list-style-type: none"> <li>➤ Members supported the project and proposed that the Association should make available some of the new facilities for use by the local community</li> </ul>	<ul style="list-style-type: none"> <li>➤ The Town Planning Board agreed to amend the height restriction on the site</li> <li>➤ General building plans have been approved</li> </ul>

9	<p>Ever Sun International Holdings Ltd – wholesale conversion of an existing industrial building into an exposition cum hotel complex in Yau Tong <i>(Completed)*</i></p>	<ul style="list-style-type: none"> <li>➤ Provides a platform for product promotion by local enterprises, including a business hotel, exposition space and supporting facilities for overseas buyers</li> <li>➤ Set back the building to construct a waterfront promenade along Yau Tong Bay for public enjoyment</li> <li>➤ In line with the Government’s policy to revitalise industrial buildings through wholesale conversion</li> <li>➤ Create job opportunities during both construction and operational stages</li> </ul>	<ul style="list-style-type: none"> <li>➤ Members supported the proposal in light of its economic merits in providing a permanent product promotion venue</li> <li>➤ Members appreciated the proposed building set-back to provide space for the waterfront promenade</li> <li>➤ Members recognised that wholesale conversion is a more sustainable and environmentally friendly way to provide the required premises</li> </ul>	<ul style="list-style-type: none"> <li>➤ Planning permission for conversion of the existing industrial building into hotel was obtained in September 2010</li> <li>➤ Project proponent plans to construct landing steps at the waterfront and is seeking planning permission from the Town Planning Board</li> </ul>
10	<p>Kowloon City Baptist Church – relocation of the church from Argyle Street to Tung Lei Road in Wong Tai Sin District <i>(Completed)*</i></p>	<ul style="list-style-type: none"> <li>➤ Enable the church to expand its religious and social services to the community</li> <li>➤ The existing Argyle Street site could be released to meet demand for housing land</li> <li>➤ Create job opportunities during both construction and operational stages</li> </ul>	<ul style="list-style-type: none"> <li>➤ LDAC supported the relocation proposal in view of its various social and economic benefits</li> </ul>	<ul style="list-style-type: none"> <li>➤ The project proponent is following up on the land administration matters</li> </ul>

11	<p>Hong Kong Maritime Museum – relocation and expansion of the museum from Stanley to Pier 8 in Central waterfront (Completed)*</p>	<ul style="list-style-type: none"> <li>➤ Promotes Hong Kong’s unique maritime heritage</li> <li>➤ A befitting public facility at the Victoria Harbour that will bring people to the harbourfront</li> <li>➤ Create job opportunities during both construction and operational stages</li> </ul>	<ul style="list-style-type: none"> <li>➤ Members generally supported the maritime museum project and agreed that it would showcase Hong Kong’s maritime history and heritage as a major port city</li> </ul>	<ul style="list-style-type: none"> <li>➤ General building plans were approved in November 2010</li> <li>➤ Planning permission for the scheme was granted by the Town Planning Board in January 2011</li> <li>➤ Funding application for construction and operation of the museum was approved by the Finance Committee of Legislative Council in January 2011</li> <li>➤ Site works started in August 2011</li> </ul>
12	<p>Hong Kong Clearwater Bay Hospital Limited – development of a private general hospital at Clear Water Bay, Sai Kung (Completed)*</p>	<ul style="list-style-type: none"> <li>➤ In line with the Government’s policy to promote development of private hospitals</li> <li>➤ Help address the current imbalance between public and private hospital services</li> <li>➤ Create job opportunities during both construction and operational stages</li> </ul>	<ul style="list-style-type: none"> <li>➤ Members supported the project in view of its contribution to further development of the private healthcare sector in Hong Kong and its benefits to the local community</li> </ul>	<ul style="list-style-type: none"> <li>➤ Planning permission for the scheme was granted by the Town Planning Board in May 2011</li> <li>➤ The project proponent is following up on the land administration matters</li> </ul>

13	<p>Taikoo Place Holdings Limited – redevelopment of a former industrial area and associated local improvement works in Eastern District <i>(Completed)*</i></p>	<ul style="list-style-type: none"> <li>➤ Regenerate a former industrial area through redevelopment, streetscape improvement and provision of additional open space, without increasing the total gross floor area in the area</li> <li>➤ The proposed visual and breeze corridor will improve air flows and enhance visual amenity</li> <li>➤ Create job opportunities during both construction and operational stages</li> </ul>	<ul style="list-style-type: none"> <li>➤ Members supported the project because it would provide additional Grade A office space to support Hong Kong’s economic development</li> <li>➤ Members welcomed the provision of additional street-level open space for community enjoyment and suggested that the proponent should put in place practical arrangements to ensure public access to the open space</li> <li>➤ Members also advised that Government should safeguard its interest in a property in the area to be redeveloped</li> </ul>	<ul style="list-style-type: none"> <li>➤ Planning permission was given by the Town Planning Board in March 2011</li> </ul>
14	<p>Caritas Hong Kong – redevelopment of a social welfare service complex in Tsuen Wan District <i>(Completed)*</i></p>	<ul style="list-style-type: none"> <li>➤ The redeveloped social centre will generate additional floor space for provision of welfare facilities to people in need</li> <li>➤ Create job opportunities during both construction and operational stages</li> </ul>	<ul style="list-style-type: none"> <li>➤ LDAC supported the redevelopment proposal in view of its various social and economic benefits</li> </ul>	<ul style="list-style-type: none"> <li>➤ The project proponent is following up on the land administration matters</li> </ul>



15	<p>Hip Shing Hong Development Company Limited – wholesale conversion of an industrial building to commercial and arts and creative sector uses in Southern District (Completed)*</p>	<ul style="list-style-type: none"> <li>➤ Provide properly converted floor spaces to support local arts and creative industries</li> <li>➤ Create job opportunities during both construction and operational stages</li> </ul>	<ul style="list-style-type: none"> <li>➤ Members welcomed and supported this wholesale conversion project because it would complement the transformation and regeneration of Wong Chuk Hang</li> </ul>	<ul style="list-style-type: none"> <li>➤ The proponent is revising the conversion scheme and plans to apply for a special waiver under the revitalisation scheme</li> </ul>
16	<p>The Catholic Diocese of Hong Kong – extension of a church complex in North District (Completed)*</p>	<ul style="list-style-type: none"> <li>➤ Encourage preservation of the St Joseph’s Church buildings, which are of high heritage value</li> <li>➤ The new multi-purpose hall, function rooms and the landscaped open space will be open for community use at suitable hours</li> <li>➤ Create job opportunities during both construction and operational stages</li> </ul>	<ul style="list-style-type: none"> <li>➤ Members supported the project for its contribution to heritage preservation and its various social and economic benefits</li> </ul>	<ul style="list-style-type: none"> <li>➤ The project proponent is following up on the land administration matters</li> </ul>
17	<p>Hong Kong Architecture Centre Limited – development of an out-reaching centre in Central and Western District</p>	<ul style="list-style-type: none"> <li>➤ Promote public education on architecture appreciation</li> <li>➤ Provide an additional cultural tourist attraction, showcasing the characteristics of Hong Kong’s townscape</li> <li>➤ Create job opportunities during both construction and operational stages</li> </ul>	<ul style="list-style-type: none"> <li>➤ Members supported the proposed project in-principle</li> <li>➤ Members appreciated the project for its creative use of under-utilised urban space under the flyovers</li> <li>➤ Members advised that the proponent should explore in greater details various management and operational issues</li> </ul>	<ul style="list-style-type: none"> <li>➤ The proponent is preparing for the relevant planning application to the Town Planning Board</li> <li>➤ The proponent would submit the proposal to the Harbourfront Commission for deliberation in January 2012</li> </ul>

18	Tao Heung Management Limited – proposed conversion of an industrial building into an education centre for the catering industry in Shatin <i>(Completed)*</i>	<ul style="list-style-type: none"> <li>➤ Help address the training needs of practitioners in the catering industry</li> <li>➤ Optimise the use of a vacant industrial building and complement the transformation and regeneration of the Fo Tan area</li> <li>➤ Create job opportunities during both construction and operational stages</li> </ul>	<ul style="list-style-type: none"> <li>➤ Members supported the conversion project in view of its various social and economic benefits</li> <li>➤ Members appreciated the proponent’s creativity and willingness to convert the industrial building for educational use with its own resources</li> </ul>	<ul style="list-style-type: none"> <li>➤ Project proponent obtained planning permission for the proposed conversion in June 2011</li> <li>➤ Project proponent has been granted a special waiver for the proposed conversion</li> <li>➤ Project proponent has obtained approval for the general building plans of the conversion</li> <li>➤ On-site construction started in November 2011</li> </ul>
19	General Conference Corporation of Seventh-day Adventists – redevelopment of a church and former school complex in Wan Chai	<ul style="list-style-type: none"> <li>➤ Provide elderly people with more housing choices as well as care and support services</li> <li>➤ Conserve the character-defining features of the existing church building</li> <li>➤ Create job opportunities during both construction and operational stages</li> </ul>	<ul style="list-style-type: none"> <li>➤ Members supported the project for its various social and economic benefits</li> <li>➤ Members noted that the project would provide additional floor space and for church activities and residential care services for the elderly</li> </ul>	<ul style="list-style-type: none"> <li>➤ The proponent is preparing for planning application</li> </ul>
20	NMC Limited – proposed sports training centre cum residential development in Kowloon City	<ul style="list-style-type: none"> <li>➤ Provide dedicated training facilities for athletes of three National Sports Associations</li> <li>➤ Optimise land use of the to-be-vacant school site for sports training and residential uses</li> <li>➤ Create job opportunities during both construction and operational stages</li> </ul>	<ul style="list-style-type: none"> <li>➤ Members supported the project in principle and agreed that it would relieve the current shortage in training venues of the three National Sports Associations</li> </ul>	<ul style="list-style-type: none"> <li>➤ The proponent is preparing for pre-submission enquiry to BD and the planning application</li> </ul>

21	Sisters of the Precious Blood – extension of a child residential home in North District	<ul style="list-style-type: none"> <li>➤ Provide more space for the Children’s Village to serve the children and their families better</li> <li>➤ Create job opportunities during both construction and operational stages</li> </ul>	<ul style="list-style-type: none"> <li>➤ Members supported the project as it would respond to the long-term development needs of the Children’s Village</li> </ul>	<ul style="list-style-type: none"> <li>➤ The proponent is preparing for the relevant general building plans submission</li> </ul>
<b>(b) Projects not supported by LDAC and DOO has ceased to provide assistance</b>				
22	The Baroque on Lamma Limited – comprehensive marina, hotel and residential developments in Islands District	<ul style="list-style-type: none"> <li>➤ The proposed facilities for hosting international regattas would enhance Hong Kong’s role as an international event capital</li> <li>➤ The proposed spa hotel resort would contribute to the tourism sector</li> <li>➤ Provide training facilities for elite water sports athletes</li> <li>➤ Create job opportunities during both construction and operational stages</li> </ul>	<ul style="list-style-type: none"> <li>➤ Members noted the potential economic merits of the project, but raised concerns about the planning and land issues identified as well as its environmental and ecological impacts</li> <li>➤ Members agreed that DOO should cease providing one-stop services to this project</li> </ul>	<ul style="list-style-type: none"> <li>➤ Project proponent has submitted a rezoning application and additional information to the Town Planning Board, which was rejected by the Board in December 2011</li> </ul>
23	New Cheers Limited – development of columbarium in Islands District	<ul style="list-style-type: none"> <li>➤ Ease the shortage of public and private columbarium niches and reduce demand for burial grounds in the New Territories</li> <li>➤ Part of the proposed niches will be handed over to the Government for allocation to the public</li> <li>➤ Create job opportunities during both construction and operational stages</li> </ul>	<ul style="list-style-type: none"> <li>➤ Members recognised the complex problems relating to planning, land and transport access and consider it difficult for the projects to proceed further</li> <li>➤ Members agreed that DOO should cease providing one-stop services to this project</li> </ul>	<ul style="list-style-type: none"> <li>➤ Project proponent submitted a rezoning application to Town Planning Board in August 2011, but withdrew it in December 2011</li> </ul>

24	Uni-Creation Investment Limited – development of columbarium in Islands District	<ul style="list-style-type: none"> <li>➤ Meet part of the future demand for private columbarium niches in Hong Kong</li> <li>➤ Bring new economic activities and job opportunities to Tung Chung during both construction and operational stages</li> </ul>	<ul style="list-style-type: none"> <li>➤ Members recognised the complex problems relating to planning, land and transport access and consider it difficult for the projects to proceed further</li> <li>➤ Members expressed grave concerns about possible unauthorised site formation works and clearance of vegetation on site</li> <li>➤ Members agreed that DOO should cease providing one-stop services to this project</li> </ul>	
25	Utahloy Education Foundation Limited – development of an international school with boarding facilities in Sai Kung	<ul style="list-style-type: none"> <li>➤ Help meet the increasing demand for international school places</li> <li>➤ The school will be a good place to study geography, science and the environment and public access would be allowed</li> <li>➤ Create job opportunities during both construction and operational stages</li> </ul>	<ul style="list-style-type: none"> <li>➤ Members did not support the project because it was not compatible with the surrounding environment and expressed concerns about the potential adverse impact on the rural and countryside ambience with high landscape and nature conservation value</li> <li>➤ Members agreed that the DOO should cease providing one-stop services to this project</li> </ul>	

Note

\* “Completed” projects are those that have obtained the necessary government approvals and there is no major outstanding issues requiring DOO’s further assistance

**Projects that Have Not Been Presented to  
the Land and Development Advisory Committee for Advice**  
(as at 31 December 2011)

	<b>Development Proposals</b>	<b>District</b>
<i>Community Projects</i>		
1.	Development of a Chinese arts and cultural institute	Wong Tai Sin
2.	Development of a global village and distribution centre for international relief	Tuen Mun
3.	In-situ redevelopment for a social welfare service centre for persons with disabilities	Southern
4.	Improvement works for a community service centre	Wan Chai
5.	Development of a youth camp for psychotropic substance abusers	North
6.	In-situ redevelopment of workers' recreation club and other facilities	Yau Tsim Mong
7.	Development of sports and recreational facilities	Tuen Mun
8.	Refurbishment of reception and recreational facilities for visiting servicemen and the public	Wan Chai
9.	Redevelopment of NGO facilities	Wan Chai
10.	Development of columbarium	Yuen Long
11.	Expansion of university campus	Kowloon City
12.	Redevelopment of a social service centre	Kwun Tong
13.	Development of NGO headquarters	Kowloon City
<i>Private Sector Projects</i>		
14.	Redevelopment and expansion of a private hospital	Wan Chai
15.	Development of a spa resort with public recreational facilities	Tai Po
16.	Development of an organic farm cum education and visitor centre	Yuen Long
17.	Development of a resort hotel	Islands
18.	Local area improvement scheme	Wan Chai
19.	Development of outdoor performance venue	Central and Western

*Note:*

*We consider it appropriate to disclose the names and particulars of projects that have been presented to the Land and Development Advisory Committee for advice. For projects that have not been presented to the LDAC for advice, we refrain from disclosing the project details because the proponent may have to develop their schemes further and they may involve commercially sensitive information.*