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12 May 2014

Clerk to the Establishment Subcommittee  
Legislative Council  
Legislative Council Complex  
1 Legislative Council Road  
Central, Hong Kong  
(Attn: Mr Hugo CHIU)

Dear Mr CHIU,

**Establishment Subcommittee**

**Proposed creation of one permanent post of Administrative Officer Staff Grade B (D3) in Development Bureau (Planning and Lands Branch) and three supernumerary posts of one Government Engineer (D2) in Development Bureau (Works Branch) and two Chief Engineer (D1) in Civil Engineering and Development Department up to 31 March 2019 (ESC Paper No. EC(2014-15)4)**

**Follow-up to the Meeting on 30 April 2014**

Thank you for your letter of 2 May 2014 to the Financial Services and the Treasury Bureau regarding the list of issues requiring follow-up action by the Government further to the discussion of the above item at the meeting of the Establishment Subcommittee on 30 April 2014. Members have asked to be informed of : (a) the Administration's response to suggestions made by the public, Legislative Council (LegCo) Members and the relevant stakeholders to increase land supply through better utilization of developed land (e.g. re-development of brownfield sites and vacant government quarters); and (b) the Administration's follow-up actions on the suggestions which are considered pursuable.

Increasing land supply to meet the housing and other needs of Hong Kong people tops the agenda of the Government. In this connection, we have adopted a multi-pronged strategy to increase land supply in the short, medium and long term, through a series of measures, including the optimal use of developed land as well as the creation of new developable land. We also welcome any suggestions on increasing land supply and will take forward those that are feasible.

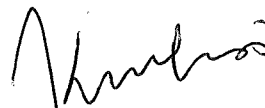
In this regard, Members may wish to take note of our paper submitted to the Panel on Development on 22 July 2013 (**Annex A**), which include –

- (a) our strategy on land supply in short, medium and long term;
- (b) the latest progress of the various initiatives and our views on suggestions for increasing land supply; and
- (c) the general workflow of readying land for development.

In particular, the suggestion that we have received on developing vacant government quarters/premises is covered under our “Review of Government, Institution or Community Sites” and “Using Short Term Tenancy and Temporary Government Land Allocation” mentioned in paragraphs 12 and 51 of the paper, and the suggestion to develop brownfield sites is indeed one major initiative of ours - “Major Development Areas and Development Projects” (such as Hung Shui Kiu New Development Area and Review of Deserted Agricultural Land in North District and Yuen Long) and “Developing ‘Brownfield Sites’” - mentioned in paragraphs 20 to 22 and 55 to 58 of the paper.

We have been reporting progress of our work on this front to the LegCo from time to time, including the submission to the Panel on Development on 28 January 2014 (relevant extract at **Annex B**) and that to the joint meeting of the Panel on Development and the Panel on Housing on 29 January 2014 (**Annex C**). We will continue to work closely with the parties concerned in taking forward the initiatives to increase housing land supply.

Yours sincerely,



( Kevin Choi )  
for Secretary for Development

c.c.

Secretary for Financial Services and the Treasury

(Attn: Ms Esther LEUNG)

Director of Civil Engineering and Development

(Attn: Mr. CHEONG Siu-yau)

CB(1)1543/12-13(01)

**For information**  
**22 July 2013**

**LEGISLATIVE COUNCIL**  
**PANEL ON DEVELOPMENT**

**Increasing Land Supply**

**Purpose**

At the request of the Panel, this paper briefs Members on the strategy on and the latest progress of the Government's initiatives for increasing land supply, the general workflow of development and supply of land, and provides a response to the various land development proposals.

**Strategy on Land Supply**

2. To meet the housing demand and various needs of the Hong Kong community, the 2013 Policy Address gives a clear account of the overall policy blueprint of the current-term Government on increasing land supply to tackle the housing problem. The Policy Address clearly stated the guiding principle of facilitating social and economic development and the vision of improving the living space of the people of Hong Kong through increasing land supply. As such, the Government will continue to adopt a multi-pronged strategy to increase land supply in the short, medium and long term, through the continued and systematic implementation of a series of measures, including the optimal use of developed land as far as practicable and identification of new land for development.

*Increasing Supply of Housing Land in Short to Medium Term*

3. The ten initiatives put forward in the 2013 Policy Address will increase the supply of housing land in the short to medium term. These ten initiatives cover a broad range of areas in increasing land supply, including the following:

- To review various land use zonings for identification of suitable sites for conversion to residential use, including converting suitable Government, Institution or Community (G/IC) and other Government sites, Green Belt (GB) sites, as well as industrial sites to residential or other appropriate uses, and to convert the land where the original intended use is not required anymore for housing or other uses that meet the more pressing needs in the

community as soon as possible (such as converting the site in Tai Po originally reserved for private hospital to public housing development).

- To increase the development density of residential sites as far as allowable in planning terms, including the increase of development density of individual residential sites (for example, the building height restriction and plot ratio (PR) of the residential sites in Tseung Kwan O South have been slightly relaxed previously), so as to increase the number of housing units that could be provided thereon, and to consider relaxing or lifting the administrative moratorium currently in force to restrict new land sale or lease modification in Pok Fu Lam and the Mid-Levels on Hong Kong Island to increase housing land.
- To continue to put into full play the integrated development of mass transportation and residential property, including taking forward the planning for residential development at Kam Tin South West Rail Kam Sheung Road Station and Pat Heung Maintenance Depot and to study the development potential of the adjoining areas, to carry forward housing development through the implementation of the redevelopment projects by the Urban Renewal Authority (URA), and to expedite the development projects at the former Diamond Hill Squatter Areas (Tai Hom Village), former Cha Kwo Ling Kaolin Mine, former Lamma Quarry and Anderson Road Quarry, which do not involve land resumption; and
- To review land administration procedures and processes related to land grant and premium assessment to expedite land supply, and in the interests of the public, to expedite the administrative approval procedures and take other corresponding measures so that the approved planning applications for residential development can be implemented as soon as possible.

4. The objective of the ten initiatives is to step up all efforts to increase and expedite land supply through a multi-pronged approach following the above directions so as to enhance the supply of housing. We will continue to forge ahead and take forward the relevant works to identify more suitable sites to increase housing land supply in the short to medium term, so as to address the on-going tight housing supply-demand situation at present.

5. In fact, the Government has been carrying out various land use reviews on an on-going basis, including reviewing the government land being vacant or currently used under short term tenancy, the next stage of review on GB sites and the new round of review on industrial sites, etc., and we have gradually started to see the results. Through all these reviews, we have identified sites which could be considered for conversion to residential use in various districts

throughout the territory. For example, we have recently included five sites in the Land Sale Programme this year after ascertaining their suitability for residential development. We will continue to conduct studies on other land, and will proceed with the town planning and other relevant procedures for their allocation to public or private housing use, after completion of the studies and confirmation of the sites' suitability for residential use.

### Long-term Land Supply

6. Creating new land supply is an essential source of land in the long term. The Government is determined to develop new land extensively and build up a land reserve so that land can be used to meet future demand in a timely manner. Therefore, the Government will expeditiously take forward a number of long-term land supply projects including the North East New Territories New Development (NENT) Areas (NDAs), Hung Shui Kiu (HSK) NDA, development of Lantau Island (including the Tung Chung New Town Extension), review of deserted agricultural land in North District and Yuen Long (including the Planning and Engineering Study for Housing Sites in Yuen Long South), developing the New Territories North, exploring the option of reclamation on an appropriate scale outside Victoria Harbour, and rock cavern and underground space developments, etc. These long-term land supply projects will be our focus in meeting future population growth, providing land resources for economic development and improving people's living space and environment.

7. It should be noted that the above short, medium and long term land supply initiatives are of significant importance in meeting the housing demand of the community and the on-going economic and social development needs of Hong Kong. We can only improve people's living space and environment in the long run through optimising the use of developable land and creating more new land for development. On the other hand, besides providing land for housing development, we should also provide adequate supporting infrastructure and community facilities, address the impact of developments on various areas including traffic and environment, and provide land resources for various economic activities so as to create job opportunities, by way of proper planning.

8. Therefore, in increasing land supply for development, the Government should adopt a holistic strategy to identify suitable areas and sites for development, determine the priority of utilisation and development of land, and conduct appropriate planning and engineering studies, instead of only looking for vacant or undeveloped land scattered over different areas. On the one hand, these sites may not be suitable for development owing to a number of

constraints in infrastructure, amenities, traffic and environment, etc., or it may not be cost-effective having regard to the infrastructure and other ancillary facilities required for development. On the other hand, there is an established mechanism for determining the priority of development of land. Given the limited resources, we have to consider how the resources should be properly allocated so as to develop our land in the most effective manner.

### **Latest Progress of the Initiatives to Increase Land Supply**

9. The latest progress of the initiatives to increase land supply in the short, medium and long term above as set out in the 2013 Policy Address is as follows:

#### ***(a) Review of Development Intensity and Restrictions***

##### ***(i) Increasing the Development Intensity as Appropriate***

10. To optimise the use of scarce land resources, the Planning Department (PlanD) has enhanced its efforts in reviewing the development intensity of existing sites for private housing developments in order to increase flat supply. In tandem, the development intensity of public housing sites and that assumed under major planning and engineering studies are also reviewed. In the process, PlanD will carefully assess how the PR of a site can be optimised taking into account practical considerations such as the traffic and infrastructure capacity in the area, the characters and development intensity of the neighbourhood, and the possible environmental, visual and air ventilation impacts on the area. To enhance flat production, planning applications seeking approval from the Town Planning Board (TPB) for higher residential development density will also be actively considered taking into account the relevant planning considerations. For example, TPB approved in January this year minor relaxation of the development restrictions on four residential sites in Tseung Kwan O South, so as to increase the number of flats for better utilisation of the land.

##### ***(ii) Relaxing or Lifting the Pok Fu Lam and Mid-Levels Moratorium***

11. The Government is considering relaxing or lifting the administrative moratorium currently in force to restrict new land sale or lease modification in these two areas. We will conduct detailed assessment of the potential impact before making a decision.

***(b) Land Use Reviews/Studies***

***(i) Review of G/IC Sites (involving 36 sites with a total area of about 27 hectares and an estimated production of about 11 900 flats at this stage)***

12. PlanD has completed the first round of review of sites zoned G/IC and other government sites, and has identified 36 sites suitable for residential development involving a total of 27 hectares (ha) of land. It is estimated that about 11 900 public and private residential flats could be produced if all these sites are used for housing development. Among the 36 sites, 16 had been zoned or were going through town planning procedures for rezoning for residential use as at end June 2013. PlanD will accord priority to process the rezoning of the remaining sites. The Government will continue to be on the lookout for other G/IC and government sites that have potential for residential and other uses in higher demand in the community.

***(ii) Review of GB Sites (involving 13 sites with a total area of about 57 ha and an estimated production of about 23 000 flats at this stage)***

13. In the Stage 1 GB review, PlanD examined GB sites that are no longer serving their intended function with a view to identifying suitable ones for housing development. After review of GB sites that are devegetated, deserted or formed in the New Territories, 13 sites with a total area of 57 ha are considered by PlanD as suitable for residential development, which can produce about 23 000 flats. PlanD is expediting the rezoning process. Among the sites, one is going through the statutory planning procedures for rezoning to residential use. As for the remaining 12 sites, it is estimated that the rezoning procedures for nine of them will be completed by late 2014, and the rezoning of the other three sites will be completed as soon as possible afterwards. PlanD is carrying out the next stage of GB review to identify more suitable housing sites.

***(iii) Review of Industrial Sites (involving 16 sites with a total area of about 30 ha and an estimated production of about 20 400 flats at this stage)***

14. PlanD has conducted three rounds of review of industrial land since 2000. In the last round conducted in 2009, some 60 ha of land has been identified as suitable for housing and other land uses, among which some 30 ha on 16 sites are recommended for residential use. Among them, 13 (eight are privately owned whereas five are owned by the Government) have completed or are undergoing the statutory rezoning process. Some 14 600 units could be provided upon development or redevelopment of all the 13 sites. For the remaining three industrial sites, it is estimated that some 5 800 units could be



provided as and when they are all developed or redeveloped. With a view to examining the latest utilisation of the existing industrial land, and the possibility of further converting some sites to other uses, including residential use, PlanD has started to conduct another round of review in end March 2013, which is expected to be completed in 2014.

***(c) Reclamation, Rock Cavern and Underground Space Developments (the near shore reclamation sites are expected to provide about 600 ha of land, and the cavern development projects are expected to provide a total of about 34 ha of land)***

15. To build up a land reserve, the Government will press ahead with reclamation outside Victoria Harbour while endeavouring to keep the impact on the environment and marine ecology to a minimum. In accordance with the site selection criteria formulated after the Stage 1 public engagement (PE), the Civil Engineering and Development Department (CEDD) identified five possible near shore reclamation sites, namely Sunny Bay and Siu Ho Wan in North Lantau; Lung Kwu Tan in Tuen Mun; Southwest Tsing Yi; and Ma Liu Shui near the estuary of Shing Mun River for further consideration. They can provide a total of about 600 ha of land. CEDD completed the 3-month Stage 2 PE on 21 June 2013 and received more than 50 000 views. CEDD is collating and analysing the views and conducting preparation work for further technical studies on suitable sites. Apart from the near shore reclamation sites, CEDD will also study the feasibility of building artificial islands in the central waters between Hong Kong Island and Lantau. If supported by convenient and cost-effective transport infrastructure, the artificial islands can be developed as new towns providing housing and employment opportunities in the long term.

16. Reclamation aside, rock cavern and underground space developments are also viable sources of land supply. The Drainage Services Department (DSD) is studying the feasibility of relocating the Sha Tin Sewage Treatment Works to caverns to release about 28 ha of land for housing and other uses. DSD has completed the Stage 1 PE for the feasibility study and the relocation proposal is generally supported by the public. The feasibility study will be substantially completed in early 2014. DSD is conducting preparation work for the investigation and design for the relocation project with a view to commencing the construction works in 2017. In addition, during the Stage 2 PE mentioned in the last paragraph, three other potential public facilities, i.e. Diamond Hill Fresh Water and Salt Water Service Reservoirs, Sai Kung Sewage Treatment Works and Sham Tseng Sewage Treatment Works, were proposed for relocation to caverns to provide about 6 ha of precious land in urban areas. We are collating the public views on the use of these three sites with a view to preparing for the commencement of the respective feasibility

studies. Furthermore, CEDD is readying for commencing a territory-wide study on underground space development in the urban areas of Hong Kong to identify potential areas for underground space development, with a view to creating usable space and enhancing connectivity of underground spaces in the urban areas. CEDD will also select some strategic areas for carrying out a pilot study.

***(d) Major Development Areas and Development Projects***

*(i) New Development Areas (the two NDAs of Kwu Tung North (KTN) and Fanling North (FLN) in NENT are expected to provide about 333 ha of developable land and about 60 700 flats, and HSK NDA is expected to provide about 446 ha of developable land and about 60 000 flats.)*

17. NDAs are a major source of land supply to meet the long-term housing, as well as other social and economic development needs of Hong Kong. The NENT NDAs Planning and Engineering Study is largely completed while the HSK NDA Planning and Engineering Study is in progress.

18. Adjustments have been made to the NENT NDAs project. We will proceed with KTN and FLN NDAs as soon as possible as extensions to the Fanling/Sheung Shui New Town, so as to meet the demand for housing and other development needs. The Ping Che/Ta Kwu Ling NDA will be re-planned under a new study on the New Territories North and the public will be consulted again. The development intensity of KTN and FLN NDAs has been suitably increased. The housing units have increased from the original 47 300 to 60 700. The proportion of public housing, including public rental housing (PRH) and Home Ownership Scheme, has been increased from less than half (49%) to 60%. Subject to the market situation, we will apply the “Hong Kong Property for Hong Kong People” measure to private residential sites.

19. We have also formulated a Preliminary Outline Development Plan for HSK NDA, which will provide about 446 ha of developable land, including 145 ha of housing land for about 60 000 residential units. A three-month Stage 2 Community Engagement exercise commenced on 15 July.

20. Land in the KTN and FLN NDAs, as well as HSK NDA is expected to be available for development from 2019 and 2021 onwards respectively.

*(ii) Developing the New Territories North*

21. Apart from NENT NDAs and HSK NDA, there are vast tracts of undeveloped land in the New Territories North (including land released from the Closed Area) that could be considered for meeting the long-term development needs of Hong Kong. As mentioned in the 2013 Policy Address, a planning study for further development of the New Territories North will be undertaken by PlanD to examine further development opportunities of undeveloped areas and feasibility of developing a modern new town there of a similar scale as the Fanling/Sheung Shui New Town. A preliminary feasibility study will commence in early 2014.

*(iii) Review of Deserted Agricultural Land in North District and Yuen Long (involving about 257 ha of land)*

22. To make more gainful use of agricultural land which is currently used mainly for industrial purposes, temporary storage, or deserted, the Government is reviewing a total of about 257 ha of such sites in North District and Yuen Long, with a view to identifying more suitable sites for housing development as soon as possible. In this connection, four areas in Kwu Tung South (KTS), Yuen Long South (YLS), Fanling/Sheung Shui Area 30 (FSS) and Kong Nga Po (KNP) have been identified for planning and engineering studies to ascertain the feasibility of and scope for residential development. The studies on the KNP, YLS and KTS sites have already commenced for completion by 2014/2015, while the study on the FSS site will be conducted in two phases, with Phase 1 to commence in the third quarter of 2013 for completion by early 2014 and Phase 2 to commence upon review of Phase 1's findings. According to the preliminary assessment, some of the sites are anticipated to be available for housing development in 2020 at the earliest.

*(iv) Development of Lantau Island - Tung Chung New Town Extension (anticipated to provide about 188 ha of developable land for a maximum of 53 000 flats)*

23. With the anticipated completion of the Hong Kong – Zhuhai – Macao Bridge and the Tuen Mun – Chek Lap Kok Link, Lantau Island, particularly Tung Chung, is poised to become an important transport hub to overseas destinations and the Pearl River Delta region. PlanD and CEDD are undertaking the Tung Chung New Town Extension Study to examine the possibility of extending Tung Chung New Town to accommodate a target population of 220 000 and leverage future economic opportunities that would help create more jobs for Tung Chung residents. Stage 2 PE of the study was launched on 21 May 2013 for two months to consult the public on the initial

development options. According to the initial land use options, the “Livable Town” and “Economic Vibrancy” options in Tung Chung East will provide about 38 000 and 33 000 flats respectively, while Tung Chung West will provide about 15 000 flats. The study is anticipated for completion by 2014.

*(v) Energizing Kowloon East (anticipated to provide an additional office floor area of about 4 million square metres)*

24. Kowloon East, being another core business district in Hong Kong, has the potential to supply an additional office floor area of about 4 million square metres. To expedite the process, we are considering relocating the existing government facilities in the two action areas of Kowloon East and making available some vacant and appropriate sites in the action areas to the market as soon as possible. It is expected that these two action areas will be able to provide about 500 000 square metres of floor area in total for office and other uses. The Government plans to put on sale a vacant government land site in the action area of Kowloon Bay in the 2013-14 financial year. The said site will be made available to the market upon approval of rezoning.

*(vi) Kai Tak Rethink*

25. To facilitate the transformation of Kowloon East and in view of the public aspiration for increasing housing supply in the urban areas, we are reviewing the land use planning in Kai Tak Development (KTD). Based on the preliminary result of the planning review, there are scopes for suitably increasing development intensity in KTD without compromising the planning aspirations for and land supply from the area in the coming five years. The Government is conducting a technical feasibility study to assess the impacts of increasing the development intensity on the infrastructure and supporting facilities. The study is scheduled for completion by phases starting from 2014. We will consult the general public on the outcome of the study and its recommendations in due course.

***(e) Planning and Lease Modification Issues***

*(i) Expediting the Implementation of Approved Projects and Streamlining Land Administration*

26. With public interests in mind, the Development Bureau (DEVB) will expedite the procedures and take other corresponding measures to facilitate the implementation of planning applications relating to residential development approved by TPB as soon as practicable, thereby expediting the flat production.

27. Meanwhile, the Lands Department (LandsD) is reviewing the feasibility of further simplifying the lease conditions and land administration procedures, and is considering the consolidation of the Practice Notes relating to approval under lease so as to facilitate land development to meet community needs. In the meantime, LandsD also holds discussions with the stakeholders.

(ii) Development of Former Diamond Hill Squatter Areas and Quarry Sites (estimated to provide about 27 ha of housing land in total for the provision of about 15 000 flats)

28. To expedite the development of the former Diamond Hill Squatter Areas (Tai Hom Village), as well as the former Cha Kwo Ling Kaolin Mine, former Lamma Quarry and Anderson Road Quarry, all of which do not involve land resumption, DEVB will actively consider making use of private developers' capacity for development to provide the infrastructure and ancillary facilities, and construct public and private residential units thereon. These four projects are expected to provide about 27 ha of residential land for construction of about 15 000 units. For instance, the final Recommended Outline Development Plan of the Anderson Road Quarry has been formulated and its future development will cater for a planned population of 25 000 with the production of about 9 410 flats.

***(f) Other Sources of Housing Land***

(i) Development of the West Rail Kam Sheung Road Station, Pat Heung Maintenance Depot and the Adjoining Areas (the Kam Sheung Road Station and Pat Heung Maintenance Depot: involving about 33 ha of land with an estimate of 8 700 flats; the adjoining areas: involving about 110 ha of land)

29. In stepping up efforts to put into full play the integrated development of mass transportation and residential property, PlanD will take forward the planning for residential development above the Kam Tin South West Rail Kam Sheung Road Station and Pat Heung Maintenance Depot, with land of about 33 ha in total estimated to provide about 8 700 flats. In parallel, a land-use review of the adjoining areas of about 110 ha is being undertaken with a view to identifying more suitable sites for housing development. Upon completion of the review in the third quarter of 2013, we will undertake local consultation on the development of the West Rail property and its adjoining areas including the Yuen Long District Council, Kam Tin and Pat Heung Rural Committees, etc. An engineering feasibility study will also be conducted to assess the infrastructural requirements. The Government will also continue to explore vigorously the residential development potential of land along existing and planned railways.

(ii) Urban Renewal Projects (involving 4.9 ha of land for production of about 4 700 flats)

30. URA will continue to redevelop old and dilapidated private buildings. To address the aspirations of property owners and speed up the pace of urban renewal, in his 2013 Policy Address, the Chief Executive invited URA to forge ahead with its “demand-led” redevelopment scheme. The three “demand-led” redevelopment projects selected in the first round of applications to the scheme are progressing well. One of them has already reached the stage of gazettal for land resumption, while the other two are at the acquisition stage. URA has commenced all four projects selected in the second round of applications. Invitation for applications for the third round has started in early July 2013 and will close by the end of September 2013. URA is expecting encouraging response.

**Response to the Various Land Development Proposals**

31. The Government appreciates different views on the development and use of land in the society. For land with potential for residential development or other uses that meet the more pressing needs in the community, we will review and assess the feasibility of the relevant development proposals under the established mechanism. The Government will carefully consider the various land development proposals from all parties. For ways which are considered feasible in increasing land supply, we will definitely consider adopting. The following is our major response to some of the land supply and development proposals in the past.

(i) Using Unleased or Unallocated Residential Land (upon deduction of land types such as roads/passageways, man-made slopes, land allocated under the Simplified Temporary Land Allocation procedures and fragmented sites, there remain about 391.5 ha of unleased or unallocated government land zoned “Residential” or “Commercial/Residential” as at June 2012)

32. In reply to a question on unleased or unallocated government land raised in the Legislative Council (LegCo) in October last year, DEVB already made it clear that such areas of land refer to the areas of unleased or unallocated government land under different land use zonings (including the land zoned “Residential”, “Commercial/Residential”, “Village Type Development”, “Commercial”, “Industrial”, “G/IC” and “Open Space”) on statutory town plans (including Outline Zoning Plans (OZPs) and Development Permission Area Plans) (statutory plans). The figures are obtained simply by subtracting the leased or allocated areas under the respective land use zonings from the total areas covered by such zones on the statutory plans, based on statistics as at the

end of June 2012. Therefore, such figures are not equivalent to the areas of land immediately available for development or the land reserve.

33. To facilitate public understanding, the relevant consolidated and analysed land information and the maps showing the concerned site boundaries have been uploaded onto the website of DEVB for public inspection. The land information and maps concerned are at **Annexes 1 to 6** (the relevant information could be found on DEVB's website: [http://www.devb.gov.hk/en/issues\\_in\\_focus/the\\_land\\_area\\_analysis/index.html](http://www.devb.gov.hk/en/issues_in_focus/the_land_area_analysis/index.html)). The scale of the maps at Annexes is relatively small due to printing limitations. The version on the website allows zooming in such that the distribution of sites in different districts could be viewed.). Upon deduction of land types such as roads/passageways, man-made slopes, land allocated under the Simplified Temporary Land Allocation (STLA) procedures and fragmented sites (sites less than 0.05 ha in area), there remain about 391.5 ha of unleased or unallocated government land zoned "Residential" or "Commercial/Residential". Amongst these sites, there are still a number of sites with irregular shapes (e.g. empty space between buildings, back lanes and narrow strips of land alongside existing developments, highways or other amenities) and they may not be suitable for development. The suitability of individual sites for development depends on a series of factors, such as the adequacy of related infrastructural facilities, and compatibility with neighbouring land uses (e.g. whether the site is too close to existing or planned buildings), etc.

34. For unleased or unallocated government land with potential for residential or other developments, we will review and assess its development feasibility under the established mechanism. Furthermore, when a plot of land is ready for development, we will make appropriate arrangements, such as allocating it for subsidised housing development or including it in the Land Sale Programme. Some of these unleased or unallocated government sites have been earmarked for subsidised housing development or included in the Land Sale Programme, and others which have potential for development have also been covered by the above initiatives being undertaken by the Government to increase land supply, including being considered under the reviews of various land use zonings mentioned above.

*(ii) Using Unleased or Unallocated G/IC, Industrial and Commercial Land (upon deduction of land types such as roads/passageways, man-made slopes, land allocated under the STLA procedures and fragmented sites, there remain about 384.4, 167.7 and 5.7 ha of unleased or unallocated government land zoned "G/IC, "Industrial" and "Commercial" respectively as at June 2012)*

35. The various initiatives to increase land supply being undertaken by the Government mentioned above include the review of G/IC and industrial sites. Apart from the 36 G/IC and other government sites, and 16 industrial sites which are going through the town planning procedures for rezoning to residential use in phases as mentioned by the Government, PlanD will continue to be on the lookout for more G/IC and other government sites suitable for rezoning to residential use, provided that the provision of community facilities will not be affected. In parallel, PlanD commenced another round of review of industrial land in end March 2013 with a view to examining the possibility of converting more industrial sites to other uses, including residential use. The review is expected to be completed in 2014.

36. For commercial land, as stated in the 2013 Policy Address, the Government will continue to adopt a multi-pronged approach to increase the supply of housing land, while at the same time supply more commercial land and facilities, so as to facilitate the further development of different economic activities in Hong Kong. In fact, there is an on-going demand for land for various economic activities like office, retail, hotels and logistics in the market. With the economic transformation in Hong Kong and the increasing number of Mainland and foreign enterprises entering the Hong Kong market, the demand for land from various commercial and service sectors will only be on the rise. Currently, we have no plan to convert commercial land to residential use. We will continue to closely monitor the demand and supply of commercial land in Hong Kong, and actively conduct proper land use planning to meet the market needs and to continue enhancing the competitiveness of Hong Kong.

37. We need to emphasise again that for the unleased or unallocated government land mentioned by DEVB in reply to the question raised in LegCo in October last year, we have already uploaded the relevant information and maps to the website of DEVB for public inspection of the location, shape and area of the sites. Amongst these sites, there remain a number of them with irregular shapes or being too close to existing or planned developments. For example, some sites are actually empty spaces between buildings, back lanes or narrow strips of land alongside buildings or other infrastructures. Even though they are situated at G/IC, industrial or commercial zones, they may still not be possible for development. It is necessary for the Government to continue to conduct reviews of various land use zonings, and take forward a number of planning and engineering studies to ensure an on-going land supply in the short, medium and long term.

38. All in all, for land with potential for residential development or other uses that meet the more pressing needs in the community, including the unleased or unallocated government land, we will review and assess its



development feasibility under the established mechanism. When a plot of land is ready for development, we will make appropriate arrangements, such as allocating it for subsidised housing development or including it in the Land Sale Programme. For some of the sites which have potential for development, they have already been included in the above initiatives being undertaken by the Government to increase land supply, including being considered under the reviews of various land use zonings mentioned above.

(iii) Developing “Village Type Development” Sites (upon deduction of land types such as roads/passageways, man-made slopes and land allocated under the STLA procedures, there remain about 932.9 ha of unleased or unallocated government land zoned “Village Type Development” as at June 2012)

39. As stated above, in view of public concerns on the unleased or unallocated government land, we have uploaded, among the land information of the unleased or unallocated government land, the map of the approximately 932.9 ha of unleased or unallocated government land zoned “Village Type Development” after excluding roads/passageways, man-made slopes and land allocated under the STLA procedures, to the website of DEVB in October last year. In fact, land under the “Village Type Development” zoning on statutory plans scatters across the territory and is mainly located in recognised indigenous villages in the New Territories. Under the prevailing small house policy, a male indigenous villager at least 18 years old who is descended through the male line from a resident in 1898 of a recognised village in the New Territories may apply to the authorities for permission to erect for himself during his lifetime a small house on a suitable site within his own village. At present, land under the “Village Type Development” zoning on statutory plans is generally within the environs of the recognised villages in the New Territories, and therefore the land use zoning of “Village Type Development” is mainly for small house development by the indigenous villagers. In general, these sites are not suitable for large-scale development because of the infrastructural and other logistical constraints and their sporadic locations. Besides, many of the unleased or unallocated land lots are actually the passageways or surrounding areas of the existing small houses, and therefore not each of them is suitable for development.

40. Notwithstanding this, over the nearly four decades since the implementation of the small house policy, much has changed in the rural setting as well as in the community at large. Having regard to the present-day land use planning and the principle of optimal use of land resources, the Government recognises the need for a review of the small house policy. Such a review will inevitably involve complicated issues in various aspects including legal, environment, land use planning and demand on land, etc., all of which have to

be carefully examined. We will continue to engage various sectors of the community in discussion and communication in this regard.

(iv) Developing Roads and Slopes

41. For the suggestion that roads or slopes are also suitable for development, it must be pointed out that although this proposal may not be technically impossible given the present engineering technologies and facilities, such developments on roads or slopes may be extremely close to the existing buildings or infrastructures. For example, a new residential block may be built on the slope at the front or back of the existing building, between two existing buildings, or extremely close to the existing roads or flyovers, which is not suitable in planning terms taking into consideration its substantial impact on areas like traffic, air quality and noise, etc. Therefore, it may not be practicable to develop roads or slopes.

(v) Developing “Undetermined” Sites

42. Some pointed out that the amount of unleased or unallocated government land mentioned above does not include the “undetermined” sites, land designated for property development above railway stations and “Comprehensive Development Area” (“CDA”) sites. As repeatedly stressed, the figures of the relevant unleased or unallocated government land areas are obtained simply by subtracting the leased or allocated areas under the respective land use zonings (including the land zoned “Residential”, “Commercial/Residential”, “Village Type Development”, “Commercial”, “Industrial”, “G/IC” and “Open Space”) from the total areas covered by such zones on the statutory plans in reply to a question raised in LegCo. Hence, the relevant information does not include all land use zonings, and the figures are not equivalent to the areas of land immediately available for development or the land reserve.

43. As for the “undetermined” zones on the statutory plans, they mainly cover those sites which are subject to land use reviews. This zoning is intended to denote areas where further detailed planning study is required to identify the future land uses. For example, the long-term planning of the sites is affected by infrastructure such as railways, trunk roads or drainage system. Technical studies and environmental impact assessments are required for the sites. If necessary, a detailed layout plan has to be drawn up having regard to local characteristics, infrastructure and ancillary facilities (such as detailed design and review of transport networks) before deciding the suitable land use in the long term, with a view to achieving the objective of effective use of land resources.

44. To ensure that any development in the “undetermined” zone will not pre-empt the recommendations of the land use reviews, all proposed development in the zone will require a planning permission from TPB. Upon completion of the review, PlanD will amend the relevant OZP according to the established procedures to ascertain the zoning of the site. For example, the “undetermined” site currently located at the waterfront of Kennedy Town has been included in the study area of the “Land Use Review of the Western Part of Kennedy Town” study being conducted by PlanD, and the development potential of the “undetermined” site located at the west of Kung Um Road, Yuen Long will also be reviewed in the “Planning and Engineering Study for Housing Sites in Yuen Long South” which has just commenced.

45. We will closely monitor the use of all “undetermined” sites, and will amend their zoning for suitable developments as soon as possible after completion of the relevant land use reviews or planning and engineering studies.

(vi) Property Developments along Railways

46. As stated in the 2013 Policy Address, the Government will continue to strive to put into full play the integrated development of mass transportation (including railways) and residential property. The planning for residential development at Kam Sheung Road Station and Pat Heung Maintenance Depot in Kam Tin South is such an example. We are also exploring vigorously the residential development potential of land along existing and planned railways, with a view to making better use of the convenient transport networks and ancillary facilities of these sites to provide more residential flats.

47. Regarding railway property developments, the West Rail property development projects are taken forward by the West Rail Property Development Limited, a company jointly founded by the Government and the Kowloon-Canton Railway Corporation for the purpose of developing the West Rail property sites. The MTR Corporation Limited (MTRCL) is the agent for implementing such projects. Since 2011-12, six West Rail property development projects at Nam Cheong Station, Tsuen Wan West Station TW5 (Cityside), Tsuen Wan West Station TW5 (Bayside), Long Ping Station (North), Tsuen Wan West Station TW6 and Long Ping Station (South) have been tendered out successfully, which are capable of producing about 9 100 flats in total. The Government is liaising with MTRCL to revise the scheme of the property development project at West Rail Yuen Long Station (about 1 880 flats), with a view to tendering the project in 2013-14. For the residential development at Kam Tin South West Rail Kam Sheung Road Station and Pat Heung Maintenance Depot, PlanD and the relevant departments, in collaboration with MTRCL, are conducting studies and technical assessments.

It is estimated that the two sites are capable of providing about 8 700 residential flats.

48. As for the projects owned by MTRCL, being a listed company, MTRCL has the discretion to determine how to implement its own property development projects. MTRCL tendered the property development projects at Tai Wai Station (about 2 900 flats) and Tin Shui Wai Light Rail Terminus (about 1 500 flats) in 2012-13 but experienced unsuccessful tendering. MTRCL indicated in March this year that it planned to re-tender these two projects over the next twelve months subject to market conditions. MTRCL also plans to tender its own site at Area 86 Package 4 in Tseung Kwan O (about 1 600 flats) in 2013-14.

(vii) Developing “Comprehensive Development Area”

49. To expeditiously implement or facilitate developments for the optimisation of land resources, thereby meeting the housing and various other needs of Hong Kong people, the Government has been monitoring closely the planning and development situations of sites zoned “CDA”. The reviews of various land use zonings mentioned above have also covered the development of “CDA”.

50. According to TPB’s Guidelines No. 17 - Designation of “CDA” Zones and Monitoring the Progress of “CDA” Developments, TPB will conduct a first review of each “CDA” site at the end of the third year after its zoning, and subsequently conduct a review annually. In general, to optimise land use in response to the changing land development and planning circumstances, TPB will propose to rezone suitable “CDA” sites to other land use zonings in the planning process, including “CDA” sites which have completed development, or have significant implementation difficulties and with slim chances of successful implementation.

(viii) Using Short Term Tenancy and Temporary Government Land Allocation Sites

51. In general, LandsD will grant government sites for various temporary uses by way of STT, such as for use by MTRCL and the Hong Kong Housing Authority as works sites to construct railways or public housing, for use by non-profit-making organisations, or for various commercial uses (including fee-paying public car parks, open storage, etc.). Temporary Government Land Allocation (TGLA) sites are generally used as temporary works sites of government departments. Such arrangements can help provide

short-term support to the trades or services in the community which have demand for land, and ensure the optimal use of land before commencement of their long-term uses.

52. In considering whether a plot of land is suitable for leasing by way of STT, the Government will take into account the timetable for its long-term planning and development. The concerned departments will also advise on STT sites' long-term planned uses, development schedules and whether they should be leased out again. As for sites currently designated for provision of communal facilities, if no specific implementation plan is available after a period of time, the Government will re-consider the uses of these sites under the established mechanism, including consideration of their suitability for housing development. Regarding TGLA sites which are generally used as works sites, we will consider whether they are suitable for other long-term development upon completion of the relevant projects.

53. In conclusion, among the measures which the Government is taking forward to increase land supply mentioned above, as one of the measures to increase the supply of housing land in the short to medium term, we are actively reviewing the suitability of various types of land, including the current STT and TGLA sites, for housing development, with a view to achieving the optimal use of land and providing more land for development in the short to medium term.

#### (ix) Developing Open Space

54. The standard for provision of open space as suggested in Chapter 4 of the Hong Kong Planning Standards and Guidelines is a minimum of 2 m<sup>2</sup> per person. In planning for open space, apart from population capacity, the Government will also take into account other important factors, including the population distribution, geographical and historical factors, public commitment, people's aspirations, geographical location/distribution/quality/function of open space, as well as the characteristics of the district and location, etc. During the planning process, the Government will optimise the use of land by planning for open space properly, having regard to the varying factors in all districts.

55. As mentioned above, to optimise the use of scarce land resources, the Government will carry out studies from time to time in the light of the needs of the society, and is also conducting the reviews of various land use zonings, including the demand for and supply of open space, to make use of suitable land for housing development or other uses. When proposing amendments to the OZPs, the Government will also conduct corresponding reviews to change the land use distribution in the light of the latest situations of the districts. If there is a consensus in the community that consideration should be given to

converting the surplus in open space provision (or land reserved for open space) to other uses that meet the more pressing needs in the community, the Government will facilitate in this regard.

(x) Developing “Brownfield Sites”

56. Regarding the development of “brownfield sites”, the Government has been monitoring developments in the New Territories and changes in rural areas. We also conduct timely reviews of land uses in all districts in response to varying circumstances, with a view to achieving the optimal use of rural land and striking a balance among environmental, development and social needs. As mentioned above, the Government is actively taking forward a series of long-term land supply projects, including the various district-based planning and engineering studies in order to rezone suitable land, including under-utilised “brownfield sites”, to other uses to release the development potential of more land, taking into account the feasibility in environmental, transport and infrastructural terms. The relevant studies include the NENT NDAs Planning and Engineering Study and the HSK NDA Planning and Engineering Study (involving about 250 ha of land which is currently used for open storage or port back-up purposes), the Planning and Engineering Study for Housing Sites in Yuen Long South (involving about 93 ha of land which is currently used as open storage, warehouses and workshops), the Engineering Feasibility Study for Kong Nga Po, as well as the Planning and Engineering Study for Kwu Tung South, etc.

57. The Government is also examining the further development of areas in the New Territories North, and a feasibility study will be conducted with a view to developing a modern new town there of a similar scale as the Fanling/Sheung Shui New Town. We will work in this direction to further unleash the development potential of suitable sites, including “brownfield sites”, in the New Territories for meeting the long-term housing, social, economic and environmental needs of Hong Kong. In parallel, we will continue to actively explore the development potential of Lantau Island, including “brownfield sites” within the area.

58. As currently there may not be adequate infrastructural and supporting facilities associated with “brownfield sites” to cope with the future population growth or the further development of the district, we have to examine comprehensively the overall development needs and constraints of the district through proper planning, so as to ensure that there will be adequate infrastructural and community facilities in future, and the impacts on the traffic and environmental fronts, etc. that the proposed development may cause to the district can be properly addressed. Conducting a series of planning and

engineering studies as mentioned above to refine the land utilisation and mode of development of the district is undoubtedly more effective than developing individual “brownfield sites” and better suits the overall development of the district. Meanwhile, it should be noted that the existing “brownfield sites” include many open storage, recycling yards and port back-up facilities. They provide support services for the logistics industry and create employment opportunities for the local community. However, some of their operations are not suitable for urban areas or multi-storey buildings. As such, in implementing the relevant planning, clearance and re-housing arrangements, as well as land resumption and impacts on the local economy will also be involved. This necessitates thorough consideration and comprehensive public engagement.

*(xi) Resumption of Military Sites*

59. Regarding military sites, Article 14 of the Basic Law states that the Central People’s Government shall be responsible for the defence of the Hong Kong Special Administrative Region (HKSAR). According to the Law of the People’s Republic of China on the Garrisoning of the HKSAR in Annex III to the Basic Law, if the Government of the HKSAR (HKSARG) needs for public use any part of the military sites, it shall seek the approval of the Central People’s Government. The HKSARG shall in return provide land and military facilities at such sites agreed to by the Central People’s Government, and shall bear all the expenses and costs entailed. As the sites in question are currently used for defence purposes, the Government has no plan to change their land uses.

*(xii) Relocation of Kwai Tsing Container Terminals*

60. Hong Kong Port (HKP) is one of the busiest container ports in the world. The Kwai Tsing Container Terminals (KTCT) is renowned for efficient cargo handling operations with very good supporting infrastructure facilities, fairway operation and service network, as well as the Kwai Tsing Container Basin with deep water and natural protection. As a key infrastructure in Hong Kong, KTCT handles over 70% of Hong Kong’s container throughput, playing an important role in supporting the cargo operation, economic activities and providing employment opportunities in Hong Kong. The port and related sectors directly contribute 1.4% (HK\$ 27 billion) to Hong Kong’s Gross Domestic Product (GDP) and 2.6% (93 000 jobs) of total employment. HKP is also vital in supporting the trading and logistics sector which is one of Hong Kong’s four key economic pillars and accounts for 26% (HK\$ 485 billion) of Hong Kong’s GDP and 22% (774 000 jobs) of total employment.

61. Relocation of the KTCT would involve the reprovisioning of the container terminals, port back-up land and related supporting infrastructure and transportation networks, as well as suitable relocation sites. Moreover, there are concerns over the possible implications to Hong Kong's economy as a whole. The Government must carefully and comprehensively consider the case by taking into account all related factors.

62. As mentioned above, while we have no plan to relocate the container terminals, the Government has been monitoring developments in the New Territories and changes in rural areas. We also conduct timely reviews of land uses in all districts in response to varying circumstances, with a view to achieving the optimal use of rural land, including "brownfield sites" currently used for open storage or port back-up purposes, and striking a balance among environmental, development and social needs.

(xiii) Resumption of Private Recreation Site and Relocation of Large-scale Recreation Facilities

63. The Government recognises the contribution that Private Recreational Lease (PRL) lessees have made to the sporting and recreational areas in Hong Kong. In line with the Government's sports development policy, we require PRL lessees to open up their sports facilities for use by outside bodies, including schools, social and welfare organisations, and national sports associations. The Government will begin a comprehensive review of the PRL policy within this year. The review will be driven by considerations of land use and public interest, as well as from the perspective of sports development. In fact, facilities run by PRL lessees also include relatively affordable sports and recreational facilities. We will further require PRL lessees to open up more extensively to non-members.

64. Hong Kong has a shortage of public sports facilities. According to the standards set out in the Hong Kong Planning Standards and Guidelines, there is a shortfall of major sports facilities including football pitches, sports grounds and sports centres in Hong Kong, Kowloon and the New Territories. From time to time, we receive requests from Members of LegCo and the District Councils, urging us to speed up the construction of sports and recreation facilities, and to increase the number of such facilities, in order to meet the needs of the public as well as for the training of athletes. At present, sports and recreation facilities in all districts are highly popular among the public. We currently have no plan to relocate any of our large-scale sports and recreation facilities.

65. The Fanling Golf Course and its surrounding areas form part of the



potential development areas in the New Territories North, which have been included in the planning study to be undertaken by PlanD to examine the development potential and appropriate planning of the areas. We plan to commence the New Territories North study in the first half of 2014.

(xiv) Using Land Owned by Property Developers

66. The Government has no information on the amount of land owned by individual property developers, their subsidiaries or agents. The private sector is responsible for the utilisation or development of such private land. However, the suitability for development of any pieces of land including private land depends on a series of factors, such as the compatibility with infrastructural facilities, the impacts of the developments on the surrounding environment and traffic, etc.

67. As stressed above, in developing land, we have to conduct proper and comprehensive planning to ensure that there will be adequate infrastructural and community facilities for the proposed developments, and the various impacts that the proposed developments may cause can be addressed. The Government is actively implementing a series of planning and engineering studies, such as the NENT NDAs Planning and Engineering Study, the HSK NDA Planning and Engineering Study, and the Planning and Engineering Study for Housing Sites in Yuen Long South, which involve quite a large area of private land. In general, the Government's mode of development is to refine the uses of various land through comprehensive planning, acquire private land required for development, carry out the associated infrastructure and development projects, so as to provide land for implementation of planned developments.

(xv) Use of Vacant Residential Units

68. According to the Hong Kong Housing Authority's latest statistics, as at end May 2013, the number of lettable vacant PRH flats stood at 3 895, representing a vacancy rate of 0.5% against the total lettable PRH stock of 725 291 flats (including those PRH flats already let, flats under offer and lettable vacant flats). Regarding the Hong Kong Housing Society's PRH, as at end June 2013, there were 446 vacant units out of its 33 131 housing stock, representing a vacancy rate of 1.3%. As regards private housing, according to the latest figures which have been published in the Rating and Valuation Department's Hong Kong Property Review 2013, the number of vacant units was about 48 000 against the total number of private domestic properties of 1 117 900 as at end 2012, and the corresponding vacancy rate was 4.3%. Therefore, currently there are not a large number of vacant residential units in Hong Kong for use.

## **General Workflow of Land Supply**

69. To effectively increase land supply will in fact require not only identifying areas and land which are suitable for development, but also undertaking a comprehensive planning as mentioned above, with a view to providing adequate infrastructure and supporting facilities and addressing the impacts arising from developments, thereby making the development of land better suit the needs of people and community. Therefore, increasing land supply, either by way of optimal use of developed land or identification of new land for development, has to go through certain procedures.

70. Prior to considering the opening up of a large area for development, a planning and engineering study will usually be required to provide the basis. In the process of the study, the public and stakeholders will be allowed to participate and express views, and detailed technical assessments covering the environment, transport, drainage, sewerage, water supply and air ventilation aspects, etc. will also be included. Therefore, a normal study process must include planning study, technical assessments, public engagement, environmental impact assessment (EIA) and initial design, etc. Amongst these, EIA will take about two years to complete, including a twelve-month ecological baseline study, six to nine months for carrying out various related detailed assessments, and six months for obtaining approval of the EIA report. In addition, public engagement activities in stages will also require at least one year in total. As such, only the study itself will usually require at least three years or even longer to complete. Taking NENT NDAs as an example, it has taken five years since resuming the planning in 2008 up till now.

71. After formulating the development proposals, we will begin the statutory planning procedures on OZPs, including amendments of the statutory plans, and the detailed design of works, which normally requires funding application from the LegCo Finance Committee. This part of work would take at least three to four years. It is also necessary to go through the statutory and other procedures on road works, land resumption and clearance, including surveys on the affected people and providing compensation and rehousing according to the eligibility criteria. After the detailed design, we need to seek funding approval from the LegCo Finance Committee in phases again for conducting the site formation and related infrastructure works. The site formation and infrastructure works will only commence after completion of the land resumption procedures and compensation and rehousing arrangements.

72. In sum, it takes a considerable long time from the commencement of planning to the provision of land for development purpose, which in general could not be completed within two to three years. Therefore, we must

continuously put forward a series of planning and engineering studies to ensure a long-term and continued land supply. The planning and development process for a new development area and the related statutory planning procedures are set out at **Annexes 7** and **8** respectively.

## **Conclusion**

73. In conclusion, the Government will continue to adopt a multi-pronged approach to increase land supply in the short, medium and long term through optimal use of developed land and identification of new land for development. We understand that different stakeholders have different views or suggestions on the development and utilisation of land. On increasing land supply, the Government has considered the development situations of different land and districts, and prioritised the utilisation and development of land on the premise that resources are limited and an overall planning are relatively more cost-effective. Resources have thus been dedicated to taking forward a series of measures to increase land supply as mentioned above, including the planning and engineering studies in various districts, so as to increase the land supply in Hong Kong effectively and continuously.

74. We would like to reiterate that the Government is committed to increasing land supply and has been monitoring closely the utilisation of various types of land. For land with potential for development, the Government will, based on the blueprint for increasing land supply as mapped out in the 2013 Policy Address, review and assess its development feasibility under the established mechanism. When a plot of land is ready for development, we will make appropriate arrangements, such as allocating it for public housing development, including it in the Land Sale Programme, or allocating it for other uses.

**Development Bureau**  
**July 2013**

**Unleased or Unallocated Government Land (in hectares)**  
**(Based on the data from the Lands Department's Land Information System as at June 2012)**

<b>(1) Area of unleased or unallocated government land (i.e. figures provided by the Development Bureau in its reply to the Legislative Council question on 4 July 2012)</b>													
	Residential (1)								Commercial (2)	Industrial (3)	Government, Institution or Community (4)	Open Space (5)	Total
	2153.7								24.6	298.3	777.5	742.6	3996.7
	Residential (Group A)	Residential (Group B)	Residential (Group C)	Residential (Group D)	Residential (Group E)	Commercial /Residential	Residential (Group A) to (Group E) and Commercial /Residential	Village Type Development					
	371.8	209.3	182.4	158.6	11.0	19.4	952.5	1201.2					
<b>(2) Types of land which are considered not suitable for development, not yet available for development, or with low development potential</b>													
	Residential (Group A)	Residential (Group B)	Residential (Group C)	Residential (Group D)	Residential (Group E)	Commercial /Residential	Residential (Group A) to (Group E) and Commercial /Residential	Village Type Development	Commercial (2)	Industrial (3)	Government, Institution or Community (4)	Open Space (5)	Total
<b>Road / Passageways</b>	171.1	45.8	33.7	17.4	3.9	14.5	286.4	137.3	10.4	86.8	169.0	101.5	791.4
<b>Man-made slopes</b>	55.5	49.2	25.1	11.1	0.5	0.1	141.5	106.9	0.9	28.4	136.2	112.9	526.8
<b>Simplified Temporary Land Allocation<sup>(7)</sup></b>	29.4	3.6	0.7	2.8	0.9	0.1	37.5	24.1	0.1	1.1	30.9	29.3	123.0
<b>Sites which are &lt;0.05 hectares</b>	50.0	15.8	19.3	6.5	1.9	2.1	95.6	Not Applicable <sup>(6)</sup>	7.5	14.3	57	33.4	207.8
<b>(3) Unleased or unallocated government land after deducting the types of land above</b>													
<b>Remaining land area [ = (1) - (2) ]</b>	<b>65.8</b>	<b>94.9</b>	<b>103.6</b>	<b>120.8</b>	<b>3.8</b>	<b>2.6</b>	<b>391.5</b>	<b>932.9</b>	<b>5.7</b>	<b>167.7</b>	<b>384.4</b>	<b>465.5</b>	<b>2347.7</b>

**Remarks:**

- (1) "Residential" includes land zoned from "Residential (Group A)" to "Residential (Group E)", "Commercial / Residential" and "Village Type Development".
- (2) "Commercial" includes land zoned "Commercial".
- (3) "Industrial" includes land zoned "Industrial", "Industrial (Group D)" and "Open Storage".
- (4) "Government, Institution or Community" includes land zoned "Government, Institution or Community".
- (5) "Open Space" includes land zoned "Open Space".
- (6) We have not deducted the sites smaller than 0.05 hectares under the "Village Type Development" zoning.
- (7) Land allocated under the Simplified Temporary Land Allocation procedures is generally for temporary work sites of concerned departments.

**General Planning Intention of the Land Use Zonings:**

<b>Residential (Group A)</b>	This zone is intended primarily for high-density residential developments. Commercial uses are always permitted on the lowest three floors of a building or in the purpose-designed non-residential portion of an existing building.
<b>Residential (Group B)</b>	This zone is intended primarily for medium-density residential developments where commercial uses serving the residential neighbourhood may be permitted on application to the Town Planning Board (TPB).
<b>Residential (Group C)</b>	This zone is intended primarily for low-rise, low-density residential developments where commercial uses serving the residential neighbourhood may be permitted on application to the TPB.
<b>Residential (Group D)</b>	This zone is intended primarily for improvement and upgrading of existing temporary structures within the rural areas through redevelopment of existing temporary structures into permanent buildings. It is also intended for low-rise, low-density residential developments subject to planning permission from the TPB.
<b>Residential (Group E)</b>	This zone is intended primarily for phasing out of existing industrial uses through redevelopment (or conversion) for residential use on application to the TPB. Whilst existing industrial uses will be tolerated, new industrial developments are not permitted in order to avoid perpetuation of industrial/residential interface problem.
<b>Commercial/Residential</b>	This zone is intended primarily for commercial and/or residential development. Commercial, residential and mixed commercial/residential uses are always permitted.
<b>Village Type Development</b>	The planning intention of this zone is to reflect existing recognized and other villages, and to provide land considered suitable for village expansion and reprovisioning of village houses affected by Government projects. Land within this zone is primarily intended for development of Small Houses by indigenous villagers. It is also intended to concentrate village type development within this zone for a more orderly development pattern, efficient use of land and provision of infrastructures and services. Selected commercial and community uses serving the needs of the villagers and in support of the village development are always permitted on the ground floor of a New Territories Exempted House. Other commercial, community and recreational uses may be permitted on application to the TPB.
<b>Commercial</b>	<p><b>Central Business District/Major Commercial Areas:</b> This zone is intended primarily for commercial developments, which may include uses such as office, shop, services, place of entertainment, eating place and hotel, functioning as territorial business/financial centre(s) and regional or district commercial/shopping centre(s). These areas are usually major employment nodes.</p> <p><b>Local Commercial Areas:</b> This zone is intended primarily for commercial developments, which may include shop, services, place of entertainment and eating place, functioning mainly as local shopping centre(s) serving the immediate neighbourhood.</p>
<b>Industrial</b>	This zone is intended primarily for general industrial uses to ensure an adequate supply of industrial floor space to meet demand from production-oriented industries. Information technology and telecommunications industries and office related to industrial use are also always permitted in this zone.
<b>Industrial (Group D)</b>	This zone is intended primarily for industrial uses that cannot be accommodated in conventional flatted factories due to extensive land and/or high ceiling requirements. It is also intended for the redevelopment of existing informal industrial uses, which are operated in workshop premises in rural area, to properly designed permanent industrial buildings.
<b>Open Storage</b>	This zone is intended primarily for the provision of land for appropriate open storage uses and to regularize the already haphazard proliferation of open storage uses. It provides for the orderly development of land for open storage uses that cannot be accommodated in conventional godown premises.
<b>Government, Institution or Community</b>	This zone is intended primarily for the provision of Government, institution or community facilities serving the needs of the local residents and/or a wider district, region or the territory. It is also intended to provide land for uses directly related to or in support of the work of the Government, organizations providing social services to meet community needs, and other institutional establishments.
<b>Open Space</b>	This zone is intended primarily for the provision of outdoor open-air public space for active and/or passive recreational uses serving the needs of local residents as well as the general public.

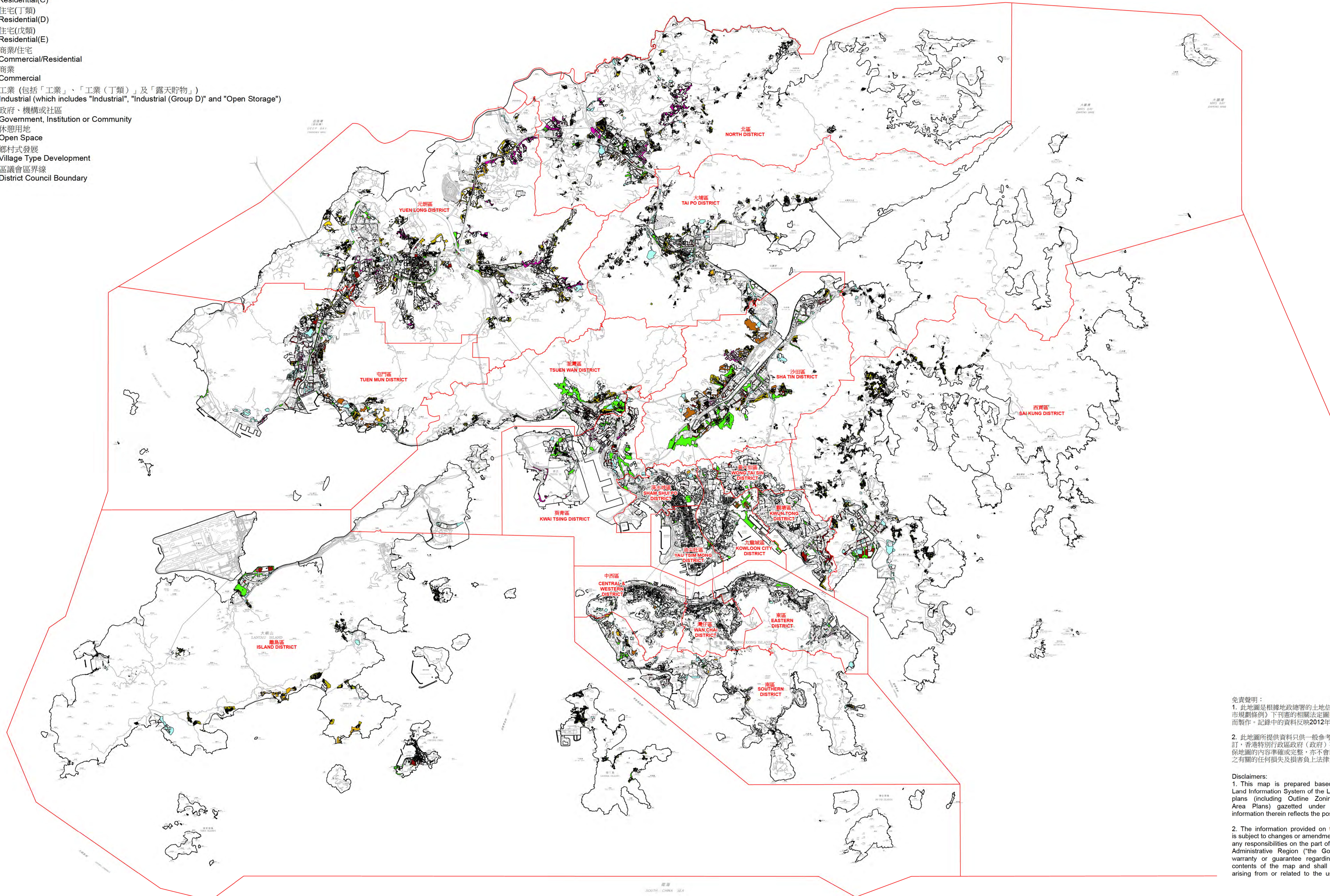
\* The above only illustrates the planning intention for zonings in a general term, while the planning intention for the same zoning may vary from one plan to another. Please refer to the Notes of the relevant town plan for the exact planning intention for the zone.

圖例 Legend

- 住宅(甲類)  
Residential(A)
- 住宅(乙類)  
Residential(B)
- 住宅(丙類)  
Residential(C)
- 住宅(丁類)  
Residential(D)
- 住宅(戊類)  
Residential(E)
- 商業/住宅  
Commercial/Residential
- 商業  
Commercial
- 工業 (包括「工業」、「工業(丁類)」及「露天貯物」)  
Industrial (which includes "Industrial", "Industrial (Group D)" and "Open Storage")
- 政府、機構或社區  
Government, Institution or Community
- 休憩用地  
Open Space
- 鄉村式發展  
Village Type Development
- 區議會區界線  
District Council Boundary

規劃作「住宅」、「商業/住宅」、「商業」、「工業」、「政府、機構或社區」、「休憩用地」或「鄉村式發展」而未批租或撥用的政府土地 (未扣除不適合發展、現時未能提供作發展或發展潛力較低的土地類別)

**Unleased and Unallocated Government Land Zoned "Residential", "Commercial/Residential", "Commercial", "Industrial", "Government, Institution or Community", "Open Space" or "Village Type Development" (without deducting the types of land which are considered not suitable for development, not yet available for development or with low development potential)**



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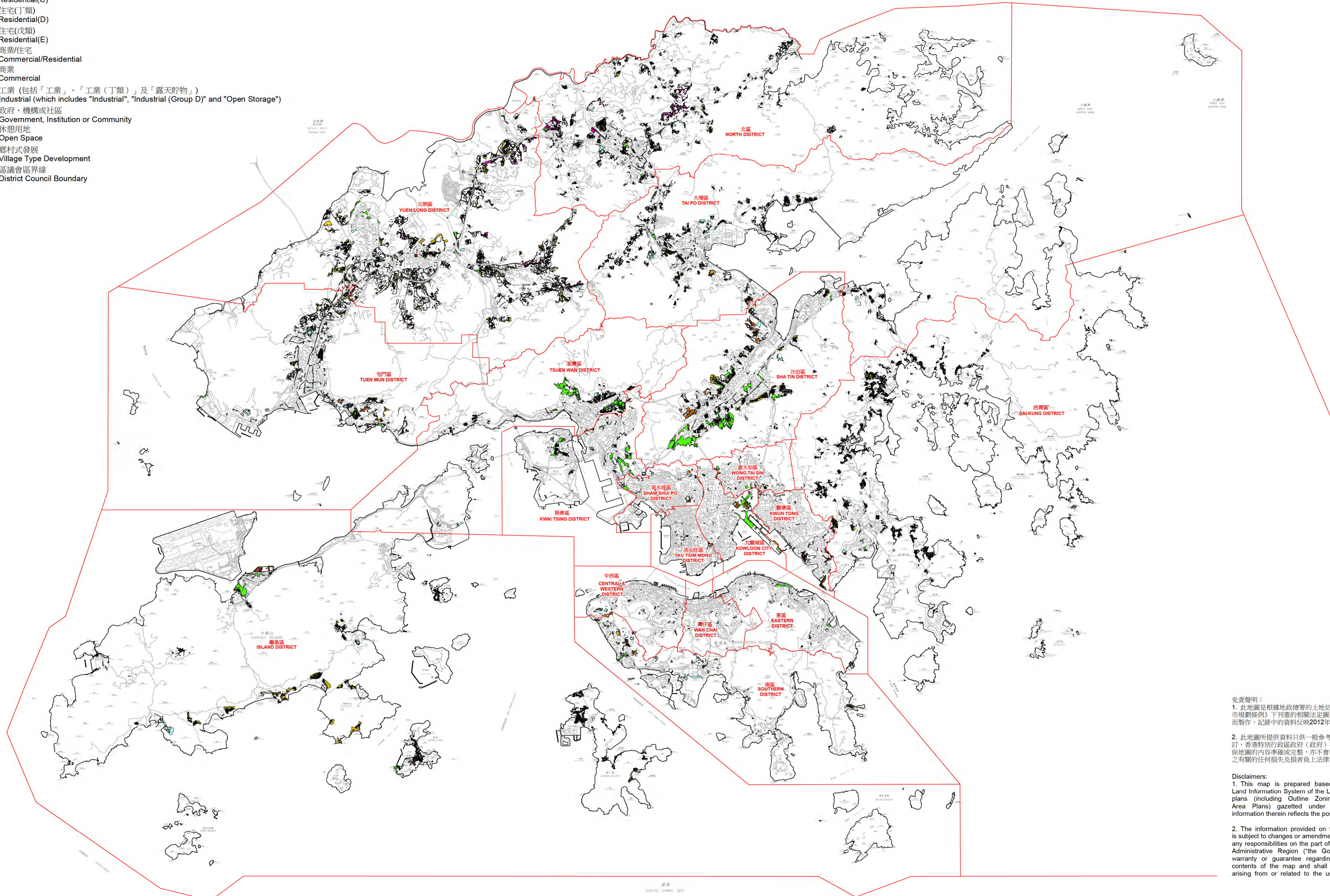
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**圖例 Legend**

- 住宅(甲類)  
Residential(A)
- 住宅(乙類)  
Residential(B)
- 住宅(丙類)  
Residential(C)
- 住宅(丁類)  
Residential(D)
- 住宅(戊類)  
Residential(E)
- 商業/住宅  
Commercial/Residential
- 商業  
Commercial
- 工業(包括「工業」、「工業(丁類)」及「露天貯物」)  
Industrial (which includes "Industrial", "Industrial (Group D)" and "Open Storage")
- 政府、機構或社區  
Government, Institution or Community
- 休憩用地  
Open Space
- 鄉村式發展  
Village Type Development
- 區議會區界線  
District Council Boundary



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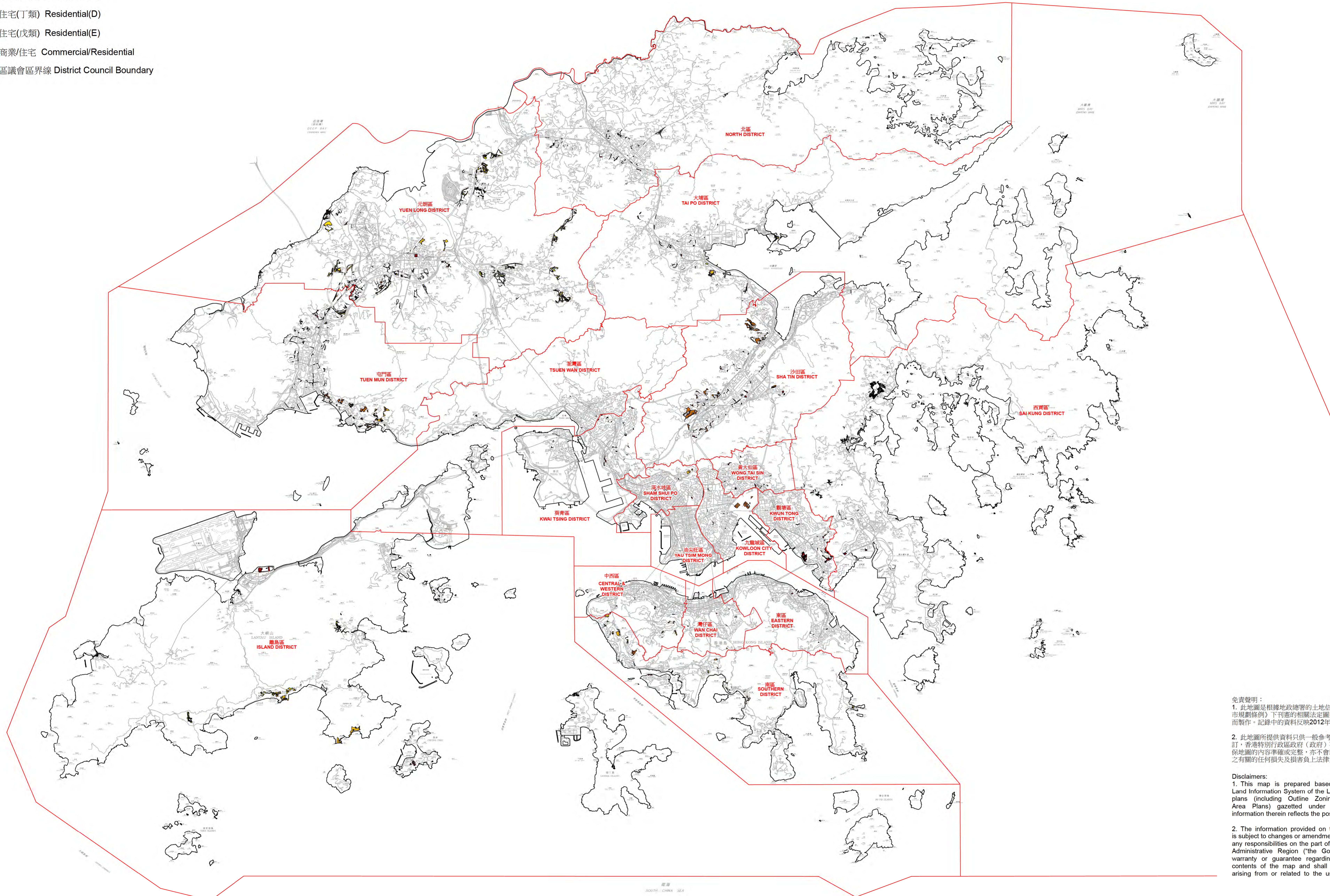


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圖例 Legend

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- 住宅(乙類) Residential(B)
- 住宅(丙類) Residential(C)
- 住宅(丁類) Residential(D)
- 住宅(戊類) Residential(E)
- 商業/住宅 Commercial/Residential
- 區議會區界線 District Council Boundary



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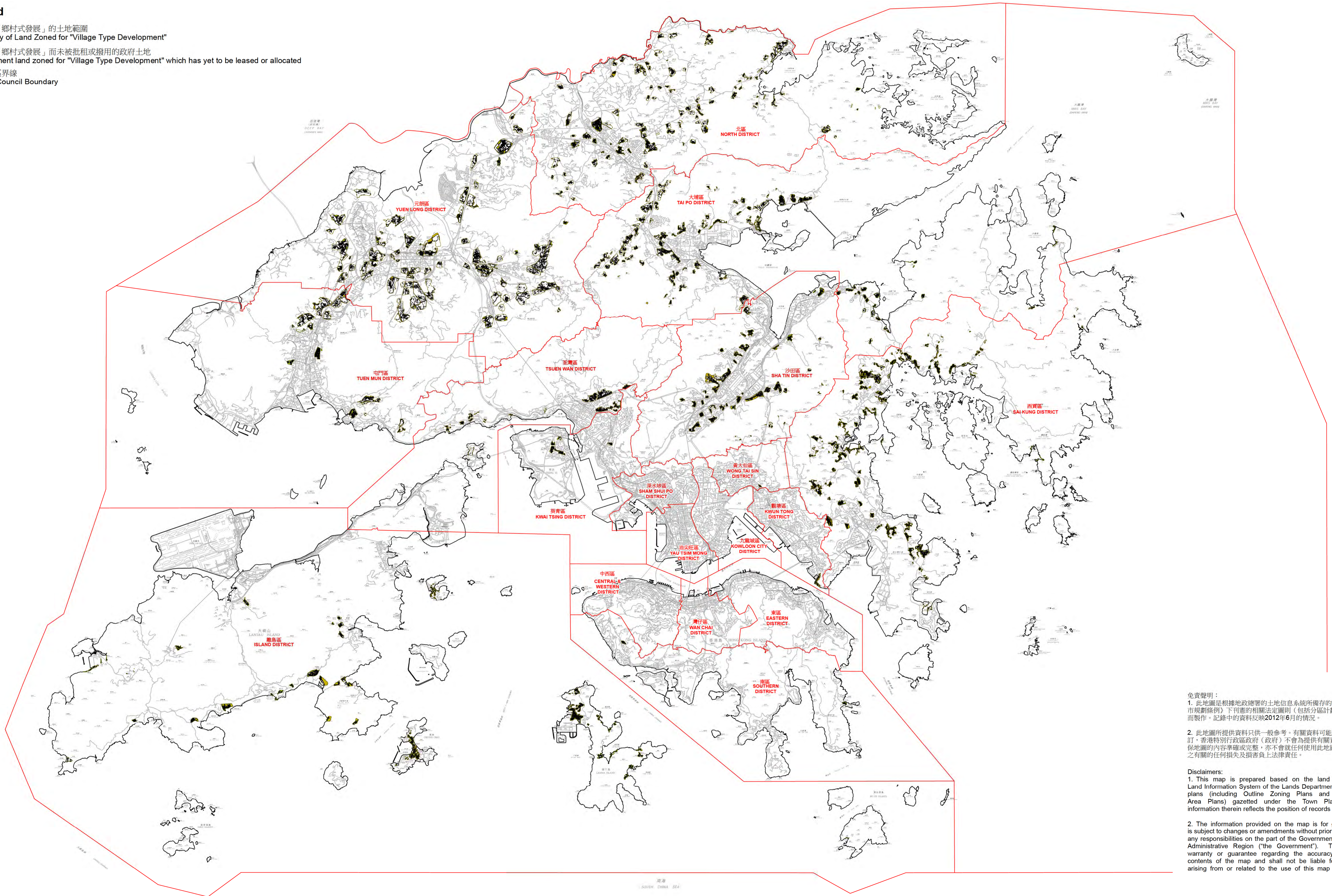
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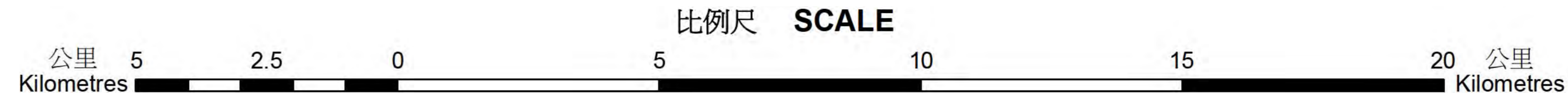
**圖例 Legend**

- 規劃作「鄉村式發展」的土地範圍  
Boundary of Land Zoned for "Village Type Development"
- 規劃作「鄉村式發展」而未批租或撥用的政府土地  
Government land zoned for "Village Type Development" which has yet to be leased or allocated
- 區議會區界線  
District Council Boundary



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**Annex 6**

Arising from recent media reports and enquiries on “vacant government land”, the Development Bureau (DEVB) gives the following response and clarification today (October 31).

The information on “vacant government land” within residential land released by DEVB previously was to respond to a question raised by a Legislative Council Member. We prepared that reply on the basis of unleased and unallocated government land under “Residential” and “Commercial/Residential” zones on statutory plans (including Outline Zoning Plans and Development Permission Area Plans). The area of such land is calculated simply by subtracting the areas of leased or allocated land under the concerned land use zones from the total areas covered by such zones on the statutory plans, using information available in the system as at end June 2012. The figure from such calculation is not equivalent to the amount of land reserve. DEVB released such information and the maps showing the geographic distribution of such land on its website on October 17. Please click the following links for details:

- [http://www.devb.gov.hk/en/issues\\_in\\_focus/the\\_land\\_area\\_analysis/index.html](http://www.devb.gov.hk/en/issues_in_focus/the_land_area_analysis/index.html)
- [http://www.devb.gov.hk/en/publications\\_and\\_press\\_releases/press/index\\_id\\_7242.html](http://www.devb.gov.hk/en/publications_and_press_releases/press/index_id_7242.html)
- [http://www.devb.gov.hk/en/publications\\_and\\_press\\_releases/press/index\\_id\\_7407.html](http://www.devb.gov.hk/en/publications_and_press_releases/press/index_id_7407.html)
- [http://www.devb.gov.hk/en/publications\\_and\\_press\\_releases/press/index\\_id\\_7408.html](http://www.devb.gov.hk/en/publications_and_press_releases/press/index_id_7408.html)

DEVB's reply to the question clearly pointed out that the aforementioned unleased and unallocated government land is not equivalent to land immediately available for development. It is because land that are considered not suitable for development (e.g. roads/passageways and man-made slopes), land that are not yet available for development (e.g. land allocated under the Simplified Temporary Land Allocation (STLA) procedures, which include land allocated to Government departments as temporary work sites), or land with low development potential (e.g. fragmented sites, i.e. sites less than 0.05 hectares in area) have been included. Besides, the Administration has also indicated that not all the remaining 391.5 hectares of “Residential” and “Commercial/Residential” land are developable, but the suitability of individual sites for development would depend on a number of factors. For sites with potential for development, the Administration will review and assess its development feasibility under the established mechanism.

The spokesman also indicated that after excluding roads/passageways, man-made slopes, land allocated under the STLA procedures, and fragmented sites, there remain a number of sites with irregular shapes within the unleased and unallocated government land (e.g. empty space between buildings, back lanes and narrow strips of land alongside existing developments, highways or other amenities) and they may not be suitable for housing development. The two sites near the Sha Tin Wai Station of the Ma On Shan Line mentioned in media reports belong to this type of land.

For the government land on which squatters are built (including the land within Yuen Long Shan Pui Chung Hau Tsuen mentioned in media reports), as there have not been any leasing or allocation, those land are still counted as unleased and unallocated government land, and are thus shown on the maps released on October 17. When necessary and appropriate, the Government could use the land for development.

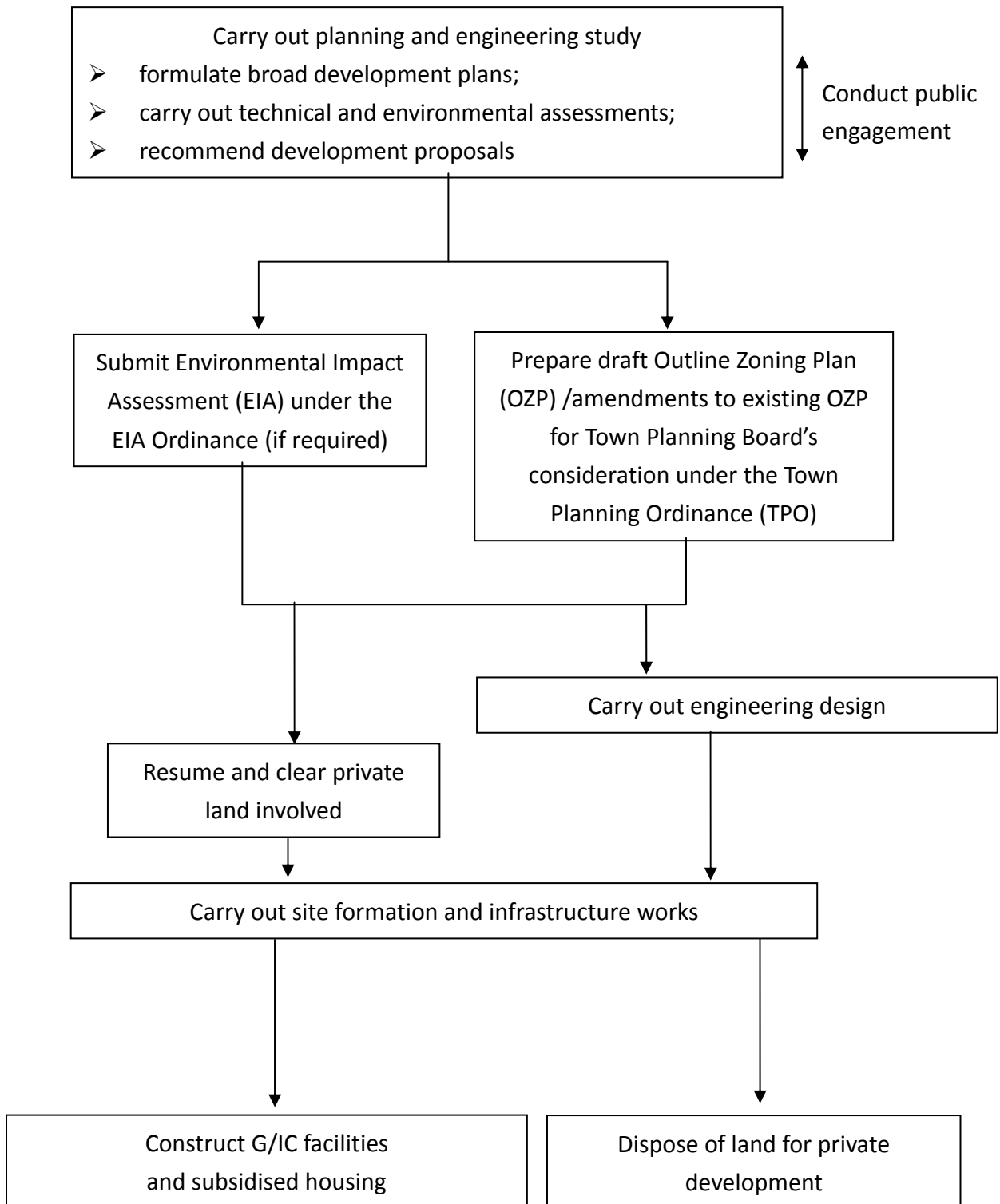
As there are individual pieces of land with government buildings thereon (e.g. official residences of the Chief Secretary for Administration, Financial Secretary, Secretary for Justice, Commissioner of Police and Chief Justice of the Court of Final Appeal) which are not allocated to any Government department, they are thus still counted as unleased and unallocated government land and shown on the maps released on October 17. As mentioned above, the area of unleased and unallocated government land is not equivalent to the amount of land reserve. These land with government buildings thereon are not included in the area of land available for development.

The spokesman supplemented that it takes time for the Lands Department (LandsD) to process information and update the system. Hence, the records of a few sites which were sold on or before June 30 this year (the residential site with flat size restrictions at Long Ping Station, Yuen Long, sold in March last year, and the residential site at Deep Water Bay Drive, Shouson Hill, tendered out in May this year, which were mentioned in media reports) had yet to be updated when the calculation was done. Information of a few sites which were allocated to Government departments (including the Housing Authority) on or before June 30 this year (including the five public housing estates mentioned in media reports, namely the Shin Ming Estate at Tiu Keng Leng, Tung Yi House and Tung Kin House of the Tai Hang Tung Estate, Tsui Luk House of the Tsui Lok Estate at Chai Wan, Hong Shui House of the Hong Tung Estate at Sai Wan Ho, and the open space in front of Hiu Kwai House of the Kwai Chung Estate) also could not reflect the existing status when the calculation was done. LandsD is now reviewing and improving its procedures with a view to updating the relevant information more quickly and reflecting the latest status more timely in

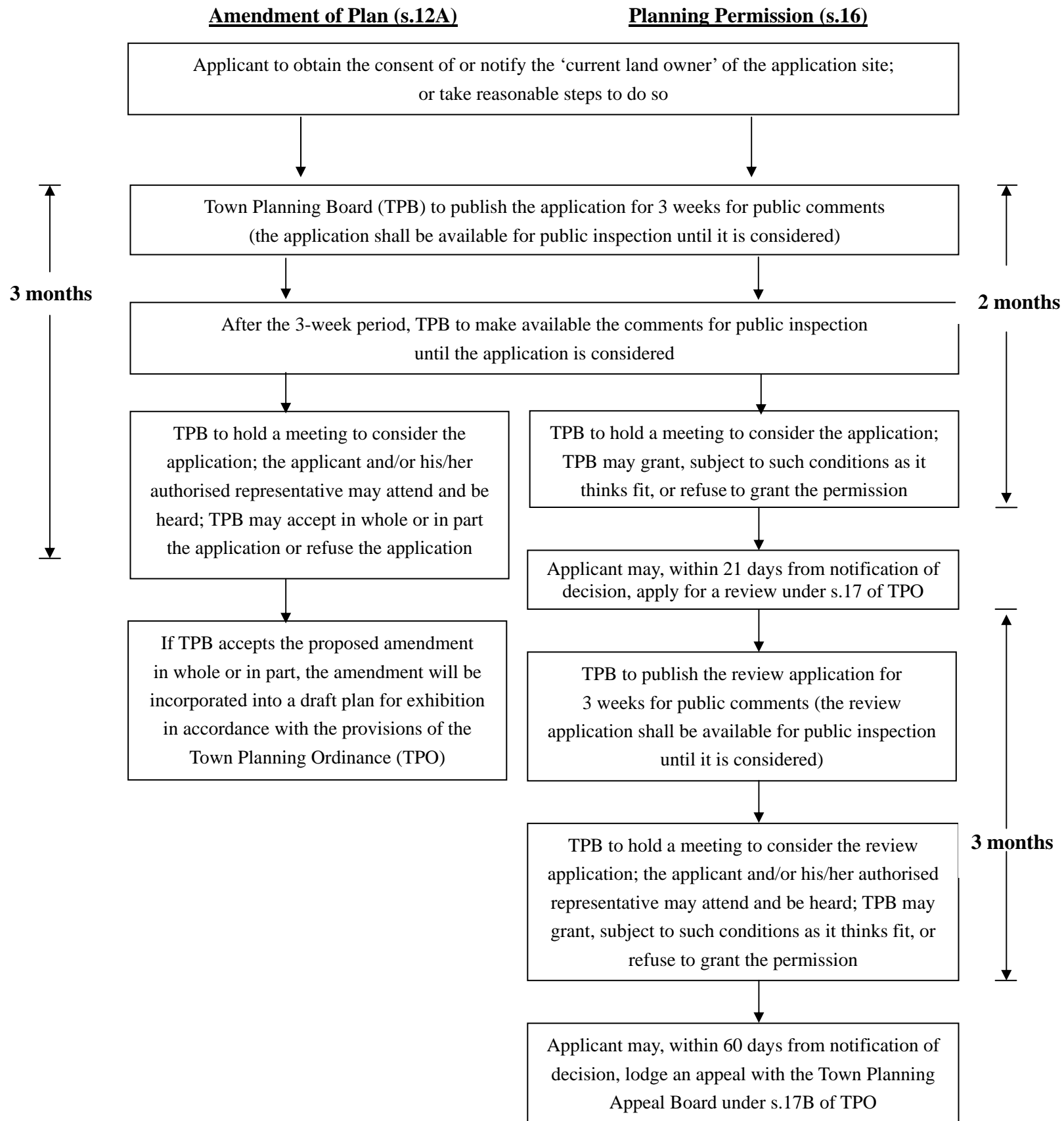
future. Government's response to media reports and enquiries on "vacant government land"

ENDS

**Planning and development processes for a new development area**  
**(for land-based development area)**



**Procedures for Processing Applications for Amendment of Plan (s.12A) and Planning Permission (s.16)**



CB(1)741/13-14(03)

**Legislative Council Panel on Development****Initiatives of Development Bureau  
in the 2014 Policy Address and Policy Agenda***(Extract of paragraphs 12-67)*

12. To meet the housing need of the community and the Long Term Housing Strategy's (LTHS's) target of providing 470 000 public and private housing units within ten years (i.e. from 2013-14 to 2022-23), DEVB, together with the relevant departments, has been carrying out land use reviews, including reviews on the Government land currently vacant, under Short Term Tenancies or different short-term or government uses, for conversion to residential use, as well as the next stage of the review on Green Belt (GB) sites. These reviews have started to bear fruits. On top of the progress reported in the last Policy Address, we have identified about 80 new sites that could be made available in the coming five years (i.e. from 2014-15 to 2018-19), involving a total area of over 150 hectares (ha) with an estimated capacity of providing some 89 000 flats, which have potential for conversion to residential use in different districts throughout the territory. Upon completion of the studies confirming their development feasibility, we will consult the relevant stakeholders and proceed with the town planning and other relevant procedures, so as to increase housing land supply as soon as practicable.

13. The LTHS target is undeniably a challenging task for both the Government and the community. In particular, about 150 potential housing sites (including the 80 new sites identified as mentioned above) will require amendments to their respective statutory plans for change of use and increase in development intensity, before they could be made available for housing development in the coming five years (i.e. from 2014-15 to 2018-19) for providing over 210 000 flats. To rezone these sites for residential use and increase development intensity, and to strive to achieve the housing production target, we have to take into account a whole host of practical planning factors, including traffic and

infrastructure capacity, provision of community facilities and open space, the relevant technical constraints, local characteristics and existing development intensity, the potential impacts on the local environment, and visual and air ventilation impacts, etc. Some sites may require land resumption and clearance, or relocation of existing or planned facilities. While the Government will take all these into account and mitigate the adverse impacts as far as possible, what is no less important is the support and cooperation of the various stakeholders in the community. We need to work together with them to achieve the important goal, and appeal to them for putting the overall housing needs of the community above their personal and other interests. Only with their full support for the rezoning of these sites for housing purpose and for increasing the development intensity of the sites would we be able to achieve our housing production target to provide adequate supply of subsidised and private housing.

14. Land has already been identified, earmarked or allocated for producing 179 000 Public Rental Housing (PRH) and 17 000 Home Ownership Scheme (HOS) flats. As mentioned above, some 150 potential housing sites have also been identified and assessed to have potential for rezoning for housing development to provide over 210 000 flats. These, together with other private housing sites which are zoned for housing use, railway property development projects, urban renewal projects, and private projects subject to and not subject to lease modification/land exchange, and subject to the successful rezoning of the 150 sites, the timely implementation of the necessary supporting infrastructural works and the overcoming of other technical constraints, it is possible to make available sufficient land for housing development to achieve the LTHS 10-year housing supply target. It is indeed a daunting task the accomplishment of which depends in no small measure on the support of the whole community. DEVB and Transport and Housing Bureau will provide a paper setting out the details for the LegCo Joint Panels on Development and Housing.



(II) Increasing Land Supply

(a) Increasing Residential Development Intensity

15. While a multi-pronged strategy and a series of land supply initiatives have been adopted to increase land supply in the short, medium and long term, given the limited amount of readily developable land, the current tight situation in the supply of housing land, be it subsidised or private housing, as well as in the supply of land for various economic activities and social facilities, is expected to continue. Therefore, there is an urgent need to make more efficient use of our scarce land resources that could be made available for development or redevelopment within a shorter timeframe. Taking into account the relevant planning considerations, the Government considers that the maximum domestic Plot Ratios (PRs) for housing sites located in the respective Density Zones of the Main Urban Areas and New Towns could be increased. The new system is set out below –

Main Urban Areas

- (i) Density Zone 1: no increase in PR (maximum domestic PR remains at 8/9/10, as the density of the built-up area is already high);
- (ii) Density Zone 2: PR to be increased by 20% (maximum domestic PR to increase from 5 to 6); and
- (iii) Density Zone 3: PR to be increased by 20% (maximum domestic PR to increase from 3 to 3.6).

New Towns

- (i) Density Zone 1: PR to be increased by 20% (maximum domestic PR to increase from 5 to 6)<sup>2</sup>;

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<sup>2</sup> While the maximum domestic PRs for Density Zone 1 to 3 in New Towns as specified in the Hong Kong Planning Standards and Guidelines are 8, 5 and 3 respectively, the existing maximum PRs for most of the individual sites are not yet up to the said levels mainly due to various constraints on development capacity (such as transport or infrastructure limitations, environmental, topographical or geotechnical conditions) or special design considerations.

- (ii) Density Zones 2 and 3: PR to be increased by 20%<sup>2</sup>; and
- (iii) Density Zone 4 (low density zone): PR to be increased by 100%.

*Both Main Urban Areas and New Towns*

Individual sites to be up-zoned based on planning merits.

16. The increases in maximum domestic PRs will not compromise relevant planning principles and considerations, and will be adopted only when there is scope in terms of traffic and infrastructure capacity, and the various constraints and impacts so arising, if any, could be addressed through appropriate measures. Under this initiative, individual housing sites will be able to provide more developable floor area (but not necessarily increase the actual population, and this will depend also on size of family and other factors). This can help maintain a stable supply of developable housing land and gradually realise the long-term vision to increase Hong Kong people's "elbow room".

17. These revised planning parameters will be adopted in the on-going planning studies and land use reviews that are at initial stages (e.g. the Planning and Engineering Study for Housing Sites in Yuen Long South and the Planning and Engineering Study for Kwu Tung South), as well as all future planning studies and reviews (e.g. the Preliminary Feasibility Study on Developing the New Territories (NT) North). The Hong Kong Planning Standards and Guidelines will also be updated to incorporate the changes.

18. We have completed the preliminary technical assessment of the new Kai Tak Development (KTD), and propose to increase the development intensity of its new housing sites and thus the number of flats to be built thereon by about 20%. Moreover, to maximise the development potential of the residential sites identified in Tuen Mun East, a PR of 3.6 is proposed for most of the sites, which will be equivalent to the maximum of Density Zone 3 (i.e. PR 3.0) with a further 20% increase, with some exceptions at higher PRs of 4.0 and 6.0 taking into account the relevant site considerations.

19. For major land development projects for which the respective planning studies and reviews which are already at an advanced stage (including those on the Anderson Road Quarry (ARQ), ex-Cha Kwo Ling Kaolin Mine, North East New Territories (NENT) New Development Areas (NDAs), Hung Shui Kiu (HSK) NDA and Tung Chung New Town Extension, increasing the development intensities where planning terms permit has already been factored into the studies as appropriate. We do not intend to re-plan these land development projects such that their implementation would remain on schedule to deliver the planned land and housing production.

20. For privately owned sites, development parameters including maximum domestic PRs/gross floor areas (GFAs) are generally stipulated in the relevant statutory plans. There are provisions in the relevant statutory plans for minor relaxation of the development restrictions upon application to the Town Planning Board (TPB). In considering such planning applications, TPB would consider all relevant planning considerations and would make reference to the increase in maximum domestic PRs in the respective Density Zones as aforementioned as well as the applicants' presentation as to how the potential impacts on traffic, infrastructural capacity and environment, etc. arising from the proposed increase in development intensity would be duly addressed.

(b) Relaxing the Moratorium on Pok Fu Lam

21. The Government has completed the assessment on relaxing or lifting the administrative moratorium currently in force to restrict new land sale or lease modification in Pok Fu Lam.

22. With the West Island Line and South Island Line (East) progressively in place, alongside further active consideration by the Government of the construction of the South Island Line (West), the Government considers it feasible to partially lift the moratorium in the south of Pok Fu Lam area to facilitate the redevelopment of Wah Fu Estate and provision of additional public housing. Six government sites are involved: four sites near Chi Fu Road, north of Wah Fu Estate, Wah Lok Path and Wah King Street, which are currently vacant or put to open space or short-term uses and are considered readily developable; the

existing Wah Fu Estate; as well as a “GB” site nearby (i.e. Kai Lung Wan). Two sites are already zoned for residential use, and the Government will proceed with rezoning the other four sites for housing development. The Housing Department will work out the redevelopment programme of Wah Fu Estate with the concerned departments, including the decanting arrangement and provision of necessary infrastructures, as well as the development plan for the other public housing sites, and will consult the concerned District Councils and stakeholders in due course.

(c) Pilot Scheme for Arbitration on Land Premium

23. A lease modification/land exchange application, including premium negotiation, is a contractual matter between the Government acting in the capacity of a private landlord and the applicant, which could be completed and executed only with mutual agreement. The amount of premium payable by the applicant is one of the key terms of such applications for lease modification/land exchange. Accordingly, differences over the amount of premium payable would leave the lease modification/land exchange applications pending even after a long period of negotiation. Past experience suggests that the time taken for processing lease modification/land exchange applications could be long due to the lengthy negotiation on the amount of premium payable, which is dependent on many factors, including the applicant’s market outlook, commercial considerations, etc.

24. To facilitate early agreement on premium for lease modification/land exchange applications so as to advance housing land supply and speed up flat production, there is a need to explore an additional means to resolve differences between the Government and respective applicants on land premium. The Government considers that there may be merits in trying out a Pilot Scheme for Arbitration on Land Premium for lease modification/land exchange applications as an administrative initiative for facilitating the determination of premium. Given that the initiative is completely new with wide implications, it is prudent to launch a pilot scheme on a limited scale to try out the arrangement. A review of the Pilot Scheme for Arbitration on Land Premium will be undertaken after the Scheme has been implemented for

some time and the Government has gained experience from it.

25. DEVB and the relevant departments including Lands Department (LandsD) are formulating the implementation arrangements for this new initiative.

(d) Lantau Development

26. Lantau enjoys a strategic location with many new mega infrastructure projects under planning, including the proposed third runway of the Hong Kong International Airport (HKIA), the proposed Tuen Mun-Chek Lap Kok Link and Tung Chung New Town Extension. With the opening of the Hong Kong-Zhuhai-Macao Bridge (HZMB), Lantau will be the confluence of Hong Kong, Macao and western Pearl River Delta (PRD), and the travelling time between Hong Kong and west bank of the PRD will be substantially reduced to realise the “One-hour Intercity Traffic Circle” covering the Pearl River Estuary area.

(i) *Topside Development at Hong Kong Boundary Crossing Facilities Island of Hong Kong-Zhuhai-Macao Bridge*

27. Given its position at Hong Kong’s doorway, the Hong Kong Boundary Crossing Facilities (HKBCF) Island of HZMB has great potential to serve more than just a boundary crossing point. Commercial developments at this regional transport hub, together with the adjacent proposed North Commercial District (NCD) of the airport, will promote the bridgehead economy and can potentially be a tourism facility creating synergy with key tourism and commercial attractions on Lantau including Hong Kong Disneyland, Ngong Ping 360 and Asia World Expo. We will maximise the value of the 130-ha HKBCF Island to capture the benefits from the increase in flow of visitors and goods. Our preliminary review shows that topside development can be implemented at the HKBCF Island for various types of commercial development such as retail, hotel and other commercial developments in support of the “bridgehead economy”. In addition to supplying new land to expand our visitor handling capacity, the proposal can further enhance the tourism potential of Lantau, thereby helping to relieve the congestion in the major urban shopping areas. It will also bring in more business and

job opportunities benefiting the Lantau community.

28. We plan to conduct a planning, engineering and architectural (PEA) study in 2014-15 with the objective of optimising the scale of the proposed development and will consult the Panel on Development around March 2014 to seek its support for the conduct of the PEA study.

*(ii) North Commercial District on Chek Lap Kok Airport Island*

29. We will also ensure the optimal use of the limited land on the Airport Island. The Airport Authority (AA) is now carrying out studies on the development strategies of the NCD of the HKIA. The aim is to maximise the development potential of the site, taking into account the future expansion of HKIA, including the three-runway system, as well as the synergy with the development on Lantau. On 17 December 2013, the AA Board decided that AA would proceed immediately with the development of a new hotel at the NCD as the area's first phase of commercial development. Relevant planning work to finalise a Master Layout Plan for the entire NCD development will continue.

*(iii) Tung Chung New Town Extension*

30. For extension of Tung Chung New Town, PlanD and Civil Engineering and Development Department (CEDD) are undertaking the Tung Chung New Town Extension Study to examine the feasibility of extending the Tung Chung New Town into a distinct community and leverage on future economic opportunities that would help create more jobs for Tung Chung residents. Stage 2 Public Engagement of the study to consult the public on the initial development options was completed on 21 July 2013. According to the initial land use options, the "Livable Town" and "Economic Vibrancy" options in Tung Chung East will provide about 38 000 and 33 000 flats respectively, while Tung Chung West will provide about 15 000 flats. We anticipate that the study will be completed by 2015.

(iv) *East Lantau Metropolis*

31. East Lantau has a huge potential for sustainable population and economic growth of Hong Kong in the long run. Geographically, the central waters to the east of Lantau are close to our Central Business District (CBD) on Hong Kong Island. Ecologically, this area is less sensitive when compared with the western or northern waters in Lantau. Capitalising on the strategic transport infrastructure and the locational advantages, we see the potential of developing an “East Lantau Metropolis” on reclamations in the central waters and adjacent areas. On the newly reclaimed artificial island, there will be scope for comprehensive planning with the application of innovative and forward-looking planning and design for the future generation of new town/satellite town. Apart from housing land, with the provision of convenient railway and highway links to the main urban areas, the “East Lantau Metropolis” can also accommodate a new core business hub with critical mass for office, hotel and other commercial developments, providing business enterprises an alternative locational choice other than the traditional CBD and Kowloon East (KE). It will not only create more employment opportunities on Lantau to enhance the economic competitiveness of Hong Kong, but also contribute to a more balanced distribution of employment in the territory.

32. In support of the “East Lantau Metropolis” development, we are preparing to commence strategic studies to explore the feasibility of constructing artificial islands in the central waters to the east of Lantau, which is also included in the Stage 2 public engagement exercise for Enhancing Land Supply Strategy: Reclamation outside the Victoria Harbour and Rock Cavern Development. The study will take into account port operation, marine, traffic, environmental, engineering, infrastructure support and financial aspects in a holistic manner. We plan to consult the Panel on Development in March 2014 to seek support on funding application for commencing the study in the second half of 2014.

33. With a view to preparing the long-term development strategy for the Lantau Island, the Government will set up a Lantau Development Advisory Committee chaired by the Secretary for Development,

comprising members from relevant stakeholders, to advise the Government on (1) social and economic development opportunities on Lantau to capitalise its advantages as the confluence of major transport infrastructure linking Hong Kong, Macau and western PRD to meet the long-term development needs of Hong Kong; and (2) the policies, measures and specific proposals conducive to the sustainable development and conservation of Lantau.

(e) Underground Space Development in Strategic Urban Districts

34. Recognising the limited space in the conventional business and commercial areas in Hong Kong for further development, and the urban road congestion problem in these areas, we have selected four strategic urban districts, viz. Causeway Bay, Happy Valley, Admiralty/Wan Chai and Tsim Sha Tsui West, for conducting a pilot study on underground space development. A master plan for underground space development for each of these districts will be formulated with priority projects for early implementation. We plan to consult the Panel on Development in April 2014 to seek funding support for commencing the pilot study in the second half of 2014.

(III) Energizing Kowloon East

35. The Government is pushing ahead the initiative of Energizing Kowloon East (EKE) to facilitate the transformation of KE into a core business district to sustain Hong Kong's long-term economic development. In 2012-13 and 2013-14 financial years, three sites in KE have been sold providing about 140 000 square metres (m<sup>2</sup>) commercial GFA in total. For the coming five years, 700 000 m<sup>2</sup> commercial GFA will be made available in KE. Under the initiative of EKE, the momentum for commercial floor supply in KE will continue.

36. To expedite the release of development potential in KE, we are taking forward the relocation of the existing government facilities including the vehicle examination centres, the waste recycling centre and the driving test centre in two identified Action Areas. The pre-construction preparation for relocating the facilities is underway. These Action Areas have the potential to supply about 500 000 m<sup>2</sup> of



commercial floor area in total. Suitable sites within the Action Areas will also be identified for early release to the market as appropriate.

37. We launched the Kai Tak Fantasy (KTF) International Ideas Competition on Urban Planning and Design in November last year to generate original concepts, master planning and urban design layouts and schemes for the area comprising the former Kai Tak Runway Tip, the Kwun Tong Ferry Pier Action Area and the waterbody enclosed between them. The competition aims to solicit creative and innovative proposals for KTF's development into a world class tourism, entertainment and recreation hub, which will have a synergy effect with the EKE initiative in facilitating the transformation of KE and bringing vibrancy and diversity to the area. It will be capable of accommodating mega urban city events and positioned as a destination for both the local community and overseas visitors. The result of the competition will be announced in end 2014.

38. To improve connectivity and enhance pedestrian environment of KE, we will advocate the sustainability concept on "walkability". We have formulated short and medium term proposals with green and low carbon design to improve the pedestrian environment of the Kowloon Bay Business Area (KBBA). We are also devising long-term measures to tackle the traffic situation in KBBA and to further enhance the connectivity of the area. A similar study for pedestrian and traffic improvements in the Kwun Tong Business Area has been rolled out to enhance its "walkability" and traffic condition to facilitate the transformation of KE.

39. To improve the condition and the surrounding environment of the existing King Yip Street nullah, we are working closely with relevant departments to commission a study to transform the nullah into a Tsui Ping River with more greening and leisure.

## ***On-going initiatives***

### (I) Increasing Land Supply

#### (a) Land Use Reviews

40. As set out in the 2013 Policy Address, through the various on-going land use reviews, we have been converting suitable sites, including Government, Institution or Community (G/IC) and other government sites, GB sites, as well as industrial sites, for housing or other uses to better meet community needs. The latest progress of the various initiatives is as follows –

##### (i) Review of G/IC Sites

41. PlanD has completed the review of the sites reserved for G/IC use but without concrete development plan or sites used for various government purposes which are no longer required or could be relocated. A total of 36 G/IC sites and other government sites (27 ha) have been identified for residential developments, which are estimated to have the capacity to provide about 14 920 flats<sup>3</sup> for public and private housing. As at December 2013, 18 of these 36 sites had already been zoned for/rezoned to residential use or were undergoing the statutory planning procedure. The gazettal of rezoning of six other sites is tentatively scheduled for 2014. PlanD has been actively working with the relevant departments to resolve the outstanding issues for the remaining eight sites with a view to rezoning them for residential use as early as possible. Apart from the 36 sites, 21 additional G/IC sites, with an estimated capacity to provide about 25 570 flats, have also been identified as suitable for residential development. 11 of them have been rezoned to residential use or are undergoing the statutory rezoning procedure, while the rezoning of nine sites is tentatively scheduled for 2014. The rezoning of the remaining site is subject to the reprovisioning of an existing facility.

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<sup>3</sup> The TPB, after hearing representations on the rezoning of a site in Ma On Shan Area 100, decided to retain the site for “G/IC” use. In addition, three other sites will be retained for “G/IC” use after further review. Revised estimated flat number excludes four sites retained for “G/IC” use.

(ii) Review of GB Sites

42. For the 13 GB sites in the NT which are devegetated, deserted or formed, measuring 57 ha in total, and recommended for rezoning to residential use, their rezoning procedures have commenced progressively. Among the 13 sites, one had already been rezoned to residential use as at December 2013. Rezoning of the remaining 12 sites will be completed as soon as practicable. They are expected to provide about 23 000 flats in total.

(iii) Review of Industrial Sites

43. PlanD has conducted three rounds of review of industrial land since 2000. In the last round conducted in 2009, about 60 ha of land have been identified as suitable for housing and other land uses, among which about 30 ha on 16 sites are recommended for residential use. Among them, 13 have completed or are undergoing the statutory rezoning process. Some 14 700 units could be provided upon development or redevelopment of all the 13 sites. For the remaining three industrial sites, it is estimated that some 5 800 units could be provided as and when they are all developed or redeveloped. With a view to examining the latest utilisation of the existing industrial land, and the possibility of further converting some sites to other uses, including residential use, PlanD has started another round of review since end March 2013, which is expected to be completed in 2014.

(b) Optimising the Use of Land

44. As mentioned in the 2013 Policy Address, policy bureaux will act decisively to optimise the use of land. After careful review, a number of major sites, where the originally earmarked purposes will no longer be pursued, will be made available for housing development or other uses in higher demand in the community. The Government announced last year that the site at Tai Po Area 9 which had originally been reserved for private hospital development will be re-allocated for public housing; the Cheung Sha Wan Wholesale Food Market Phase 2 site will be used for public housing, private housing and hotel development; and Tin Shui Wai Areas 112 and 115, which were originally earmarked for the Hong Kong Housing Society (HKHS) to

implement community projects, have been re-allocated for private residential development and will be put up for sale in the first quarter of 2014.

45. Having reviewed the latest circumstances and relevant considerations, the Government considers that the Queen's Hill site should no longer be reserved for developing self-financing tertiary education. After prudent consideration of the development potential of the site, the Government has decided to change the use of the west part of the site (about 13.3 ha) for public housing development to produce an estimated number of about 10 500 public housing units (comprising both PRH and HOS units) for accommodating a population of around 30 000. Suitable sites will be reserved within the development area for the provision of the necessary education, open space, recreation, social welfare and community, retail, transport and infrastructure facilities, etc., and the first phase of public housing development will be completed by 2019-20 at the earliest. As regards the east part of the Queen's Hill site (about 6.4 ha), the Government will conduct feasibility studies for providing private housing and international school. The remaining sloping ground is recommended for "GB".

46. Furthermore, a site at Pak Shek Kok which will not be used for the originally planned expansion of the Hong Kong Science Park in the short to medium term will be made available for housing development. We would continue to identify and earmark land for science park expansion and development on the basis of demands as identified by the Innovation and Technology Commission.

(c) Streamlining Land Administration Process

47. LandsD has been reviewing the processes under lease in relation to simplification of lease conditions, streamlining the procedures in processing lease modification (including land exchange) applications and enhancing clarity of standards in the handling of approvals required under lease. It has been discussing these land administration matters with the trade and is implementing the enhancement measures on a progressive basis. LandsD will continue to review and, where practicable, implement further suitable measures to facilitate land

development.

(d) Revitalisation of Industrial Buildings

48. The measures to facilitate redevelopment and wholesale conversion of older industrial buildings (the revitalisation measures) came into effect on 1 April 2010 and will expire on 31 March 2016. The revitalisation measures aim at providing more suitable floor space to meet Hong Kong's changing social and economic needs. Up to end December 2013, LandsD had received 119 applications under the revitalisation measures, of which 89 applications had been approved, which could provide converted or new floor space with a total GFA of about 984 000 m<sup>2</sup>. Pursuant to the 2013 Policy Address, further refinements to the revitalisation measures were introduced in October 2013. The refinements would help address certain difficulties currently faced by applicants of wholesale conversion and redevelopment of industrial buildings. LandsD is currently preparing the practice note on these further refined measures, with a view to putting them in place as soon as possible.

(e) Development of the West Rail Kam Sheung Road Station, Pat Heung Maintenance Depot and the Adjoining Areas

49. In stepping up efforts to put into full play the integrated development of mass transportation and residential property, PlanD will take forward the planning for residential development above the Kam Tin South West Rail Kam Sheung Road Station and Pat Heung Maintenance Depot, with land of about 33 ha in total estimated to provide about 8 700 flats. In parallel, a land-use review of the adjoining areas of about 110 ha is being undertaken with a view to identifying more suitable sites for housing development. Upon completion of the review by 2014, we will undertake local consultation on the development of the West Rail property and its adjoining areas including the Yuen Long District Council, Kam Tin and Pat Heung Rural Committees, etc. An engineering feasibility study will also be conducted to assess the infrastructural requirements. The Government will continue to explore vigorously the residential development potential of land along existing and planned railways.

(f) Development of Former Diamond Hill Squatter Areas and Quarry Sites

50. The development of the former Diamond Hill Squatter Areas (Tai Hom Village), as well as the former Cha Kwo Ling Kaolin Mine, former Lamma Quarry and ARQ is in good progress. For instance, subject to funding approval of the LegCo's Finance Committee, we plan to commence the detailed design and site investigation works for the development of the ARQ site in June 2014. The ARQ development will cater for a planned population of 25 000 with the production of about 9 410 flats. On the other hand, in view of the suggestions from the District Council and locals, we have revised the development proposal for the former Diamond Hill Squatter Areas, which will provide about 4 200 public housing units, as well as cultural and social facilities.

(g) New Development Areas

51. NDAs are a major source of land supply to meet the mid to long-term housing, as well as other social and economic development needs of Hong Kong. While the NENT NDAs Planning and Engineering Study has largely been completed, the HSK NDA Planning and Engineering Study is in good progress.

52. As we have announced in July last year, adjustments have been made to the NENT NDAs project, including overall planning, mode of implementation, compensation and rehousing arrangements, and assistance to affected farmers. We will proceed with the Kwu Tung North (KTN) and Fanling North (FLN) NDAs as soon as possible as extensions to the Fanling/Sheung Shui New Town, so as to meet the demand for housing and other development needs. The Ping Che/Ta Kwu Ling NDA will be re-planned under a new study on the NT North, and the public will be consulted again. To make the best use of land, the development intensity of KTN and FLN NDAs has been suitably increased. The total number of housing units have increased from the original 47 300 to about 60 000 units. The proportion of public housing, including PRH and HOS, has also been increased from less than half (49%) to about 60%. The first population intake will be in 2022-23.

53. For the HSK NDA, a Preliminary Outline Development Plan (PODP) has been formulated for the area, which will provide about 446 ha of developable land. The proposals under the PODP will accommodate a new town of a population of about 218 000 (including a new population of about 175 000), about 60 000 additional flats and 100 000 job opportunities. A three-month Stage 2 Community Engagement exercise has ended in mid-October 2013.

(h) Developing the New Territories North

54. Apart from NENT NDAs and HSK NDA, there are vast tracts of undeveloped land in the NT North (including land released from the Frontier Closed Area) that could be considered for meeting the long-term development needs of Hong Kong. A preliminary feasibility study on developing the NT North will be commissioned in early 2014 for a comprehensive review of the land use planning for the area to capitalise on infrastructural developments within and adjacent the areas to make the best use of this vast stretch of land for housing, social and economic development.

(i) Review of Deserted Agricultural Land in North District and Yuen Long

55. To make more gainful use of agricultural land which is currently used mainly for industrial purposes, temporary storage, or deserted, the Government is reviewing a total of about 257 ha of such sites in North District and Yuen Long, with a view to identifying more suitable sites for housing development as soon as possible. In this connection, four areas in Kwu Tung South (KTS), Yuen Long South (YLS), Fanling/Sheung Shui Area 30 (FSS) and Kong Nga Po (KNP) have been identified for planning and engineering studies to ascertain the feasibility of and scope for residential development. The studies on the KNP, YLS and KTS sites have already commenced for completion by 2014-15, while the study on the FSS site will be conducted in two phases, with Phase 1 anticipated to commence in mid-2014 for completion by end-2014, and Phase 2 to commence upon review of Phase 1's findings. According to the preliminary assessment, some of the sites are anticipated to be available for housing development in 2020 at the earliest.

(j) Converting Suitable Government Sites to Commercial Use

56. By converting suitable government sites to commercial use, the sites so released will help increase the supply of commercial office space, thereby facilitating the development of different types of economic activities. The Government plans to convert suitable government sites in the existing CBDs, including the Murray Road Carpark in Central and the Rumsey Street Carpark in Sheung Wan, into commercial uses. Where possible, the Government will release other suitable government sites for commercial uses. We plan to consult the relevant District Councils on the rezoning proposal before the commencement of town planning procedures.

(k) Reclamation Outside the Victoria Harbour and Rock Cavern Development

57. We completed the Stage 2 public engagement exercise for Enhancing Land Supply Strategy: Reclamation outside the Victoria Harbour and Rock Cavern Development in June 2013, during which we sought the public views on the possible land uses for the five potential near-shore reclamation sites, namely Lung Kwu Tan in Tuen Mun, Siu Ho Wan and Sunny Bay on North Lantau, Tsing Yi Southwest and Ma Liu Shui in Sha Tin, and the possible artificial islands in the central waters between Lantau and Hong Kong Island. The Stage 2 Public Engagement Report has been uploaded to the website of Enhancing Land Supply Strategy under CEDD. The results revealed that land reserve, residential development (in particular PRH), recreational or leisure facilities, commercial uses, tourism-related facilities, logistic facilities, etc. were the major supported land uses.

58. We are preparing to commence a planning and engineering study for the proposed reclamation at Sunny Bay to develop a detailed reclamation proposal. We plan to consult the Panel on Development in April 2014 to seek funding support for conducting the study. We are also making preparation to commence technical studies for other near-shore reclamation sites.



59. To address the public's concern on the potential impact of reclamation on the marine ecology and habitats of Chinese White Dolphins (CWD) in the western waters, we are conducting a CWD survey and a cumulative environmental impact assessment for the proposed reclamation sites in Tuen Mun and North Lantau to ascertain their environmental acceptability before embarking on the next stage of studies.

60. On rock cavern development, we have substantially completed a feasibility study on the relocation of the Sha Tin Sewage Treatment Works (STW) to caverns. Preparatory work for conducting investigation and design for the relocation project is in progress with a view to releasing the existing site of about 28 ha for other beneficial and compatible uses. We plan to consult the Panel on Development in March 2014 to seek funding support for commencing the investigation and design of the relocation project in the second half of 2014. The Government will aim at a balanced development on the released land. A separate planning and engineering study will be conducted at the next stage a few years before the completion of the relocation project to formulate the plan use planning of the released site, taking into consideration the social needs and the public's aspiration for a better community and environment for Sha Tin.

61. After acquiring general public support on cavern development in the Stage 2 public engagement exercise, we are preparing to commence feasibility studies on the proposed relocation of the other three government facilities to caverns, viz. Diamond Hill Fresh Water and Salt Water Service Reservoirs, Sai Kung STW and Sham Tseng STW so as to release a total of about 6 ha of precious land in the urban areas for housing and other uses. We plan to consult the Panel on Development in March 2014 to seek funding support for commencing the respective feasibility studies in the second half of 2014.

62. We are also continuing the study on the long-term strategy of cavern development in Hong Kong. Preparation of a territory-wide Cavern Master Plan and formulation of policy guidelines to facilitate future cavern development are in progress. Formulation of an implementation programme for relocating other suitable government

facilities to caverns are on-going and prospective projects with clear users' demand and support have been identified for consideration. In addition, a demand survey from the private sector is being conducted.

(l) Underground Space Development

63. On the enhanced use of underground space as another source of land supply, we commenced a territory-wide study in December 2013 to identify opportunities and constraints arising from more extensive underground space development in the urban areas of Hong Kong. We aim to develop preliminary conceptual schemes for providing more space for commercial and other uses, relocation of incompatible facilities to underground space thereby releasing surface land for other beneficial uses, and enhancing connectivity with existing/planned underground developments.

(m) Reviewing the Development Intensity in Kai Tak Development

64. The KTD is being implemented progressively with a significant number of essential infrastructure projects including those at the north and south apron areas and at the former runway, Trunk Road T2, and Kai Tak Approach Channel and Kwun Tong Typhoon Shelter improvement works to be delivered in the coming years. The Kai Tak Office of CEDD continues the coordination of projects implemented by different bureaux/departments for target completion in 2016 and beyond, in particular the relevant sections of Shatin-to-Central Link and Central Kowloon Route, Multi-purpose Sports Complex, schools, government buildings and about 100 ha of open space in KTD.

65. In the 2013 Policy Address, to facilitate the transformation of KE covering KTD, the CE promulgated a new policy initiative on reviewing the development intensity in the KTD to explore the possibility of increasing office and housing supply without compromising the planning aspirations for and land supply from the area in the coming five years. CEDD is conducting a technical study to assess the increase in the development intensity and associated impacts on the infrastructure and supporting facilities. Initial findings indicate that the commercial GFA in KTD could be increased by about 0.43 million m<sup>2</sup> while an

additional 6 800 housing flats could be provided and the total population in KTD could be increased from about 90 000 to 110 000. Taking advantage of the advance findings of the study, the first batch of planning applications for minor relaxation of the planning parameters for increasing about 20% of the domestic GFA in four sites at the north apron area were approved by the TPB in November 2013. Subject to the completion of the technical study for other sites in mid-2014, applications to the TPB for the proposed increases in the development intensity for other sites in the KTD would be initiated to tie in with the land delivery programme.

(n) Environmentally Friendly Linkage System (EFLS)

66. To enhance the connectivity to facilitate the transformation of KE into another CBD, we propose to introduce a multi-modal linkage system including an EFLS in the form of an elevated mono-rail supplemented by improved pedestrian walkway and road-based green transport. We are conducting the stage 2 public consultation on the proposed EFLS. We plan to consult the Panel on Development tentatively in May 2014 to seek funding support for conducting a detailed feasibility study for taking forward the EFLS project.

(o) Relocation of the New Territories West Regional Office of Water Supplies Department at Mongkok

67. We have identified a suitable site at Tin Shui Wai for the construction of a new building for accommodating the New Territories West Regional Office of the Water Supplies Department to release its valuable site at Mongkok for more gainful use. We expect that the Regional Office could be relocated by 2017.

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**For discussion  
29 January 2014**

**Legislative Council Panel on Development and Panel on Housing  
Joint Meeting  
Increasing Housing Land Supply**

**PURPOSE**

This paper briefs members on the Government's efforts to increase land supply so as to meet the new housing supply target for the next 10 years as well as in the long term.

**NEW HOUSING SUPPLY TARGET**

2. As announced in the 2014 Policy Address, the Government has decided to adopt 470 000 units as the new public and private housing total supply target for the coming 10 years, with public housing (comprising both public rental housing (PRH) and subsidised sale flats) accounting for 60% of the new production. To deliver on this target will undeniably be a big challenge for both the Government and the community. On the part of the Government, we will endeavour to make available sufficient supply of housing land, financial resources for the Hong Kong Housing Authority (HA) and manpower resources in the construction industry in order to achieve the new housing supply target.

**(A) Short to Medium Term**

**(i) Land Supply**

3. To increase land supply to meet the housing and other development needs of Hong Kong, the Government has adopted a multi-pronged approach to increase land supply in the short, medium and long term. 10 initiatives were put forward in the 2013 Policy Address for increasing housing land in the short to medium term. The latest progress of some of the key initiatives is highlighted below while details of the others are set out at **Annex A**.

*(a) Increasing Residential Development Intensity as Appropriate*

4. While a multi-pronged strategy and a series of land supply initiatives have been adopted to increase land supply in the short, medium and long term, given the limited amount of readily developable land, the current tight situation in the supply of housing land, be it public or private housing, as well as in the supply of land for various economic activities and social facilities, is expected to continue. Therefore, there is an urgent need to make more efficient use of our scarce land resources that could be made available for development or redevelopment within a shorter timeframe. Taking into account the relevant planning considerations, the Government considers that the maximum domestic Plot Ratios (PRs) for housing sites located in the respective Density Zones of the Main Urban Areas and New Towns could be increased. The new system is set out below –

Main Urban Areas

- (i) Density Zone 1: no increase in PR (maximum domestic PR remains at 8/9/10 as the density of the built-up area is already high);
- (ii) Density Zone 2: PR to be increased by 20% (maximum domestic PR to increase from 5 to 6); and
- (iii) Density Zone 3: PR to be increased by 20% (maximum domestic PR to increase from 3 to 3.6).

New Towns

- (i) Density Zone 1: PR to be increased by 20% (maximum domestic PR to increase from 5 to 6)<sup>1</sup>;
- (ii) Density Zones 2 and 3: PR to be increased by 20%<sup>1</sup>; and

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<sup>1</sup> While the maximum domestic PRs for Density Zone 1 to 3 in New Towns as specified in the Hong Kong Planning Standards and Guidelines are 8, 5 and 3 respectively, the existing maximum PRs for most of the individual sites are not yet up to the said levels mainly due to various constraints on development capacity (such as transport or infrastructure limitations, environmental, topographical or geotechnical conditions) or special design considerations.

- (iii) Density Zone 4 (low density zone): PR to be increased by 100%.

*Both Main Urban Areas and New Towns*

Individual sites to be up-zoned based on planning merits.

5. The increases in maximum domestic PRs will not compromise relevant planning principles and considerations, and will be adopted only when there is scope in terms of traffic and infrastructure capacity, and the various constraints and impacts so arising, if any, could be addressed through appropriate measures. Under this initiative, individual housing sites will be able to provide more developable floor area (but not necessarily increase the actual population, and this will depend also on the size of family and other factors). This can help maintain a stable supply of developable housing land and gradually realize the long-term vision to increase Hong Kong people's "elbow room".

6. These revised planning parameters will be adopted in the on-going planning studies and land use reviews that are at initial stages (e.g. the Planning and Engineering Study for Housing Sites in Yuen Long South and the Planning and Engineering Study for Kwu Tung South), as well as all future planning studies and reviews (e.g. the Preliminary Feasibility Study on Developing the New Territories (NT) North). The Hong Kong Planning Standards and Guidelines will also be updated to incorporate the changes.

7. We have completed the preliminary technical assessment of the new Kai Tak Development, and propose to increase the development intensity of its new housing sites and thus the number of flats to be built thereon by about 20%. Moreover, to maximise the development potential of the residential sites identified in Tuen Mun East, a PR of 3.6 is proposed for most of the sites, which will be equivalent to the maximum of Density Zone 3 (i.e. PR 3.0) with a further 20% increase, with some exceptions at higher PRs of 4.0 and 6.0 taking into account the relevant site considerations.

8. For major land development projects for which the respective planning studies and reviews which are already at an advanced stage (including those on the Anderson Road Quarry (ARQ), ex-Cha Kwo Ling Kaolin Mine,

North East New Territories (NENT) New Development Areas (NDAs), Hung Shui Kiu (HSK) NDA and Tung Chung New Town Extension), increasing the development intensities where planning terms permit has already been factored into the studies as appropriate. We do not intend to re-plan these land development projects such that their implementation would remain on schedule to deliver the planned land and housing production.

9. For privately owned sites, development parameters including maximum domestic PRs/gross floor areas are generally stipulated in the relevant statutory plans. There are provisions in the relevant statutory plans for minor relaxation of the development restrictions upon application to the Town Planning Board (TPB). In considering such planning applications, TPB would consider all relevant planning considerations and would make reference to the increase in maximum domestic PRs in the respective Density Zones as aforementioned, as well as the applicants' presentation as to how the potential impacts on traffic, infrastructural capacity and environment, etc. arising from the proposed increase in development intensity would be duly addressed.

*(b) Relaxing the Moratorium on Pok Fu Lam*

10. The Government has completed the assessment on relaxing or lifting the administrative moratorium currently in force to restrict new land sale or lease modification in Pok Fu Lam. With the West Island Line and South Island Line (East) progressively in place, alongside further active consideration by the Government of the construction of the South Island Line (West), it is considered that the partial lifting of the moratorium would make the development of public housing in six Government sites in the area, including the redevelopment of Wah Fu Estate, feasible. It is estimated that about 11 900 additional public housing units could be provided.

11. The six government sites include the existing Wah Fu Estate; four sites (i.e. near Chi Fu Road, north of the Wah Fu Estate, Wah Lok Path and Wah King Street) which are currently vacant or put to open space or short-term uses and a "Green Belt" site nearby (i.e. Kai Lung Wan). Apart from the existing Wah Fu Estate and the site near Chi Fu Road, the other four sites need to be rezoned for housing development.

12. To make the redevelopment of Wah Fu Estate possible, HA will work with relevant Government departments on the development parameters, conduct various technical assessments and consult the local community on the five Government sites adjacent to Wah Fu Estate. These can be used as the decanting resources for the redevelopment of Wah Fu Estate. In addition, HA will need to conduct detailed studies for the redevelopment of Wah Fu Estate in accordance with the “Refined Policy on Redevelopment of Aged Public Rental Housing Estates”, which includes the assessment of the build-back potential and availability of suitable decanting resources in particular. The affected tenants, local community and the District Council (DC) will also be consulted. Upon completion of the assessments and endorsement by HA, we will then be able to confirm the scope, timing and other details of the redevelopment of Wah Fu Estate.

*(c) Optimising the Use of Land*

13. As mentioned in the 2013 Policy Address, policy bureaux will act decisively to optimise the use of land. After careful review, a number of major sites, where the originally earmarked purposes will no longer be pursued, will be made available for housing development or other uses in higher demand in the community. The Government announced last year that the site at Tai Po Area 9 which had originally been reserved for private hospital development will be re-allocated for public housing; the Cheung Sha Wan Wholesale Food Market Phase 2 site will be used for public housing, private housing and hotel development; and Tin Shui Wai Areas 112 and 115, which were originally earmarked for the Hong Kong Housing Society (HKHS) to implement community projects, have been re-allocated for private residential development and will be put up for sale in the first quarter of 2014.

14. Having reviewed the latest circumstances and relevant considerations, the Government considers that the Queen’s Hill site should no longer be reserved for developing self-financing tertiary education. After prudent consideration of the development potential of the site, the Government has decided to change the use of the west part of the site (about 13.3 ha) for public housing development to produce an estimated number of about 10 500 public housing units (comprising both PRH and Home Ownership Scheme (HOS) units) for accommodating a population of around 30 000. Suitable sites will be reserved within the development area for the provision of the necessary



education, open space, recreation, social welfare and community, retail, transport and infrastructure facilities, etc., and the first phase of public housing development will be completed by 2019-20 at the earliest. As regards the east part of the Queen's Hill site (about 6.4 ha), the Government will conduct feasibility studies for providing private housing and international school. The remaining sloping ground is recommended for "Green Belt" (GB).

15. Furthermore, a site at Pak Shek Kok which will not be used for the originally planned expansion of the Hong Kong Science Park in the short to medium term will be made available for housing development. We would continue to identify and earmark land for science park expansion and development on the basis of demands as identified by the Innovation and Technology Commission.

*(d) Further Land Use Reviews*

16. To meet the housing need of the community and the new housing supply target of providing 470 000 public and private housing units within 10 years (i.e. from 2013-14 to 2022-23), the Development Bureau, together with the relevant departments, has been carrying out land use reviews, including reviews on the Government land currently vacant, under Short Term Tenancies or different short-term or government uses, for conversion to residential use, as well as the next stage of the review on GB sites. These reviews have started to bear fruits. On top of the progress reported in the last Policy Address, we have identified about 80 new sites that could be made available in the coming five years (i.e. from 2014-15 to 2018-19), involving a total area of over 150 ha with an estimated capacity of providing some 89 000 flats, which have potential for conversion to residential use in different districts throughout the territory. Upon completion of the studies confirming their development feasibility, we will consult the relevant stakeholders and proceed with the town planning and other relevant procedures, so as to increase housing land supply as soon as practicable.

17. The new target is undeniably a challenging task for both the Government and the community. In particular, about 150 potential housing sites (including the 80 new sites identified as mentioned above) will require amendments to their respective statutory plans for change of use and increase in development intensity, before they could be made available for housing

development in the coming five years (i.e. from 2014-15 to 2018-19) for providing over 210 000 flats. To rezone these sites for residential use and increase development intensity, and to strive to achieve the housing production target, we have to take into account a whole host of practical planning factors, including traffic and infrastructure capacity, provision of community facilities and open space, the relevant technical constraints, local characteristics and existing development intensity, the potential impacts on the local environment, and visual and air ventilation impacts, etc. Some sites may require land resumption and clearance, or relocation of existing or planned facilities. While the Government will take all these into account and mitigate the adverse impacts as far as possible, what is no less important is the support and cooperation of the various stakeholders in the community. We need to work together with them to achieve the important goal, and appeal to them for putting the overall housing needs of the community above their personal and other interests. Only with their full support for the rezoning of these sites for housing purpose and for increasing the development intensity of the sites would we be able to achieve our housing production target to provide adequate supply of public and private housing.

18. Land has already been identified, earmarked or allocated for producing 179 000 PRH and 17 000 HOS flats. As mentioned above, some 150 potential housing sites have also been identified and assessed to have potential for rezoning for housing development to provide over 210 000 flats. These, together with other private housing sites which are zoned for housing use, railway property development projects, urban renewal projects, and private projects subject to and not subject to lease modification/land exchange, and subject to the successful plan amendments of the 150 sites, the timely implementation of the necessary supporting infrastructural works and the overcoming of other technical constraints, it is possible to make available sufficient land for housing development to achieve the new housing supply target. It is indeed a daunting task the accomplishment of which depends in no small measure on the support of the whole community.

19. The Government fully appreciates that DCs and the locals would have concerns over the potential impacts arising from the proposed plan amendments and increase in development intensity. Before the work on amending the statutory plans proceeds, we will consult the respective DCs and local community. **Annex B** sets out the distribution of the 150 or so sites by

districts and their estimated flat production capacity. It should be noted that these 150 or so sites form only a part of the total supply of sites that can be made available in the next 5 years. Also, the estimated number of flats and year of availability may be subject to changes depending on the technical assessments of individual sites and the progress of relevant procedures or works.

(ii) Public Housing Supply

20. The Government has already identified sufficient land for the production of 179 000 PRH units over the coming ten-year period and a total of about 17 000 HOS units in the four years starting from 2016/17 as previously pledged. Under the new housing supply target, the Government aims to provide an average of about 20 000 PRH units and about 8 000 HOS units per annum. The new total supply target of public housing represents an increase of 36% when compared to the supply target pledged by the Government last year.

21. In the coming five years (2014 to 2018), it is estimated that about 80 000<sup>2</sup> public housing units will be produced. Looking ahead, the production of public housing units for the next five years (i.e. 2019 to 2023) will be substantially increased to about 200 000 units. Since the construction programme of some 80 000 public housing units in the coming five years has already commenced, the scope for further increase in production within this period is limited. We will have to make every effort to expedite housing production in the following five years in order to achieve the new housing supply target. The production level of about 200 000 public housing units in the following five-year period will be 2.5 times of the production level in the first five-year period. This is a big challenge for the Government. Public's support is essential to enable us to complete the planning and other relevant procedures for the land identified in a timely manner. A substantial increase in housing production will inevitably affect the local community concerned. The Government will strive to minimise such impact.

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<sup>2</sup> According to the Public Housing Construction Programme of HA as at end December 2013 and the flats production forecast of the HKHS as at November 2013.

(iii) Private Housing Supply

22. The sources of private housing land supply include the Government's Land Sale Programme, railway property development projects, redevelopment projects of the Urban Renewal Authority, projects subject to lease modification/land exchange and private redevelopment projects not subject to lease modification/land exchange. The Government will provide land for private housing according to the new supply target.

*(a) Railway Property Development Projects*

23. Railway property development projects have all along been an important source of private housing land supply. Since 2010-11, a total of six West Rail property development projects, namely Nam Cheong Station, Tsuen Wan West Station TW5 (Cityside), Tsuen Wan West Station TW5 (Bayside), Long Ping Station (North), Tsuen Wan West Station TW6 and Long Ping Station (South), have been successfully tendered out, and they are capable of providing about 9 100 flats. Apart from the project at Kam Sheung Road Station and Pat Heung Maintenance Depot (about 8 700 flats), the project at Yuen Long Station (about 1 800 flats) is also under planning. The Government will take forward the remaining West Rail property development projects as soon as practicable.

24. As for MTR Corporation Limited (MTRCL)'s own railway property development projects, it should be noted that MTRCL is a listed company and has the discretion to decide how to implement such projects. MTRCL's tendering of the project at Tin Shui Wai Light Rail Terminus (about 1 500 flats) closed on 21 January 2014. MTRCL also indicated that, subject to market conditions, it planned to re-tender its project at Tai Wai Station (about 2 900 flats) and tender the LOHAS Park Package 4 project (about 1 600 flats) within 2013-14.

*(b) Pilot Scheme for Arbitration on Land Premium*

25. A lease modification/land exchange application, including premium negotiation, is a contractual matter between the Government acting in the capacity of a private landlord and the applicant, which could be completed and executed only with mutual agreement. The amount of premium payable by the

applicant is one of the key terms of such applications for lease modification/land exchange. Accordingly, differences over the amount of premium payable would leave the lease modification/land exchange applications pending even after a long period of negotiation. Past experience suggests that the time taken for processing lease modification/land exchange applications could be long due to the lengthy negotiation on the amount of premium payable, which is dependent on many factors, including the applicant's market outlook, commercial considerations, etc.

26. To facilitate early agreement on premium for lease modification/land exchange applications so as to advance housing land supply and speed up flat production, there is a need to explore an additional means to resolve differences between the Government and respective applicants on land premium. The Government considers that there may be merits in trying out a Pilot Scheme for Arbitration on Land Premium for lease modification/land exchange applications as an administrative initiative for facilitating the determination of premium. Given that the initiative is completely new with wide implications, it is prudent to launch a pilot scheme to try out the arrangement. A review of the Pilot Scheme for Arbitration on Land Premium will be undertaken after the Scheme has been implemented for some time and the Government has gained experience from it.

27. DEVB and the relevant departments including Lands Department (LandsD) are formulating the implementation arrangements for this new initiative.

(iv) Overall Housing Supply

28. All in all, with the land already identified for the production of 179 000 PRH and 17 000 HOS units previously pledged, the some 150 potential housing sites identified to have potential for housing development and requiring amendments to their respective statutory plans in the coming five years for providing over 210 000 flats, as well as other private housing sites which do not require amendments to the statutory plans and other sources of private housing land supply, and with the full support of the community, we are prudently optimistic that there should be sufficient land to meet the new housing supply target in the coming 10 years. Moreover, while the majority of the potential housing sites for meeting the 10-year target come from the various short to

medium term initiatives mentioned above, it should be noted that land supply from the long-term land supply initiatives such as the NDAs and Tung Chung New Town Extension will come on stream progressively towards the end of the 10-year period, so as to meet the continued housing need of the Hong Kong community.

## **(B) Long Term Land Supply**

29. Creating new land supply is an essential source of land in the long term. The Government is striving to take forward as expeditiously as possible a number of long-term land supply projects including NENT NDAs, HSK NDA, development of Lantau Island (including the Tung Chung New Town Extension), review of deserted agricultural land in North District and Yuen Long (including the Planning and Engineering Study for Housing Sites in Yuen Long South), developing the New Territories North, exploring the option of reclamation on an appropriate scale outside Victoria Harbour, rock cavern and underground space developments, etc. These long-term land supply projects will be our foci in meeting future population growth, providing land resources for economic developments and improving people's living space and environment. The latest progress of the initiatives to increase land supply in the long term is set out below:

### *(a) New Development Areas*

30. NDAs are a major source of land supply to meet the mid to long-term housing, as well as other social and economic development needs of Hong Kong. While the NENT NDAs Planning and Engineering Study has largely been completed, the HSK NDA Planning and Engineering Study is in good progress.

31. As we have announced in July last year, adjustments have been made to the NENT NDAs project, including overall planning, mode of implementation, compensation and rehousing arrangements, and assistance to affected farmers. We will proceed with the Kwu Tung North (KTN) and Fanling North (FLN) NDAs as soon as possible as extensions to the Fanling/Sheung Shui New Town, so as to meet the demand for housing and other development needs. The Ping Che/Ta Kwu Ling NDA will be re-planned under a new study on the NT North, and the public will be consulted

again. To make the best use of land, the development intensity of KTN and FLN NDAs has been suitably increased. The total number of housing units has increased from the original 47 300 to about 60 000. The proportion of public housing, including PRH and HOS, has also been increased from less than half (49%) to about 60%. The first population intake will be in 2022/23.

32. For the HSK NDA, a Preliminary Outline Development Plan (PODP) has been formulated for the area, which will provide about 446 ha of developable land. The proposals under the PODP will accommodate a new town of a population of about 218 000 (including a new population of about 175 000), about 60 000 additional flats and 100 000 job opportunities. A three-month Stage 2 Community Engagement exercise has ended in mid-October 2013.

*(b) Developing the New Territories North*

33. Apart from NENT NDAs and HSK NDA, there are vast tracts of undeveloped land in the NT North (including land released from the Frontier Closed Area) that could be considered for meeting the long-term development needs of Hong Kong. A preliminary feasibility study on developing the NT North will be commissioned in early 2014 for a comprehensive review of the land use planning for the area to capitalise on infrastructural developments within and adjacent the areas to make the best use of this vast stretch of land for housing, social and economic development.

*(c) Review of Deserted Agricultural Land in North District and Yuen Long*

34. To make more gainful use of agricultural land which is currently used mainly for industrial purposes, temporary storage, or deserted, the Government is reviewing a total of about 257 ha of such sites in North District and Yuen Long, with a view to identifying more suitable sites for housing development as soon as possible. In this connection, four areas in Kwu Tung South (KTS), Yuen Long South (YLS), Fanling/Sheung Shui Area 30 (FSS) and Kong Nga Po (KNP) have been identified for planning and engineering studies to ascertain the feasibility of and scope for residential development. The studies on the KNP, YLS and KTS sites have already commenced for completion by 2014-15, while the study on the FSS site will be conducted in two phases, with Phase 1 anticipated to commence in mid-2014 for completion by end-2014, and Phase 2 to commence upon review of Phase 1's findings.

According to the preliminary assessment, some of the sites are anticipated to be available for housing development in 2020 at the earliest.

*(d) Reclamation Outside the Victoria Harbour and Rock Cavern Development*

35. The Stage 2 public engagement (PE) exercise for Enhancing Land Supply Strategy: Reclamation outside the Victoria Harbour and Rock Cavern Development was completed in June 2013. Taking into account the views of the public, we are preparing to commence a planning and engineering study for the proposed reclamation at Sunny Bay. We plan to seek funding support for conducting the study in April 2014. We are also making preparation to commence technical studies for other proposed near-shore reclamation sites.

36. On rock cavern development, we have substantially completed a feasibility study on the relocation of the Sha Tin Sewage Treatment Works (STW) to caverns. Preparatory work for conducting investigation and design for the relocation project is in progress with a view to releasing the existing site of about 28 ha for other beneficial and compatible uses. After acquiring general public support on cavern development in the Stage 2 PE exercise, we are preparing to commence feasibility studies on the proposed relocation of the other three government facilities to caverns, viz Diamond Hill Fresh Water and Salt Water Service Reservoirs, Sai Kung STW and Sham Tseng STW in the second half 2014. We are also continuing the study on the long-term strategy of cavern development in Hong Kong. Preparation of a territory-wide Cavern Master Plan, formulation of policy guidelines to facilitate future cavern development, and formulation of an implementation programme for relocating other suitable government facilities to caverns, are in progress.

*(e) Lantau Development*

37. Lantau enjoys a strategic location with many new mega infrastructure projects under planning, including the proposed third runway of the Hong Kong International Airport, the proposed Tuen Mun-Chek Lap Kok Link and Tung Chung New Town Extension. With the opening of the Hong Kong-Zhuhai-Macao Bridge, Lantau will be the confluence of Hong Kong, Macao and western Pearl River Delta (PRD), and the travelling time between Hong Kong and west bank of the PRD will be substantially reduced to realise the “One-hour Intercity Traffic Circle” covering the Pearl River Estuary area.



38. East Lantau has a huge potential for sustainable population and economic growth of Hong Kong in the long run. Geographically, the central waters to the east of Lantau are close to our Central Business District (CBD) on Hong Kong Island. Ecologically, this area is less sensitive when compared with the western or northern waters in Lantau. Capitalising on the strategic transport infrastructure and the locational advantages, we see the potential of developing an “East Lantau Metropolis” on reclamations in the central waters and adjacent areas. On the newly reclaimed artificial island, there will be scope for comprehensive planning with the application of innovative and forward-looking planning and design for the future generation of new town/satellite town. Apart from housing land, with the provision of convenient railway and highway links to the main urban areas, the “East Lantau Metropolis” can also accommodate a new core business hub with critical mass for office, hotel and other commercial developments, providing business enterprises an alternative locational choice other than the traditional CBD and Kowloon East. It will not only create more employment opportunities on Lantau to enhance the economic competitiveness of Hong Kong, but also contribute to a more balanced distribution of employment in the territory.

39. In support of the “East Lantau Metropolis” development, we are preparing to commence strategic studies to explore the feasibility of constructing artificial islands in the central waters to the east of Lantau, which is also included in the Stage 2 PE exercise for Enhancing Land Supply Strategy: Reclamation outside the Victoria Harbour and Rock Cavern Development. The study will take into account port operation, marine, traffic, environmental, engineering, infrastructure support and financial aspects in a holistic manner. We plan to consult the Panel on Development in March 2014 to seek support on funding application for commencing the study in the second half of 2014.

40. At the same time, for extension of Tung Chung New Town, the Planning Department (PlanD) and Civil Engineering and Development Department are undertaking the Tung Chung New Town Extension Study to examine the feasibility of extending the Tung Chung New Town into a distinct community and leverage on future economic opportunities that would help create more jobs for Tung Chung residents. According to the initial land use options, the “Livable Town” and “Economic Vibrancy” options in Tung Chung East will provide about 38 000 and 33 000 flats respectively, while Tung Chung

West will provide about 15 000 flats. Stage 2 PE of the study to consult the public on the initial development options was completed on 21 July 2013. We anticipate that the study will be completed by 2015.

41. With a view to preparing the long-term development strategy for the Lantau Island, the Government has set up a Lantau Development Advisory Committee chaired by the Secretary for Development, comprising members from relevant stakeholders, to advise the Government on (1) social and economic development opportunities on Lantau to capitalise its advantages as the confluence of major transport infrastructure linking Hong Kong, Macau and western PRD to meet the long-term development needs of Hong Kong; and (2) the policies, measures and specific proposals conducive to the sustainable development and conservation of Lantau.

## **CONCLUSION**

42. We welcome Members' feedback and undertake to work closely with Legislative Council (LegCo) in taking forward the initiatives to increase housing land supply in the short, medium and long term.

**Development Bureau**  
**Transport and Housing Bureau**  
**23 January 2014**

**Annex A**

**Latest Progress of Other Initiatives to Increase Housing Land Supply  
in the Short to Medium Term**

*(i) Review of Government, Institution or Community (G/IC) Sites*

PlanD has completed the review of the sites reserved for G/IC use but without concrete development plan or sites used for various government purposes which are no longer required or could be relocated. A total of 36 G/IC sites and other government sites (27 ha) have been identified for residential developments, which are estimated to have the capacity to provide about 14 920 flats<sup>3</sup> for public and private housing. As at December 2013, 18 of these 36 sites had already been zoned for/rezoned to residential use or were undergoing the statutory planning procedure. The gazettal of rezoning of six other sites is tentatively scheduled for 2014. PlanD has been actively working with the relevant departments to resolve the outstanding issues for the remaining eight sites with a view to rezoning them for residential use as early as possible. Apart from the 36 sites, 21 additional G/IC sites, with an estimated capacity to provide about 25 570 flats, have also been identified as suitable for residential development. 11 of them have been rezoned to residential use or are undergoing the statutory rezoning procedure, while the rezoning of nine sites is tentatively scheduled for 2014. The rezoning of the remaining site is subject to the reprovisioning of an existing facility.

*(ii) Review of GB Sites*

2. For the 13 GB sites in the NT which are devegetated, deserted or formed, measuring 57 ha in total, and recommended for rezoning to residential use, their rezoning procedures have commenced progressively. Among the 13 sites, one had already been rezoned to residential use as at December 2013. Rezoning of the remaining 12 sites will be completed as soon as practicable. They are expected to provide about 23 000 flats in total.

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<sup>3</sup> The TPB, after hearing representations on the rezoning of a site in Ma On Shan Area 100, decided to retain the site for "G/IC" use. In addition, three other sites will be retained for "G/IC" use after further review. Revised estimated flat number excludes four sites retained for "G/IC" use.

(iii) Review of Industrial Sites

3. PlanD has conducted three rounds of review of industrial land since 2000. In the last round conducted in 2009, about 60 ha of land have been identified as suitable for housing and other land uses, among which about 30 ha on 16 sites are recommended for residential use. Among them, 13 have completed or are undergoing the statutory rezoning process. Some 14 700 units could be provided upon development or redevelopment of all the 13 sites. For the remaining three industrial sites, it is estimated that some 5 800 units could be provided as and when they are all developed or redeveloped. With a view to examining the latest utilisation of the existing industrial land, and the possibility of further converting some sites to other uses, including residential use, PlanD has started another round of review since end March 2013, which is expected to be completed in 2014.

(iv) Streamlining Land Administration Process

4. LandsD has been reviewing the processes under lease in relation to simplification of lease conditions, streamlining the procedures in processing lease modification (including land exchange) applications and enhancing clarity of standards in the handling of approvals required under lease. It has been discussing these land administration matters with the trade and is implementing the enhancement measures on a progressive basis. LandsD will continue to review and, where practicable, implement further suitable measures to facilitate land development.

(v) Development of the West Rail Kam Sheung Road Station, Pat Heung Maintenance Depot and the Adjoining Areas

5. In stepping up efforts to put into full play the integrated development of mass transportation and residential property, PlanD will take forward the planning for residential development above the Kam Tin South West Rail Kam Sheung Road Station and Pat Heung Maintenance Depot, with land of about 33 ha in total estimated to provide about 8 700 flats. In parallel, a land-use review of the adjoining areas of about 110 ha is being undertaken with a view to identifying more suitable sites for housing development. Upon completion of the review by 2014, we will undertake local consultation on the development of the West Rail property and its adjoining areas including the Yuen Long DC,

Kam Tin and Pat Heung Rural Committees, etc. An engineering feasibility study will also be conducted to assess the infrastructural requirements. The Government will continue to explore vigorously the residential development potential of land along existing and planned railways.

(vi) Development of Former Diamond Hill Squatter Areas and Quarry Sites

6. The development of the former Diamond Hill Squatter Areas (Tai Hom Village), as well as the former Cha Kwo Ling Kaolin Mine, former Lamma Quarry and ARQ is in good progress. For instance, subject to funding approval of the LegCo's Finance Committee, we plan to commence the detailed design and site investigation works for the development of the ARQ site in June 2014. The ARQ development will cater for a planned population of 25 000 with the production of about 9 410 flats. On the other hand, in view of the suggestions from the DC and locals, we have revised the development proposal for the former Diamond Hill Squatter Areas, which will provide about 4 200 public housing units, as well as cultural and social facilities.

(vii) Urban Renewal

7. The Urban Renewal Authority (URA) had in the past year continued to forge ahead with its urban renewal programme. It launched the third round of its "Demand-led Redevelopment Project Pilot Scheme" (the Demand-led Scheme) between July and September 2013. Since the launch of the Demand-led Scheme in July 2011, URA has already commenced eight projects, one of which has been terminated after having failed to meet the 80% owners' acceptance threshold by the specified deadline.

8. While the Demand-led Scheme has been well-received, URA is facing the challenge of an increasing number of applications with larger site areas and which require the consideration of more varied factors. For the purpose of maintaining a sustainable urban renewal programme that balances the goal of a better utilization of land, brings improvement to the living conditions of the affected households and at the same time, is capable of being self-financed in the long run, URA will conduct a review of the pilot scheme with a view to, inter alia, better rationalization of resources deployed for the Demand-led Scheme vis-à-vis its self-initiated redevelopment programme.

## Annex B

### **Estimated Year of Availability of the Some 150 Sites Requiring Amendments to their Respective Statutory Plans to be Made Available for Housing Developments in the Coming Five Years (i.e. from 2014/15 to 2018/19)**

(As at 23 January 2014)

#### **(i) By Districts**

<b>District</b>	<b>No. of Sites</b>	<b>Estimated No. of Flats</b>
Central and Western	2	2,700
Wan Chai	-	-
Eastern	5	3,300
Southern	14	10,400
Kowloon City	8	5,100
Kwun Tong	13	16,000
Wong Tai Sin	1	1,900
Yau Tsim Mong	-	-
Kwai Tsing	12	12,000
Sham Shui Po	1	1,100
Tsuen Wan	7	6,700
North	6	19,500
Sha Tin	11	8,100
Tai Po	23	27,600
Tuen Mun	22	32,600
Yuen Long	14	42,000
Sai Kung	12	25,300
Islands	1	1,000
<b>Total</b>	<b>152</b>	<b>~215,000</b>

#### **Notes:**

(1) Total flat numbers have been rounded.

(2) The estimated number of flats and year of availability are for reference only, and may be subject to changes depending on the technical assessments of individual sites and the progress of relevant procedures or works.

**(ii) By Years**

<b>Estimated Year of Availability</b>	<b>No. of Sites</b>	<b>Estimated No. of Flats</b>
2014/15	23	15,900
2015/16	33	42,800
2016/17 and after	96	156,900
<b>Total:</b>	<b>152</b>	<b>~215,000</b>

**Notes:**

(1) Total flat numbers have been rounded.

(2) The estimated number of flats and year of availability are for reference only, and may be subject to changes depending on the technical assessments of individual sites and the progress of relevant procedures or works.