

**For discussion
on 5 May 2014**

Legislative Council Panel on Development

769CL – Pilot study on underground space development in selected strategic urban areas

PURPOSE

This paper seeks Members' support on the proposal to upgrade **769CL** to Category A at an estimated cost of \$68.4 million in money-of-the-day (MOD) prices to carry out a pilot study (the Study) on underground space development in four selected strategic urban areas.

PROJECT SCOPE AND NATURE

2. The scope of **769CL** comprises –
 - (a) planning and engineering study and technical assessments, including:
 - (i) evaluation of overall merits and key issues of underground space development in four selected strategic urban areas, namely Tsim Sha Tsui West, Causeway Bay, Happy Valley and Admiralty/Wan Chai;
 - (ii) formulation of an Underground Master Plan for each of the four strategic areas;
 - (iii) identification of priority underground space development projects within the strategic areas and preparation of conceptual design schemes for these priority projects;
 - (iv) establishment of engineering feasibility of the priority projects in item (iii) above by carrying out broad planning and technical assessments (including assessment of impacts on road traffic and pedestrian circulation) and preliminary environmental review, and highlighting of any development constraints and key issues to be addressed in the implementation of these priority projects; and

- (v) financial assessment on cost-effectiveness and recommendation of further study for implementation of each priority project as needed.
- (b) public engagement and consultation with relevant stakeholders; and
- (c) associated site investigation works including supervision.

————— A location plan showing the study areas for the four strategic areas is at **Enclosure 1**.

3. Subject to funding approval of the Finance Committee, we plan to commence the Study in September 2014 for completion in early 2017.

JUSTIFICATION

4. There is a pressing need to increase land supply for various uses by sustainable and innovative approaches to support social and economic development. One potentially practicable approach is through the enhanced use of underground space for commercial and other suitable uses, particularly in congested urban areas with little potential of new land supply.

5. The use of underground space in densely developed urban areas will offer good opportunities for creation of space, enhancement of connectivity and improvement of the urban environment. Moreover, underground space can be used to house new facilities or relocate existing above-ground facilities that are incompatible with the urban setting, thereby releasing valuable surface land for other beneficial and compatible land uses.

6. Hong Kong has been using underground space for public and commercial facilities for many years. However, most of them are associated with individual development projects, such as basement car parks and shopping centres, as well as Mass Transit Railway (MTR) station development. In order to develop underground space strategically, we need to further review the relevant policies, regulations and administrative measures.

7. The 2013 Policy Address highlighted that underground space was a viable source of long-term land supply and there was a need to further explore the potential of developing underground spaces in the urban areas of Hong Kong. To take forward the initiative, the Civil Engineering and Development Department commenced a territory-wide study in December 2013 on underground space development in the urban areas of Hong Kong, which aimed at identifying broadly

areas with potential for developing urban underground space. The study is expected to complete by December 2015.

8. As a further step to expedite underground space development, we have selected the four strategic areas for a pilot study to identify suitable priority projects for early implementation. These areas were selected for the following reasons –

- (a) With the continuous economic growth of Hong Kong, these areas have been transformed from traditional commercial-cum-residential areas to densely developed nodes for commercial, entertainment and tourism purposes. However, the complex urban setting and the limited land resources in these areas are imposing constraints on improving the built environment and hindering further development. The surface land is also limited and becoming more and more congested due to the large pedestrian and traffic flow.
- (b) The four strategic areas are of high development potential, as they are mostly covered by existing and/or planned MTR networks and serve as transportation hubs to the nearby areas. In addition, there are new and planned development/redevelopment projects as well as sizeable parks or open space, such as Victoria Park and Kowloon Park, which can provide suitable conditions and opportunities for large-scale underground space development for commercial and other uses, while maintaining their current uses as parks on surface land. Underground shopping streets connecting MTR stations and the existing or planned developments could also help relieve the heavy pedestrian flow on the ground and enhance the accessibility to the adjacent areas.

9. Due to inadequate in-house resources, we propose to engage consultants to conduct the Study and supervise the associated site investigation works.

FINANCIAL IMPLICATIONS

10. We estimate the cost of the Study and associated site investigation works to be \$68.4 million in MOD prices, made up as follows –

		\$ million
(a)	Consultants' fees for	47.0
	(i) planning study	16.0
	(ii) engineering study and technical assessments	24.0
	(iii) public engagement and consultation with relevant stakeholders	6.0
	(iv) supervision of site investigation works	1.0
(b)	Site investigation works	8.0
(c)	Contingencies	5.0
	Sub-total	60.0 (in September 2013 prices)
(d)	Provision for price adjustment	8.4
	Total	68.4 (in MOD prices)

PUBLIC CONSULTATION

11. We consulted the following committees of the relevant district council (DC) on the Study –

- (a) Development, Planning and Transport Committee of the Wan Chai District Council (WCDC) on 11 February 2014;
- (b) Community Building Committee of the Yau Tsim Mong District Council (YTMDC) on 13 February 2014; and
- (c) Planning, Works and Housing Committee of the Eastern District Council (EDC) on 20 March 2014.

12. The majority of the WCDC, YTMDC and EDC members supported the Study, whilst a few in WCDC expressed reservations. Members of the three DCs suggested that the Study should address the potential traffic and environmental impacts in developing conceptual design schemes and due consideration should be given to interface issues with MTR and other above-ground developments. All DCs consulted requested that opportunities for improving the living environment of the

public should be addressed in the underground space development, such as provision of public space, cultural, arts and recreational facilities, and that the relevant DCs and stakeholders should be engaged during the course of the Study.

13. In addition, we submitted an information paper to the Food, Environment, Hygiene and Works Committee of the Central and Western District Council (CWDC) in March 2014 on the Study. The CWDC members noted the proposal. We will address the various concerns of the four DCs in detail during the Study.

ENVIRONMENTAL IMPLICATIONS

14. The Study and the associated site investigation works are not designated projects under the Environmental Impact Assessment Ordinance (EIAO) (Chapter 499) and will not cause any long-term environmental impact. However, we will carry out a Preliminary Environmental Review (PER) to integrate environmental consideration into the Study. The PER will provide environmental information and input into different parts of the Study, address any potential environmental impacts of and recommend suitable mitigation measures for the priority projects identified in the Study. The PER will also identify any arising designated projects under the EIAO so as to facilitate follow-up actions by the future project proponents in meeting the EIAO requirements.

15. The proposed site investigation works will only generate very little construction waste. We will require the consultants to fully consider appropriate measures to minimise the generation of construction waste and to reuse/recycle construction waste as much as possible in the future implementation of the construction projects.

HERITAGE IMPLICATIONS

16. The Study and the associated site investigation works will not affect any heritage sites, i.e. all declared monuments, proposed monuments, graded historic sites/buildings, sites of archaeological interest and Government historic sites identified by the Antiquities and Monuments Office.

LAND ACQUISITION

17. The Study and the associated site investigation works will not require any land acquisition.

BACKGROUND INFORMATION

18. We upgraded **769CL** to Category B in September 2013.

19. The Study and the associated site investigation works will not involve any tree removal or planting proposals. We will require the consultants to take into consideration the need for tree preservation during the study of priority projects identified under the Study. We will also incorporate tree planting proposals and identification of maintenance agents, as appropriate, for the future implementation of the priority projects.

20. We estimate that the Study and the associated site investigation works will create about 35 jobs (5 for labourers and another 30 for professional/technical staff), providing a total employment of 835 man-months.

WAY FORWARD

21. Subject to Members' support, we plan to seek the support of the Public Works Subcommittee in May 2014 for upgrading **769CL** to Category A with a view to seeking funding approval from the Finance Committee in June 2014.

Development Bureau
Civil Engineering and Development Department
Planning Department
April 2014




圖例 LEGEND :



四個策略性地區的研究範圍
STUDY AREAS OF FOUR STRATEGIC AREAS



<p>名稱 title 工務工程計劃項目第769CL號 城市地下空間發展：策略性地區先導研究 PWP ITEM NO.769CL PILOT STUDY ON UNDERGROUND SPACE DEVELOPMENT IN SELECTED STRATEGIC URBAN AREAS</p>	<p>圖則編號 drawing no. M/SR/14/004_5d</p>
<p>辦事處 office 規劃部 PLANNING DIVISION 土力工程處 GEOTECHNICAL ENGINEERING OFFICE</p>	 <p>土木工程拓展署 CIVIL ENGINEERING AND DEVELOPMENT DEPARTMENT</p>