Public Works Subcommittee Meeting on 29 October 2014

List of issues requiring follow-up actions by the Administration

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PWSC (2014-15)11

At the request of Hon Emily LAU, the Administration will provide information about the paper(s) (such as discussion papers, information papers, etc.) that have been submitted to the Legislative Council and its committees on the Administration's initiatives with respect to the development of the existing degraded brownfield land and the handling of the associated problems.

The Administration's response:

The Government has been adopting a multi-pronged strategy to increase land supply in Hong Kong to meet housing and other One of the options being actively development needs. explored is how the existing "brownfield sites" in the New Territories can be released for development. In the information paper "Increasing Land Supply" submitted to the Panel on Development on 22 July 2013, it stated that the Government has been monitoring developments in the New Territories and changes in rural areas, including the development of "brownfield sites" as one of the major Government initiatives of "major development areas and development projects" such as Hung Shui Kiu New Development Area (NDA) and Review of Deserted Agricultural Land in North District and Yuen Long (Annex A, in particular paragraphs 20 to 22 and 55 to 58). On 6 November 2013, the Secretary for Development in his reply to an oral question raised by Hon. Martin LIAO on "brownfield sites" Hong amongst Kong outlined others Administration's initiatives on developing the "brownfield sites" for optimizing land utilization and improving the degraded rural environment (attached at Annex B). A number of studies have been conducted and the Administration has kept the Legislative Council informed progress (LegCo) of their recommendations. The relevant studies include the North-east New Territories (NENT) NDAs Planning and Engineering Study (P&E Study) and the Hung Shui Kiu (HSK) NDA P&E Study (the two studies involve about 250 hectares (ha) of land used for open storage or port back-up purposes), the P&E Study for

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Housing Sites in Yuen Long South (involving about 106 ha of land used as open storage, warehouses and workshops) and the Preliminary Feasibility Study on Developing New Territories North which covers vast tracts of brownfield sites.

2. Below are updates of the studies:

NENT NDAs P&E Study

- 2.1 The study was completed in 2014. Kwu Tung North and Fanling North NDAs, as extensions to the Fanling/Sheung Shui New Town, will provide about 60 000 new flats in public and private housing. We will seek funding to dovetail with the implementation programme of the project.
- 2.2 The LegCo Panel on Development was briefed on the final recommendations of the "NENT NDAs Project" on 15 July 2013 and listened to views from the public on 25 to 26 and 30 to 31 July 2013. Subsequently, the Panel was briefed on the "Advance Site Formation and Engineering Infrastructure Works" on 25 February 2014. Relevant papers could be obtained through the following links

(http://www.legco.gov.hk/yr12-13/english/panels/dev/papers/dev0715cb1-1461-1-e.pdf,

http://www.legco.gov.hk/yr12-13/english/panels/dev/pape rs/dev0715cb1-1461-2-e.pdf http://www.legco.gov.hk/yr13-14/english/panels/dev/pape rs/dev0225cb1-925-6-e.pdf). PWSC of the Finance Committee examined the funding application "Advance Site Formation and Engineering Infrastructure Works" 19 March 2014 on (http://www.legco.gov.hk/yr13-14/english/fc/pwsc/papers /p13-38e.pdf) and the application was subsequently approved by the Finance Committee on 27 June 2014 (http://www.legco.gov.hk/yr13-14/english/fc/fc/papers/f1 4-02e.pdf).

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HSK NDA P&E Study

- 2.3 The study is ongoing. According to the Preliminary Outline Development Plan (PODP) for HSK NDA promulgated for Stage 2 Community Engagement in July 2013, about 60 000 residential units in public and private housing could be provided. Based on the public views collected and relevant assessments, including possible ways to tackle the brownfield operation, the Recommended Outline Development Plan (RODP) is being prepared for the Stage 3 Community Engagement to be held at a later stage.
- On 22 October 2013, we sought the views of the Panel on Development on the PODP formulated for the HSK NDA. A special meeting was also held on 16 November 2013 for Panel members to receive views from the public on the HSK NDA Study. The Panel papers could be found through the following links (http://www.legco.gov.hk/yr12-13/english/panels/dev/papers/dev0722cb1-1543-4-e.pdf).

P&E Study for Housing Sites in Yuen Long South

This study is ongoing. 2.5 According to the PODP promulgated for Stage 2 Community Engagement in May 2014, a total of about 26 100 new flats in public and private housing could be provided in Yuen Long South. On the PODP, land has been designated for open storage and multi-storey industrial buildings to consolidate the open storage and rural industrial uses in order to release land for housing development. Taking into account the public views received and technical assessments, a draft RODP will be prepared for Stage 3 Community Engagement. The LegCo Panel on Development was consulted the **PODP** on 7 July 2014 on (http://www.legco.gov.hk/yr13-14/english/panels/dev/pap ers/dev0527cb1-1456-8-e.pdf and http://www.legco.gov.hk/yr13-14/english/panels/dev/pape rs/dev0527cb1-1456-9-e.pdf).

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Preliminary Feasibility on Developing the New Territories North

- 2.6 The Study has commenced in January 2014 to explore development opportunities in the area and the required infrastructures, as well as the scope for developing a new town. The LegCo will be consulted when public engagement for the study is rolled out.
- 3. The Administration has also been reporting the overall progress of various land supply initiatives to the LegCo, e.g., through regular submissions to the Panel on Development.

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

To optimise the use of scarce land resources, the Planning Department 10. (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. 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 To enhance flat production, planning applications seeking impacts on the area. 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. 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 We are collating the public views on the use of these three sites urban areas. 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 be found DEVB's information could on 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 covert 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 competiveness 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

- Some pointed out that the amount of unleased or unallocated 42. 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 (including zonings the land "Residential", land zoned "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 Since 2011-12, six West Rail property implementing such projects. 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 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 m² 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"

- Regarding the development of "brownfield sites", the Government has 56. 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

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.
- Prior to considering the opening up of a large area for development, a 70. 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 <u>Annexes 7</u> and <u>8</u> respectively.

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- 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.

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

	Residential (1)								Commercial (2)	Industrial (3)	Government, Institution or Community ⁽⁴⁾	Open Space	Total
	2153.7												lig yl rja
	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	24.6	298.3	777.5	742.6	3996.7
(tisher)	371.8	209.3	182.4	158.6	11.0	19.4	952.5	1201.2					
2) Types of land wh	ich are co	nsidered n	ot suitable	for develo	pment, no	ot yet availa	ble for developm	ent, or with l	ow developme	nt potential			
	Residential (Group A)	Residential (Group B)	Residential (Group C)	Residential (Group D)		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	Total
Road / Passageways	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
Man-made slopes	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
Simplified Temporary Land Allocation ⁽⁷⁾	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
Sites which are	50.0	15.8	19.3	6.5	1.9	2.1	95.6	Not Applicable ⁽⁶⁾	7.5	14.3	57	33.4	207.8

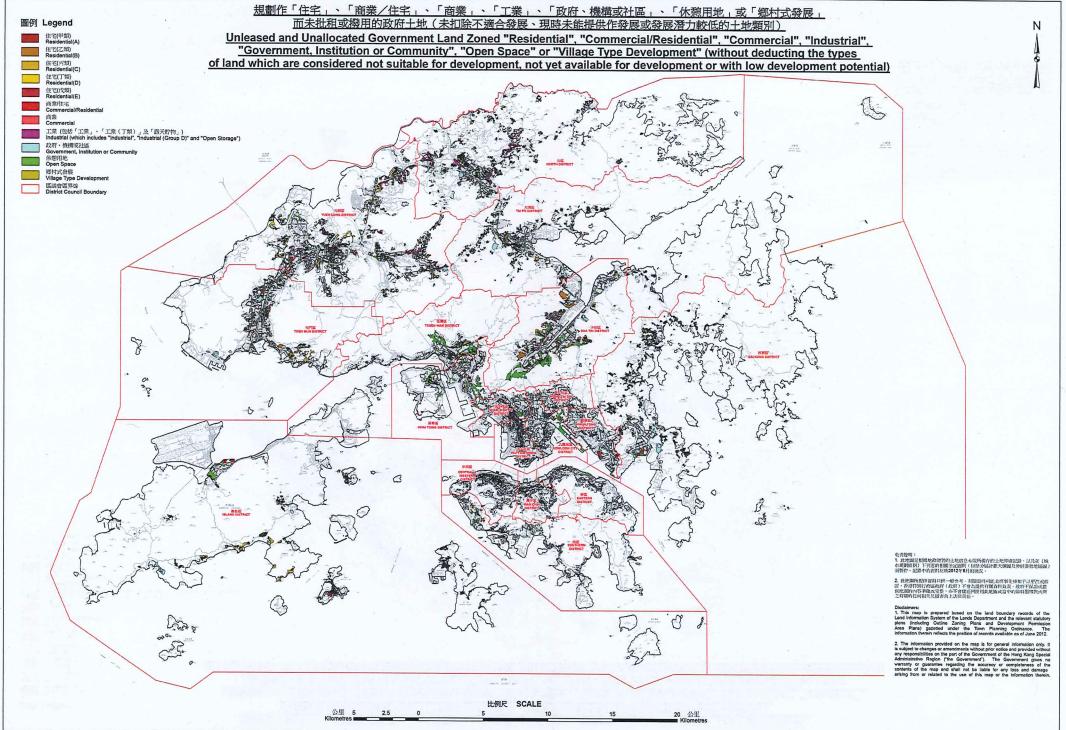
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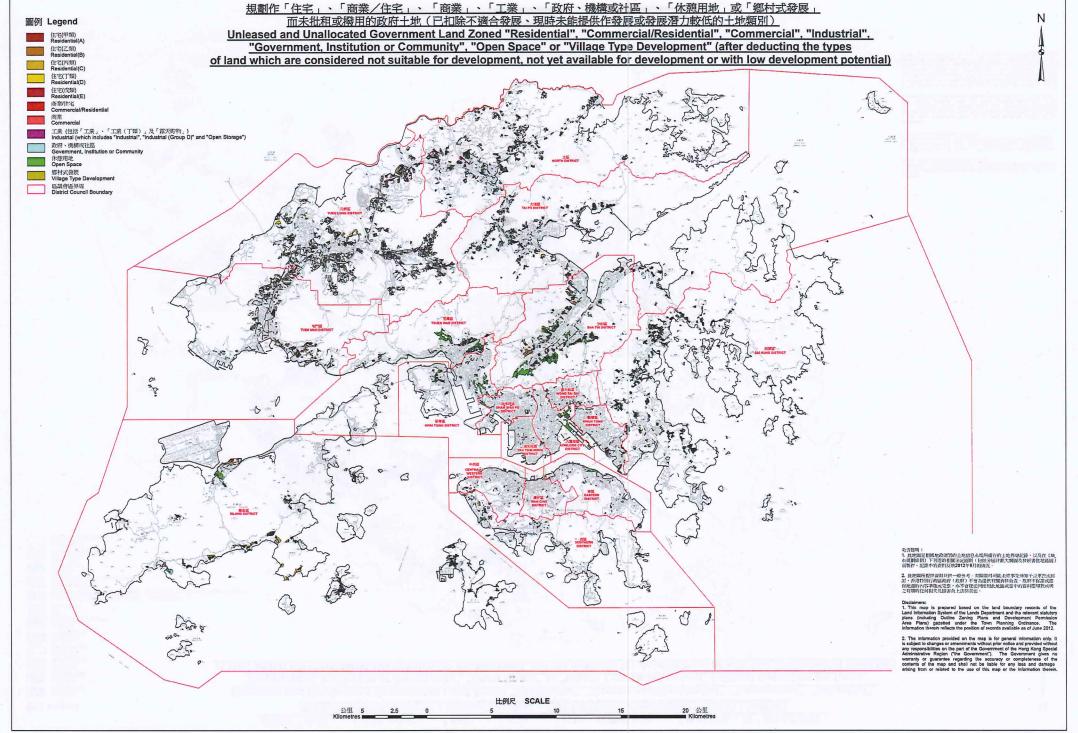
- (1) "Residential" includes land zoned from "Residential (Group A)" to "Residential (Group E)", "Commercial / Residential" and "Village Type Development".
- (2) "Commercial" includes land zoned "Commercial".
- (3) "Industrial" includes land zoned "Industrial", "Industrial (Group D)" and "Open Storage".
- (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.

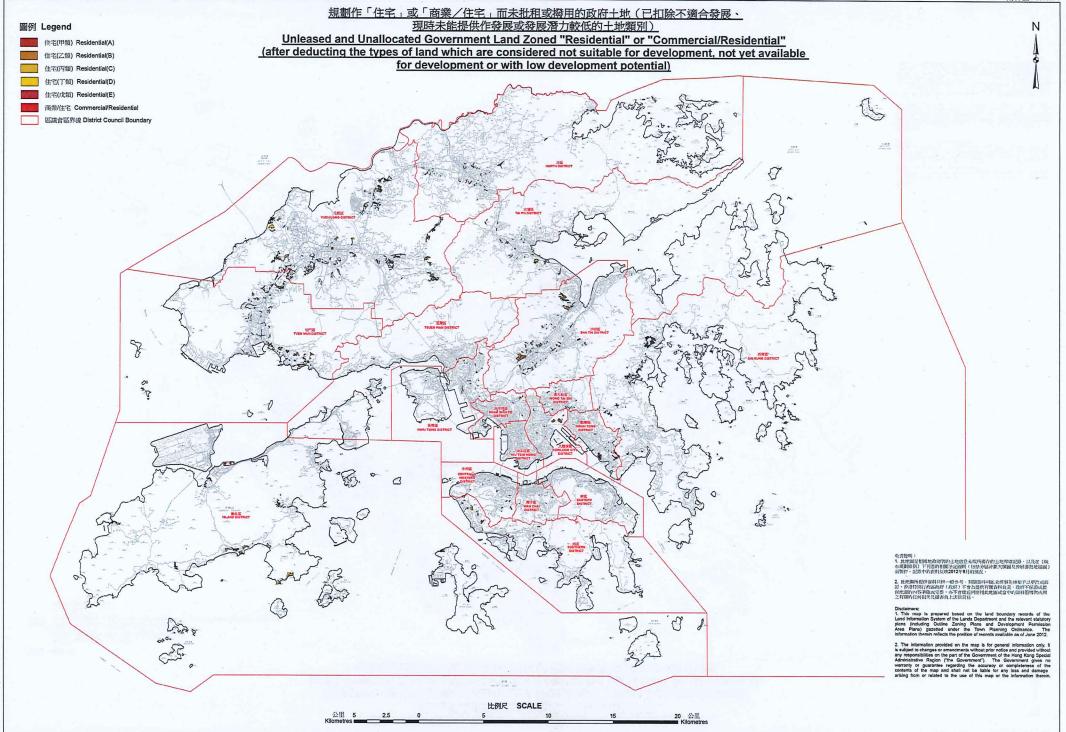
General Planning Intention of the Land Use Zonings:

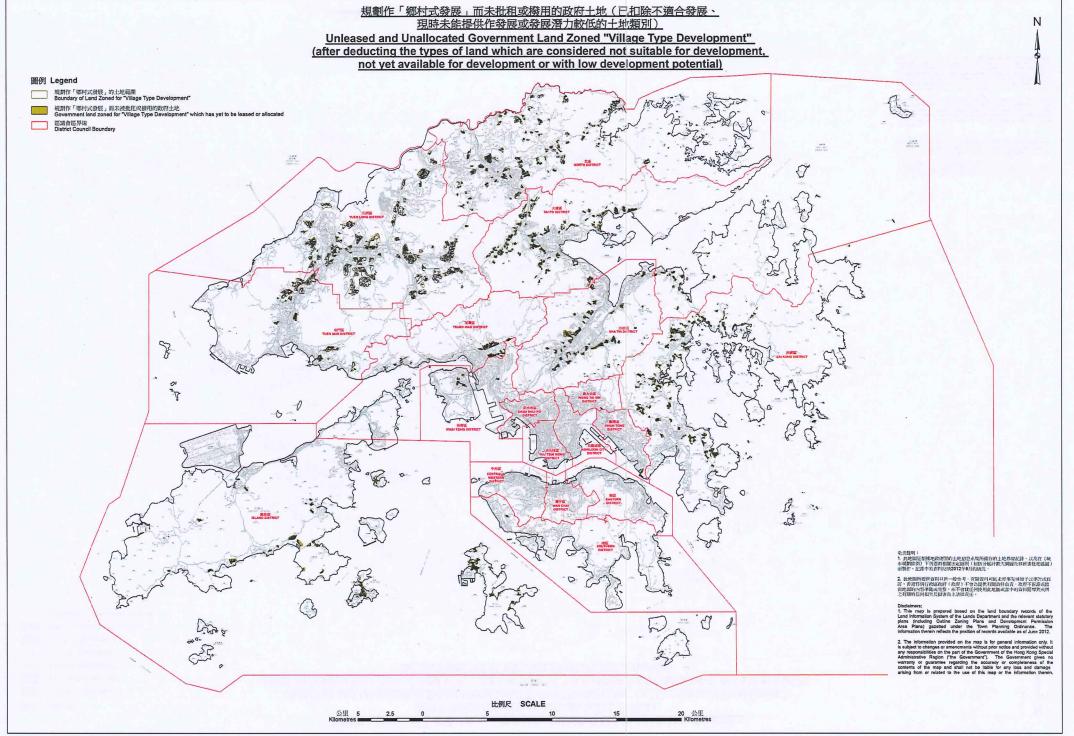
Residential	This zone is intended primarily for high-density residential developments. Commercial uses are always permitted on the lowest three floors of a building
(Group A)	or in the purpose-designed non-residential portion of an existing building.
Residential (Group B)	This zone is intended primarily for medium-density residential developments where commercial uses serving the residential neighbourhood may be permitted on application to the Town Planning Board (TPB).
Residential (Group C)	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.
Residential (Group D)	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.
Residential (Group E)	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.
Commercial/ Residential	This zone is intended primarily for commercial and/or residential development. Commercial, residential and mixed commercial/residential uses are always permitted.
Village Type Development	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.
Commercial	Central Business District/Major Commercial Areas: 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. Local Commercial Areas: 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.
Industrial	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.
Industrial (Group D)	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.
Open Storage	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.
Government, Institution or Community	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.
Open Space	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.









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 "Residential" unallocated government land under "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/publications and press releases/press/index id 7242.
 http://www.devb.gov.hk/en/publications and press releases/press/index id 7242.
- http://www.devb.gov.hk/en/publications and press releases/press/index id 7407.
 http://www.devb.gov.hk/en/publications and press releases/press/index id 7407.
- http://www.devb.gov.hk/en/publications and press releases/press/index id 7408.
 http://www.devb.gov.hk/en/publications and press releases/press/index id 7408.

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 remaining 391.5 hectares of "Residential" the "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, manmade 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.

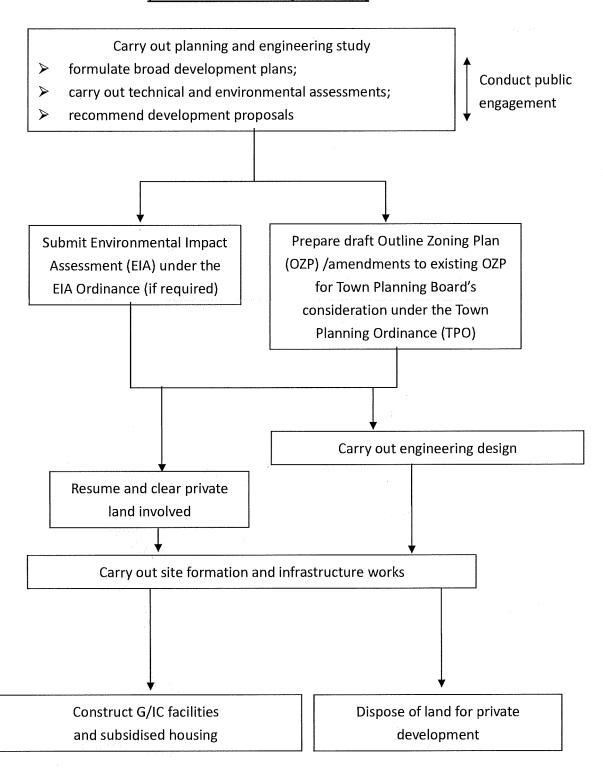
For the government land on which squatters are built (including the land within Yuen Long Shan Pui Chung Hau Tsuen mentioned in media reports), as there have not been any leasing or allocation, those land are still counted as unleased and unallocated government land, and are thus shown on the maps released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

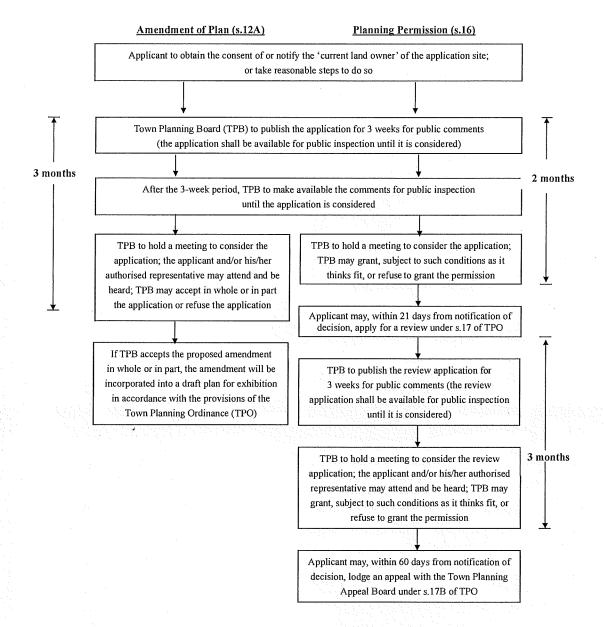
As there are individual pieces of land with government buildings thereon (e.g. official residences of the Chief Secretary for Administration, Financial Secretary, Secretary for Justice, Commissioner of Police and Chief Justice of the Court of Final Appeal) which are not allocated to any Government department, 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)





LCQ2: Brownfield sites in Hong Kong

Following is a question by Hon Martin Liao and a reply by the Secretary for Development, Mr Paul Chan, in the Legislative Council today (November 6):

Question:

The consultation document published earlier by the Long Term Housing Strategy Steering Committee has proposed a supply target of 470 000 residential units in the next decade. The Secretary for Transport and Housing subsequently told the media that the target number represented an increase of around 70 000 to 100 000 units when compared to the existing pledge of the Government, but at present there were not sufficient lands for housing construction. On the other hand, in his column "My Blog" published on the Internet in January and April this year, the Secretary for Development proposed that "brownfield sites" (i.e. deserted or damaged agricultural and industrial lands) be developed to meet the demand for residential sites. In this connection, will the Government inform this Council:

- (a) whether the Government keeps the geographic data of all brownfield sites in Hong Kong at present, including data on the quantity, soil behaviour, size, type, distribution by district and the restoration works required; if not, of the reasons for that; whether it has plans to establish a comprehensive database for such data; if it has such a plan, of the implementation timetable;
- (b) as it has been reported that some owners of land in rural areas have used agricultural lands for unauthorised developments, such as car parks, container yards, open storages and waste recycling yards, etc., resulting in a rapid increase in the area of brownfield sites in the past decade or so, of the number of cases involving such unauthorised developments uncovered by the authorities in the past five years, as well as the number of cases in which the sites were restored to the original conditions after the persons concerned had been advised to do so; and

(c) whether, in order to reduce reliance on reclamation or resumption of village lands, the Government will formulate a land supply policy under which development of brownfield sites will be accorded priority, including devising a specific policy for the management of brownfield sites, and developing land strategies that accord priority to the revitalisation and restoration of land environment, etc.; if it will, of the timetable; if not, the reasons for that?

Reply:

President,

Under the multi-pronged strategy for land supply, the Government will carefully consider all the options which can increase land supply. Through the on-going land use reviews on different types of land, we will identify suitable sites for housing or other development purposes that meet the needs of the society as far as practicable.

Yet, in the face of land supply shortage, there are not many easy options, and the society has to make difficult choices and trade-offs. The Government is stepping up efforts in the various on-going land use reviews, and has identified a number of sites in various districts throughout the territory which could be considered for conversion to residential use. Upon completion of studies confirming their development feasibility, we will consult the District Council(s) and relevant stakeholders, and convert the suitable sites for residential or other uses that meet the more pressing needs in the society as quickly as possible.

My reply to the Hon Martin Liao's questions on "brownfield sites" is as follows:

(a) Generally speaking, "brownfield sites" cover many different land uses, such as port back-up land, deserted or damaged agricultural land, industrial uses like workshops, recycling yards, open storage facilities, etc.. Given no clear and standard definition, the Government has not specifically consolidated a unified figure for "brownfield sites" for the whole territory. Nevertheless, the Government has been closely monitoring the land utilisation of various types of "brownfield sites" scattered across the territory and currently put into different uses. Also,

for areas with more "brownfield sites" and a higher development potential, we will conduct comprehensive planning and engineering studies to examine the situation and development possibility of land therein, including the "brownfield sites".

- (b) Under the Town Planning Ordinance (TPO), the Planning Authority (i.e. the Director of Planning) may take enforcement actions against the unauthorised developments under TPO on land within the Development Permission Areas (DPAs). These actions include the issuance of Enforcement Notice (EN) requiring the parties concerned to discontinue the unauthorised developments, and where necessary, the issuance of Reinstatement Notice (RN) requiring the EN recipients to reinstate the site. In the past five years (i.e. from 2008 to 2012), there were 497 and 189 cases involving the requirement of discontinuing the unauthorised developments and reinstating the sites under TPO in the "Agriculture" zone covered by DPAs respectively.
- (c) As mentioned above, better utilising "brownfield sites" is one of the options for land supply. For areas with development potential, we will conduct comprehensive planning and engineering studies to examine whether the land therein (including "brownfield sites") is suitable for development. Our aim is to convert suitable "brownfield sites" to other appropriate land uses, as long as it is feasible in terms of environment, traffic and infrastructure. Examples of such comprehensive planning efforts to optimise the use of "brownfield sites" and rural land currently underway include: the Hung Shui Kiu New Development Area (NDA) Planning and Engineering Study, the Planning and Engineering Study for Housing Sites in Yuen Long South, the Engineering Feasibility Study for Kong Nga Po, as well as the Planning and Engineering Study for Kwu Tung South. The Preliminary Feasibility Study on Developing the New Territories North, to be commenced early next year, will also explore the development potential of the "brownfield sites" and rural land in other areas of the New Territories North.

"Brownfield sites" and rural land with a higher development potential generally require comprehensive planning and supporting infrastructure so as to resolve the constraints in terms of traffic, environment, water and electricity supplies, sewerage, etc. for optimal use of the land. Besides, these sites usually involve private agricultural land, village houses and

squatters, etc. therein. Clearance, land resumption and compensation will be involved in developing these sites, affecting the local employment and economy to a certain extent. Detailed planning and public engagement are therefore prerequisites. It should also be noted that we cannot rely solely on identifying individual "brownfield sites" scattered across the territory for development. These scattered sites may not be able to meet the development needs in terms of infrastructure, traffic, environment and sewerage, etc., and it may be not be justified to provide infrastructure specifically for them given the lack of economy of scale.

The development of "brownfield sites" will generally require the consolidation of open storage, port back-up and even noxious industrial facilities, etc. as appropriate, coupled with the support of suitable infrastructure facilities, buffer areas and landscaping design, as well as improvement in the layout of land uses. Apart from optimising the land utilisation, the damaged rural environment can be reinstated.

All in all, in addition to the above initiatives to develop "brownfield sites" and other rural land, the Government still need to continue taking forward the various short, medium and long term land supply measures, so as to meet the development needs of and cater for any future requirements of Hong Kong. We are conducting land use reviews and converting suitable sites to residential or other development uses for increasing the short and medium term land supply. At the same time, we are undertaking the various large-scale land supply projects in the longer term, including developing the NDAs, developing new towns, reclamation on an appropriate scale outside Victoria Harbour, cavern and underground developments, etc.. While we are facing many difficulties, we must continue to adopt the multi-pronged strategy and initiatives so as to meet the housing demand of the Hong Kong community, and the continued development needs of the society and economy. All these initiatives are indispensable, and are of equal importance.

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