23 February 2017

Ms Sharon CHUNG Clerk to Public Works Subcommittee Legislative Council Finance Committee Legislative Council Complex 1 Legislative Council Road, Central Hong Kong

Dear Ms CHUNG,

Enquiries from Hon CHU Hoi-dick on Capital Works Reserve Fund (Further Enquiries on Wang Chau Project)

We refer to the letter dated 18 February 2017 addressed to the Chairman from Hon CHU Hoi-dick on the captioned. As requested by the Chairman, we have consolidated the information provided by relevant bureaux/ departments and the reply is as follows (in accordance with the order and numbering of the incoming letter):

(1) Environmental Impact Assessment and Cavities

The project site of the development at Wang Chau, Yuen Long (Wang Chau Development) is located in Area Number 2 (Northwest New Territories) of the Scheduled Areas in Schedule 5, Buildings Ordinance, which means that there are complex ground conditions and there may be cavities in the north-western part of the New Territories. In early 2015, the Hong Kong Housing Authority (HA) conducted preliminary ground investigations to obtain preliminary information on the ground conditions. As the distribution of cavities in different parts of the Northwest New Territories and their actual impact on development may vary greatly, it is not appropriate to make sweeping generalisation. More detailed ground investigation and further analysis are required to determine the actual situation.

Although Wang Fu Court is also located within Area Number 2 (Northwest New Territories) of the Scheduled Areas in Schedule 5, Buildings Ordinance, HA has completed the foundation works with the most appropriate design and mode of construction and in accordance with the relevant regulations and standards.

(2) Town Planning Board Procedures

As pointed out in our written reply to the Public Works Subcommittee (PWSC) on 17 February 2017, the Planning Department (PlanD) submitted a proposal to amend the Ping Shan Outline Zoning Plan (OZP) to the Rural and New Town Planning Committee (RNTPC) of the Town Planning Board (TPB) for the Wang Chau Phase 1 Development on 17 October 2014. Information on the existing land use of the site was set out in the TPB paper (see paragraph 4.1 and plans 2 to 4b) tabled for discussion on the same day. The paper is for public information and is available for public inspection at PlanD. It can also be downloaded from the following website: http://www.info.gov.hk/tpb/en/papers/RNTPC/520-rntpc_13-14.pdf (English version only)

The arrangement to inform the public of the amendments to the Ping Shan OZP is fully in line with the requirements set out in the Town Planning Ordinance and the established procedures. On 31 October 2014, after considering the proposed amendments, TPB exhibited the draft Ping Shan OZP (draft OZP) with the inclusion of the rezoning proposal of the Wang Chau Phase 1 Development for public inspection and submission of representations within two months. Notice for the exhibition of the draft OZP was published in the Gazette, designated newspapers and TPB website. During the exhibition period, the draft OZP was available for public inspection at TPB Secretariat, Planning Enquiry Counters of PlanD at North Point Government Offices and Sha Tin Government Offices, the relevant District Planning Offices and District Offices. The public could also access the information via the Statutory Planning Portal (www.ozp.tpb.gov.hk). PlanD also consulted the Yuen Long District Council on 24 June and 16 December 2014 in accordance with the established administrative procedures.

About 110 representations and comments in respect of the draft OZP were received and they were considered by TPB at the meeting on 10 April 2015. These representations and comments were properly attached in the TPB paper (i.e. TPB Paper No. 9876 as mentioned in the letter) prepared by PlanD for TPB's consideration. Also enclosed in the paper were the extracts of minutes of Yuen Long District Council meetings held on 24 June and 16 December 2014 for the discussion of the related issues, in which the present condition of the rezoning location was set out in paragraphs 6.1 and 6.2 for the consideration of TPB. During the TPB meeting on 10 April 2015, the representative of PlanD gave a brief account of the latest condition of the rezoning location and at that time, Members did not raise any specific questions about the existing condition of the site. The said TPB Paper was enclosed in our written reply to PWSC on 17 February 2017.

Having considered the representations and comments, TPB decided not to propose corresponding amendments to the draft OZP. The Chief Executive in Council approved the draft OZP in June 2015.

PlanD has acted in accordance with the Town Planning Ordinance and the established procedures throughout the process, including following the requirements laid down in the TPB Guidelines on Submission and Publication of Representations, Comments on Representations and Further Representations under the Town Planning Ordinance in carrying out the consultation exercise. PlanD did not mislead the TPB in the hearings. The above guidelines can be downloaded from the following website:

http://www.info.gov.hk/tpb/en/forms/Guidelines/TPB_PG_29A.pdf

(3) Initial Estimation of Land Requisition Cost

The planning and engineering study report of Wang Chau was released and uploaded onto the internet on 18 October 2016. Parts of the report were redacted as they contained information which was not suitable for disclosure. The criteria of redaction are as follows:

third party information; financial/cost information; privacy of individuals; land sensitive information; and grave details.

(4) Public Housing Development at Wang Chau Phase 1 – Other Information

As stated in the Financial Assessment Report, the proportion of public rental housing (PRH)/Home Ownership Scheme (HOS) flats was "assumed" to be 50:50. This is for technical assessment purpose only so as to maintain the flexibility to ensure that the results of technical assessments will be applicable to future development.

The submission to RNTPC of TPB on 17 October 2014 (reference number: RNTPC Paper No. 13/14) stated clearly that the proposed number of flats to be built was around 4 000 units. The paper can be downloaded from the following website (English version only): http://www.info.gov.hk/tpb/en/papers/RNTPC/520-rntpc_13-14.pdf

As for the actual number of flats and proportion of PRH/HOS flats in Phase 1, they have not yet been decided.

Subject to the engineering feasibility study to be carried out by the Civil Engineering and Development Department, we will further explore the number of flats and proportion of PRH/HOS flats in Phases 2 and 3.

Yours sincerely, Original signed (Kenneth LEUNG) for Secretary for Transport and Housing

<u>c.c.</u>

Ir Dr Hon LO Wai-kwok, SBS, MH, JP, Public Works Subcommittee of the Finance Committee of the Legislative Council

Secretary for Development (Attn.: Mr Ivan CHUNG)

Secretary for Financial Services and the Treasury (Attn.: Ms Jasmine CHOI)

Director of Environmental Protection (Attn.: Mr Stanley LAU)

Lands Department (Attn.: Mr Tony MOYUNG)

Planning Department (Attn.: Mr David LAM)

Civil Engineering and Development Department (Attn.: Mr Edward CHAN)