

Legislative Council Panel on Development

The Administration's Responses to Follow-up actions to

Briefing on "Land Sharing Pilot Scheme" on 26 November 2019

The Administration was requested to provide further responses to members' questions not fully answered at the meeting, including:

- (a) how the Administration could preclude the possibilities that some private developers might make use of LSPS to (i) resolve land ownership issues that had hitherto been a hurdle for them to develop the agricultural land they held by counting on the Government to resume some adjoining land parcels presently owned by individual farmers for providing infrastructure and supporting Government, Institution or Community ("GIC") facilities; and (ii) facilitate nearby private property developments with the provision of such infrastructure and supporting GIC facilities by the Government; and
- (b) whether a comparison could be provided at present/when available on the effectiveness of increasing land and housing supply through implementing LSPS and invoking the Lands Resumption Ordinance (Cap. 124) to resume private agricultural land, in terms of the land premium forgone/costs to be borne by the Administration and the lead time required for producing public housing units, etc.

Response

Land resumption of other private lots

Under the proposed LSPS and in accordance with the established procedures, the Government would invoke the Land Resumption Ordinance (Cap. 124) (LRO) or other relevant legislation to resume private land mainly for the provision of the required infrastructures and/or supporting GIC facilities, subject to establishing a "public purpose". In other words, the statutory power for land resumption of private lots would not be invoked lightly or without strong justifications simply for the purpose of implementing LSPS projects.

Under the LSPS, applicants proposing to use certain government land and/or private land outside their lots under application would have to provide detailed justifications, including a development scheme covering the proposed housing development together with the necessary infrastructures and supporting GIC facilities, with robust technical assessments and design schemes to substantiate such need. The proposals will be vetted by the Central Team to be set up under the Development Bureau in consultation with relevant bureaux/departments (B/Ds). When scrutinising the proposals, the Central Team and B/Ds will give due considerations in determining whether the proposed infrastructure/GIC facilities and the extent of other private land to be resumed, etc. are essential and proportionate to the proposed scale of housing development. Only when the Government is satisfied that such provision is necessary and fulfils a public purpose under relevant statutory requirements that the proposals, including the land resumption, will be submitted to the Chief Executive in Council for approval.

Relative lead time/cost of development under LSPS

As set out in LC Paper No. CB(1)160/19-20(03) and its Annex D, we expect that land supply from projects under LSPS can come on stream for construction of housing units in about four to six years the earliest after receipt of the application, as a result of the facilitation under LSPS and assuming readiness of the proposals and smooth implementation of the statutory and land administration processes. Generally speaking, for other land development projects and subject to site-specific details, it may take at least seven to nine years for the projects to complete the necessary planning, approval and site formation works before the land is ready for housing production. Those large-scale projects including New Development Areas (NDAs) or those requiring substantial infrastructural upgrading or land resumption would take longer time. Compared to the normal development lead time, LSPS projects would have the advantage of accelerating the advance planning and implementation process for potential housing projects, by tapping into the market force in planning and construction.

As regards land premium forgone/costs to be borne by the Government, the costs of land resumption for government-initiated projects including payment of appropriate compensation and rehousing arrangements to affected land owners, occupiers and business undertakings are calculated with reference to the project details and according to the prevailing compensation system as detailed in Annex C of LC Paper No. CB(1)160/19-20(03). On the other hand, the actual development costs or premium foregone of projects under LSPS cannot be

ascertained until the scheme is launched and when the projects after approval are implemented in their full scale.

Development Bureau

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