

(Translation)

**Legislative Council Panel on Housing
Supplementary Information**

Purpose

Regarding the motions passed at the Legislative Council Panel on Housing meeting on 6 January 2020, the Development Bureau provides the relevant response.

Motions passed¹

As the persistent insufficient supply of land is one of the reasons for the failure of the Government to substantially increase the housing supply over the years, this Panel calls on the Government to expeditiously conduct further studies on various propositions of land development, such as use of the Fanling Golf Course and the site reserved for Phase Two development of the Hong Kong Disneyland for housing development. Meanwhile, the Government should also accelerate the implementation of the existing projects for increasing land supply, including speeding up near-shore reclamation, expediting brownfield development, rezoning as soon as possible sites available for housing development, etc. In addition, the Government should expeditiously conduct preliminary studies on the reclamation projects under Lantau Tomorrow, so as to ensure that the supply of land in the medium-term and long-term will no longer be delayed.

Government's Response

2. Finding adequate land to meet Hong Kong's housing needs tops the policy agenda of the Government. Our determination to identify and produce land and build a land reserve would not waver in face of short-term changes in economic environment or fluctuations in property prices.

¹ LC Paper No. CB(1)314/19-20(02)

3. In respect of increasing housing supply, for the purpose of implementing the 10-year housing production target set under the Long Term Housing Strategy, the Development Bureau and the Planning Department (PlanD) have been working closely with the Transport and Housing Bureau and the Housing Department to identify suitable land for allocation to the Hong Kong Housing Authority or the Hong Kong Housing Society to construct public housing. According to the latest forecast, for the next 10-year period (i.e. 2020-21 to 2029-30), the total housing supply target is 430 000 units, with the public/private housing split being 70:30. That is to say, the public housing supply target would be 301 000 units and the private housing supply target would be 129 000 units. To achieve the supply target is not an easy task. The Government will continue to step up efforts to boost the land supply for public housing.

4. Through rezoning and suitably increasing development intensity to boost short-to-medium-term land supply, various initiatives could provide an aggregate of over 380 000 public and private housing units, including some 310 000 housing units (with over 70% being public housing) made available by rezoning of over 210 sites with housing potential. As at June 2020, 139 sites have been rezoned or allocated for housing development, while another 8 sites are undergoing rezoning procedures. We will commence rezoning work for another 25 sites in the coming year (2020-21). Also, to further utilise public housing sites, the Government has refined the relevant policy such that the development intensity of public housing sites could be increased by a maximum of 30% where their technical feasibility permits (except for the north of Hong Kong Island and Kowloon Peninsula which are more densely populated).

5. In the medium-to-long term, we are taking forward expeditiously various New Development Areas (NDAs) and new town extension projects. Together with potential railway property developments, the medium-to-long term housing supply would add up to some 230 000 housing units.

6. At the same time, the Government is implementing a number of specific measures to take forward the eight land supply options worthy of priority studies and implementation as recommended by the Task Force on Land Supply, including expediting brownfield development; launching the Land Sharing Pilot Scheme (LSPS) to unleash development potential of private agricultural land; partial development of Fanling Golf Course (FGC) for housing purpose; and expediting studies on near-shore reclamation projects etc.

7. For brownfields, various NDAs/potential development areas, other public housing projects and private sector initiatives will turn 803 hectares (ha) of brownfield sites (i.e. over half of the total brownfield areas in the New Territories) into housing or other uses beneficial to the community. As for the remaining 700 ha of brownfields with no known development plan, as announced in the 2019 Policy Address, PlanD is assessing by phases how many of the 450 ha of relatively higher potential for development would be suitable for public housing. So far, PlanD has completed the first-phase review of 160 ha of brownfield sites closer to existing infrastructure, and shortlisted eight brownfield clusters respectively located in Yuen Long, Tuen Mun and Tai Po, for Civil Engineering and Development Department to conduct respective engineering feasibility studies (EFSs) starting from the second quarter this year. Details about the shortlisted clusters are set out in an information note issued to the Legislative Council (LegCo) Panel on Development on 18 March 2020. Please refer to LC Paper No. CB(1)463/19-20(01) (<https://www.legco.gov.hk/yr19-20/english/panels/dev/papers/devcb1-463-1-e.pdf>). PlanD is continuing examining the remaining 290 ha of brownfield sites in the next phase of review, with a view to completing the assessment by end-2020.

8. The LSPS launched in early May this year is aimed at tapping the market force in planning and construction, with a view to releasing as soon as possible the development potential of private lots with consolidated ownership and falling within eligible areas, so as to speed up short- to medium-term housing supply. Under the LSPS, the Government will facilitate infrastructural improvement that will enhance the development intensity of the private lots under application, with the condition that LSPS applicants should hand over to the Government part of the lots they own, in the form of formed land, capable of delivering at least 70% of the additional gross floor area gained for public housing or Starter Homes (SH). While the developer-lot owners will be responsible for developing the necessary infrastructure and possibly community facilities to support the whole public and private housing development, the associated construction costs as well as the cost of forming land for public housing or SH will be deducted from the land premium. The LSPS is time-limited for receiving applications within three years, subject to a cap of 150 ha on the total area of private land to be approved.

9. For the FGC, we commissioned the technical study on partial development of FGC site of 32 ha to the east of Fan Kam Road in

September 2019 in order to ascertain the highest flat yield attainable within the site in the short-to-medium term with emphasis on public housing. The study is in progress and scheduled for completion in early 2021.

10. The proposed artificial islands of about 1 000 ha around Kau Yi Chau are capable of providing about 150 000 to 260 000 housing units. In May 2019, the LegCo Public Works Subcommittee (PWSC) supported the funding application of the related study. Besides, we plan to conduct an integrated planning and engineering study for the proposed Lung Kwu Tan reclamation and the re-planning of Tuen Mun West area. We will take this opportunity to rationalise and realign the existing operations at different sites on its periphery, and review the need of the River Trade Terminal. We would consider holistically the land uses of the coastal area of Tuen Mun West with a view to raising the land use potential of Tuen Mun West area for housing, industrial or other beneficial developments. In January 2020, the LegCo Panel on Development supported our funding application for the integrated study. Yet, the Finance Committee and PWSC were unable to deal with the funding applications for the above studies within the incumbent LegCo term respectively. The Government will continue to strive for the commencement of the studies in future in order to meet Hong Kong's need for sustainable development.

11. As regards the site reserved for future tourism development at Penny's Bay, the Government, in view of the development of COVID-19 epidemic in Hong Kong, has been using the site for building temporary quarantine facilities on need basis, and the relevant construction work has already started in end-June 2020, which is expected to make available 700 quarantine units before end-September 2020. In addition, the Government has completed in July 2020 the construction of 800 quarantine units at the adjacent 4-hectare Government land, which will be put into use as early as practicable.

Development Bureau
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