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立法會
Legislative Council

LC Paper No. CB(1)1595/99-00

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seen by the Administration)

Ref: CB1/PL/PLW/1

LegCo Panel on Planning, Lands and Works

**Minutes of meeting
held on Thursday, 9 March 2000, at 10:45 am
in Conference Room A of the Legislative Council Building**

Members present : Hon Edward HO Sing-tin, SBS, JP (Chairman)
Dr Hon TANG Siu-tong, JP (Deputy Chairman)
Hon HO Sai-chu, SBS, JP
Ir Dr Hon Raymond HO Chung-tai, JP
Hon LEE Wing-tat
Hon WONG Yung-kan
Hon Timothy FOK Tsun-ting, SBS, JP
Hon TAM Yiu-chung, GBS, JP

Non-Panel member attending : Hon Emily LAU Wai-hing, JP

Members absent : Hon Ronald ARCULLI, JP
Hon James TO Kun-sun
Hon LAU Wong-fat, GBS, JP

Public officers attending : **For item IV**

Mr Patrick LAU
Acting Secretary for Planning and Lands

Mr Arthur NG
Deputy Secretary for Home Affairs (2)

Mr Wilson FUNG
Principal Assistant Secretary for
Planning and Lands (Planning)

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Mr PO Pui-leong
Principal Assistant Secretary for Planning
and Lands (Special Duties)

Mr Y T LAM
Principal Assistant Secretary for Home Affairs
(Culture)

Miss CHU Hing-yin
Chief Town Planner/Metro Group
Planning Department

For item V

Mr Patrick LAU
Acting Secretary for Planning and Lands

Mr R D POPE
Director of Lands

Mr Gary YEUNG
Principal Assistant Secretary for Planning
and Lands (Lands)

Clerk in attendance : Miss Odelia LEUNG, Chief Assistant Secretary (1)1

Staff in attendance : Ms Pauline NG, Assistant Secretary General 1
Miss Irene MAN, Senior Assistant Secretary (1)9

I Confirmation of minutes of meeting
(LC Paper Nos. CB(1)1065 and 1113/99-00)

The minutes of the meeting held on 18 November 1999 and of the joint meeting with Housing Panel held on 6 December 1999 were confirmed.

II Date of next meeting and items for discussion
(LC Paper Nos. CB(1)1103/99-00(01) and (02))

2. Members agreed to hold a joint meeting with Housing Panel on 13 April 2000 at 10:45 am to discuss the subject of unauthorized building

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works. The regular Panel meeting would be held immediately after the joint meeting to discuss the illegal sale of fuel at temporary carparks on Government land.

(Post-meeting note: with the concurrence of the two Chairmen, the joint meeting and the regular Panel meetings were re-scheduled for 18 April 2000 at 10:45 a.m. and 11:45 a.m. respectively.)

3. Noting that the operation procedures of the Town Planning Board were under review, Miss Emily LAU enquired whether the Panel would discuss the matter. As the Town Planning Bill was currently under scrutiny by a Bills Committee, the Chairman suggested and members agreed to keep in view the matter pending the progress of scrutiny work of the Bills Committee.

Clerk
to note

4. Members noted the list of follow-up actions arising from discussions at Panel meetings.

III Information papers issued since last meeting

(LC Paper Nos. CB(1)1045/99-00 and 1126/99-00)

5. Members noted the Administration's information papers on "Cleaning up of Environmental Black Spots in the New Territories" and "Current Public Consultation Mechanism for Public Works Projects".

IV Open competition for the development of West Kowloon Reclamation

(LC Paper No. CB(1)1103/99-00(03))

6. At the invitation of the Chairman, the Acting Secretary for Planning and Lands (S for PL(Atg)) said that members were informed at the Panel meeting on 18 November 1999 that 40 hectares of land in West Kowloon Reclamation (WKR) would be dedicated for the development of an integrated arts, cultural and entertainment district. The Administration would like to update members on the progress of the open design competition for the development of the area. The Principal Assistant Secretary for Planning and Lands (Planning) (PAS for PL) then gave a power-point presentation on the details of the open competition.

(Post-meeting note: The power-point presentation materials were circulated to members vide LC Paper No. CB(1)1187/99-00.)

7. Miss Emily LAU expressed support for the holding of the open competition. She was however concerned that there was no linkage between the competition and the development right. She recognized that if the development right of WKR was given to one corporation, there might be public

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criticism. She, on the other hand, pointed out that without any linkage between the open competition and the development right, the proposed prize-money of \$5 million might not be a sufficient incentive for renowned designers and architects to join the competition. In her view, provided that the Administration could set out detailed guidelines on the open competition, the winner should be given the development right. Whether the development right involved the whole WKR or part of it could be discussed further.

8. In response, S for PL(Atg) explained that the Administration would issue a detailed Competition Brief which would set out all the rules, requirements, assessment criteria and awards of the competition. The relevant information would also be made available on the internet. Participants would be well aware that the winner would not be given the development right of WKR automatically. The Administration considered it not appropriate to adopt the design-and-build model for the open competition for the development of WKR as there might be technical difficulties in realizing the winning design. The construction of the Opera House in Sydney was one such example. Moreover, the overall land use proposal for WKR would need to be approved by the Town Planning Board (TPB). There was no guarantee that the land use proposal in respect of the winning design would be accepted by TPB.

9. Miss Emily LAU said that as the discretion would rest entirely with the Administration as to whether or not to use the winning design, there was bound to be public criticism. She considered it a much better arrangement if the Administration could state right from the beginning that it had the right to amend the winning design, which would in turn allay the concern about technical difficulties. She enquired about the view of the building profession on the linkage or otherwise between the open competition and the development right of WKR.

10. PAS for PL said that the Government had consulted the development industry and relevant professionals and the views were divided. Small developers objected to granting the development right of WKR to one developer. They considered that the Administration should reserve the flexibility of disposing of the land of WKR in separate packages. Large developers, however, had not expressed strong view over the issue but they had indicated interest in joining the competition. On the participation rate, some organizations had expressed concern about whether the Administration would have sufficient resources in handling a large number of entries.

11. Addressing Miss Emily LAU's further question as to whether the winning design would be used as the blueprint for inviting tender, PAS for PL said that participants were required to submit broad assessment of technical feasibility of the proposed land-use Master Layout Plan. The Administration would examine the traffic, environmental, drainage impact, etc. of the winning design in detail. Amendments would be made where necessary. He stressed that there might be a need for amending the winning design and that the overall

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land-use plan for WKR had to be considered and approved by TPB.

12. The Chairman pointed out that the proposed competition was not a design competition. Participants had to provide a business plan on the financial viability of the proposed development. However, as the winner was not necessarily granted the development right, whether his proposal was financially sound would have no bearing on him. In the absence of any basic concept on the development of WKR, he could not see how the Administration would adjudicate the entries for the competition. He enquired if similar competition had been held overseas.

13. PAS for PL advised that the proposed open competition was unique for Hong Kong. Unlike other countries, the majority of the cultural and arts facilities in Hong Kong had all along been run and heavily subsidized by the Administration. There had been concern and criticism that some facilities could not meet the needs of the cultural and arts sector. Through the proposed competition, the Administration aimed at encouraging the private sector to participate in the development and the future running of cultural and arts facilities on a commercial basis and to provide creative ideas to meet the market demand. The Administration hoped that the private sector could participate in the rendering of cultural and leisure services, and the participants were therefore required to provide a business plan. Whether the winning design would be adopted would depend on its feasibility both technically and financially.

14. Since there was no precedent for similar competition in other countries, Miss Emily LAU shared the Chairman's concern and reiterated the importance of marking clear all the rules for the competition to participants.

15. Ir Dr Raymond HO welcomed the provision of an opportunity for the private sector to participate in the development of cultural and arts facilities. He said that without providing sufficient commercial incentives, such as the development right, to attract the private sector to participate in the competition, he doubted whether the objective of the competition could be fulfilled. PAS/PL assured members that the objectives of the competition as well as the guidelines for attainment of these objectives would be set out clearly in the Competition Brief. The Administration would answer queries from interested parties within a specified period after the competition was launched officially.

16. Mr Timothy FOK welcomed the invitation of public participation in the planning of cultural and arts facilities. This would avoid the mistake made in the past when some facilities were vastly under-utilized while much needed facilities were built belatedly. He considered it important that facilities suggested by participants must be financially viable.

17. Dr TANG Siu-tong was concerned that the development of WKR might become a property development and sought information on the

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proportion of such development in the overall planning. His concern was shared by Miss Emily LAU. S for PL (Atg) explained that the Administration had no pre-conceived idea on the extent of property development in WKR. Participants would be given the flexibility to make proposals in this respect. PAS for PL advised that the theme of development of WKR was to achieve the arts and cultural policy objectives. That being the case, any proposed development would be judged against this fundamental principle. Participants were required to justify the need for certain facilities like commercial developments.

18. Dr TANG Siu-tong further enquired whether the financial viability of the arts and cultural facilities was built on the premise that they were cross-subsidized by the commercial development in the vicinity. PAS for PL said that participants should assess the financial viability of the proposed development as a whole and had the flexibility of arranging cross-subsidy amongst the various facilities. The Chairman questioned whether such flexibility could be exercised since the development right was not necessarily granted to one developer. In response, PAS/PL explained that whether the development right would be granted in whole or in part would depend on the winning design. The Administration could not say with certainty at this stage how the development right of WKR would be disposed of.

19. Ir Dr Raymond HO said that participants must have certain knowledge of the local culture before they could make development proposals which suited the local need. He enquired whether the Administration would make it a prerequisite that the participating teams must include local companies. PAS/PL advised that to uphold the policy of open and fair competition, the Administration would not set such a pre-qualification criterion. The competition would be open to both local and overseas participants. Notwithstanding, since the development of WKR had to achieve the arts and cultural objectives set by the Administration, it was highly likely that overseas participants would join hands with local companies to work out a suitable development proposal. PAS/PL quoted for example that participants had to know the drainage network in West Kowloon, the development of the waterfront facilities to achieve the vision and goals for the Victoria Harbour, the requirement of TPB, etc.

20. Miss Emily LAU questioned about the need for a multi-purpose venue with seating capacity of 35,000 to 60,000 people and a open plaza accommodating about 6,000 to 8,000 people. S for PL(Atg) acknowledged the member's concern that the future facilities should meet the need of the community and should avoid becoming "white elephants". He explained that the provision of a large multi-purpose venue was a suggestion made by a professional body during the public consultation and it was an optional facility. He emphasized that the list of optional facilities were just examples for participants' reference.

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21. The Deputy Secretary for Home Affairs (DS for HA) said that extensive consultation had been carried out on the need for large-scale cultural and arts facilities. The trade had indicated that Hong Kong lacked performance venues for holding large-scale functions lasting for a considerable period of time. This was evident from the high usage rate of the Grand Theatre of the Hong Kong Cultural Centre, which was well over 90%. Since it might be difficult for a world-class performance venue to operate on a stand-alone basis, therefore an integrated arts, cultural and entertainment district was proposed. The Administration only provided the basic framework on the development of WKR, leaving much room for participants to manoeuvre and to put in innovative ideas.

22. Mr LEE Wing-tat was concerned about the capacity of the core facilities, in particular the multi-purpose open plaza. He said that since there would only be three spacious venues for holding large-scale functions in Hong Kong, namely the reclaimed areas in Central, South East Kowloon and WKR, the proposed multi-purpose open plaza might be too small as it could accommodate about 6,000 to 8,000 people only. He also enquired whether the arts, cultural and entertainment district in WKR was intended to be similar to the Broadway in the United State.

23. PAS for PL said in response that the Administration had not set any model for the development of WKR. Participants could come up with innovative ideas so long as their proposals could achieve the objectives set by the Administration and were feasible technically and financially. He also clarified that the accommodation capacity of the core facilities were to be proposed by participants. Participants would need to assess the people flow and traffic flow in their proposed plans and explain how large crowds of people could be dispersed after an event held in the area. He pointed out that over 20 hectares of the district had been earmarked for open area with the Airport Express and the West Rail in the vicinity. Participants would be encouraged to propose other environmental modes of transport to connect with the area.

24. Miss Emily LAU said that it was unrealistic to expect participants to propose facilities which could meet Hong Kong's arts and cultural needs together with the design of individual facilities in a few months' time. The result would possibly be that participants could only make suggestions on the land use of WKR and provide very preliminary design of facilities. The Chairman remarked that participants might prefer a shorter preparation period so as to minimize the cost for joining the competition.

25. Mr LEE Wing-tat said that it was important to establish a landmark of the district. If the world-class performance venue was intended to be the landmark, other facilities had to be designed in such a way so as to match with the landmark. In the short time available for participants, the Administration might consider narrowing the scope of the competition to focus on the design of the landmark.

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26. S for PL (Atg) said that the proposed time frame should be sufficient for participants. PAS for PL added that the trade had not expressed concern about the time-frame.

Admin. 27. PAS for PL undertook to provide members with the Competition Brief once it had been finalized in late March 2000. Members agreed to convene a meeting to discuss the subject again upon receipt of the relevant information.

V Land sale and development programmes for the year 2000/01 to 2004/05

(LC Paper No. CB(1)1103/99-00(04))

28. At the invitation of the Chairman, the Director of Lands (D of L) briefed members on the 2000/01 Land Sale Programme. He said that 6 land auctions would be conducted at a two-month interval and tenders for 7 sites would be invited. These would involve about 16 hectares of land for private housing which could produce about 7,300 flats, 6 hectares for Private Sector Participation Scheme also producing 7,300 flats and 0.5 hectares for non-housing purposes. The Administration would continue with the application system introduced in 1999 to enable developers to apply for the sale of sites specified in the published list. Under the application system, any developer interested in a site on the application list might apply for the sale of that site and state a minimum price; if the minimum price was considered acceptable, the site would be put up for sale by auction or tender. Under the current application list, there would be 28 sites available for various purposes including 16 hectares for private housing which could produce 5,900 flats. In the four-year Land Development Programme for 2001/02 to 2004/05, there would be 333 hectares of land for private housing development sufficient to produce about 35,000 units per annum.

29. The Chairman sought the Administration's assessment of the experience of having auction, tender and the application programmes operating together for the first time. D of L advised that the combination of a regular land auction/tender programme with an application system had proved to be effective in the last year in providing flexibility in the land sale programme, and in achieving the policy objective of maintaining steady land supply. The sites in the application programme varied from relatively large ones, such as the sites at West Kowloon Reclamation Area, to small ones on the outlying islands to cater for small developers. The Administration had been hesitant to put these small sites on the application list but some applications were filed for these sites. He also clarified that the Administration had not set a target for the land application programme. The 22 hectares of land producing 4,300 flats under the application list last year was only an indicator of availability.

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30. Referring to the Land Sale Programme for 1999/2000, the Chairman enquired about the total amount of land sold among the 52 hectares reserved for private housing. D of L said that 19 hectares had been disposed of under the Land Sale Programme last year, among which 10 hectares producing 5,400 flats were disposed of under auction and tender, and 9 hectares producing 1,300 flats under the sale by application. The 19 hectares produced a total of 6,700 flats. The Administration had not disposed of any private housing land under private treaty grants. He also said that the land bank for last year could produce 17,500 flats and that for 2000/01, 43,000 flats.

31. Since the actual amount of land sold fell far short of the land available for disposal last year, the Chairman asked for the reasons for offering as many as 90 hectares for private housing in the 2000/01 sale programme. D of L explained that among the 90 hectares, 32.4 hectares were made up of one land grant in relation to Area 86 in Tseung Kwan O. Taking out this amount, the rest was on par with the 52 hectares of land made available last year. Whether all the land available for disposal would be sold off would depend on the response of the market.

32. Referring to Annexes A and C to the information paper, Dr TANG Siu-tong noticed that only 56 hectares were earmarked for private housing under private treaty grant from 2001/02 to 2004/05 but for the single year 2000/01, the figure was 58 hectares. S for PL (Atg) clarified that of the 58 hectares, 32 hectares related to the development of Area 86 in Tseung Kwan O and the period of development would last about 10 years. Therefore, the estimated flat production of 43,000 units from the 90 hectares would be completed in stages in 10 years.

33. Given that land sufficient for producing 6,700 flats had been sold last year despite the availability of land for producing 17,000 flats, Mr LEE Wing-tat was worried that if the rate of disposal remained low this year, the supply of private housing might be tight after a few years. S for PL(Atg) said that the amount of land disposed depended on market conditions. Apart from bidding for land, developers might apply for change of land use from agriculture to residential. Whether and when developers would make such applications were out of the control of the Administration. All along, the Administration had not set a target on the number of private flats to be provided per year.

34. Mr LEE Wing-tat said that the Administration must be watchful of the demand and supply situation of private housing. He was concerned that the proposed reduction in the supply of Home Ownership Scheme Flats could not be offset by the supply of land for producing the same number of private housing as the land might not be taken up by developers. S for PL(Atg) clarified that the Administration's intention was not to stop building HOS flats altogether but to offer an option to the public for buying private flats through a loan scheme. Nevertheless, he noted the member's concern.

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35. Mr LEE Wing-tat enquired about the projection of private housing production from 2001/02 to 2004/05 under the Land Development Programmes, application for change of land use and urban redevelopment programmes. D of L advised that the objective of the 4-year Land Development Programme was to make land available to produce an average target of 35,000 units per year. However, the 35,000 units did not all come from the 333 hectares of land earmarked for private housing. About 10,000 to 15,000 flats would be produced from redevelopment each year. In 1999/2000, 18,000 flats were produced from lease modifications which was the highest over the past five years.

36. Noting that 6,700 flats could be produced from the land disposal programme and 18,000 flats from land exchanges and urban renewal programme in 1999, Mr LEE Wing-tat enquired whether it was a realistic estimate that about 24,000 private housing units would be produced each year in the next few years. D of L advised that despite economic recession and a relatively inactive property market last year, the total number of flats produced from executed land transactions under auction, tender, private treaty grants, lease modifications and exchanges was 26,000. Besides, about 5,000 flats were produced from redevelopment each year which did not require Government approval. These added up to a total of about 31,000 flats produced each year which was close to the Administration's expectation. D of L further said that in its annual report, the Rating and Valuation Department had estimates on the number of flats produced in the coming two years, taking account of occupation permits and approvals and would coordinate figures with the Lands Department and the Buildings Department for the Housing Bureau's statistical record.

37. There being no other business, the meeting ended at 12:18 pm.

Legislative Council Secretariat

17 May 2000