

Letterhead of Swire Properties

26th May, 2000

The Honourable Edward Ho, S.B.S., J.P.
Convenor
Panel on Planning, Lands and Works
Legislative Council Building
8 Jackson Road
Central
Hong Kong

Dear Edward,

On behalf of both Sun Hung Kai Properties (SHKP) and Swire Properties, I would like to thank you and members of the Panel on Planning Lands and Works for giving us the opportunity to present our alternative plan for Tai Ho last week.

The presentation has created considerable public interest and I believe it is necessary to clarify certain important issues that may not have been made clear during the meeting.

Firstly, it is important to emphasize that our proposal is in respect of Tai Ho only. We have no wish to delay the implementation of the North Lantau development; our primary aim is to ensure Tai Ho is developed in the best possible way for the benefit of all stakeholders. We have no wish to engage in public disputes and would welcome a constructive dialogue with the Administration.

I believe there is a clear consensus that the Tai Ho valley should be preserved. In general our objectives and those of the Administration are aligned viz. preservation of the ecology, provision of housing based primarily on rail rather than roads and the provision of recreation and tourism opportunities. The real issue is how best can these objectives be achieved.

We are concerned that several statements made by Government over what it termed "implementation problems" will cause unfounded concern amongst both Panel members and the wider public and may create doubts that either we cannot deliver our proposal or that some form of "special" concession is being requested from Government.

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Swire Properties

- 2 -

Land exchanges are a well established method used to implement private sector initiated development projects. In the New Territories the surrender of agricultural land in exchange for development land, subject to the payment of a land premium is commonplace. With the creation of a single Comprehensive Development Area (CDA) our proposal is certainly within this established policy. No special concessions are being requested and full land premium will be payable for the development rights granted.

This scheme cannot be implemented by way of tender or auction. The key to implementation (in this and all land exchanges) is land ownership. This proposal does NOT seek the grant of Government land by private treaty as we will surrender over 3.0 million square feet of private land within the project site (the CDA boundary) as an integral part of the agreement with Government, considerably more than development land to be granted in return.

If the implementation problems alluded to by Government refer to our agreements with the villagers to relocate all new village housing away from the ecologically sensitive areas, then again we do not understand the concerns. SHKP, in particular, has a well established track record of obtaining the support and agreement of New Territories land owners and we have every confidence that we have the requisite support in this case. If the ultimate objective is to preserve the valley then agreement from the villagers is essential.

As stated, we remain unclear as to exactly what implementation problems the Government envisages and we will be seeking clarification. We are convinced that all parties should work together to ensure the best possible plan is implemented for Tai Ho.

I will not repeat here why we consider our plan offers clear advantages over the Government plan as these are clearly stated in our brochure. I would however urge you and other Panel members to request the Town planning Board to give us an opportunity to present our plan to the Board, as contrary to the advice given during the Panel meeting, we have not yet been given this opportunity.

Once again, thank you for your interest.

Keith Kerr

KGK/cc

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7 June 2000

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LegCo Panel on Planning, Lands and Works

Thank you for your letter dated 26 May 2000. The letter has been circulated to all LegCo members for information.

I regret that the Panel is not in a position to request the Town Planning Board regarding presentation of your development plan.

Best regards,

(Edward HO Sing-tin)
Chairman of Panel on Planning,
Lands and Works