

立法會 *Legislative Council*

LC Paper No. CB(1) 89/04-05(03)

Ref: CB1/PL/PLW

Panel on Planning, Lands and Works

Meeting on 26 October 2004

Background brief on land supply

Purpose

This paper sets out the changes in Government's land supply strategy for private housing over the years, and highlights the views and concerns of Members in this regard.

Background

2. Before 1997, land was mainly granted through scheduled land auctions and tenders according to the one-year Land Sale Programme (LSP) to the highest bidders for property developments. In April 1999, the LSP was supplemented by an application list system (ALS) introduced to enable the market to determine flexibly the amount, timing and type of additional land required. Under the ALS, a developer interested in any site on the Application List may apply to the Government for the sale of the site provided he/she offers a minimum price. If the Government considers the minimum price reasonable and accepts it, the site will be put up for sale by auction or tender as appropriate, taking the offered price as the upset price and following the principle of selling the site to the highest bidder. In the event that the site cannot be successfully sold at that upset price or above in the public auction, the Government would withdraw the site. Apart from the LSP, land can also be made available for housing development by way of private treaty grants, lease modifications and land exchanges.

Land supply strategy

3. The Government has always aimed to provide an adequate supply of land to meet market demand and to facilitate infrastructural developments. Around February each year, the Government announces its LSP which sets out

the sites to be sold by auctions, tenders and applications in the first year. The Government also announces its Land Development Programme (LDP) which sets out the amount of land for housing and non-housing development in the following four financial years.

4. In response to the substantial drop in property prices since 1997, Government adjusted its land supply strategy. Land sales were suspended for nine months from June 1998 to March 1999. In March 1999, land sales resumed. The Administration drew up the four-year LDP for 2000-01 to 2003-04, which provided 330 hectares of land for private housing, 27 hectares for Private Sector Participation Scheme (PSPS) and 192 for non-housing uses. At that time, the target was to provide a total of 382 hectares of land for private housing during 1999-2000 to 2003-04 and sufficient land for the production of 50 000 public housing flats per year. The Government also included in its LSP some 14 hectares of land, mainly small sites, for auction or tender for private housing; 15 hectares for PSPS and 22 hectares for sale by application.

5. In October 2000, the Administration put forward its long-term targets in the supply of land for housing development. The Government aimed to make available 590 hectares of land during the five-year period from April 2000 to March 2005 for public and private housing. The then Housing Bureau would also maintain an inventory of about 1 000 actual or potential housing sites which had the potential for building up to 730 000 flats by 2007-08. The Government also pledged the provision of 50 000 housing assistance opportunities in the public sector each year through flats or loans. In the LSP and LDP of 2001 and 2002, the Government continued to set out its targets of land made available through scheduled land auctions, scheduled tenders and by application. In order to be more responsive to market conditions, the LSP was fine-tuned by putting the smaller sites in the regular auction programme and leaving the larger sites to the Application List.

6. In November 2002, the Administration announced a re-positioning of its housing policy. After conducting a comprehensive review and extensive consultation among all sectors and affected parties, the Administration recognised that the Government should withdraw from its role as property developer by halting the production and sale of subsidized flats and reduce radically its share in the overall housing production. The Government should on the other hand address the serious imbalance between supply and demand, and restore public confidence in the property market. In this respect, the Government decided to stop all scheduled land auctions and call off the two remaining land auctions in the 2002-03. financial year. The Application List would also be suspended until end 2003. Thereafter, the supply of new land would only be triggered from the Application List.

7. In October 2003, amidst initial signs of a rebound in the property market, the Administration decided to resume the ALS from January 2004. The

Government had also confirmed that the housing projects of the two railway companies would only be carried out by phases and would not be completed by 2007 or 2008 at the earliest. The Secretary for Housing, Planning and Lands (SHPL) pointed out that the move was aimed at regulating the demand of land through market forces to foster a healthy and normal development of the property market. SHPL also stressed that the Government would ensure that the sites on the ALS would not be sold at pathetic prices.

8. In his 2004 Policy Agenda, SHPL reiterated the Government's commitment to maintaining a clear, comprehensive and consistent housing policy. In drawing up the Application List, the Government had given careful consideration to the market situation, in particular the increase in transactions for the high-end residential market and taken a prudent approach in determining the types and sizes of sites for application by developers. The Government had also reached a consensus with the two railway corporations on railway-property developments and would liaise with them to co-ordinate the timetable for the disposal of their developments.

9. The first land auctions held after the suspension in November 2002 were held on 25 May 2004. The enthusiastic response to the latest land auction held on 12 October 2004 generated over \$14 billion to the government coffers. The land sale results of the last eight years are in **Appendix I**.

Members' views on Government's land supply strategies

10. The PLW Panel and the Housing Panel have regularly been updated on the LSP. Before the property market slumped in 1997, the focus of attention was more on ensuring a sufficient and regular supply of land for long-term housing development so as to keep property prices affordable. Since the property slump in 1997, the focus of discussion has changed, and Members are becoming more concerned about how the property market can be stabilized. At the meeting of the Housing Panel on 17 October 2000, the then Secretary for Housing (S for H) was urged to review the flat production programme in the event of poor property market conditions. As such, some members welcomed the re-positioning of Government's housing policy to stabilize the property market. Some were however wary of the changes, and expressed concerns about the implications of these changes on the low-income families. Some members on the other hand raised questions on the Government's role in the commercial property market as illustrated by the methodology adopted in the West Kowloon Cultural District development project which involved substantial subsidy in the form of 40 hectares of land to the successful developer. In gist, members' major concerns centre around the consistency of Government's policy in land supply and land sales, the administration of the ALS and lease modification arrangements. Their views are set out in detail below.

Consistency of Government's land supply strategy

11. Most members of the two Panels share the view that the public would not have confidence in the property market unless there was a consistent policy on land supply. It was however observed that there were inconsistencies in Government's strategy. For example, when the Administration stopped all scheduled auctions in November 2002, it continued to process lease modifications and land exchanges which contributed to more than two-thirds of flat production in Hong Kong. While no land could be acquired through open auctions, those developers who had large land reserve would continue to benefit from these less transparent arrangements, hence leading to unfair competition. According to some members, the moratorium on land sales served more to help large developers dispose of their excessive flat stock rather than assist home owners with negative equities. The measure had aggravated the fiscal deficit and affected those small developers who did not have land reserves.

12. On 16 June 2004, the Council passed a motion to urge the Administration to critically review its policy of subsidizing commercially operated infrastructural projects in the form of land, based on the principle that the supply of land should be determined by the market according to demands and prices. In the motion debate, it was pointed out that a lot of land had been transferred into private hands through means other than open, competitive bidding. The "back doors" were not limited to residential use, but office and shopping space for premises developed by the Housing Authority, the Urban Renewal Authority, the Mass Transit Railway Corporation, the Kowloon-Canton Railway Corporation, the Airport Authority, the Cyberport, the Science Park, and the current West Kowloon Cultural District development. The lack of control over the land resources held by these corporations had made it difficult for the Government to implement its policies to stabilise the market situation. The wording of the motion is in **Appendix II**. The Administration's report on the situation regarding the above motion is in **Appendix III**.

Administration of the Application List System

13. Various views and concerns were expressed by members of the two Panels on the administration of the ALS. Noting a case where a site was sold at record low price through application, members reviewed the mechanism in determining the prices set for individual sites under administration of the ALS. Members were of the view that the Government should not put up a site for land sale unless an acceptable minimum bid was received for the site. It should enhance transparency of the ALS to minimize corruption opportunities for government officials and private developers, for example, by disclosing the minimum prices offered by individual applicants, including successful and unsuccessful applicants, and the reasons for the Administration to turn down the latter's applications.

14. Members also considered that the Government should not rely on the ALS as the only means for the supply of new land as there would not be sufficient flexibility to respond to changes in the property market. It was important to adopt a fair and reasonable set of criteria in deciding whether to accede to a developer's request to add a site onto the List so that all developers, big or small, could bid for the sites of their choice from the List.

Lease modifications and land exchange

15. Regarding lease modifications and change in land use, some members pointed out that the efforts made by the Government to stabilize the property market through regulation of land supply were self-defeated by permitting the private developers to make applications for change of land use for residential purpose, which contributed to a substantial part of flat production in Hong Kong. As such, the Government should give due consideration to suspending or controlling applications for lease modifications and land exchange. This would prevent unfair competition and manipulation of the property market by large developers who usually had large land reserve that could be used for flat production during the moratorium on land sales through lease modifications and land exchange.

Other references

16. At the Council meeting on 8 May 2002 and on 25 June 2003, questions on the applications for change of land use were asked. The details of the questions and the Administration's responses are in **Appendices IV and V** respectively.

17. A list of relevant papers with their hyperlinks at the LegCo website is in **Appendix VI**.

Appendix I

Land Sale Records 1996/1997

| Sale/Tender | Disposal | | | | Area | Premium |
|-------------|----------|-----------------------------------|------------------------------|------|---------|---------|
| Award | Type | Lot No. | Location | User | (sq. m) | (\$M) |
| Date | | | | | | |
| 14/08/1996 | AUC | SOIL 96 | SHEK O HEADLAND | R3 | 276 | 17.00 |
| 14/08/1996 | AUC | TPTL 118 | AREA 30 (SITE 1) | R3 | 21,200 | 535.00 |
| 19/08/1996 | TEN | TMTL 390 | AREA 16, TUEN MUN, N.T. | G | 2,128 | 17.20 |
| 18/10/1996 | TEN | KCTL 470 | CONTAINER PORT RD | PFS | 1,575 | 165.00 |
| 22/10/1996 | TEN | TMTL 398 | AREA 16, TUEN MUN, N.T. | G | 2,919 | 26.91 |
| 29/10/1996 | LAB | TWTL 376 | SHIU WO ST | C/R | 1,020 | 4.42 |
| 13/11/1996 | AUC | LOT 729 in DD 4 MUI WO, LANTAU | MUI WO, LANTAU | C | 720 | 10.00 |
| 13/11/1996 | AUC | YLTL 491 | J/O MA TIN RD/TAI YUK RD | C/R | 4,206 | 370.00 |
| 05/12/1996 | TEN | TMTL 405 | LUNG MUN RD., TUEN MUN | PSPS | 36,941 | 380.00 |
| 11/12/1996 | AUC | NKIL 6235 | TSEUK LUK ST | C/R | 222 | 61.00 |
| 11/12/1996 | AUC | IL 8874 | 152 ELECTRIC RD | C | 1,223 | 760.00 |
| 09/01/1997 | TEN | SIL 826 | A KUNG NGAM | IG | 2,311 | 142.80 |
| 15/01/1997 | AUC | RBL 1133 | SOUTH BAY RD | R3 | 2,008 | 230.00 |
| 15/01/1997 | AUC | TMTL 355 | 18 1/2 MS CASTLE PEAK RD | R3 | 5,080 | 258.00 |
| 21/01/1997 | TEN | LOT 1000 in DD 40 | SHA TAU KOK | R2 | 1,167 | 26.80 |
| 22/02/1997 | TEN | NKIL 6215 | CHEUNG YIP ST/LAM CHAK ST | IG | 6,541 | 233.60 |
| 11/03/1997 | TEN | STTL 347 | ON LAI ST/ON PING ST | C | 6,500 | 333.00 |
| 18/03/1997 | TEN | RBL 1135 | POK FU LAM RD | PFS | 811 | 125.30 |

| Sale/Tender Award Date | Disposal Type | Lot No. | Location | User | Area (sq. m) | Premium (\$M) |
|------------------------------|------------------|-----------|----------------------------|------|-----------------|------------------|
| 18/03/1997 | TEN | RBL 1136 | SHOUSON HILL RD | C | 1,242 | 86.00 |
| 22/03/1997 | TEN | AIL 436 | ABERDEEN PRAYA RD | PSPS | 4,637 | 165.00 |
| 25/03/1997 | AUC | KIL 11091 | CHUNG HAU ST, HOMANTIN | R1 | 2,627 | 1,400.00 |
| 25/03/1997 | AUC | CWIL 152 | SIU SAI WAN RECLAMATION | R1 | 25,592 | 11,820.00 |
| 26/03/1997 | TEN | NKIL 6233 | HAMMER HILL RD | PSPS | 25,702 | 810.00 |
| Total : | | | | | 156,648 | 17,977.03 |

Land Sale Records 1997/1998

| Sale/Tender Award Date | Disposal Type | Lot No. | Location | User | Area (sq. m) | Premium (\$M) |
|------------------------------|------------------|--------------------------|--------------------------------------|------|-----------------|------------------|
| 03/06/1997 | AUC | RBL 1138 | PENDRAGON 150 WONG MA KOK | R3 | 53,126 | 5,500.00 |
| 03/06/1997 | AUC | KIL 11055 | WAN HOI ST, HUNG HOM | R1 | 7,402 | 6,060.00 |
| 03/06/1997 | AUC | LOT 244 in DD 331 | CHEUNG FU ST, CHEUNG SHA | R4 | 2,240 | 40.00 |
| 10/06/1997 | TEN | YLTL 461 | TUNG TAU INDUSTRIAL AREA | I | 3,180 | 91.00 |
| 27/08/1997 | AUC | RBL 1132 | 129 REPULSE BAY RD | R3 | 10,570 | 5,550.00 |
| 27/08/1997 | AUC | LOT 868 in DD 1 LAMMA | NGA KAU WAN, LAMMA ISLAND | R3 | 3,920 | 64.00 |
| 27/08/1997 | AUC | STTL 217 | MEI WO CIRCUIT, AREA 41A, SHA TIN | R4 | 1,307 | 56.00 |
| 15/09/1997 | AUC | APIL 130 | HUNG SHING ST/WAI FUNG ST | C/R | 400 | 105.00 |
| 15/09/1997 | AUC | LOT 13 in DD 231 | CHUK KOK | R4 | 1,570 | 51.00 |
| 14/10/1997 | AUC | TPTL 161 | SHUEN WAN | R3 | 91,265 | 5,600.00 |
| 14/10/1997 | AUC | TMTL 407 | AREA 16, TUEN MUN, N.T. | R1 | 16,587 | 2,900.00 |
| 10/11/1997 | TEN | AIL 435 | SHUM WAN RD (SOUTH) | PSPS | 15,855 | 390.00 |
| 19/11/1997 | AUC | RBL 1139 | 4 CAPE DRIVE, CHUNG HOM KOK | R3 | 3,189 | 221.00 |
| 19/11/1997 | AUC | HHIL 550 | BULKELEY ST, HUNG HOM | R1 | 693 | 276.00 |
| 01/12/1997 | TEN | YLTL 497 | TUNG TAU INDUSTRIAL AREA | I | 2,435 | 15.10 |
| 11/12/1997 | AUC | TMTL 416 | AREA 10, TUEN MUN | R1 | 2,293 | 285.00 |
| 11/12/1997 | AUC | LOT 2058 in DD 121 | SHA TSENG RD, TONG YAN SAN TSUEN | R3 | 1,950 | 58.00 |
| 13/01/1998 | AUC | TMTL 409 | TSING SIN ST, AREA 37B | R1 | 3,875 | 250.00 |
| 13/01/1998 | AUC | LOT 1736 in DD 122 | PING SHAN LANE | R3 | 2,040 | 33.00 |
| 06/02/1998 | TEN | NKIL 5877 | WANG CHIU RD, KOWLOON | IO | 4,288 | 112.10 |

| Sale/Tender Award Date | Disposal Type | Lot No. | Location | User | Area (sq. m) | Premium (\$M) |
|------------------------------|------------------|-----------|---------------------------|------|-----------------|------------------|
| | | | BAY | | | |
| 12/02/1998 | AUC | STTL 318 | SUI WO RD | R4 | 4,133 | 90.00 |
| 12/02/1998 | AUC | STTL 468 | CHIK FU ST | R1 | 88 | 11.60 |
| 16/02/1998 | TEN | KCTL 479 | STONECUTTERS ISLAND | OU | 33,391 | 130.00 |
| 16/02/1998 | TEN | KCTL 481 | STONECUTTERS ISLAND | OU | 33,391 | 86.26 |
| 10/03/1998 | TEN | STTL 461 | AREA 100, MA ON SHAN | HTL | 8,000 | 120.39 |
| 13/03/1998 | TEN | KIL 11086 | J/O CANTON RD/AUSTIN RD | C/R | 10,486 | 2,893.00 |
| 24/03/1998 | AUC | YLTL 451 | MA TIN RD, YUEN LONG | R2 | 6,796 | 290.00 |
| 24/03/1998 | AUC | RBL 1145 | 6-14 MOUNT AUSTIN RD | R3 | 13,328 | 920.00 |
| 26/03/1998 | TEN | TMTL 425 | J/O HO TIN ST/KIN FAT ST. | I | 3,414 | 51.22 |
| Total : | | | | | 341,212 | 32,249.67 |

Land Sale Records 1998/1999

| Sale/Tender Award Date | Disposal | | Location | User | Area (sq. m) | Premium (\$M) |
|---------------------------|----------|-----------------------|------------------------------|------|-----------------|------------------|
| | Type | Lot No. | | | | |
| 07/04/1998 | TEN | YLTL 443 | HI YIP ST, TUNG TAU | MCP | 3,106 | 28.88 |
| 17/04/1998 | TEN | IL 8882 | LEIGHTON HILL, HONG KONG | R2 | 43,143 | 3,612.00 |
| 22/04/1998 | AUC | FSSTL 183 | SHEK WU HUI, SHEUNG SHUI | C/R | 3,068 | 330.00 |
| 22/04/1998 | AUC | KIL 11108 | 1 PEKING RD | C | 2,200 | 1,240.00 |
| 24/04/1998 | TEN | NKIL 6268 | WANG YUEN ST/WANG TAI RD | C | 5,306 | 361.00 |
| 15/05/1998 | TEN | LOT 1140 in DD 215 | CHIU TONG RD/FUI YIU LANE | MCP | 3,163 | 39.50 |
| 22/05/1998 | TEN | SIL 843 | ALDRICH BAY RECLAMATION | R1 | 7,056 | 1,677.00 |
| 29/05/1998 | TEN | NKIL 5927 | SHEUNG YEE RD | IO | 12,594 | 238.80 |
| 19/06/1998 | TEN | NKIL 6204 | LAM LOK ST/SHEUNG YUET RD | IO | 1,889 | 46.80 |
| 03/07/1998 | TEN | NKIL 6270 | CHOI HUNG RD, SAN PO KONG | PSPS | 35,129 | 825.00 |
| 10/07/1998 | TEN | TKOTL 62 | AREA 65A, TSEUNG KWAN O | PSPS | 25,101 | 509.29 |
| 15/07/1998 | TEN | SIL 839 | ALDRICH BAY RECLAMATION | PSPS | 23,414 | 1,099.00 |
| 12/08/1998 | TEN | TKOTL 67 | AREA 106, TSEUNG KWAN O | OU | 29,800 | 78.00 |
| Total : | | | | | 194,969 | 10,085.27 |

Land Sale Records 1999/2000

| Sale/Tender | Disposal | | | | Area | Premium |
|-------------|----------|-----------------------------|--|----------|---------|----------|
| Award | Type | Lot No. | Location | User | (sq. m) | (\$M) |
| Date | | | | | | |
| 20/04/99 | AUC | IL8921 | 35& 37 CLOUD VIEW RD | R2 | 2,494 | 590.00 |
| 20/04/99 | AUC | NKIL 6276 | 83 BROADCAST DRIVE | R2 | 4,272 | 515.00 |
| 20/04/99 | AUC | TMTL 419 | AREA 58, SIU LAM, TUEN MUN | R3 | 19,318 | 385.00 |
| 10/06/99 | TEN | FSSTL 195 | AREA 19, FANLING | CR & GIC | 12,212 | 248.00 |
| 17/06/99 | TEN | NKIL 6277 | BEACON HILL ROAD, KOWLOON TONG | R3 | 41,578 | 3,240.00 |
| 29/06/99 | AUC | RBL 1146 | NOS. 1-3 HOMESTEAD ROAD, THE PEAK | R3 | 2,369 | 265.00 |
| 29/06/99 | AUC | KCTL 480 | KWAI LUEN ROAD, KWAI CHUNG | R1 | 3,746 | 470.00 |
| 29/06/99 | AUC | TPTL 167 | AREA 12, TAI PO | R3 | 2,611 | 44.00 |
| 04/08/99 | AUC | RBL 1147 | No. 99 PEAK ROAD/NO.4 GOUGH HILL PATH, THE PEAK | R3 | 2,463 | 134.00 |
| 04/08/1999 | AUC | TMTL 371 | CASTLE PEAK ROAD, AREA 58, SIU LAM, TUEN MUN | R3 | 16,469 | 330.00 |
| 04/08/1999 | AUC | TMTL 408 | HANG KWAI STREET, AREA 16, TUEN MUN | R1 | 4,765 | 320.00 |
| 04/08/1999 | AUC | LOT 1847 IN DD CHEUNG | SAI WAN, CHEUNG CHAU | R4 | 2,130 | 4.50 |

| Sale/Tender Award Date | Disposal Type | Lot No. | Location | User | Area (sq. m) | Premium (\$M) |
|------------------------------|------------------|------------------------|--|--|------------------|------------------|
| | | CHAU | | | | |
| 24/09/1999 | TEN | KIL 11076 | HUNG HOM BAY RECLAMATION AREA, KOWLOON | PSPS | 27,818 | 583.00 |
| 14/10/1999 | AUC | TSWTL 27 | TIN SHUI WAI, YUEN LONG | R1 | 14,901 | 555.00 |
| 14/10/1999 | AUC | RBL 1142 | ADJOINING NO. 14 SOUTH BAY ROAD | R3 | 2,267 | 151.00 |
| 13/12/1999 | AUC | KIL 11107 | HOI FAN ROAD, WEST KOWLOON RECLAMATION | R1 | 6,943 | 1,340.00 |
| 13/12/1999 | AUC | TPTL 165 | AREA 38,TAI PO | R3 | 14,985 | 152.00 |
| 14/12/1999 | TEN | NKIL 6267 | KING TUNG STREET NGAU CHI WAN | PSPS | 21,560 | 238.80 |
| 18/01/2000 | TEN | RBL 1158 | Chung Hom Kok, Hong Kong | External Telecommunications Stations | 2,578 | 8.00 |
| 29/02/2000 | AUC | RBL 1148 | SEVERN ROAD, HONG KONG | R3 | 13,570 | 490.00 |
| 29/02/2000 | AUC | SIL 845 | YIU HING ROAD, SHAUKEIWAN, HONG KONG | R1 | 880.8 | 170.00 |
| 29/02/2000 | AUC | Lot 736 in D.D. 332 | CHEUNG SHA, LANTAU ISLAND | R4 | 3,380 | 17.20 |
| 10/03/2000 | TEN | TSWTL 28 | AREA 111 TIN SHUI WAI,YUEN LONG | PSPS | 43,705 | 404.00 |
| 28/03/2000 | TEN | ApIL 128 | AP LEI CHAU DRIVE, ABERDEEN | Mixed Development | 9,301 | 739.90 |
| Total : | | | | | 276,315.8 | 11,394.4 |

Land Sale Records 2000/2001

| Sale/Tender Award Date | Disposal Type | Lot No. | Location | User | Area (sq. m) | Premium (\$M) |
|------------------------------|------------------|-----------------------|---|----------------------|-----------------|------------------|
| 25/04/2000 | AUC | NKIL 6275 | JUNCTION OF HING WAH STREET WEST & SHAM SHING ROAD, WEST KOWLOON RECLAMATION | R1 | 16,064 | 1,900.00 |
| 25/04/2000 | AUC | RBL 1143 | ADJOINING NOS. 16-18 SOUTH BAY ROAD, REPULSE BAY | R3 | 1,925.2 | 130.00 |
| 29/04/2000 | TEN | KCTL 484 | KWAI SHING CIRCUIT, KWAI CHUNG | PSPS | 9,100 | 106.80 |
| 12/06/2000 | AUC | KIL 11122 | JUNCTION OF CARMEL VILLAGE STREET AND HAU MAN STREET, KOWLOON | R1 | 1,420.6 | 251.00 |
| 12/06/2000 | AUC | LOT 943 in D.D. 94 | BEAS STABLE, SHEUNG SHUI, NEW TERRITORIES | R4 | 22,973 | 93.00 |
| 16/06/2000 | TEN | KIL 11118 | JUNCTION OF PRINCESS MARGARET ROAD AND WYLIE ROAD, KOWLOON | R2 | 36,006 | 2,508.00 |
| 19/06/2000 | TEN | NKIL 6338 | HING WAH STREET WEST, WEST KOWLOON RECLAMATION, KOWLOON | Mixed Development | 14,900 | 850.00 |

| Sale/Tender Award Date | Disposal | | Location | User | Area (sq. m) | Premium (\$M) |
|------------------------------|----------|----------------------|---|---|-----------------|------------------|
| | Type | Lot No. | | | | |
| 16/08/2000 | TEN | TKOTL 81 | AREA 106, TSEUNG KWAN O, SAI KUNG, NEW TERRITORIES | OU | 14,600 | 18.00 |
| 24/08/2000 | TEN | TYTL 163 | TSING KING ROAD, TSING YI, NEW TERRITORIES | PSPS | 6,043 | 75.79 |
| 29/08/2000 | AUC | STTL 481 | AREA 77, MA ON SHAN, NEW TERRITORIES | R2 | 11,380 | 865.00 |
| 29/08/2000 | AUC | TWTL 404 | AREA 40, ROUTE TWISK, TSUEN WAN, NEW TERRITORIES | R3 | 6,970 | 292.00 |
| 26/09/2000 | TEN | NKIL 6280 | J/O SHEUNG YEE ROAD AND WANG TAI ROAD, KOWLOON BAY | I/O and LPG Vehicle Repair Workshop | 5,480 | 128.30 |
| 05/10/2000 | AUC | TWTL 395 | AREA 40, ROUTE TWISK, TSUEN WAN | R3 | 25,630 | 835.00 |
| 05/10/2000 | AUC | KIL 11145 | J/O FARM ROAD AND MA TAU WAI ROAD, MA TAU WAI | R1 | 2,765 | 540.00 |
| 05/10/2000 | AUC | LOT 214 in DD 387 | SHAM TSENG, TSUEN WAN | R3 | 7,845 | 240.00 |
| 31/10/2000 | TEN | RBL 1154 | CHUNG HOM KOK, HONG KONG | EXTERNAL TELECOMMUNICATIONS STATION | 2,275 | 80.00 |
| 31/10/2000 | TEN | RBL 1155 | CHUNG HOM KOK, HONG KONG | EXTERNAL TELECOMMUNICATIONS STATION | 2,257 | 40.00 |
| 07/12/2000 | AUC | KIL 11152 | HOI FAI ROAD, WEST KOWLOON RECLAMATION, | R1 | 20,200 | 2,580.00 |

| Sale/Tender Award Date | Disposal Type | Lot No. | Location | User | Area (sq. m) | Premium (\$M) |
|------------------------|---------------|--------------------|---|------|------------------------------------|---------------|
| | | | KOWLOON | | | |
| 07/12/2000 | AUC | LOT 14 in DD 231 | CHUK KOK, SAI KUNG, NEW TERRITORIES | R4 | 2,790 | 21.00 |
| 14/12/2000 | TEN | IL 8955 | SAI WAN HO FERRY CONCOURSE | R1 | 12,200 | 2,430.00 |
| 19/02/2001 | AUC | STTL 483 | AREA 77, MA ON SHAN, SHA TIN, NEW TERRITORIES | R2 | 7,296 | 560.00 |
| 19/02/2001 | AUC | Lot 1144 in DD 215 | TUI MIN HOI, SAI KUNG, NEW TERRITORIES | R3 | 5,140 | 73.50 |
| | | | | | Total : 235,259.8 14,617.39 | |

Land Sale Records 2001/2002

| Sale/Tender Award Date | Disposal | | Location | User | Area (sq. m) | Premium (\$M) |
|------------------------------|----------|------------------------------|---|--|-----------------|------------------|
| | Type | Lot No. | | | | |
| 19/06/2001 | AUC | STTL 209 | J/O LOK HA SQUARE, LOK LIN PATH, AREA 43, SHA TIN | R3 | 2,710 | 38.50 |
| 19/06/2001 | AUC | TWTL 400 | SZE PEI SQUARE, TSUEN WAN | CR | 389.8 | 41.00 |
| 27/07/2001 | TEN | TYTL 168 | TAM KON SHAN ROAD, AREA 9, TSING YI | SHIPYARD | 2,215 | 5.10 |
| 27/07/2001 | TEN | TYTL 169 | TAM KON SHAN ROAD, AREA 9, TSING YI | SHIPYARD | 1,685 | 1.80 |
| 13/08/2001 | AUC | KIL 11110 | HUNG HOM BAY RECLAMATION, KOWLOON | C | 20,364 | 1,090.00 |
| 13/08/2001 | AUC | LOT 1184 in DD 217 | MAN KEI TOI, PAK SHA WAN, SAI KUNG | R3 | 17,800 | 148.00 |
| 13/08/2001 | AUC | LOT No. 2052 in DD 121 | OFF PING CHUK LANE, PING SHAN, YUEN LONG | R1 | 2,517 | 44.00 |
| 16/10/2001 | AUC | KIL 11103 | HUNG HOM BAY RECLAMATION, KOWLOON | Commercial and Multi-storey Carpark | 9,940 | 655.00 |
| 16/10/2001 | AUC | NKIL 6378 | 2 & 4 CALDECOTT ROAD, PIPER'S HILL, KOWLOON | R3 | 3,297 | 110.00 |
| 16/10/2001 | AUC | Lot No. 348 in DD 252 | TAI MONG TSAI, SAI KUNG, NEW TERRITORIES | R4 | 4,861 | 23.50 |
| 4/12/2001 | AUC | NKIL 6379 | 3 CALDECOTT ROAD, PIPER'S HILL, KOWLOON | R3 | 5,872 | 170.00 |
| 4/12/2001 | AUC | Lot No. 2051 in DD 121 | OFF PING CHUK LANE, PING SHAN, YUEN LONG, NEW TERRITORIES | R1 | 3,754 | 62.00 |
| 4/2/2002 | AUC | TMTL 432 | HOI CHU ROAD, AREA 16, TUEN MUN, NEW TERRITORIES | R1 | 6,090 | 264.00 |

| Sale/Tender Award Date | Disposal | | Location | User | Area (sq. m) | Premium (\$M) |
|------------------------------|----------|----------|---|------|-----------------|------------------|
| | Type | Lot No. | | | | |
| 4/2/2002 | AUC | TPTL 168 | AREA 11, TAI PO KAU, TAI PO, NEW TERRITORIES | R3 | 4,200 | 37.00 |
| Total : | | | | | 85,694.8 | 2,689.9 |

Land Sale Records 2002/2003

| Sale/Tender Award Date | Disposal Type | Lot No. | Location | User | Area (sq. m) | Premium (\$M) |
|------------------------------|------------------|-----------|--|----------------------------|-----------------|------------------|
| 15/04/2002 | AUC | KIL 11158 | HOI FAI ROAD, WEST KOWLOON RECLAMATION, KOWLOON | R1 | 10,450 | 1,640.00 |
| 15/04/2002 | AUC | NKIL 6196 | JUNCTION OF CORNWALL STREET AND TAT CHEE AVENUE, KOWLOON | R3 | 14,700 | 570.00 |
| 15/04/2002 | AUC | STTL 526 | No. 2 LOK KWAI PATH, AREA 43, SHA TIN, NEW TERRITORIES | R3 | 19,300 | 660.00 |
| 15/04/2002 | AUC | RBL 1164 | CAPE ROAD, CHUNG HOM KOK, HONG KONG | R3 | 3,720 | 100.00 |
| 17/06/2002 | AUC | IL 8930 | NO. 632 KING'S ROAD, NORTH POINT, HONG KONG | R1 | 1,400.4 | 310.00 |
| 17/06/2002 | AUC | STTL 499 | KONG PUI STREET, AREA 5B, SHA TIN, NEW TERRITORIES | R1 | 1,358.8 | 112.00 |
| 10/09/2002 | AUC | NKIL 6418 | SA PO ROAD, KOWLOON | R1 | 2,305 | 290.00 |
| 10/09/2002 | AUC | AIL 450 | 47 SHEK PAI WAN ROAD, ABERDEEN, HONG KONG | Residential/ Commercial | 675.4 | 83.00 |
| Total : | | | | | 53,909.6 | 3,765.00 |

Land Sale Result 2003/2004

| <u>Sale/Tender Award Date</u> | <u>Disposal Type</u> | <u>Lot No.</u> | <u>Location</u> | <u>User</u> | <u>Area (sq. m)</u> | <u>Premium (\$M)</u> |
|--|--------------------------|--------------------------|---|------------------------------|-------------------------|--------------------------|
| 26/5/2003 | TEN | KIL 11161 | SALISBURY ROAD, TSIM SHA TSUI, KOWLOON | C | 12 289.00 | 352.800 |
| TENDER WITHDRAWN ON 11/7/2003 | TEN | LOT NO. 686 IN MA WAN | SOUTH OF MA WAN ISLAND, NEW TERRITORIES | RECREATIONAL (THEME PARK) | 120 842.00 | ----- |
| 4/9/2003 | TEN | NKIL 6409 | CORNWALL STREET, KOWLOON TONG, KOWLOON | PFS | 1 025.40 | 45.500 |
| 4/9/2003 | TEN | STTL 484 | AREA 86B, MA ON SHAN, SHA TIN, NEW TERRITORIES | PFS | 1 067.90 | 84.318 |
| 4/9/2003 | TEN | TYTL 170 | TSING YI ROAD WEST, TSING YI, NEW TERRITORIES | PFS | 1 991.40 | 40.638 |
| 4/9/2003 | TEN | CWIL 171 | JUNCTION OF SHEUNG MAU STREET, SHEUNG ON STREET AND SHING TAI ROAD, CHAI WAN, HONG KONG | PFS | 3 960.00 | 64.038 |

Land Sale Result 2004/2005

| <u>Sale/Tender Award Date</u> | <u>Disposal Type</u> | <u>Lot No.</u> | <u>Location</u> | <u>User</u> | <u>Area (sq. m)</u> | <u>Premium (\$M)</u> | |
|-----------------------------------|--------------------------|----------------|---|-------------|-------------------------|--------------------------|--------|
| 8/5/2004 | TEN | IL 8985 | 137 TAI HANG ROAD, JARDINE'S LOOKOUT, HONG KONG | PFS | 917.00 | } | |
| 8/5/2004 | TEN | IL 8986 | 80 POK FU LAM ROAD, HONG KONG | PFS | 742.00 | | |
| 8/5/2004 | TEN | TCTL 24 | TUNG CHUNG NEW TOWN, AREA 26, LANTAU ISLAND | PFS | 1 125.00 | | 501.00 |
| 8/5/2004 | TEN | TKOTL 89 | PO HONG ROAD, TSEUNG KWAN O, SAI KUNG, NEW TERRITORIES | PFS | 3 349.00 | | |
| 8/5/2004 | TEN | TWTL 408 | YEUNG UK ROAD, TSUEN WAN, NEW TERRITORIES | PFS | 832.50 | | |
| 25/5/2004 | AUC | STTL 487 | AREA 77, MA ON SHAN, SHA TIN, NEW TERRITORIES | R2 | 14 006.00 | 2 090.00 | |
| 25/5/2004 | AUC | STTL 510 | TUNG LO WAN HILL ROAD, SHA TIN, NEW TERRITORIES | R2 | 10 626.00 | 865.00 | |
| 15/6/2004 | AUC | NKIL 6330 | SA PO ROAD, KOWLOON | R1 | 3 521.00 | 1 010.00 | |
| 12/10/2004 | AUC | KIL 11124 | SHEUNG SHING STREET, HOMANTIN, KOWLOON | R1 | 17 756.00 | 9 420.00 | |
| 12/10/2004 | AUC | NKIL 6308 | JUNCTION OF KING FUK STREET, KING TAI STREET AND PRINCE EDWARD ROAD EAST, SAN PO KONG, KOWLOON | R1 | 12 701.00 | 4 700.00 | |
| Total : | | | | | 65 575.50 | 18 586.00 | |

Appendix II

Wording of motion on “Review of Land Policy” passed at the Legislative Council meeting on 16 June 2004

“That, as land is a precious asset possessed by all people of Hong Kong and is also an important source of revenue for the Government, and given that the West Kowloon Cultural District development project involves substantial subsidy in the form of 40 hectares of land (as large as 50 standard soccer pitches), this Council urges the Administration to critically review its policy, which is a remnant of the colonial era, of subsidizing commercially operated infrastructural projects in the form of land, based on the principle that, apart from ensuring an adequate supply of land for public housing development and other developments compatible with the public interest, the supply of land should be determined by the market according to demands and prices, in order that the Government can, through fair market competition, gain the maximum financial benefits, avoid disorderly development and the loss of public funds, safeguard public interest and maintain market stability.”

Legislative Council meeting of 16 June 2004

Motion Debate on “Review of Land Policy”

Progress Report

INTRODUCTION

This progress report informs the Legislative Council of the situation regarding the above motion and its amendment.

FINANCING OF INFRASTRUCTURAL PROJECTS

2. Financing of infrastructural projects, including those of a commercial nature and involving the grant of land, are justified on their particular circumstances by the relevant policy bureaux and with the approval of the Executive Council. This is a financing rather than a land policy matter. In the motion debate, Members had made reference to some statutory bodies who have been provided with Government resources, including land, to facilitate their operations. The provision of land resources by Government to these statutory bodies are explained in the ensuing paragraphs for Members' reference.

The Airport Authority (AA)

3. The AA, a statutory body set up under the Airport Authority Ordinance (Cap. 483), is responsible for the running and development of the Hong Kong International Airport. In discharging its statutory responsibilities, AA has the power to make use of the land granted to it for developing facilities that are required to support airport operations. The land grant to AA contains stringent provisions which confine the use of the land for airport operational, airport support and airport related developments.

The Science Park and the Cyberport

4. The Science Park and the Cyberport are two important infrastructure projects in support of Government's commitment to promote innovation and technology development in Hong Kong. Both the Science Park and the Cyberport have specifically designed office buildings, specialized building facilities and technology supporting infrastructure to facilitate their tenants to carry out research, development and testing activities. All these make the Science Park and Cyberport different from ordinary office accommodation in the market.

5. Companies interested in becoming office tenants of the Science Park or the Cyberport have to submit applications for approval by the relevant committees set up to examine and approve tenancy applications. The committees will ensure that the applicants meet the admission criteria and fit in with the objectives of the Science Park and the Cyberport for the formation of strategic technology clusters.

6. The Cyberport is managed by the Hong Kong Cyberport Management Company Limited (the Company) and governed by an independent Board of Directors appointed by the Government. The Company, which operates along prudent commercial principles, follows the market practice in devising the lease terms and there is no question of the Company subsidizing the operations of its tenants.

7. The Hong Kong Science and Technology Parks Corporation, which is responsible for the development and management of the Science Park, is a statutory body and is required under the law to conduct its business on prudent commercial principles.

The Railway Corporations

8. The railway corporations operate in accordance with prudent commercial principles and do not need any government subsidies for their operations. In considering the appropriate financing arrangements for new railway projects, the Government will consider whether financial assistance (including land resources) should be provided having regard to the particular circumstances of the proposed projects. Government's overall objective is to ensure that the railway projects will bring maximum benefits to the public. The use of land resources, as one of the means to finance a railway project, is not a land policy per se.

9. The planning for railway projects and that for related property developments have often been proceeded in parallel. This is mainly due to the fact that property developments will bring about a stable source of patronage for the railway service. This will make the railway projects more cost-effective. The land for property developments is granted to the railway corporations with premia assessed at full market value basis.

10. In view of the concerns raised by Members at the motion debate, Government will study the financing arrangements for future railway projects when considering the proposed merger of the two railway corporations.

11. Given the public concern on the implications of railway property developments on the property market, Government will continue with its efforts in coordinating the railway corporations' tendering programme. This will facilitate an orderly disposal of railway property developments.

LAND DISPOSAL POLICY

12. Members also took the view that the supply of land should be determined by the market according to demand and that land prices should be set by market competition so that Government can gain the maximum financial benefits, avoid disorderly development, safeguard public interest and maintain market stability.

13. Government's land disposal policy has always been implemented on the principle of fairness and transparency and with due regard to the market conditions. It is normal practice to grant land through an open and competitive process, such as tender or auction, to the highest bidders for property developments. With the implementation of a market-oriented land Application List system, the risk of a disorderly land supply is avoided.

14. As regards the practice of granting land to certain non-government or private organizations by private treaty, this mainly involves land disposal for community or public utility purposes. Such

arrangement is in line with the public interests. Members have also expressed agreement to such arrangement in respect of the grant of land for public housing and community purposes.

CONCLUSION

15. It has been Government's objective of maintaining sufficient land supply through the established arrangement such as the Application List system. This will facilitate the stable development of our property market.

16. Overall, our land disposal policy and practices are in line with Members' views. The existing land disposal arrangements have been working well and have served our community's development needs. These land disposal arrangements will continue to be used to serve the interests of our community.

Housing, Planning and Lands Bureau
August 2004

While the requirements set out in the 1984 and 1997 Design Manuals are only applicable to private buildings, all government buildings and buildings under the Housing Authority designed and built after the promulgation of the manuals also follow these requirements as far as practicable. We have also provided some older government buildings and Housing Authority buildings with adequate facilities for the disabled. We will continue our efforts in this regard.

Applications for Change of Land Use

15. **MR ABRAHAM SHEK:** *Madam President, regarding the applications for change of land use, will the Government inform this Council:*

- (a) of the total number of approved planning applications for conversion of industrial land to other uses in 2000 and 2001, as well as the sizes and locations of the sites concerned;*
- (b) whether, in approving the applications for change of land use, it has considered its impact on the overall plan for land sales by auction and the future housing supply; if so, of the results of its consideration; if not, the reasons for that; and*
- (c) whether, in the interests of the public, it will suggest to the applicant to consider co-operating with the Urban Renewal Authority (URA) to develop the land concerned; if so, of the details; if not, the reasons for that?*

SECRETARY FOR PLANNING AND LANDS: Madam President,

- (a) In 2000 and 2001, the Town Planning Board approved a total of 39 planning applications under section 16 of the Town Planning Ordinance for conversion of 9.3 hectares of existing industrial land mainly to commercial use and petrol filling and liquefied petroleum gas stations in Chai Wan, Kowloon Bay, San Po Kong, Cheung Sha Wan, Kwai Chung, Tsuen Wan, Sha Tin, Fan Ling and Yuen Long.
- (b) None of the approved planning applications was for the conversion of industrial land to residential use. There is no impact on the overall plan for land sales by auction or the future housing supply.

- (c) In case an application for conversion of industrial land to other uses involves land that falls within the announced project areas of the URA, the Administration will encourage the concerned applicant and the URA to discuss and consider the possibility of a joint development in order to achieve a better planning for the area for the benefit of the community.

Residential Coach Services in Tin Shui Wai

16. **MR ALBERT CHAN** (in Chinese): *Madam President, I have received complaints alleging that some residents' coach operators at Tin Shui Wai have been prosecuted by the police for breaching the requirement on the routing fixed by the Transport Department (TD), while no actions have been taken by the police against the free shuttle bus services provided by the operators of Kingswood Ginza and the Park'n Shop in the same district, which are operated without approval from the TD. In this connection, will the Government inform this Council:*

- (a) *of the prosecutions by the police against the illegal operation of residents' coaches in Tin Shui Wai in 2000 and 2001, with details of each prosecution, including the number of coaches involved, the routing, destinations, frequency and time of the service, fare per journey and the result of prosecution; and among those prosecutions, of the cases involving the shuttle buses of Kingswood Ginza and the Park'n Shop;*
- (b) *when the police became aware of the alleged illegal operation of such shuttle bus services; whether the police have subsequently prosecuted and warned the operators concerned; if so, of the respective numbers of prosecutions made and warnings given; if not, the reasons for that; and*
- (c) *of the criteria adopted by the police in prosecuting operators of illegal non-franchised buses; and whether different criteria are adopted by the police when making prosecutions because of the operators' different backgrounds?*

Applications by Private Developers for Change of Land Use

5. **MR LAU PING-CHEUNG** (in Cantonese): *Madam President, regarding applications for change of land use made by private developers under section 16 of the Town Planning Ordinance (the Ordinance) and through other means, will the Government inform this Council:*

- (a) *whether it has a policy to reduce the number of approvals given to applications by private developers for change of land use; the criteria adopted by the Town Planning Board (TPB) for vetting and approving applications made in the two ways mentioned above; the channels through which applicants may seek a review of or lodge an appeal against the application results;*
- (b) *exclusive of New Territories small house applications, of the respective numbers of applications for change of land use made by private developers in the two ways mentioned above, in each of the past five years, the duration of the case which involved the longest vetting time, and the vetting time for the applications which got the earliest approval; the current number of outstanding applications, as well as the estimated number of applications that may be approved; and*
- (c) *in relation to the applications made in these two ways in each of the past five years, of the respective numbers of residential developments approved, the floor areas and the numbers of flats to be produced by each development, as well as the amounts of land premium derived by the authorities from each development?*

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Cantonese):
Madam President, my reply to the three parts of the question is as follows:

- (a) It is the policy of the Government to ensure that the planning of land use meets the long-term development needs of Hong Kong. In view of the changing demands of the market and the community, the existing town planning system has provided means for private developers to apply for change of land use.

These means include submitting to the TPB proposals for amendments to statutory plans and planning applications under section 16 of the Ordinance. In considering these proposals or applications, the TPB would take into account a number of factors, mainly the planning intention and the impacts of the proposed development on the traffic, landscape, environment and infrastructure of the surrounding areas. Professional advice from the relevant government departments and the views of local stakeholders would also be taken into account. The TPB operates independently. It has not set any quota for the number of applications to be approved.

Where an applicant is aggrieved by a decision of the TPB on a planning application made under section 16 of the Ordinance, the applicant may, within 21 days of being notified of the decision of the TPB, request for a review of the decision under section 17 of the Ordinance. The review must be conducted within three months after receipt of the application. An applicant who is still dissatisfied with the decision of the review may lodge an appeal within 60 days from the date of notification of the decision of the TPB under section 17B. The appeal will be heard by the Town Planning Appeal Board, which is independent of the TPB.

The procedures for handling of proposals for amendments to statutory plans are basically the same as that of planning applications. If endorsed, the proposed amendments will be gazetted as required by the Ordinance. If the proposal is not accepted, the proponent may revise his proposal based on the grounds for refusal, or provide new justifications in respect of the original proposal for the reconsideration of the TPB.

- (b) The respective numbers of planning applications and proposals for amendments to statutory plans submitted by private developers in the past five years are at Annex 1. The figures include developments of different sizes and nature such as commercial developments, residential developments and change of use of industrial premises, and so on.

Under the Ordinance, the TPB is required to consider planning applications submitted under section 16 of the Ordinance within two months upon receipt of such applications. For proposals for amendments to statutory plans, no timeframe for consideration is specified in the law. Nevertheless, the Planning Department has given the performance pledge that these proposals will be submitted to the TPB for consideration within three months. At present, there are 33 planning applications and 44 proposals for amendments to statutory plans which have yet to be considered by the TPB, 74 of which have been deferred at the request of the applicants, mostly because they need more time to prepare additional information and justifications for the reference of the TPB. As the nature of each of the applications is different, we cannot estimate the number of applications that will be approved.

- (c) Detailed information on the number of approved private residential developments involving change of land use by means of planning applications and proposed amendments to statutory plans, together with the floor area involved, the estimated number of flats that can be produced and the amount of land premium derived from modification of the land lease in respect of each of these developments in the past five years is set out at Annex 2.

It is based on market demand and other relevant factors that developers would decide whether or not to proceed with any particular residential development. Moreover, applying for planning permission or amendment to statutory plans is only part of the entire development process. To complete a development project, there are still other procedures, including modifying the land lease conditions, payment of modification premium, submitting building plans in accordance with the Buildings Ordinance and carrying out the construction works, and so on.

Annex 1

The numbers of planning applications and proposals for amendments to statutory plans submitted by private developers in the past five years

| <i>Categories</i> | <i>1998</i> | <i>1999</i> | <i>2000</i> | <i>2001</i> | <i>2002</i> |
|--|-------------|-------------|-------------|-------------|-------------|
| (1) Applications submitted under section 16 of the Ordinance (Notes 1 and 2) | 350 | 379 | 357 | 300 | 317 |
| (2) Proposals for amendments to statutory plans (Notes 2 and 3) | 64 | 66 | 45 | 27 | 28 |

Notes: (1) Applications for small house development and temporary use are excluded.

(2) Applications/requests withdrawn by applicants are excluded.

(3) Rezoning requests mainly involving the "Village Type Development" zone are excluded.

Annex 2

The number of planning applications and amendments to statutory plans for private residential developments approved in the past five years (Note 1)

| <i>Categories</i> | <i>1998</i> | <i>1999</i> | <i>2000</i> | <i>2001</i> | <i>2002</i> | <i>Total</i> |
|--|-------------|-------------|-------------|-------------|-------------|--------------|
| Planning applications approved under section 16 of the Ordinance | 9 | 12 | 11 | 6 | 4 | 42 |
| Proposals for amendments to statutory plans approved | 5 | 10 | 6 | 4 | 3 | 28 |

Details as follows:

(a) Planning applications approved under section 16 of the Ordinance

| <i>Item No.</i> | <i>Floor area (sq m) (Note 2)</i> | <i>Estimated no. of flats (Note 2)</i> | <i>Land premium paid for lease modification or land exchange (Note 3)</i> |
|-----------------|---|--|---|
| 1. | 98 200 | 939 | (Note 4) |
| 2. | 10 303 | 174 | (Note 4) |
| 3. | 3 290 | 49 | (Note 4) |
| 4. | 4 533 | 75 | (Note 4) |
| 5. | 1 195 | 20 | (Note 4) |
| 6. | 80 415 | 1 592 | (Note 4) |
| 7. | 1 737 | 34 | (Note 4) |
| 8. | 2 647 | 312 | (Note 4) |
| 9. | 3 395 | 78 | (Note 4) |
| 10. | 57 325 | 992 | (Note 4) |
| 11. | 11 074 | 160 | (Note 4) |
| 12. | 12 546 | 216 | (Note 4) |
| 13. | 11 645 | 272 | (Note 4) |
| 14. | 117 568 | 1 819 | (Note 4) |
| 15. | 63 000 | 1 088 | (Note 4) |
| 16. | 2 663 | 30 | (Note 4) |
| 17. | 12 310 | 210 | (Note 4) |
| 18. | 3 280 | 37 | (Note 4) |
| 19. | 5 063 | 58 | (Note 4) |
| 20. | 8 261 | 88 | (Note 4) |
| 21. | 7 323 | 142 | (Note 4) |
| 22. | 7 713 | 123 | (Note 4) |
| 23. | 2 840 | 34 | (Note 4) |
| 24. | 2 317 | 26 | (Note 4) |
| 25. | 1 840 | 36 | (Note 4) |
| 26. | 12 007 | 180 | (Note 4) |
| 27. | 2 480 | 21 | (Note 4) |
| 28. | 400 | 1 | (Note 4) |
| 29. | 5 117 | 104 | (Note 4) |
| 30. | 1 400 | 8 | (Note 4) |
| 31. | 41 281 | 297 | (Note 4) |
| 32. | 985 | 12 | (Note 4) |
| 33. | 91 300 | 1 600 | (Note 4) |
| 34. | 1 167 | 12 | (Note 4) |
| 35. | 345 400 | 5 184 | (Note 4) |
| 36. | 11 365 | 114 | \$145,450,000 |
| 37. | 15 440 | 58 | (Note 4) |
| 38. | 159 277 | 3 520 | \$2,038,390,000 |
| 39. | 70 200 | 420 | \$485,000,000 |
| 40. | 5 543 | 78 | (Note 4) |
| 41. | 97 449 | 1 278 | (Note 4) |
| 42. | 18 960 | 320 | (Note 4) |

(b) Proposals for amendments to statutory plans approved

| <i>Item No.</i> | <i>Floor area (sq m) (Note 2)</i> | <i>Estimated no. of flats (Note 2)</i> | <i>Land premium paid for lease modification or land exchange (Note 3)</i> |
|-----------------|---|--|---|
| 1. | 25 290 | 432 | (Note 4) |
| 2. | 76 000 | 1 056 | (Note 4) |
| 3. | 28 100 | 562 | (Note 4) |
| 4. | 158 900 | 2 112 | (Note 4) |
| 5. | 581 000 | 8 300 | (Note 4) |
| 6. | 18 025 | 272 | (Note 4) |
| 7. | 10 636 | 80 | (Note 4) |
| 8. | 428 903 | 3 166 | (Note 4) |
| 9. | 52 156 | 612 | (Note 4) |
| 10. | 7 258 | 74 | (Note 4) |
| 11. | 83 850 | 1 067 | (Note 4) |
| 12. | 3 641 | 76 | (Note 4) |
| 13. | 1 840 | 12 | (Note 4) |
| 14. | 369 349 | 5 144 | (Note 4) |
| 15. | 4 238 | 12 | (Note 4) |
| 16. | 186 372 | 1 453 | (Note 4) |
| 17. | 49 134 | 758 | \$24,080,000 |
| 18. | 1 299 | 9 | (Note 4) |
| 19. | 26 418 | 220 | (Note 4) |
| 20. | 918 | 5 | (Note 4) |
| 21. | 55 388 | 965 | (Note 4) |
| 22. | 15 341 | 418 | \$110,000,000 |
| 23. | 76 268 | 1 316 | (Note 4) |
| 24. | 6 120 | 112 | (Note 4) |
| 25. | 90 941 | 2 040 | (Note 4) |
| 26. | 24 460 | 414 | (Note 4) |
| 27. | 5 017 | 112 | (Note 4) |
| 28. | 9 133 | 164 | (Note 4) |
| 29. | 5 171 | 100 | (Note 4) |

- Notes:
- (1) Repeated applications for the same site and applications for minor relaxation of development restrictions are excluded.
 - (2) For applications approved for the first time in the past five years, subsequent changes in floor area or number of flats are taken into account. As for applications approved before that period, amendments made in the past five years are excluded.
 - (3) Not every development will involve lease modification or land exchange. The figures only indicate the amount of land premium received by the Government after the lease modification is completed. Applications for lease modification or land exchange are made by the developer who, after obtaining approval to change land use, will decide on the basis of business considerations whether or not to proceed with the development, including negotiating with the Government on lease modification or land exchange and the land premium to be paid.
 - (4) Includes no application for lease modification/land exchange is received, lease modification/land exchange not yet completed, no need to apply for lease modification/land exchange, or the concerned application has been withdrawn by the applicant.

MR LAU PING-CHEUNG (in Cantonese): *Madam President, I thank the Secretary for his reply. In the latter part of part (a) of the main reply, it is mentioned that the procedures for processing proposals for amendments to statutory plans are basically the same as that of planning applications. If the amendment proposal is not accepted, the proponent may revise his proposal for the reconsideration of the TPB. However, the main reply did not mention whether there is an appeal mechanism, similar to that of planning applications, for proposed amendments to statutory plans. If there is no appeal mechanism, how long the TPB will take in its consideration? Has the Government undertaken to provide a reply within a certain timeframe?*

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Cantonese): *Madam President, sorry, I do not have the information on hand to indicate whether an appeal mechanism is in place. I do not wish to mislead Members. With your indulgence, I shall provide a reply in writing. (Appendix III)*

MR WONG SING-CHI (in Cantonese): *Madam President, nowadays, many people would criticize the land planning and development in Hong Kong of being boring or even monotonous. May I ask the Secretary whether new factors of consideration would be introduced in the future? For example, if a development is designed with some innovative concepts in its planning, that is, it has some new concepts, or it is a creative development, or a sustainable development, or when green applications are involved, will the Government give priorities to such developments in considering their applications for change of land use?*

PRESIDENT (in Cantonese): *Mr WONG Sing-chi, can you associate your supplementary with the main question and the reply of the Secretary?*

MR WONG SING-CHI (in Cantonese): *Yes, Madam President. In part (a) of the main reply, the Secretary mentions that, in deciding whether certain developments would be approved, a number of factors would be taken into account. May I ask the Secretary if some newer factors of consideration would be introduced to enable our land planning to be developed in a more innovative way, thereby preventing it from becoming monotonous?*

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Cantonese): Madam President, as Members are aware, the plans released by the TPB can be classified into several categories: Some are land uses that are normally permitted. They are clearly stipulated under certain categories, which can be implemented without securing permissions. Besides, for those land uses listed in Column 2, they have to seek the approval of the TPB before they can be implemented. I have also mentioned this intent a moment ago, that is, such land uses may have impacts on the environment, traffic and infrastructure. However, the TPB may think that, under certain circumstances, if the issues in connection with the sites in question or the way they will be utilized are found to be acceptable after discussions, they may also be approved. Therefore, that applications can be made under section 16 of the Ordinance is a channel through which such needs are met. In this way, flexibility is provided in the consideration process. I do not know if this is the new consideration factor just proposed by Mr WONG Sing-chi. Anyway, this is a channel for us to handle some issues as exceptions.

DR RAYMOND HO (in Cantonese): *Madam President, the Government sometimes may spend up to five years, ten years or even longer on conducting planning studies. Very often, all the developments in the area or district being studied are suspended. If planning applications or applications for change of land use in these districts are made by private developers during this period, what criteria will the Government adopt in vetting such applications or whether such applications are not processed at all?*

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Cantonese): Madam President, first of all, I would like to clarify that, just as I have mentioned in the main reply, all such applications are submitted to the TPB according to the relevant legislation. The TPB will classify such applications into two categories: First, land uses that are usually approved; second, some land uses that require the submission of applications; and even if they are incompatible with the original planned land use, applications may still be submitted. Therefore, even if the plan is being amended, or the land use has been designated, the proponent may submit an application to the TPB for changing the land use if he so wishes. Of course, as the TPB considers the applications, as I have just said, it will consider mainly the impacts of the proposed development on the original planning intention, traffic, landscape,

environment and infrastructure of the surrounding areas. In the course of considering the applications, apart from adopting such yardsticks, the TPB will, if practicable, also seek professional advice from relevant government departments; very often, it will also consult local stakeholders and the District Councils on the applications before making a decision which would serve the best interest of all parties concerned.

DR RAYMOND HO (in Cantonese): *Madam President, the procedures just mentioned by the Secretary are applicable only after the land uses of the areas being studied have been designated. What I am asking is: What will the Government do and how will the Government set its directions if the land uses have not been designated, that is, when it is still studying the land planning issues? Under such circumstances, will the same processing procedure be adopted as in the reply just provided by the Secretary?*

SECRETARY FOR HOUSING, PLANNING AND LANDS (in Cantonese): *Madam President, basically, an application still has to be submitted should such a need arise before we have completed the land planning of a certain area. The TPB will also adopt the criteria mentioned by me in considering the application.*

~~**PRESIDENT** (in Cantonese): *Sixth question.*~~

Import and Consumption of Wild Animals

6. **MR MICHAEL MAK** (in Cantonese): *Madam President, medical studies have revealed that the coronavirus which has caused atypical pneumonia may have come from wild animals which include masked palm civets. In this regard, will the Government inform this Council:*

- (a) *of the quantity of each species of wild animals imported last year and their uses, the quantity of illegally imported wild animals seized by the relevant departments last year and the number of persons arrested for such offence, as well as the heaviest penalty imposed by the Court on the persons convicted last year;*

Land supply

List of relevant papers

| Council/Committee | Date of meeting | Paper |
|---|-----------------|---|
| Housing Panel and Planning, Lands and Works (PLW) Panel | 30 March 1999 | LC Paper No. CB(1)1044/98-99(01) http://www.legco.gov.hk/yr98-99/english/panels/hg/papers/hj30032a.pdf Minutes http://www.legco.gov.hk/yr98-99/english/panels/hg/minutes/hj300399.htm |
| Hg Panel | 17 October 2000 | Minutes http://www.legco.gov.hk/yr00-01/english/panels/hg/minutes/hg171000.pdf |
| PLW Panel | 23 April 2001 | LC Paper No. CB(1)1007/00-01(01) http://www.legco.gov.hk/yr00-01/english/panels/plw/papers/a1007e01.pdf Minutes http://www.legco.gov.hk/yr00-01/english/panels/plw/minutes/pl010423.pdf |
| Housing Panel | 5 November 2001 | Minutes http://www.legco.gov.hk/yr01-02/english/panels/hg/minutes/hg011105.pdf |
| PLW Panel | 8 May 2002 | LC Paper No. CB(1)1560/01-02(03) http://www.legco.gov.hk/yr01-02/english/panels/plw/papers/plw0508cb1-1560-3e.pdf Minutes http://www.legco.gov.hk/yr01-02/english/panels/plw/minutes/pl020508.pdf |

| Council/Committee | Date of meeting | Paper |
|-----------------------------|------------------------|--|
| Council meeting | 8 May 2002 | Hansard (http://www.legco.gov.hk/yr01-02/english/counmtg/hansard/cm0508ti-translate-e.pdf) |
| Housing Panel | 4 November 2002 | Minutes (http://www.legco.gov.hk/yr02-03/english/panels/hg/minutes/hg021104.pdf) |
| Housing Panel and PLW Panel | 15 November 2002 | LC Paper No. CB(1)301/02-03(01) (http://www.legco.gov.hk/yr02-03/english/panels/hg/papers/hgplw1115cb1-301-1-e.pdf) Minutes (http://www.legco.gov.hk/yr02-03/english/panels/hg/minutes/hgpl1115.pdf) |
| PLW Panel | 14 January 2003 | LC Paper No. CB(1)706/02-03(02) (http://www.legco.gov.hk/yr02-03/english/panels/plw/papers/plw0114cb1-706-2e.pdf) Minutes (http://www.legco.gov.hk/yr02-03/english/panels/plw/minutes/pl030114.pdf) |
| Council meeting | 25 June 2003 | Hansard (http://www.legco.gov.hk/yr02-03/english/counmtg/hansard/cm0625ti-translate-e.pdf) |
| Housing Panel | 23 October 2003 | LC Paper No. CB(1)101/03-04 (http://www.legco.gov.hk/yr03-04/chinese/panels/hg/papers/hg1023cb1-101-c.pdf) Minutes (http://www.legco.gov.hk/yr03-04/english/panels/hg/minutes/hg031023.pdf) |

| Council/Committee | Date of meeting | Paper |
|--------------------------|------------------------|--|
| PLW Panel | 15 January 2004 | LC Paper No. CB(1)737/03-04(01) (http://www.legco.gov.hk/yr03-04/english/panels/plw/papers/plw0115cb1-737-1e.pdf) Minutes (http://www.legco.gov.hk/yr03-04/english/panels/plw/minutes/pl040115.pdf) |
| Housing Panel | 15 January 2004 | LC Paper No. CB(1)738/03-04(01) (http://www.legco.gov.hk/yr03-04/english/panels/hg/papers/hg0115cb1-738-1e.pdf) Minutes (http://www.legco.gov.hk/yr03-04/english/panels/hg/minutes/hg040115.pdf) |
| Council meeting | 16 June 2004 | Hansard (http://www.legco.gov.hk/yr03-04/chinese/counmtg/floor/cm0616ti-confirm-c.pdf) Hansard (http://www.legco.gov.hk/yr03-04/english/counmtg/agenda/cmtg0616.htm#m_1) |